

Energy Networks Association

UNC Request 0676R Critical Friend Role

30th May 2019

CACoP and UNC Guidance for Proposers

Code Administrators' Code of Practice

Principle 1: Code Administrators shall be critical friends

Principle description

A 'critical friend' is a Code Administrator who provides support to all with an interest in the Code Modification process, but paying particular attention to under-represented parties, small market participants and consumer representatives.

Guidance Document UNC Modification Proposals – Guidance for Proposers

To avoid undue delays in the Workgroup phase, Panel expects that initial modification proposals will be sufficiently complete that they can anticipate the likely impact and Workgroup effort required such that realistic assessment timeframes can be set.

For smaller UNC parties, Panel will apply more latitude with respect to the level of detail they will accept in an initial proposal, however such parties are still expected to avail themselves of pre-modification support as described above.

The UNC Modification Rules

UNIFORM NETWORK CODE – MODIFICATION RULES

1.5 Code of Practice

1.5.1 The Code Administrator shall in conjunction with other code administrators, maintain, publish, review and (where appropriate) amend the Code of Practice.

1.5.2 Where the Code Administrator undertakes any obligation for the purposes of these Rules, the Code Administrator shall do so in compliance with the Code of Practice unless it conflicts with these Rules.

1.6.1 In carrying out its obligations including under these Rules and in compliance with the Code of Practice, the Code Administrator shall provide such assistance as a User (and in particular Small Participants) or Consumer Representatives may reasonably require, which shall include but not be limited to assistance in relation to:

- (a) the drafting of a Modification Proposal;
- (b) the provision of advice in relation to the operation and effect of the Uniform Network Code or an Individual Network Code;
- (c) the User's participation, involvement and representation in the Modification Procedures; and
- (d) access to information relating to a Modification Proposal, Modifications and the Modification Procedures.

The UNC Modification Rules

6.2.2 Each Modification Proposal shall be given to the Secretary who shall ensure that the information required pursuant to the Code of Practice has been provided, and the form of the Modification is as specified in the Code of Practice, before accepting such Modification Proposal.

6.2.3 Where a Modification Proposal, does not comply with paragraph 6.2.2 the Secretary may reject such Modification Proposal.

7.2.3 (b) a Modification Proposal:

(i) subject to paragraph 7.2.3(d), should proceed to Consultation in accordance with paragraph 7.3; or

(ii) should be referred to a Workgroup for Workgroup Assessment in accordance with paragraph 7.5 (and the Modification Panel may determine the Terms of Reference for such work (including terms as to the identity of any third parties to be consulted) and the date upon which it requires the Workgroup to submit its Workgroup Report);

(iii) should be deferred to a subsequent meeting of the Modification Panel for further discussion; or

(iv) be implemented, subject to unanimous determination under 7.2.3(a)(ii) that Fast Track Self-Governance Criteria are satisfied and subject to Panel determining unanimously that the Modification Proposal be implemented; or

(v) be referred back to the Proposer [by the Panel] for further development.

Observations on current arrangements

- Quality of proposals should be the same for all, the question is how that level of quality is achieved
- Joint Office has a critical friend role (introduced as part of Code Governance Review 1 in 2010)
 - Can only give assistance, cannot insist on changes
 - In past this role may have been pushed to or beyond what Modification Rules state
- Panel has power to require refer the proposal back to the proposer but rarely used (0674 deferred)
- Panel can ask for Ofgem view for example on modifications that impact on licence obligations

- Pre-panel workgroup discussion is useful
- Use of reviews is useful and could be encouraged more
 - For example 0642R (retrospective adjustments) led to 0651 and 0646R (OAD) led to 0683S
 - Perceived concern with reviews is that x months is spent in a review and then y months at workgroup with the modification so people raise a modification in the hope the total duration is less than $x + y$
- Poorly drafted modifications means workgroup discusses points that proposer should have resolved
- Some well drafted modifications will be withdrawn or rejected and that is part of the process

Options

1. No change
2. No Code changes but encourage more use of reviews
3. Critical Friend powers are increased giving JO powers to require a minimum standard rather than offer advice, for example quality of justification for urgency. This is moving ever closer to Code Manager role
4. Panel's powers to require proposer to re-submit modification or direct that a review is appropriate are increased. There is an explicit test of quality, perhaps based on JO view
5. Other

If we have 3, then 4 is probably not required