
FSO Codes Change Programme – Modification Proposal – Uniform Network Code

Publication date: 22/05/2024
Response deadline: 17/06/2024
Contact: Kristian Marr and Yash Audichya
Team: Future System Operation
Telephone: 020 7901 7000
Email: FSO@ofgem.gov.uk

1. This document sets out the proposed modifications to the Uniform Network Code (UNC) including its associated documents (the "Code").
2. Subject to this consultation, we intend for the Relevant Authority to exercise its powers, respectively, under section 169 of the Energy Act 2023¹ in order to modify directly the Code. The Gas and Electricity Markets Authority (GEMA) and the Secretary of State of the Department will each act as the Relevant Authority for corresponding parts of the proposed modifications. We intend for GEMA to be the Relevant Authority for all the proposed code changes, excluding those related to National Security. In the case of the latter, the intention is for the Secretary of State to be the Relevant Authority.
3. The effect of the proposed modifications is to implement changes to the UNC to ensure they are coherent with the establishment of the Independent System Operator and Planner (ISOP)¹ and other changes to the regulatory framework in accordance with its licences, statutory functions, and duties.
4. Provisional legal text for the proposed modifications to the UNC is contained in a number of annexes (the "Annexes") which are also being published alongside this document.
5. Subject to this consultation's findings and account taken of representations provided, these proposed modifications, with annexes in a similar form as the Annexes, will form part of the decision by the Relevant Authority to modify the Code.
6. It is anticipated that the finalised modifications will take effect upon the date when the designation of the ISOP comes into effect following notice by the Secretary of State of the Department under section 162 of the Energy Act 2023.

¹ Part 5 of the Energy Act 2023 defines the term Independent System Operator and Planner (ISOP), previously referred to as the Future System Operator (FSO)

7. More information can be found on the dedicated ISOP webpage² on the Ofgem website.

² Ofgem's FSO / ISOP webpage is accessible at: <https://www.ofgem.gov.uk/energy-policy-and-regulation/policy-and-regulatory-programmes/future-system-operation-fso>

© Crown copyright 2024

The text of this document may be reproduced (excluding logos) under and in accordance with the terms of the [Open Government Licence](#).

Without prejudice to the generality of the terms of the Open Government Licence the material that is reproduced must be acknowledged as Crown copyright and the document title of this document must be specified in that acknowledgement.

Any enquiries related to the text of this publication should be sent to Ofgem at:

10 South Colonnade, Canary Wharf, London, E14 4PU. Alternatively, please call Ofgem on 0207 901 7000.

This publication is available at www.ofgem.gov.uk. Any enquiries regarding the use and re-use of this information resource should be sent to: psi@nationalarchives.gsi.gov.uk

Contents

FSO Codes Change Programme – Modification Proposal – Uniform Network Code	1
Contents	4
Executive Summary	5
Structure of this document	8
Package: Institutional	10
Background	10
Group 1 – ISOP Institutional Changes	11
Group 2 – ISOP Gas Planning, Advisory and National Security Roles	17
Package: National Security Direction to the ISOP	19
Background	19
Appendix 1 – Glossary	28
Appendix 2 – UNC modification proposals	30
Group 1 – ISOP Institutional changes	30
Group 2 – ISOP Strategic Gas Network Planning, Advisory and National Security Roles	64
Package: National Security Direction to the ISOP	91
Package: Advisory	93
Appendix 3 – Questions	101
Appendix 4 - Privacy notice	102
Personal data	102
Appendix 5 – ISOP Framework Agreement	104

Executive Summary

Policy Decision

In April 2022, the Office of Gas and Electricity Markets (Ofgem) and the Department for Energy Security and Net Zero (the “Department”) decided to proceed with the creation of the Independent System Operator and Planner (ISOP)³. This impartial, expert body is designed to accelerate the transition towards net zero, whilst ensuring energy security, and minimising costs for consumers. The ISOP will take on all the existing roles and responsibilities of National Grid Electricity System Operator Limited (NGESO), in addition to several new roles and responsibilities across electricity and gas. These duties and roles will allow it to take a whole energy system approach when operating and planning the energy system.

On 22 January 2024, NGESO announced that the name of the company which will become the ISOP will be “National Energy System Operator” (NESO)⁴. Part 5 of the Energy Act 2023 defines the term ISOP, and previous Ofgem and government consultation documents and publications refer to the ISOP as the Future System Operator (FSO). In the future, NESO will be designated as the ISOP with the functions, powers and duties of the ISOP under section 162 of the Energy Act 2023. All legal documents such as licences and the industry codes will use the (statutory) term ISOP, but the company will be known using the company name, NESO. Until NESO is created, NGESO will continue to operate under its current name.

For simplicity and clarity this document will refer to ISOP or NESO except when referencing previous documents and consultations which used the terms ISOP and FSO.

New Regulatory Framework

The regulatory framework for the ISOP is predominately set out across legislation and licences, as well as other supporting documents.

Legislation

³ FSO Response to Consultation <https://assets.publishing.service.gov.uk/media/624c840ce90e075f1120592f/future-system-operator-consultation-govt-response.pdf>

⁴ January 2024 announcement: <https://www.nationalgrideso.com/what-we-do/becoming-national-energy-system-operator-neso>

- Part 5 (“Independent System Operator and Planner”) of the [Energy Act 2023](#)⁵. This includes the ISOP’s statutory duties and functions, as well as direct obligations; and
- Consequential amendments made to other Acts (Electricity Act 1989, Gas Act 1986, Utilities Act 2000, in addition to a range of other Acts) given effect by the Energy Act 2023 and via [statutory instruments laid before Parliament](#)⁶.

Licences

- ISOP will hold two newly created electricity and gas licences. These are the Electricity System Operator (ESO) licence and a Gas System Planner (GSP) licence.
- As part of the ISOP’s implementation, consequential modifications to wider licences are required. These changes will ensure the required cross-sector alignment as a result of ISOP being established.
- The proposed ESO and GSP licences and the proposed consequential licence changes were published under [statutory consultation](#)⁷ in March 2024.
- Arrangements as a consequence of the Elexon ownership decision were published under [statutory consultation](#)⁸ in January 2024.

Codes Change Programme (FSO CCP)

The code changes which should follow from the new framework necessitated a change programme. We established the Future System Operator Codes Change Programme (FSO CCP) for developing the industry code modifications required for the establishment of the ISOP. Under the FSO CCP, [a Cross-Code Workgroup \(CCWG\)](#)⁹ of industry representatives spanning all impacted codes and relevant constituencies was constituted in October 2023, after an initial [Call for Volunteers](#)¹⁰ in August 2023 to support the programme.

⁵ Energy Act 2023: <https://www.legislation.gov.uk/ukpga/2023/52/enacted>

⁶ The Energy Act 2023 (Consequential Amendments) Regulations 2024, laid 13-May-2024 and subject to passage through Parliament <https://www.legislation.gov.uk/ukdsi/2024/9780348261448/contents>

⁷ March 2024 Statutory consultation on NESO licences and other impacted licences: <https://www.ofgem.gov.uk/publications/national-energy-system-operator-neso-licences-and-other-impacted-licences-statutory-consultation/> | <https://assets.publishing.service.gov.uk/media/66053b92f9ab41001aeaa46b/statutory-consultation-on-national-energy-system-operator-licences-and-other-impacted-licences.pdf>

⁸ January 2024 Statutory consultation on BSC and licence changes: <https://www.gov.uk/government/consultations/future-ownership-of-elexon-licence-and-code-changes>

⁹ October 2023 Decision letter for Ofgem’s Call for Volunteers – FSO Codes Change Programme: <https://www.ofgem.gov.uk/publications/decision-letter-ofgems-call-volunteers-fso-codes-change-programme>

¹⁰ August 2023 Call for Volunteers – FSO Codes Change Programme: <https://www.ofgem.gov.uk/call-for-input/call-volunteers-fso-codes-change-programme>

Us and our Project Partners have undertaken analysis of code changes required as a result of establishing the ISOP. Our Project Partners include NGESO, Elexon and National Gas Transmission plc (NGT), and the CCWG. This analysis took into account the decision to create the ISOP, its new regulatory framework and the consequential impacts on industry codes. Following this analysis, and taking account of feedback received from codes industry panels and similar forums, we propose that the following industry codes be modified:

- Balancing and Settlement Code (BSC)
- Connection and Use of System Code (CUSC)
- Distribution Code (D-Code)
- Distribution Connection and Use of System Agreement (DCUSA)
- Grid Code
- System Operator Transmission Owner Code (STC)
- Security and Quality of Supply Standard (SQSS)
- Uniform Network Code (UNC)

with no modifications required to

- Independent Gas Transporters' Uniform Network Code (iGT UNC)
- Retail Energy Code (REC)
- Smart Energy Code (SEC)

We express our thanks to all our Project Partners, codes industry panels and participants of related forums for all their contributions as part of this analysis.

