

Bob Fletcher  
UNC Panel Secretary  
31 Homer Road  
Solihull  
West Midlands  
B91 3LT

17 September 2010

Dear Bob

**EDF Energy Response to UNC Modification Proposal 0281: "Prevention of "Timing Out" of Authority decisions on Modification Proposals.**

EDF Energy welcomes the opportunity to respond to this UNC Modification Proposal.

We support implementation of Modification Proposal 0281, and the key points of our response are as follows:

- The issue of "timing out" is not prevalent in the UNC as the Gas Transporters have discretion when to implement a proposal following Ofgem's decision.
- A more appropriate solution would be to set firm implementation dates within a modification proposal. This could replicate the BSC arrangements in electricity and enable the co-ordinated implementation of proposals for Shippers and Gas Transporters.
- Providing greater transparency on decision timelines and implementation dates might ensure decisions are taken in a timely manner; however, a better solution would involve setting firm implementation dates.

This proposal was raised by National Grid to support some of the recommendations within the recent Code Governance Review Final Proposals and the principles of the Code Administration Code of Practice. We support adopting a "firm" implementation date structure consistent with that of the BSC and CUSC. This will provide a means of clearly setting out implementation options, which all parties will recognise, whilst ensuring that they can align and manage their IT system change programmes.

Requiring the proposer of a modification to indicate an implementation date or lead time with an explanation is evidence of clear and efficient practice. This was one of the conclusions of the Code Administration Code of Practice principles and might ensure the Authority is aware of the benefits provided to the industry from prompt implementation. We welcome the fact that Users are not obliged to provide their views of possible implementation timescales if there are circumstances where it is not critical or practical to do so. However, this proposal (0281) will not bind any party to the dates within a modification proposal, including an Authority decision. We therefore question how firm these implementation dates will be and what value they serve other than guidance.

Furthermore, the Gas Transporters (GTs) are responsible for deciding the implementation date of UNC modifications. We therefore question the true value of this modification and any proposed implementation dates as they are not "firm" as in the BSC or CUSC. We believe this modification will only provide a benefit in practice if the implementation dates within a modification proposal are firm and Ofgem stipulates which implementation timelines a modification should follow. This

will ensure that all modifications are treated equally by removing any discretion on implementation dates and timelines. We welcome Ofgem's views on whether this is achievable.

### Other comments

In relation to the particular sections of the modification report EDF Energy would make the following specific comments:

#### 2. User Pays

We agree that there are no User Pays implications as there are no changes to Xoserve's systems.

#### 3. Extent to which implementation of the proposed modification would better facilitate the relevant objectives:

**Standard Special Condition A11.1 (d): so far as is consistent with subparagraphs (a) to (c) the securing of effective competition: (i) between relevant shippers; (ii) between relevant suppliers; and/or (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers;**

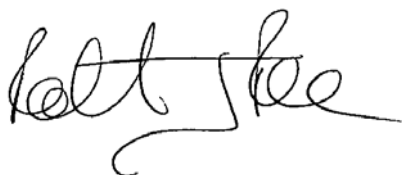
EDF Energy agrees with the workstream report that Implementation will encourage Code Parties to consider implementation options and may reduce the financial risk to Users of a delay in implementing a Modification Proposal. However we have concerns with whether these advantages will materialise if there is discretion over when a modification proposal is implemented.

**Standard Special Condition A11.1 (f): so far as is consistent with subparagraphs (a) to (e), the promotion of efficiency in the implementation and administration of the network code and/or the uniform network code;**

We do not see how this proposal affects SSC A11.1.

I hope you find these comments useful, however please contact my colleague John Costa ([john.costa@edfenergy.com](mailto:john.costa@edfenergy.com), 020 3126 2324) if you wish to discuss this response further.

Yours sincerely



Rob Rome  
Head of Transmission and Trading Arrangements  
Corporate Policy and Regulation