

**iGT UNC Request** 

At what stage is this document in the process?

# RG005:

# IGT UNC Review of Consequential Changes resulting from Faster Switching arrangements



# **Purpose of Request:**

This Proposal seeks to undertake a review of the IGT UNC with the aim of identifying Consequential Changes required as a result of development of the REC.



The Proposer recommends that this request should be assessed by a Workgroup This request will be presented by the Proposer to the Panel on 19<sup>th</sup> December 2018.



High Impact:

Pipeline Users, Pipeline Operators



Medium Impact:



Low Impact:



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# Any questions?

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**Code Administrator** 





Proposer:

**Chris Barker** 





# About this document:

This document is a Request, which will be presented by the Proposer to the panel on 19th December 2018.

The Panel will consider the Proposer's recommendation and agree whether this Request should be referred to a Workgroup for review.



# 1 Request

# Why is the Request being made?

With Ofgem directing the various Industry Codes to review for any consequential changes and impacts to their current state with the development of the REC (Retail Energy Code), the IGT UNC requires a Review Group to assess these potential impacts.

The Review Group will aim to produce a report that will identify the areas of the IGT UNC which are impacted with the introduction of the REC and thus will need to consider the following:

- Areas to transition into the REC, either on their own or alongside UNC obligations;
- Areas to remain in the IGT UNC but require updating as a result;
- Areas of the IGT UNC remaining, but with similar topics transferring away from the UNC. I.e. unique obligations within the IGT UNC which are required to remain so; and
- References between the IGT UNC and UNC codes which may be displaced due to obligations transferring to the REC.

The Review Group would need to be conscious of other codes equivalent consequential change reviews in assessing the areas of impact on the IGT UNC, particularly that of the UNC.

# Scope

It is proposed the scope of this review will be the whole of the IGT UNC (including ancillary, guidance and process documents), its alignment with the UNC and the areas of transition into the REC. It will be important to consider and assess the areas which will need to remain unique and separate from the UNCs own approach to consequential changes. For example, the IGT bulk registration process, IGT invoicing and, potentially, metering provision.

#### **Impacts & Costs**

No direct impacts or costs are envisaged as a result of the proposed work for this review group, but there are likely to be impacts which coincide with the release of the REC and as Ofgem's SCR (Significant Code Review) concludes, and the resulting modification/s required to alter the current governance and administrative arrangements.

#### Recommendations

The objective of this request is to produce a recommendation to the IGT UNC Modification Panel whereby the proposal should be referred to a Workgroup as this will enable a thorough and collaborative review of the code and consequential impacts to it as a result of Faster Switching and the introduction of the REC.

# **Additional Information**

The Review Group will need to consider consequential changes occurring under the UNC and where the two codes can possibly be made to align into the REC. Therefore, while the group will be kept separate from the UNCs similar workgroup, there will be a requirement for updates and dialogue regarding the two codes. Parties should be mindful that consequential changes to the IGT UNC may require a legal view. The group will also need to remain mindful of other consequential change developments, and the timescales associated with them, such as;



- 08/01/19 IGT UNC Mod Workstream and initial kick off with considerations of key areas to cover
- Mid-January BUUK and other IGT, and Gemserv representatives to carry out a page turn exercise of the IGT UNC to assess areas of consequential change
- Mid to Late January High level UNC changes to be shared with IGTs
- End of January/Early February UNC Legal Text draft from Consequential Changes provided to IGT UNC
- 05/02/19 IGT UNC Mod Workstream with BUUK and Gemserv to present initial findings to the group for discussion
- Mid-February BUUK and other IGT and Gemserv representatives to continue with a page turn exercise of the IGT UNC (if second workshop required)
- 18/02/19 Code representatives to present consequential changes to RDUG, with full requirements of delivery to be clarified by Ofgem (Jon Dixon)
- 02/03/19 IGT UNC Mod Workstream with group to collate views to be presented at the next Panel meeting
- 25/03/19 Code representatives to present legal text of proposed changes to RDUG
- End of March All wrapped up and with final report, changes and legal text to Ofgem

# 2 Impacts and Costs

# **Consideration of Wider Industry Impacts**

# **Impacts**

Impact on Central Systems and Process	
Central System/Process	Potential impact
UK Link	• n/a
Operational Processes	• n/a

Impact on Users	
Area of Users' business	Potential impact
Administrative and operational	• n/a
Development, capital and operating costs	• n/a
Contractual risks	• n/a
Legislative, regulatory and contractual obligations and relationships	IGT UNC obligations may be updated or moved into the REC

#### Impact on Transporters



Impact on Transporters	
Area of IGT business	Potential impact
System operation	• n/a
Development, capital and operating costs	• n/a
Recovery of costs	• n/a
Price regulation	• n/a
Contractual risks	• n/a
Legislative, regulatory and contractual obligations and relationships	IGT UNC obligations may be updated or moved into the REC
Standards of service	• n/a

Impact on Code Administration	
Area of Code Administration	Potential impact
Modification Rules	• n/a
IGT UNC Panel	• n/a
General administration	Less administration due to reduced code size

Impact on Code	
Code section	Potential impact
All sections	Some clauses, or entire sections, may be recommended for transition into the REC, either directly or as ancillary documents. With other areas possibly requiring updating

Impact on iGT UNC Related Documents and Other Referenced Documents	
Related Document(s)	Potential impact
IGT UNC Ancillary & Guidance Documents	Documentation update/move into the REC
IGT Network Codes	Documentation update

Other Impacts	
Item impacted	Potential impact
Security of Supply	• n/a
Operation of the Total System	• n/a
Industry fragmentation	Separation/change of obligations as conditions moved or



updated between Industry Codes

# 3 Terms of Reference

# **Background**

As outlined above, it is proposed to conduct a review of the IGT UNC and how consequential changes will impact the code with the development of the REC.

# **Topics for Discussion**

- Understanding the objective, which is not to change the intent of code areas, but rather understand and act on consequential changes from Faster Switching and REC
- Assessment of alternative means to achieve objective such as areas not to be transferred to the REC but potentially updated
- Assessment of potential impacts of the request
- Benefit of alignment with UNC and assessment of legal text.

# **Outputs**

Produce a Workgroup Report for submission to the Modification Panel, containing the assessment and recommendations of the Workgroup.

# **Composition of Workgroup**

The Workgroup is open to any party that wishes to attend or participate.

A Workgroup meeting will be quorate provided at least two Transporter and two User representatives are present.

# **Meeting Arrangements**

Meetings will be administered by Gemserv and conducted in accordance with the Code Administration Code of Practice.

# 4 Recommendation

The Proposer invites the Panel to:

DETERMINE that request RG005 progress to Workgroup for review.