Changes set out as policy packages

The proposed changes span multiple policy areas. To make these more manageable to describe and assess, we have split them into "policy packages". **They include:**

- Modifications required to establish the ISOP as a public body ("**Institutional**"), which include updating or adding:
 - Definitions of defined terms currently referring to NGESO, updated to make reference to the new company NESO;
 - References to the two new ISOP licence categories (the Gas System Planner licence and the Electricity System Operator licence);
 - References related to ISOP acceding to the Uniform Network Code and becoming a Party;
 - References to the new licences structure;
 - Consequential references;

- Modifications associated with the ISOP’s statutory functions and duties, and new and enhanced roles to be obligated by licence on Day 1 (**“Day 1 roles”**). These include policy related to:
 - Advisory and Information Requests to the ISOP;
 - Gas networks and markets, both (**“Gas roles”**) (See below for further details.); and
 - National Security directions issued to the ISOP.

They do not include other “modifications which we [initially considered whether we wanted] to take the opportunity to complete as part of the transition to the FSO”, as set out in the August 2023 Call for Volunteers¹¹. In prioritising delivery to the wider project timeline and the minimum required changes for the establishment of the ISOP, those other modifications will be considered only in the period following the ISOP transition, and include revising the methodology for the CUSC credit cover calculation.

Notwithstanding a thematic approach in describing the proposed changes as separable policy packages, **this proposal is to be considered as a single change and implemented as such, subject to the consultation decision.**

Structure of this document

The **remainder of this consultation document** expands on the Executive Summary and provides details of the defects identified having compared current arrangements to the ISOP policy decisions. It includes a ‘minded to’ position based on the work of the CCWG and our assessments. This **main consultation document** sets out the overall context of our FSO CCP, and the approach we have taken to the proposed code changes as a whole. Whereas **this consultation document** includes the detailed considerations for gas policy and the UNC, reasons and effects.

¹¹ August 2023 Call for Volunteers – FSO Codes Change Programme: <https://www.ofgem.gov.uk/publications/call-volunteers-fso-codes-change-programme>. See Annex 1, Chapter 2 for draft examples

Appendix 1 – Glossary contains an explanation of terms used throughout this document.

Appendix 2 – Modifications contains the proposed modifications to the UNC, together with the reasons and effects for such modifications.

Appendix 3 – Questions invites responses to the suitability of this change proposal.

Appendix 4 – Privacy Notice outlines how we will handle your data.

Appendix 5 – ISOP Framework Agreement provides a mechanism for the ISOP (and more specifically NESO, acting in the role of ISOP pursuant to its ESO and GSP Licences) to accede to the UNC and therefore for the relevant terms within this to be made binding between each Party.

There are a number of annexes (the “**Annexes**”) being published alongside this document:

(a) Annex A – ISOP licence conditions mapping to code change: A mapping from each proposed ESO and GSP licence condition, and the new activities derived from the ISOP’s new roles to an assessment on (i) whether there is the need for a code change, and (ii) when we propose the change be given effect based on a variety of factors.

(b) Annex I – UNC.zip, which contains the ‘*Change-marked*’ legal text of the UNC Code with the modifications in Appendix 2 applied to it. This includes a sections’ guide of where in the Code changes are to be made, as well as in subsidiary documents. Given the number and extent of changes proposed to the UNC as part of this consultation, the reasons and effects of such changes are included with the marked-up legal text in Appendix 2.

Package: Institutional

Background

- 1.1 The Secretary of State intends to use the power under section 162 of the Energy Act 2023 to designate a person as the ISOP, and to establish NESO as the company that will be designated as the ISOP in future. Amendments to primary and secondary legislation, licences and industry codes are needed to ensure the ISOP is functional at its designation and Day 1, in line with the policy intent. These include:
- The Energy Act 2023 and consequential amendments to other legislation¹² – designed to reflect the establishment of the ISOP, and clarify which of the existing powers, rights and duties currently held by NGENSO and NGT that the ISOP will or will not inherit.
 - The introduction of two new categories of licences. These are an Electricity System Operator (ESO) Licence and a Gas System Planner (GSP) Licence, with new and revised licence conditions. There will also be consequential changes to other categories of existing licence conditions.
 - Industry code changes, as outlined in the Executive Summary of this document.
- 1.2 The proposed “Institutional” code changes are required to ensure industry codes, to which the ISOP will become a party, are coherent with other parts of the regulatory framework for a functioning ISOP at its designation. Below we outline the three main packages of code changes that we have identified.
- 1.3 **The first group** of institutional code changes are generally updates to references and definitions within the Code required as a result of the ISOP’s creation and designation, and include:
- Definition of ‘the Act’, meaning references to the Electricity Act 1989, the Gas Act 1986, or other legislation as applicable and in force at the time;
 - The defined term for the ISOP across all codes. This is how the person designated as the ISOP is to be referred to in the Code. Currently across the Codes, there are multiple defined terms¹³ used to refer to the corporate body NGENSO or to the ‘system operator’¹⁴;
 - The legal meaning of the defined term for the ISOP;
 - References to the ISOP’s two new licence categories (the GSP Licence and the ESO Licence), as distinct from Electricity Transmission, Gas Transporter or other classes

¹² E.g., the Electricity Act 1989, Gas Act 1986, Utilities Act 2000, in addition to a range of other primary and secondary legislation and ‘Direct EU legislation’

¹³ This includes ‘NETSO’, ‘NGESO’, ‘The Company’ etc

¹⁴ The holder of the electricity transmission licence granted, or treated as granted, pursuant to Section 6(1)(b) of the [Electricity Act 1989](#) and in which section C of the standard transmission licence conditions applies

of licences under the Electricity Act 1989 and Gas Act 1986. This will include references to the new GSP and ESO Licences' structure and provisions, and consequential references and changes;

- Addition of new definitions;
- ISOP acceding to the Uniform Network Code and becoming a Party in a new role of Independent System Operator and Planner;
- UNC Panel membership and voting arrangements;

The second group are those relating to relating to the ISOP's new Gas System Planning role and its arrangements and interactions with the other Parties.

Other changes, such as those relating to the ISOP's Advisory role and its obligations relating to National Security Directions issued to the ISOP by the Secretary of State are packaged within this group.

- Strategic Gas Network Planning Role;
- Advisory Role; and
- National Security Directions.

These proposed changes have been assessed on a case-by-case basis with regard to complexity and the volume of consequential modifications in order to be deliverable to the wider project timeline.

- 1.4 For each of the two groups we describe the "business rules" as formulae to apply the changes across the UNC, including examples for each change case. These rules are to be implemented throughout the UNC unless specified otherwise.
- 1.5 Both the first and second groups are required for the establishment of the ISOP at Day 1.
- 1.6 For each of the two groups, we describe the "business rules" as formulae to apply the changes across the UNC, including examples for each change case.

Group 1 – ISOP Institutional Changes

A. Definitions

- 1.1 Under section 162 of the Energy Act 2023, NESO will be designated as the ISOP and will hold two licences – an ESO Licence and a GSP Licence.
- 1.2 Accordingly, definitions of ISOP, GSP Licence, ESO Licence and NESO have been added to the UNC.

B. Defined term for the person designated as the ISOP

Overview

- 1.3 All industry electricity codes in GB refer directly or indirectly to the person, NGENSO, using a defined term. This definition includes either the registered company name and number, and or the holder of the electricity transmission licence that NGENSO currently holds.

The Company: The CUSC, Grid Code and STC, use the defined term '*The Company*.' Under CM090¹⁵ the STC adopted this term in April 2023 to facilitate the transition to ISOP;

NETSO: The BSC and DCUSA use National Electricity Transmission System Operator ('NETSO');

NGESO: The Distribution Code and SQSS use 'NGESO'.

- 1.4 In respect of gas, the UNC does not currently refer to NGENSO or anything similar.

Options assessment

- 1.5 A range of options were considered among members of the CCWG as to which defined term should be used across all the industry codes to refer to the new public corporation. The options were:

- a **minimum solution**, which:
 - replaces 'NGESO' in the SQSS and Distribution Code (as 'NGESO' would not be correct after the transition to the ISOP);
 - adds a new defined term in the UNC, to which the ISOP would become a party; and
 - retains the existing defined terms in the remaining codes.

