

IGT UNC Request	At what stage is this document in the process?
RG009 Introduction of Qualification Requirements for new Shippers	01 Request 02 Review Group Report 03 Final Modification Report
Purpose of Request: The Uniform Network Code (UNC) Performance Assurance Committee (PAC) has agreed that further investigation should be undertaken to consider what the introduction of Qualification Requirements for new Shippers under both the Independent Gas Transporter Uniform Network Code (IGT UNC) and UNC might involve. An equivalent UNC Review Group Request has been raised as 0938R - Introduction of Qualification Requirements for new Shippers'. This request seeks to explore the elements that could potentially form part of any future market entry requirements within the IGT UNC and UNC.	
	The Proposer recommends that this Review Request should be assessed by a Review Group. This Review Request will be presented by the Proposer to the Panel on 1st July 2026.
	High Impact: Shippers
	Medium Impact: Independent Gas Transporters
	Low Impact: Suppliers

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About this document:		Proposer:	Aleksis Butler
This document is a Review Request, which will be presented by the Proposer to the Panel on 1 st July 2026.			Aleksis.Butler@bu-uk.co.uk
The Panel will consider the Proposer's recommendation and agree whether this Request should be referred to a Review Group for review.			N/A
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1 Request

Why is the Request being made?

The UNC PAC are supportive of raising a Review Request to look at whether Qualification Requirements should be introduced for Shippers before they are allowed to join the gas market under the IGT UNC and UNC. As part of Ofgem's Code Reform programme, the IGT UNC and the UNC will be consolidated into a single Gas Network Code (GNC). Therefore, any work undertaken at this stage to explore or develop Qualification Requirements would be included in the new GNC.

An equivalent UNC Review Group Request has been raised as [0938R - Introduction of Qualification Requirements for new Shippers](#). The UNC Modification Panel agreed 0938 should progress to Review Group, with a report due in 12 months on 15th July 2027.

The Performance Assurance Framework Administrator (PAFA) conducted research into market entry, accession and Qualification Requirements across other GB energy Codes, which identified the UNC and the IGT UNC were outliers in having no mandatory qualification activities. After discussion at the March 2026 PAC meeting, members agreed further work is needed to understand what Qualification Requirements in the GNC could include and how they would work in practice.

While there is a voluntary Customer Readiness Document available from the Central Data Services Provider (CDSP) for new entrants, PAC agreed this cannot be considered an effective assurance tool. This is because of the absence of external validation or certification that the Applicant has appropriate systems and processes in place prior to joining the market. PAC believes that introducing Qualification Requirements could improve how the market operates. In particular, it would help ensure that billing and settlement is submitted accurately and on time, which in turn would support better risk management and continuous improvement. This would benefit the PAC in delivering its obligations under the [PAC Mission Statement and Performance Assurance Objective](#).

PAC also noted that having Qualification Requirements could make sure new companies meet a basic standard before joining the market. This could reduce the need for ongoing monitoring and corrective action in future. It would also help new entrants join in a more controlled way, lowering the risk of problems for both them and existing market participants.

Scope

Areas to be explored:

Scope of Qualification Requirements

The critical element in designing UNC Qualification Requirements is to determine the scope/depth of knowledge and operational effectiveness which is required for an Applicant to be granted access to the market. Below are some suggested items for discussion at the Review Group meetings:

- Should any new Qualification Requirements be mandatory?
 - o Should some sections of the Qualification regime be mandatory and others optional?

- When should Applicants have to complete the Qualification activities?
- What knowledge and competencies should an Applicant possess to be granted access to the market?
- What processes should be assessed? (training, change control).
 - What contractual agreements/relationships should be assessed?
- What tools and systems should be tested?
 - How is it being implemented, developed and tested?
- Should the Applicant's business plans be assessed? (projected portfolio size, planned growth).
- Should testing take place to assess the Applicant's ability to get data into settlement?

Approach

Determine the Performance Assurance Techniques (PATs) which should be applied during the assurance process.

- What level of evidence would be acceptable?
 - Should these tests be desk, interview or test based?
- Which Performance Improvement Plans (PIPs) should be included?
- Should the Applicant's ability to get data into settlement be tested?
- Should evidence provided during accession to another Code be usable for entry to the UNC and the IGT UNC? How will UNC and IGT UNC align with other Codes and their Qualification regimes?

Proportionality

Determine how each Applicant's journey through the assurance process should be decided.

- Should a risk-based approach or one-size fits all approach be applied?
- What are the advantages and disadvantages of risk-based vs one-size-fits-all approaches?
- Should PAC approve the scope of the assurance process for each Applicant?
- Who bears the cost of the qualification testing? Should the Shipper have to pay to complete these activities? Would these costs be recovered through general UNC and IGT UNC related charging?

Approval of Application

Determine the final steps of approving an application.

- Should PAC make the final decision regarding approval of applications?
 - Investigation will need to take place into how qualification would sit with Ofgem and Licencing.
- Should there be an appeals process?
 - How would refusal of entry be justified, evidenced and documented?
- Could applications be approved with further Qualification Requirements?
 - This would allow the Applicant to join the market but would see them continue to complete PATs before being fully signed off.
- Once the Applicant has joined the market, should PAC monitor performance to determine whether qualification is useful?

- What Key Performance Indicators (KPIs) could be used?

Impacts & Costs

The PAFA will be contracted to support this review in the role of Proposer under the terms of their contract. PAC will be advised and monitor these costs. This will ensure that no individual Party will bear the burden of responsibility or costs for PAC raising this issue.

