

Bob Fletcher  
Joint Office of Gas Transporters  
31 Homer Road  
Solihull  
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11 October 2011

Dear Bob,

**Re: UNC Modification Proposal 0318-0323 and 0325: Code Governance Review Modifications**

Thank you for the opportunity to provide representations of the above noted Modification Proposals. Northern Gas Networks (NGN) is supportive of all of the Code Governance Review Modifications Proposals that have been raised. NGN considers that we have been actively involved in the development of these through the Governance Workstream and agrees that these adequately reflect the requirements of Code Governance Review and the resultant changes to the Gas Transporter Licence.

Please find below NGNs comments in respect of each of the Modification Proposals

0318/0318A: Code Governance Review: The approach to be taken when raising alternative Modification Proposals

0319: Code Governance Review: Role of Code Administrators and Code Administration Code of Practice

0320: Code Governance Review: Appointment of Voting Rights for a Consumer Representative and Independent Panel Chair

0321: Code Governance Review: Approach to environmental assessments within the UNC

0322: Code Governance Review: Inclusion of the NTS Transportation and Connection Charging Methodologies within the UNC

0323: Code Governance Review: Self Governance

0325: Code Governance Review: DN Transportation Charging Methodology and Change Governance

**Modification Proposal 0318/0318A**

These Modification Proposals are supported by NGN as they provide a framework whereby alternative Modification Proposals are developed at an earlier stage in the process from the current regime. This will ensure that alternatives are sufficiently developed prior to the consultation stage and should provide for more robust alternatives being offered when they are considered to be required. NGN has no preference at this stage between 0318 and 0318A

**Modification Proposal 0319**

This Modification Proposal seeks to introduce the Code Administration Code of Practice and better define the role of the Code Administrator. The implementation of this Modification Proposal will assist in ensuring that best practice for the management of Code Governance is better aligned across industry codes. NGN supports this Modification Proposal.

Modification Proposal 0320

NGN supports this Modification Proposal which introduces voting rights for the consumer representative and the independent panel chair which are aligned with the Final Proposals of the Code Governance Review.

Modification Proposal 0321

NGN is supportive of this Modification Proposal which seeks to ensure that there is due consideration of environmental assessments where relevant.

Modification Proposal 0322

This Modification Proposal introduces the NTS Transportation and Connections Charging Methodology into a new section of UNC dedicated to charging methodologies and encompasses the Transmission Charging Methodology Forum within UNC governance arrangements. This is consistent with the Code Governance Review proposals.

Modification Proposal 0323

The introduction of a Self Governance regime within industry codes has been a consistent requirement throughout the Code Governance Review and NGN believes that this Modification Proposal adequately addresses the requirement to include such a process and provides protection by means of the necessary rights of appeal. NGN is supportive of this Modification Proposal.

Modification Proposal 0325

NGN supports this Modification Proposal which introduces the Distribution Network Charging Methodology into the UNC. By capturing the governance of the Distribution Charging Methodology Forum within UNC governance NGN believes that this Modification Proposal is consistent with the Final Proposals of Code Governance Review resultant GT Licence amendments.

For the avoidance of doubt, NGN supports all of the above Modification Proposals and, on direction to implement from the Authority would expect these to be able to be implemented on 31 December 2010. I hope that these comments are of use and please do not hesitate to contact me should you require any further information relating to this.

Yours sincerely,



Joanna Ferguson  
Network Code Manager