Only the codes with a potential defect on Day 1, the SQSS, Distribution Code and the UNC, would be addressed. The choice for a new term in the SQSS and Distribution Code should minimise the number of defined terms across all codes, mirroring one of the retained terms ('NETSO'), or mirroring the new term selected for the UNC.

- an **intermediate solution**, which
 - replaces 'NGESO' in the SQSS and Distribution Code, as in the minimum solution;
 - harmonises the DCUSA with the Distribution Code; and
 - adds this new defined term in the UNC.

Four codes therefore would use the same defined term. The BSC would retain its use of 'NETSO', and 'The Company' would similarly remain in use for the CUSC, Grid Code and STC.

- a **maximum solution**, which:
 - replaces all existing defined terms ('The Company', 'NETSO' and 'NGESO') with a new term;
 - adds this new term in the UNC.

All codes therefore would use the same defined term.

¹⁵ CM090: Housekeeping changes to simplify FSO transition – changes to the current STC <https://www.nationalgrideso.com/industry-information/codes/stc/modifications/cm090-housekeeping-changes-simplify-fso-transition>

- 1.6 In debating the merits of the options, consideration was given to:
- The pipeline of code change programmes which could potentially impact the **implementation capacity of the code administrator** in delivering the changes for Day 1.
 - Representations of the **code administrator on their assessment** of the implementation risks, including system safety and reliability.
 - The **recency of the existing defined term**, in particular ‘the Company’ as adopted by the STC and STC Procedures (STCPs) in April 2023, and the NETSO as adopted by the BSC at the legal separation of NGENSO from National Grid Electricity Transmission plc in 2019. This considered both ‘bedding in time’ of the term, and the volume of consequential work to put it in place.
 - **Clarity for stakeholders**, for example, the Distribution Code and DCUSA share a similar set of stakeholders, and alignment would be preferred.
 - Presentational **opportunities to harmonise the defined term across all codes**, particularly selecting one that best represented the ISOP with a low likelihood of future change. This is in line with the policy intent to create a new, expert body to accelerate the transition towards net zero and reflecting to stakeholders the clear ‘step change’ in new duties and responsibilities that arise from the establishment of the ISOP compared to the status quo.

Coherence with Energy Code Reform¹⁶

- The **principles** set out in 1.40 to 1.45 of the August 2023 Call for Volunteers¹⁷. These prioritised “delivery within the project timeline”, while also aspiring to deliver modifications coherent with the transition to the ISOP but which are not required for Day 1 operability or as a result of the ISOP being designated.

- 1.7 Specific terms were discussed. A summary is below:
- **‘ESO’** and **‘NETSO’**: The term **‘ESO’** is understood by stakeholders as describing the entity which would become the ISOP, with a logical link to the new ISOP ‘ESO’ Licence. The term **‘NETSO’** is considered a natural extension of National Electricity Transmission System (NETS). Whilst both terms represent a positive step towards harmonising the term across the industry codes, they maintain an association with ‘electricity’, and risk confusion with DNOs in a *distribution* codes context.

¹⁶ CM090: Housekeeping changes to simplify FSO transition – changes to the current STC <https://www.nationalgrideso.com/industry-information/codes/stc/modifications/cm090-housekeeping-changes-simplify-fso-transition>

¹⁷ Call for Volunteers – FSO Codes Change Programme: <https://www.ofgem.gov.uk/publications/call-volunteers-fso-codes-change-programme>

- **'ISOP'**: The term was deemed sufficiently neutral, aligned with the Energy Act 2023 as the statutory term and with the policy intent. However, it is a less familiar way of referring to the ISOP, noting the previous use of FSO.
- **'NESO'**: The term was considered as an appropriate option in place of 'ISOP' where this is planned to be employed. National Energy System Operator (NESO) was announced by NGENSO in January 2024¹⁸ as the new name for NGENSO upon its designation as the ISOP.
- **'The Company'**: There was no appetite to extend the use of this term outside of the codes currently administered by NGENSO.

1.8 The table below summaries the options compared to the status quo.

Code	Defined Term Status Quo	Option 1(a) Minimum	Option 1(b) Minimum	Option 2 Intermediate	Option 3 Maximum
CUSC	The Company	The Company	The Company	The Company	'NEW_TERM'
Grid Code	The Company	The Company	The Company	The Company	'NEW_TERM'
STC	The Company	The Company	The Company	The Company	'NEW_TERM'
SQSS	NGESO	NETSO	'NEW_TERM'	'NEW_TERM'	'NEW_TERM'
D Code	NGESO	NETSO	'NEW_TERM'	'NEW_TERM'	'NEW_TERM'
DCUSA	NETSO	NETSO	NETSO	'NEW_TERM'	'NEW_TERM'
BSC	NETSO	NETSO	NETSO	NETSO	'NEW_TERM'
UNC	n/a	'NEW_TERM'	'NEW_TERM'	'NEW_TERM'	'NEW_TERM'

1.9 We propose Option 2 be implemented across all impacted codes, where the 'NEW_TERM' is **'ISOP'**.

1.10 Further, we propose that Option 2 is the first step in a transition to Option 3 for the CUSC, Grid Code, STC and BSC. The timing will consider the Energy Code Reform timetable and additionally in the case of the BSC the completion of the Market-Wide Half-Hourly Settlement programme, currently estimated as Summer 2025.

C. Accession to Uniform Network Code

- 1.11 The current panel membership and voting arrangements are such that NGENSO:
- is a voting member of each of the panels that it is the licensee for and administers, that is the **CUSC, Grid Code** and **STC**;
 - is a voting member of the **SQSS** and **Distribution Code** panels;
 - is an observer, with the right to nominate (including self-nominate) a candidate for elections to the **DCUSA** panel;
 - is a non-voting member of the **BSC** panel;
 - is not a member of the **REC** or **SEC** panels; and
 - is not a member of the **UNC** or **IGT UNC** panels.

¹⁸ <https://www.nationalgrideso.com/what-we-do/becoming-national-energy-system-operator-neso>

- 1.12 To discharge its duties under the GSP Licence, the ISOP is proposed to accede and become a party to the UNC when its designation as the ISOP comes into effect, with the right to raise modification proposals. Modifications will be made in the UNC to enable the ISOP to provide a non-voting representative to the UNC panel.
- 1.13 The ISOP will not be classified as a Transporter, nor a User, it will simply be a Party in a new role of Independent System Operator and Planner.
- 1.14 Within the UNC, the ISOP will be referred to as 'the ISOP' with the relevant definition detailing the acronym, pursuant to its establishment under Energy Act 2023.
- 1.15 Accordingly, the following licence changes have been proposed in the March 2024 statutory consultation for NESO licences and other impacted licences:
- Obligations regarding the ISOP's relationship with the Uniform Network Code have been included in its GSP Licence Condition E1: Obligations regarding Uniform Network Code.
 - Obligations covering ISOP's accession to the UNC, ability to raise modifications, and provide a representative to the panel, have been consequentially proposed for inclusion in the Gas Transporter Licence SSC A11 and SLC 9 (Network Code and Uniform Network Code).
- 1.16 The ISOP will be able to appoint a representative to the DSC Committees, who will be a non-voting member.
- 1.17 ISOP will be included within Customer Class alongside Shipper Users, DN Operators, NGT and Independent Gas Transporters.

E. UNC Modification Proposals

- 1.18 As a Party to the UNC, the ISOP will be permitted to raise UNC Modification Proposals, pursuant to the Modification Rules.
- 1.19 As a Party to the UNC, the ISOP will be permitted to raise Modification Proposals to any UNC Gas Transporter's Individual Network Code, pursuant to the Modification Rules.
- 1.20 Accordingly, the following licence changes were proposed in the March 2024 statutory consultation for NESO licences and other impacted licences:
- Obligations regarding the ISOP's relationship with the Uniform Network Code have been included in its Gas System Planner Licence Condition E1: Obligations regarding Uniform Network Code.

- Obligations covering ISOP’s accession to the UNC, ability to raise modifications, and provide a representative to the panel, have been consequentially included in the Gas Transporter Licence SSC A11 and SLC 9 (Network Code and Uniform Network Code).