Introducing Qualification Requirements may also increase costs for the PAC or Applicants (dependent on the decision about who will pay for the assurance).

Assessment should take place to determine the impact of Qualification Requirements and whether this would increase barriers to entering the market.

Recommendations

The Review Request is being made by BUUK on behalf of the PAC. PAC have discussed and agree with the approach in this Review Request.

The PAC recommends that this Review Request is issued to a Review Group for discussion with the wider Industry to examine in more detail the scope, approach, proportionality and approval of market entry in the UNC and IGT UNC. This Review will link with the UNC 0938R.

2 Impacts and Costs

Consideration of Wider Industry Impacts

As part of Ofgem's Code Reform programme, the IGT UNC and the UNC will be consolidated into a single GNC. Therefore, any work undertaken at this stage to explore or develop Qualification Requirements would be included in the new Code.

Impacts

Impact on Central Systems and Process	
Central System/Process	Potential impact
UK Link	Possible – the ability to send market messages is one aspect of a future entry regime which is being considered. As such, testing of Applicants ability to interact with UK Link may be tested.
Operational Processes	To be discussed

Impact on Users	
Area of Users' business	Potential impact
Administrative and operational	Possible – if Qualification Requirements are approved new entrants could have to detail internal processes.

Impact on Users	
Development, capital and operating costs	Possible – if Qualification Requirements are approved new entrants may incur operating costs in completing the activities.
Contractual risks	To be discussed
Legislative, regulatory and contractual obligations and relationships	Possible – if Qualification Requirements are approved new entrants could have to prove adherence to UNC regulations and prove they have relationships with appropriate third parties.

Impact on Transporters	
Area of IGT business	Potential impact
System operation	None expected
Development, capital and operating costs	None expected
Recovery of costs	None expected
Price regulation	None expected
Contractual risks	None expected
Legislative, regulatory and contractual obligations and relationships	None expected
Standards of service	None expected

Impact on Code Administration	
Area of Code Administration	Potential impact
Modification Rules	None expected
IGT UNC Panel	None expected
General administration	Possible increase in effort due to completing Qualification activities.

Impact on Code	
Code section	Potential impact
	To be discussed

Impact on IGT UNC Related Documents and Other Referenced Documents	
Related Document(s)	Potential impact
	To be discussed

Impact on IGT UNC Related Documents and Other Referenced Documents

- To be discussed

Other Impacts

Item impacted	Potential impact
Security of Supply	• None expected
Operation of the Total System	• None expected
Industry fragmentation	• None expected

3 Terms of Reference

Background

The Review Request is being made by BUUK on behalf of the PAC, who has requested that the PAFA represent them and the Proposer, in the context of this Review. The Proposer has agreed to this offer of representation on conjunction with UNC 0938R.

PAC members and the Proposer will represent their own organisations in any Review Groups.

PAC will receive reports from the PAFA after all meetings.

PAC will continually endorse the PAFA's position with them at the same frequency of Review Groups, as a minimum.

Topics for Discussion

Scope of Qualification Requirements

The critical element in designing UNC Qualification Requirements is to determine the scope/depth of knowledge and operational effectiveness which is required for an Applicant to be granted access to the market. Below are some suggested items for discussion at the Review Group meeting:

- Should any new Qualification Requirements be mandatory? Should some sections of the Qualification regime be mandatory and others optional? When should Applicants have to complete the Qualification activities?
- What knowledge and competencies should an Applicant possess to be granted access to the market?
- What processes should be assessed (Training, change control)? What contractual agreements/relationships should be assessed?
- What tools and systems should be tested? How is it being implemented, developed and tested?
- Should the Applicant's business plans be assessed (projected portfolio size, planned growth)?

- Should testing take place to assess the Applicant's ability to get data into settlement?

Approach

Determine the PATs which should be applied during the assurance process.

- What level of evidence would be acceptable? Should these tests be desk, interview or test based?
- Which PIPs should be included?
- Should the Applicant's ability to get data into settlement be tested?
- Should evidence provided during accession to another code be usable for entry to the UNC and the IGT UNC? How will the IGT UNC and the UNC align with other Codes and their Qualification regimes?

Proportionality

Determine how each Applicant's journey through the assurance process should be decided.

- Should a risk-based approach or one-size fits all approach be applied?
- What are the advantages and disadvantages of risk-based vs one-size-fits-all approaches?
- Should PAC approve the scope of the assurance process for each Applicant?
- Who bears the cost of the Qualification testing? Should the Shipper have to pay to complete these activities? Would these costs be recovered through general UNC and IGT UNC related charging?

Approval of Application

Determine the final steps of approving an application.

- Should PAC make the final decision regarding approval of applications? Investigation will need to take place into how qualification would sit with Ofgem and Licencing.
- Should there be an appeals process? How would refusal of entry be justified, evidenced and documented?
- Could applications be approved with ongoing Qualification entry requirements? This would allow the Applicant to join the market but would see them continue to complete PATs before being fully signed off.
- Once the Applicant has joined the market, should PAC monitor performance to determine whether the qualification is useful? What KPIs could be used?

Outputs

Produce a Review Group Report for submission to the Modification Panel, containing the assessment and recommendations of the Review Group including a draft modification where appropriate.

Composition of Review Group

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

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

Meeting Arrangements

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

4 Recommendation

The Proposer invites the Panel to:

- Determine that RG009 should progress to Review Group for review with a report back to Panel.