F. ISOP Membership of Gas Industry Forums

- 1.21 The ISOP will be a non-voting member of the UNC Modification Panel.
- 1.22 Accordingly, the following licence changes will be made:
- Obligations regarding the ISOP’s relationship with the Uniform Network Code have been included in its Gas System Planner Licence condition E1: Obligations regarding Uniform Network Code.
 - Obligations covering ISOP’s accession to the UNC, ability to raise modifications, and provide a representative to the panel, have been consequentially included in the Gas Transporter Licence SSC A11 (Network Code and Uniform Network Code).
- 1.23 The Demand Estimation Sub-committee will include the ISOP as a non-voting member.
- 1.24 Each of the DSC Committee will include ISOP as a non-voting member.
- 1.25 In selecting the options to consider for Day 1, the CCWG considered:
- the minimum change to implement the current membership and voting arrangements of NGESO in the ISOP, and to also establish the new arrangements in the UNC stopping short of voting rights.
 - extending voting rights across all codes, and if such extension was coherent with establishing an independent and non-commercial body ‘as a trusted and expert body at the centre of the gas and electricity systems’¹⁹. This solution would include voting rights in both the BSC and the UNC.
- 1.26 Subject to later representations from all constituency groups who are party to the UNC, the CCWG was not yet persuaded of a proper consideration of the impact to the balance of the panel between shippers and transporters. Currently, there are six transporter representatives, six shippers, and two consumer representatives. The possibility of ISOP having a ‘swing vote’ was discussed. It was noted that a single ISOP vote is very unlikely to affect actual outcomes and that voting is only one of the criteria used by Ofgem to make evidence-based decisions. Hence, a pragmatic Day 1 solution was for the ISOP to have a non-voting role. This could be later revisited beyond Day 1, if necessary.

¹⁹ <https://assets.publishing.service.gov.uk/media/624c840ce90e075f1120592f/future-system-operator-consultation-govt-response.pdf>

1.27 The table below provides an overview of existing code panel membership and voting arrangements for NGESO, alongside the proposal for these arrangements at the establishment of the ISOP.

Code Panel	NGESO’s current arrangements		Option 1		Option 2	
	Membership	Voting	Membership	Voting	Membership	Voting
CUSC	Yes	Yes	Yes	Yes	Yes	Yes
Grid Code	Yes	Yes	Yes	Yes	Yes	Yes
STC	Yes	Yes	Yes	Yes	Yes	Yes
SQSS	Yes	Yes	Yes	Yes	Yes	Yes
D Code	Yes	Yes	Yes	Yes	Yes	Yes
DCUSA	Yes*	No	Yes*	No	Yes*	No
BSC	Yes	Yes**	Yes	Yes**	Yes	Yes**
UNC	No	No	Yes	No	Yes	Yes

*NGESO has the right to membership of the DCUSA panel.

**NGESO can vote, except on modifications.

1.28 We propose Option 1 to be implemented across all impacted codes, that is retaining the current arrangements and introducing changes for the UNC.

G. ISOP Framework Agreement

1.29 The proposed changes to the UNC make provision for the establishment of the ISOP Framework Agreement, see UNC Introduction section 6 and General Terms Section B1.5.1(c).

1.30 The purpose of the ISOP Framework Agreement is, as set out in these proposed provisions, to provide a mechanism for the ISOP (and more specifically the NESO, once designated as the ISOP and acting pursuant to its ESO and GSP Licences) to accede to the UNC and therefore for the relevant terms within this to be made binding between those Parties. This provides an agreement framework for Parties to enter into agreement pursuant to which the Network Code is made binding on Parties, including between each Transporter and the ISOP. This Framework Agreement is required to be established between the ISOP, NGT and the Gas Distribution Network Operators (DNOs).

The ISOP Framework Agreement template is included in Appendix 5.

Group 2 – ISOP Gas Planning, Advisory and National Security Roles

ISOP Gas Planning Role

- 1.31 The ISOP, pursuant to its new GSP Licence, has new roles for the longer-term strategic gas network planning, forecasting and market strategy.
- 1.32 The following process sets out the ISOP's rights and obligations pursuant to the UNC and ISOP licence conditions, as proposed in the March 2024 statutory consultation on NESO licences and impacts to other licences and are subject to the outcome of the statutory consultation.

The 4-stage process is detailed below

- Stage 1 – Network Model and Relevant Network Model Data
- Stage 2 – Gas Network Capability Needs Report (GNCNR)
- Stage 3 – Strategic Planning Options Proposal
- Stage 4 – Gas Options Advice Document

Stage 1 – Network Model and Relevant Network Model Data

- 1.33 Modifications are proposed to be made to NGT's Gas Transporter Licence Special Condition 9.12 (Licensee's Network Model) to add a section for NGT to provide Network Model and Relevant Network Model Data to the ISOP by or on 30 September in each Formula Year.
- 1.34 NGT and ISOP will together agree the version of the Network Model to be used by the ISOP when preparing the Gas Network Capability Needs Report (GNCNR) and ensure that both use the same version of the model in their respective gas planning and forecasting activities.
- 1.35 Under UNC TPD Section O, further requirements have been placed on NGT and the ISOP to maintain individual log of changes and updates to the Network Model and Relevant Network Model Data.
- 1.36 Additionally, it was felt necessary to establish requirements for NGT and the ISOP to meet and discuss the Network Model and associated data, following changes to the model or/and the data. Also, changes were made to the UNC OAD Section H (NTS Long Term Demand Forecasting) to set out requirements for NGT and the DNOs to exchange information relating to historic demand and demand forecast of DNO's Local Distribution Zones LDZ(s).

Stage 2 – Gas Network Capability Needs Report (GNCNR)

- 1.37 Obligations have been included in the ISOP's proposed GSP Licence to prepare GNCNR setting out its views on the physical capability and the needs of the NTS, pursuant to its licence obligation under condition C8 (Gas strategic network planning).
- 1.38 Additionally, obligations have been placed on ISOP to meet and discuss GNCNR with NGT.

Stage 3 – Strategic Planning Options Proposal

- 1.39 NGT, pursuant to its Gas Transporter Licence Special Condition 9.10, is required to produce a Strategic Planning Options Proposal setting out its response to the GNCNR (produced by the ISOP).
- 1.40 Changes are made to Special Condition 9.10 such that Strategic Planning Options Proposal is provided to the Authority and the ISOP within six months of publication of ISOP's GNCNR.
- 1.41 NGT, in its Strategic Planning Options Proposal, is required to have regard to the information produced by the ISOP in GNCNR; and set out any material differences between its Strategic Planning Options Proposal and the GNCNR, providing an explanation for the differences and any associated implications.

Stage 4 – Gas Options Advice Document

- 1.42 In accordance with its GSP Licence condition C8, the ISOP will be required to provide Gas Options Advice Document to the Authority and NGT by no later than 31 December in each second year.
- 1.43 In the Gas Options Advice Document, if applicable, the ISOP may include an assessment of any options put forward by NGT.
- 1.44 The ISOP must include its views on the drivers for change to the National Transmission System and the options that could meet the requirements identified in its GNCNR.
- 1.45 The ISOP must also assess NGT's proposed options and identify any material differences between its views and those of NGT as published in the most recent Strategic Planning Options Proposal document.

Package: National Security Direction to the ISOP

Background

- 1.46 The purposes of:
- Condition B4: Compliance with directions related to national security, as set out in the ISOP ESO Licence, and
 - Condition B4: Compliance with directions related to national security, as set out in the ISOP GSP Licence
- are collectively to require the ISOP to comply with directions issued by the Secretary of State where, in the opinion of the Security of State, there is a risk relating to national security that may detrimentally impact the resilience, safety or security of the energy system, or the continuity of essential services.

- 1.47 Paragraph 7 of condition B4 specifies that *"The licensee [the ISOP] is not required to comply with any obligation in this [the Electricity System Operator] licence (or the Gas System Planner Licence), where and to the extent that compliance with that obligation would be inconsistent with the requirement to comply with a direction issued in accordance with paragraph B4.4, for the period set out in the direction."*
- 1.48 This derogation extends to obligations on the ISOP to comply with the Code, as required by its licences, where compliance would be inconsistent with the requirement to comply with a national security direction issued in accordance with B4.

Proposal

- 1.49 The Department proposes to introduce a new clause to each of the Codes to which the ISOP is a party. The purpose of this clause will be to highlight to users of the code the existence of such a national security licence condition on the ISOP, and to ensure the ISOP has contractual (as well as licence) relief from compliance.

Key elements of the new clause

- 1.50 The standard clause is designed to reflect a licence condition for the NESO which enables the Secretary of State for the Department for Energy Security and Net Zero (DESNZ) to direct the NESO to take, or not take, certain actions where there is a risk relating to national security that may detrimentally impact the resilience, safety or security of the energy system, or the continuity of essential services. The Secretary of State could only exercise this power and issue a direction where it is in the interests of national security to do so. For example, this might include directing the NESO not to grant commercial contracts with external parties for goods or services, where these represent a risk relating to national security.
- 1.51 The Department set out provision for the national security power in licences to achieve the desired policy outcome through existing statutory vires, removing the need for additional primary legislation. In the Department's assessment of existing legislation, it identified a limited ability to provide direction on national security issues in the energy system, with existing legislation focussing on emergency powers where there is imminent severe risk to life. Those powers are not designed to be used pre-emptively before an emergency has taken place, whereas national security concerns may not necessarily be urgent, but rather arise out of a long-term risk that government is managing. However, the direction in connection with risks relating to national security has not been limited to long term, strategic threats as national security threats may materialise on any timescale.
- 1.52 The national security power is not intended to override any existing legislation or national security provision, nor provide new powers for NESO to direct others, but rather to require NESO to comply with a national security direction issued by the Secretary of State where it is within its power and control.

- 1.53 The proposed code text follows the drafting of the licence condition. It outlines that the NESO must comply with any national security direction issued by the Secretary of State, and in doing so the NESO is not required to comply with any other obligation in the codes where and to the extent that compliance with those obligations is incompatible with compliance with the direction, for the period set out in the direction. The proposed code text also sets out that the NESO is able to withdraw from any contractual obligations that it has under the codes without liability, in order to comply with a national security direction.
- 1.54 The intention is to exclude the liability of NESO in the case of breaching its obligations under the relevant code to a User that has been deemed to pose a national security threat, where compliance with a direction given by the Secretary of State results in such a breach.
- 1.55 The proposed code text reflects the licence condition text, which has been consulted on previously³⁷, and has been adjusted to incorporate feedback from the CCWG. This adjustment includes requiring that NESO not only identify impacts of a direction on Users, but also request the Secretary of State to permit communication to affected Users regarding the direction in a timely manner.
- 1.56 The clause also addresses the case where NESO's compliance with a direction renders a User unable to comply with any of its obligations under the Code and suspends those obligations in such a case.
- 1.57 However, the clause does not include provision to address a case where NESO's compliance with a direction incidentally results in other ('bystander') parties incurring exceptional costs or rendering them unable to comply with their licence. This potential issue was raised in discussion with the CCWG.
- 1.58 While consideration was given to including such a provision within the Codes, the Department was not able to identify any credible scenarios in which 'bystanders' incurred exceptional costs as a result of a national security direction issued to NESO by the Secretary of State. As such, the Department is minded to not include provisions for exceptional costs as to avoid introducing unintended compensation for a malicious actor who posed a national security threat and endangered the system, particularly where we have not been able to identify credible scenarios in which it would be necessary.
- 1.59 During this consultation the Department would welcome views on reasonable and credible scenarios in which such exceptional loss may be incurred by 'bystanders'. If, once NESO is in operation, it becomes clear that there are situations in which there was a genuine risk of a bystander User suffering exceptional loss as a result of the national security direction power being used, the Department would be open to reconsidering the necessity for such a provision in the codes at that time.

- 1.60 Other questions raised in the CCWG include queries about the definition of 'Users' in the context of the standard code text. The Users to whom this provision in the Code applies will match the standard definition for Users in the Code.

Precedents

- 1.61 Requirements superseding the obligation to comply with the code already exists in other codes to cover unforeseen circumstances and emergency situations. For example, as in the Grid Code examples below. The proposed standard clause has been modelled in a similar fashion.
- **Example 1** – Grid Code General Conditions section *GC.9 EMERGENCY SITUATIONS*
Users should note that the provisions of the Grid Code may be suspended, in whole or in part, during a Security Period, as more particularly provided in the Fuel Security Code, or pursuant to any directions given and/or orders made by the Secretary of State under section 96 of the Act or under the Energy Act 1976.
 - **Example 2** – Grid Code General Conditions section *GC.3 UNFORESEEN CIRCUMSTANCES*
GC.3.1 If circumstances arise which the provisions of the Grid Code have not foreseen, The Company shall, to the extent reasonably practicable in the circumstances, consult promptly and in good faith all affected Users in an effort to reach agreement as to what should be done. If agreement between The Company and those Users as to what should be done cannot be reached in the time available, The Company shall determine what is to be done. Wherever The Company makes a determination, it shall do so having regard, wherever possible, to the views expressed by Users and, in any event, to what is reasonable in all the circumstances. Each User shall comply with all instructions given to it by The Company following such a determination provided that the instructions are consistent with the then current technical parameters of the particular User's System registered under the Grid Code. The Company shall promptly refer all such unforeseen circumstances and any such determination to the Panel for consideration in accordance with GC.4.2(e).

Placement in the Codes

- 1.62 The Department proposes the new clause is inserted at the end of the corresponding section of the Code listed below. This mirrors the suggested placement of the 'Advisory and Information Requests' clause. The description summarises the purpose and general content of the section, and in addition to validation by the administrators of the Codes provides the basis for the proposed placement.

Code	Section	Description
CUSC	Section 6 – General Provisions (add new sub-sections to the end)	This is a catch-all section of the CUSC and includes provisions for Force Majeure, the Fuel Security code and the requirements for CUSC parties to comply as applicable with the Grid Code
Grid Code	General Conditions (add new sub-sections to the end)	<p>Section GENERAL CONDITIONS (GC) of the Grid Code sets out in GC1.1 “<i>The General Conditions contain provisions which are of general application to all provisions of the Grid Code. Their objective is to ensure, to the extent possible, that the various sections of the Grid Code work together and work in practice for the benefit of all Users.”</i></p> <p>This is a catch-all section of the Grid Code and is already used to detail arrangements for the Fuel Security Code and ‘unforeseen circumstances’ leading to arrangements in the Grid Code not covering a particular situation</p>
STC	Section G – General Provisions	This section contains those provisions that are generic to the code. It includes Force Majeure, Data Protection and Derogations
SQSS	Section 1 - Introduction	
BSC	Section H - General	This section includes provisions relating to the ownership, use and disclosure of data; and the limitation of liability of Parties under the Code
Distribution Code	DISTRIBUTION GENERAL CONDITIONS (DGC)	Sets out DGC3 UNFORESEEN CIRCUMSTANCES and DGC6 DATA AND NOTICES
DCUSA	SECTION 3 GENERAL LEGAL PROVISIONS	Includes provisions relating to force majeure, derogations, and further information provision
UNC	GENERAL TERMS SECTION B – GENERAL	Includes provisions relating to force majeure, derogations, and communications.

Reason and Effect

1.63 The reason and effect of the changes across the Codes are as follows:

Reason	The proposed code text is intended to create consistency and clarity between legislation, licences and codes where a SoS direction is issued to the ISOP in relation to National Security. It further aims to provide transparency for market participants that may be affected by a SoS direction issued to the ISOP, as well as how they are effected.
---------------	--

Effect	<p>The effects of these proposed code modifications include highlighting within the Codes that, in accordance with condition B4 of both the ESO Licence and GSP Licence, the Secretary of State may issue a direction to the ISOP, that the ISOP is required to comply with such direction, and may withdraw from any contractual obligations under the code, and that the ISOP’s obligations may be suspended without liability as a result of that direction. Note, the ability of the Secretary of State to direct the ISOP is not derived from this proposed modification.</p> <p>As a result of any direction, the ISOP will also identify the impacted code users, and will inform users what actions have been taken where permitted by the Secretary of State.</p>
---------------	--

Package: Advisory and Information Requests

Background

1.64 The below table draws together the main provisions in the Energy Act 2023 and the corresponding licence conditions in the ESO and GSP licences. Collectively these govern the ISOP’s new advisory role, and its power to request information from persons in fulfilling any of its functions (including that role).

Energy Act 2023	ESO Licence and GSP Licence
<p>s.171 Provision of advice, analysis or information (1) The ISOP must, so far as reasonably practicable, comply with a request by a person* for the provision of advice, analysis or information.</p> <p><i>*person means a Minister of the Crown or GEMA, see s.171(2)</i></p>	<p>Condition D1 Provision of ISOP Advice sets out the licensee’s* obligations and reporting requirements in connection with the provision of ISOP Advice (to GEMA and to a Minister of the Crown)</p> <p><i>*licensee means NESO (as the ISOP)</i></p>

<p>s.172 Power to require information from regulated persons etc (1) The ISOP may by notice request from a person* such information as the ISOP reasonably requires in connection with the exercise of any of its functions.</p> <p><i>*means a person carrying out, or reasonably considered to be carrying out a relevant activity, see s.172(2) and s.163(5)³⁸</i></p>	<p>Condition D2 Information requests by the licensee sets out the obligations in connection with the licensee’s* power to request information under section 172 of the Energy Act 2023.</p> <p><i>*licensee means NESO (as the ISOP)</i></p>
--	---

- 1.65 Section 172 of the Energy Act 2023 provides for the ISOP by notice to request information from persons in the fulfilling of its functions. Section 172(3) includes that a person to whom a request is made “must, so far as reasonably practicable, provide the requested information within such period, and in such form and manner, as may be specified”. Conditions D2 of the ESO and GSP licences set out how the ISOP is obliged to act when it acts in accordance with s.172, not limited to its process when issuing a notice under s.172(1), the “Information Request Notice”²⁰.

Proposal

- 1.66 The licence conditions underpinned by legislation describe procedures which are sufficient for NESO to use its s.172 powers at designation as the ISOP on Day 1. Nevertheless, for the purposes of transparency and to set out for code signatories what they should expect where the ISOP finds it necessary to request information from them in fulfilling its functions, we propose to introduce a new clause to each of the Codes to which the NESO (as the ISOP) is a party.
- 1.67 Where further details become apparent after Day 1, for example, regular requests which would be aided by changes to the Codes, the new clause will provide a section marker for such future changes.

Key elements of the new clause

- 1.68 The standard clause is designed to reflect language in legislation and the licence condition text, which has been consulted on previously²¹.
- 1.69 The two introductory paragraphs (respectively) provide the policy context and mirror the ISOP’s obligation to provide advice as set out in s.171 of the Energy Act 2023, and its powers to request information in s.172 of the Energy Act 2023.

²⁰ “Information Request Notice” is defined in both licences as a notice that will be issued by the ISOP to a relevant party setting out reasonable requirements for information in accordance with s.172 of the Energy Act 2023.

²¹ Please see “National Energy System Operator (NESO) licences and other impacted licences: statutory consultation” for details:
<https://www.ofgem.gov.uk/consultation/national-energy-system-operator-neso-licences-and-other-impacted-licences-statutory-consultation>

- 1.70 The remaining paragraphs follow the drafting of the licence condition text and set out the process the ISOP is obliged to follow in requesting information by notice.
- 1.71 In the context of the standard code text, the CCWG queried the definition of 'User' to whom a request is made. The policy intention as set out in the Energy Act 2023 means the ISOP's use of the information request power will be exercisable on a person carrying out, or reasonably considered (by the ISOP) to be carrying out a relevant activity. Section 163(5) of the Energy Act 2023 details these activities⁴¹. The User to whom this provision in the code applies should match the policy intention, and match the standard definition for a 'User' (or equivalent defined term or terms) in the code.

Placement in the Codes

- 1.72 We propose the new clause is inserted at the end of the corresponding section of the Code listed below. This mirrors the suggested placement of the 'National Security directions to the ISOP' clause. The description summarises the purpose and general content of the section, and in addition to validation by the administrators of the Codes provides the basis for the proposed placement.

Code	Section	Description
CUSC	Section 6 – General Provisions (add new sub-sections to the end)	This is a catch-all section of the CUSC and includes provisions for Force Majeure, the Fuel Security code and the requirements for CUSC parties to comply as applicable with the Grid Code
Grid Code	General Conditions (add new sub-sections to the end)	<p>Section GENERAL CONDITIONS (GC) of the Grid Code sets out in GC1.1 “<i>The General Conditions contain provisions which are of general application to all provisions of the Grid Code. Their objective is to ensure, to the extent possible, that the various sections of the Grid Code work together and work in practice for the benefit of all Users.</i>”</p> <p>This is a catch-all section of the Grid Code and is already used to detail arrangements for the Fuel Security Code and ‘unforeseen circumstances’ leading to arrangements in the Grid Code not covering a particular situation</p>
STC	Section G – General Provisions	This section contains those provisions that are generic to the code. It includes Force Majeure, Data Protection and Derogations
SQSS	Section 1 - Introduction	
BSC	Section H - General	This section includes provisions relating to the ownership, use and disclosure of data; and the limitation of liability of Parties under the Code
Distribution Code	DISTRIBUTION GENERAL CONDITIONS (DGC)	Sets out DGC3 UNFORESEEN CIRCUMSTANCES and DGC6 DATA AND NOTICES
DCUSA	SECTION 3 GENERAL LEGAL PROVISIONS	Includes provisions relating to force majeure, derogations, and further information provision
UNC	GENERAL TERMS SECTION B – GENERAL	Includes provisions relating to force majeure, derogations, and communications.

Reason and Effect

1.73 The reason and effect of the changes across the Codes are as follows:

Reason	To include a standard clause in all Codes for transparency and to set out for code signatories what they should expect where the ISOP finds it necessary to request information from them in fulfilling its functions.
Effect	To insert a new standard clause into the Codes.

Appendix 1 – Glossary

Glossary

BSC	Balancing and Settlement Code
CCWG	Cross Code Workgroup, workgroup constituted under the FSO CCP by decision on 18 October 2023 available at https://www.ofgem.gov.uk/publications/decision-letter-ofgems-call-volunteers-fso-codes-change-programme
CUSC	Connection and Use of System Code
Day 1	Day 1 is the date by which both designation of the ISOP and the new ISOP Gas System Planner and Electricity System Operator licences come into effect
D-CODE	Distribution Code
DCUSA	Distribution Connection and Use of System Agreement
Department,	Department for Energy Security and Net Zero, previously known
DESNZ	as the Department for Business, Energy and Industrial Strategy
DNO	Distribution Network Operator
Effective Date	Means the date that the ISOP code modifications come into effect, as specified in the Relevant Authority’s notice of decision on the code modifications issued in accordance with section 170(4) and (5) of the Energy Act 2023. It is expected to fall on or following Day 1
Elexon	Elexon Limited
Energy Act 2023	The Energy Act 2023 available at https://www.legislation.gov.uk/ukpga/2023/52/enacted
Electricity System Operator Licence or ESO Licence	The licence which will be held by the ISOP and treated as granted by the Secretary of State pursuant to a direction issued under section 167 of the Energy Act 2023.
FSO	Future System Operator, see ISOP definition. This is the name previously given to the body that will be designated as the ISOP under Part 5 of the Energy Act 2023. References to the FSO in this document should be read as referring to that body The Energy Act 2023 provides for the ISOP to have statutory functions and duties. After the ISOP is designated, the ISOP will take on some functions that already exist (e.g., the role of electricity transmission system operator), but many of its responsibilities (including those related to the provision of advice to government and Ofgem, and gas system planning) will be completely new.

FSO CCP	Future System Operator Codes Change Programme
GDPR	The General Data Protection Regulation (Regulation (EU) 2016/679) as retained in domestic law following the UK’s withdrawal from the European Union (“UK GDPR”)
GEMA	Gas and Electricity Markets Authority. The terms “GEMA”, “the Authority”, “Ofgem”, “we” and “us” are used interchangeably in this document
Gas System Planner Licence or GSP Licence	The licence which will be held by the ISOP, and granted by the Secretary of State pursuant to section 168 of the Energy Act 2023
GNCNR	Gas Network Capability Needs Report
IGT UNC	Independent Gas Transporters Uniform Network Code
ISOP	Independent System Operator and Planner, see FSO definition
Minister of the Crown	As defined in the ESO Licence and GSP Licence; has the meaning given to that term in section 8(1) of the Ministers of the Crown Act 1975.
NESO	National Energy System Operator Limited
NGESO	National Grid Electricity System Operator Limited
NGT	National Gas Transmission plc
Ofgem	Office of Gas and Electricity Markets, see also the definition of “GEMA”
PMO	Project Management Office
Project Partners	Include NGESO, NGT and Elexon; and the CCWG
REC	Retail Energy Code
Relevant Authority	Means the Secretary of State of the Department or the Gas and Electricity Markets Authority (GEMA), per section 169(7) and section 170(9) of the Energy Act 2023. Additionally, under section 169(5) the Secretary of State may direct GEMA to exercise the section 169(1)(c) modification power
Relevant Document	A Relevant Document is defined by section 169(7) of the Energy Act 2023 to mean a document maintained in accordance with the conditions of a relevant licence, e.g., such as industry codes
SEC	Smart Energy Code
SQSS	Security and Quality of Supply Standard
STC	System Operator - Transmission Owner Code
UNC	Uniform Network Code

Appendix 2 – UNC modification proposals

The following proposed modifications to the UNC, shown in marked-up text together with the reason and effect of the proposed changes, reflect the ISOP’s obligations to accede to the UNC, participate in the governance and development of the UNC, and carry out its new role in strategic gas network planning. Additionally, the proposed modifications reflect the ISOP’s new advisory role (to provide advice, analysis and information to GEMA or a Minister of the Crown pursuant to section 171 of the Energy Act 2023) and NESO’s proposed licence condition²² regarding national security directions issued to the ISOP by the Secretary of State.

Group 1 – ISOP Institutional changes

Modification proposal on UNC Modification Rules

²² See condition B4 (Compliance with directions related to national security) in the ISOP’s proposed ESO Licence and GSP Licence)

	Required Change	Reference
<p>Institutional Change (Uniform Network Code – Modification Rules)</p>	<p>1 INTRODUCTION</p> <p>1.1 Status</p> <p>Each of the Transporters is required, together with the other Transporters, to establish and operate procedures for the Modification of the Uniform Network Code and each Individual Network Code, so as to better facilitate, consistently with the duties imposed on each Transporter under Section 9(1) and (2) of the Act, the achievement of the Relevant Objectives. The procedures are to provide for:</p> <p>(a) a mechanism by which the Uniform Network Code and each Individual Network Code may be modified and/or reviewed;</p> <p>(b) the making of proposals for the modification of the Uniform Network Code either by a Transporter, the ISOP, a User, an Independent Gas Transporter, a Third Party Participant or, in certain circumstances, the Authority;</p> <p>(c) the making of proposals for the modification of each Individual Network Code by a Relevant Transporter, the ISOP, a Relevant Shipper, a Third Party Participant or, in relation to National Gas Transmission’s Individual Network Code only, an Independent Gas Transporter or, in certain circumstances, the Authority;</p>	<p>UNC: MODIFICATION RULES</p> <p>1.1, 2.1</p>

	<p>(d) subject to paragraphs 6.4.5(b) and 6.4.5(c), where a proposal is made for the modification of the Uniform Network Code (other than a proposal made by the Authority in the circumstances specified at paragraph 6.1.4), the making of an alternative proposal for the modification of the Uniform Network Code by any Transporter, the ISOP, User, Independent Gas Transporter, or Third Party Participant or, in certain circumstances, the Authority other than the person who raised the original modification proposal;</p> <p>(e) subject to paragraphs 6.4.5(b) and 6.4.5(c), where a proposal is made for the modification of an Individual Network Code (other than a proposal made by the Authority in the circumstances specified at paragraph 6.1.4), the making of an alternative proposal for the modification of that Individual Network Code by a Relevant Transporter, the ISOP, a Relevant Shipper, a Third Party Participant or, in relation to National Gas Transmission’s Individual Network Code only, an Independent Gas Transporter or, in certain circumstances, the Authority other than the person who raised the original modification proposal;</p> <p>(i) the giving of adequate publicity to any such proposals including, in particular, drawing them to the attention of Transporters, the ISOP and Users and sending a copy of the proposal to any other person who asks for one;</p> <p>(k) the consideration of any representations relating to such proposals (excluding Significant Code Review Modification Proposals made by the Authority in the circumstances specified at paragraph 6.1.4) made (and not withdrawn) by a Transporter, the ISOP, a User, the Users, an Independent Gas Transporter or any other person likely to be materially affected were the proposals to be implemented;</p>	
--	---	--

	<p>2.1 Defined Terms</p> <p>“Appealing Party”: in relation to an Appeal or an Authority Appeal, a User, a Materially Affected Party, Transporter, Independent Gas Transporter, the ISOP or Third Party Participant making such appeal;</p> <p>“Assimilated Law”: has the same meaning as that given by section 6(7) of the European Union (Withdrawal) Act 2018;</p> <p>“legally binding decisions of the European Commission and/or the Agency for the Cooperation of Energy Regulators” means any relevant legally binding decisions of the European Commission and/or the Agency, but a binding decision does not include a decision that is not, or so much of a decision as is not, Retained-EU Assimilated Law;</p> <p>“Regulation” means Regulation 2009/715/EC of the European Parliament and of the Council of 13 July 2009 concerning conditions for access to the national gas transmission networks (as a component of Retained EU Assimilated Law) as amended by Schedule 2 of The Electricity and Gas etc. (Amendment etc.) (EU Exit) Regulations 2019 and section 3 of The Electricity and Gas etc. (Amendment) (EU Exit) Regulations 2020;</p> <p>“Retained EU Law” has the same meaning as that given by section 6(7) of the European Union (Withdrawal) Act 2018 as amended by the European Union (Withdrawal Agreement Act) 2020;</p> <p>“Workgroup”:</p> <p>(a) a group constituted in accordance with paragraph 8.1 (which may include but shall not be limited to Users, Transporters, Independent Gas Transporters, the ISOP, the CDSP, Third Party Participants and Non-Code Parties), chaired by a representative of the Code Administrator and operating in compliance with the Code of Practice, which is convened for the general purposes of consideration and discussion of matters relating to the</p>	
--	--	--

Consultation – FSO Codes Change Programme – Modification Proposal – UNC

	Uniform Network Code, an Individual Network Code or a Modification Proposal in accordance with its Terms of Reference (which group shall have no power or authority to bind any member of such group);	
Type of Change	Changes to existing clauses.	
Reason	The purpose of these changes is to: <ul style="list-style-type: none"> • include the references to "ISOP". • Include the ISOP as a Party to the UNC to have ability to make modification proposals. • update references from "Retained EU Law" to "Assimilated Law". 	
Effect	The effect of these changes is that: <ul style="list-style-type: none"> • the ISOP accedes to UNC and becomes a Code Party. • The ISOP has the ability to make modification proposals. • The ISOP becomes a non-voting member with representation in the UNC panel. • references to "Retained EU Law" follow changes from the UK Retained EU Law (Revocation and Reform) Act 2023 to use "Assimilated Law" terminology. 	

	Required Change	Reference
<p>Institutional Change (Uniform Network Code – Modification Rules)</p>	<p>3 THE MODIFICATION PANEL</p> <p>3.1 Establishment</p> <p>The Modification Panel is established with effect from the UNC Implementation Date.</p> <p>3.2 Members</p> <p>3.2.1 The Modification Panel shall be composed of:</p> <p>(a) the Panel Chairperson, being (without prejudice to paragraph 5.8.2) a non-voting Member;</p> <p>(b) up to five (5) other Transporters' Representatives, being Voting Members;</p> <p>(c) if appointed, up to six (6) Users' Representatives, being Voting Members;</p> <p>(d) if appointed, the Ofgem Representative, being a non-voting Member;</p> <p>(e) if appointed, the Terminal Operators' Representative, being a nonvoting Member;</p> <p>(f) if appointed, up to two (2) Consumers' Representative(s), being Voting Members;</p> <p>(g) if appointed, the Independent Suppliers' Representative, being a nonvoting Member; and</p> <p>(h) if appointed, the Independent Gas Transporters' Representative, being a Voting Member; and</p> <p>(i) if appointed, the ISOP Representative, being a non-voting Member (the persons appointing the Members under paragraphs (b), (c), (f) and (h) being the "Panel Constituency" in respect of such Members).</p> <p>3.2.3 It is expected that the Terminal Operators' Representative, and the Independent Suppliers' Representative, and the Independent Transporters' Representative and the ISOP Representative shall, as appropriate, inform the Modification Panel of the views of those persons which they represent.</p>	<p>UNC: MODIFICATION RULES</p> <p>3.2, 4.1, 4.2, 4.3, 4.4, 5.3, 5.10</p>

	<p>4 MEMBERSHIP OF THE MODIFICATION PANEL</p> <p>4.1 Appointment</p> <p>4.1.6 The ISOP may, from time to time, by notice to the Secretary, identify any individual to be appointed (and revoke that appointment) as the 'ISOP Representative'.</p> <p>4.2 Retirement</p> <p>4.2.8 In respect of the individual who is the ISOP Representative, the ISOP may, no later than 1st September in the Gas Year preceding the Gas Year in respect of which the ISOP Representative's Appointment Period commences, notify the Secretary (copying the notice to the Authority):</p> <p>(a) that such individual is to be re-appointed as the ISOP Representative; or</p> <p>(b) that such individual is not to be so re-appointed at the identity of the individual to be appointed as the ISOP Representative.</p> <p>4.2.9 If no notice is received by the Secretary in accordance with paragraphs 4.2.3, 4.2.4, or 4.2.7 or 4.2.8 then the Secretary shall be treated as having received notice pursuant to paragraph 4.2.3(a), 4.2.4(a), or 4.2.7(a) or 4.2.8(a) in respect of each Transporters' Representative, Users' Representative, or Independent Gas Transporters' Representative or the ISOP Representative.</p> <p>4.3 Appointment and re-appointment</p> <p>4.3.1 Where any notice is received pursuant to paragraphs 4.1.1, 4.1.2, 4.2.3, 4.2.4, or 4.2.7 or 4.2.8, the appointment or, as the case may be, the re-appointment to which such notice relates shall have effect from the 1 October specified in such notice. Each individual who is to be appointed or, as the case may be, re-appointed as a Member at that meeting shall be</p>	
--	--	--

	<p>entitled to receive notice of any meeting of the Modification Panel which is to take place after the commencement of their Appointment Period.</p> <p>4.3.2 Where any notice is received by the Secretary pursuant to paragraphs 4.1.3, 4.1.4, 4.1.5, 4.1.6, 4.2.6 or 4.4.2, the appointment to which such notice relates shall take effect in accordance with such notice.</p> <p>4.4 Ceasing to be a Member</p> <p>4.4.2 Where pursuant to paragraph 4.4.1 or otherwise a vacancy shall arise, in the case of:</p> <p>(f) the Independent Suppliers' Representative, the Designated Person may, by notice to the Secretary, identify another individual to be appointed as the Independent Suppliers's Representative; and</p> <p>(g) the Independent Gas Transporters' Representative, the Independent Networks Association may, by notice to the Secretary, identify another individual to be appointed as the Independent Gas Transporters' Representative; and</p> <p>(h) the ISOP Representative, the ISOP may, by notice to the Secretary, identify another individual to be appointed as the ISOP Representative.</p> <p>5.3 Notice convening meetings</p> <p>5.3.2 Every notice convening a meeting of the Modification Panel shall specify the place, day and time of the meeting and enclose an Agenda. All relevant materials in respect of a meeting of the Modification Panel will be circulated not less than five (5) Business Days prior to the meeting to which they relate, subject to paragraph 10 or paragraph 5.3.3 where in the opinion of the Secretary a shorter period would better facilitate the exercise by the Modification Panel of its powers, within such shorter period as the Secretary shall determine. Each Member shall (subject to paragraph 12.6.7) be entitled to receive each notice and the relevant materials. At the same time as any notice is despatched to Members a copy of such notice shall (subject to paragraph 12.6.7) be despatched by the Secretary to each</p>	
--	--	--

	<p>User, each Transporter and each Independent Gas Transporter, the ISOP and the CDSP. There may be circumstances where materials to be despatched with a notice have, pursuant to these Rules, already been sent to Users, Transporters or Independent Gas Transporters. In any such circumstance the relevant materials may be, but do not have to be, sent with the notice.</p> <p>5.10 Observers and Invitees</p> <p>5.10.1 Any individual (who is not a Member) may attend a meeting of the Modification Panel as an observer on behalf of a User, Transporter, Independent Gas Transporter, the ISOP, the CDSP or a Non-Code Party and may participate in the business of the meeting unless the Panel Chairperson determines otherwise.</p>	
Type of Change	Changes to existing clauses and addition of new clauses.	
Reason	<p>The purpose of these changes is to:</p> <ul style="list-style-type: none"> • include the references to "ISOP". • include the ISOP as a member of the Modification Panel. • include the ISOP as a Party to have ability to make modification proposals. 	
Effect	<p>The effect of these changes is that:</p> <ul style="list-style-type: none"> • the ISOP accedes to UNC and becomes a Code Party. • the ISOP becomes a member of the Modification Panel. • the ISOP can appoint its representative to the Modification Panel, and by notice to the Secretary, revoke, amend or reappoint its representative. • the ISOP has ability to make modification proposals. • ISOP becomes a non-voting member with representation in the UNC panel. 	

	Required Change	Reference
<p>Institutional Change (Uniform Network Code – Modification Rules)</p>	<p>6 MODIFICATION PROPOSALS</p> <p>6.1 Relevant persons</p> <p>6.1.1 Without prejudice to paragraph 6.4 or paragraph 12.4 and subject to paragraph 6.1.5, a Modification Proposal in respect of the Uniform Network Code may be made from time to time by:</p> <p>(g) the CDSP (but only in respect of a Modification Proposal made to authorise the amendment of the DSC, and only where the CDSP considers that an amendment of the DSC is appropriate for the fulfillment of the DSC Objectives or is necessary to allow the CDSP to comply with a Legal Requirement); and</p> <p>(h) the ISOP; and</p> <p>(i) those persons specified in paragraph 15.6.</p> <p>6.1.2 Without prejudice to paragraph 6.4 or paragraph 12.4, and subject to paragraph 6.1.6, a Modification Proposal in respect of an Individual Network Code may be made from time to time by:</p> <p>(e) the Authority where such Modification Proposal is either:</p> <p>(i) one which the Authority reasonably considers is necessary to comply with or implement the Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency for the Cooperation of Energy Regulators); or</p> <p>(ii) a Significant Code Review Modification Proposal; and</p>	<p>UNC:</p> <p>MODIFICATION RULES</p> <p>6.1, 6.2, 6.5, 6.7, 7.1, 7.3, 7.5, 9.1, 9.3, 9.5, 9.7, 10.1, 10.2, 11.4, 12.3, 12.4, 12.6, 12.7, 13.1, 13.2, 13.4, 13.10.</p>

	<p>(f) the ISOP.</p> <p>6.1.6 A Transporter, the ISOP, a User, a Third Party Participant, a Materially Affected Party or an Independent Gas Transporter may not make a Modification Proposal in respect of the Uniform Network Code during the relevant Significant Code Review Phase if the subject matter of such proposal relates to a matter which is the subject of a Significant Code Review, unless:</p> <p>(a) the Authority directs that it may do so, having taken into account, among other things, the urgency of the subject matter of such proposal; or</p> <p>(b) the Modification is made by the Transporter in accordance with Standard Special Condition A11(15A)(b).</p> <p>6.1.7 A Relevant Transporter, the ISOP, a Relevant Shipper, a Materially Affected Party or an Independent Gas Transporter may not make a Modification Proposal in respect of an Individual Network Code during the relevant Significant Code Review Phase if the subject matter of such proposal relates to a matter which is the subject of a Significant Code Review unless:</p> <p>(a) the Authority directs that it may do so, having taken into account, among other things, the urgency of the subject matter of such proposal; or</p> <p>(b) the Modification is made by the Transporter in accordance with Standard Special Condition A11(15A)(b).</p> <p>6.2 Content of Modification Proposal</p> <p>6.2.1 (e) in the case of a Modification which proposes a timescale for the implementation of the Modification (for the purposes of enabling the Authority and any persons, including but not limited to Users, Transporters, Independent Gas Transporters, Third Party Participants, and Non Code Parties and the ISOP to be aware of the potential benefits or constraints associated with such timing), except in the case where the Authority has</p>	
--	--	--

directed a timetable in accordance with paragraph 12.5.2 and/or 12.5.3, where only one Fixed Implementation Date may be included, shall include:

- (i) two or more Fixed Implementation Dates;
- (ii) a Proposed Authority Decision Date in respect of each Fixed Implementation Date, for the purposes of enabling the Modification to be implemented by the Fixed Implementation Date;
- (iii) a Backstop Lead Time;
- (iv) the reasons why it is proposing each date under paragraph (i), (ii) and (iii).

6.5 Withdrawal or variation of Modification Proposals

6.5.2 The Secretary shall, within a reasonable period of time following any withdrawal (including any withdrawal directed by the Authority pursuant to paragraph 6.5.8), variation or variation request (except where such variation request is made at the Modification Panel meeting) notify each Transporter, each Member, each User, each Independent Gas Transporter, each Third Party Participant, ~~and~~ each Non-Code Party **and the ISOP** of such withdrawal, variation or variation request (as the case may be).

6.7 Modification Proposals made during a Significant Code Review Phase

6.7.1 Where the Authority has received a written assessment of the Modification Panel under paragraph 7.2.8 in respect of a Modification Proposal, the Secretary shall inform the Proposer and each Transporter, User, Independent Gas Transporter, Third Party Participant, and Non-Code Party (if any), **the ISOP** and the CDSP of the direction or re-direction it has received from the Authority.

7.1 Circulation of Modification Proposals

	<p>7.1.1 (b) by the later of:</p> <ul style="list-style-type: none">(i) the end of the third Business Day following receipt of a Modification Proposal made pursuant to paragraph 6.1.1 or 6.4 (as the case may be); and(ii) the end of the first Business Day following the date on which the Secretary receives notification of any decision of the Authority pursuant to paragraph 10.1.2 or 10.1.3 as to whether the Modification Proposal should be treated as an Urgent Modification Proposal, <p>send a copy of that proposal to each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, and each Non-Code Party (if any), the ISOP, and the CDSP;</p> <p>7.3 Modification Proposal to proceed to Consultation</p> <p>7.3.1 (d) where the Modification Proposal is a Self-Governance Modification Proposal, the Code Administrator may invite each Transporter, each User, each Independent Gas Transporter, the CDSP, Non-Code Party (if any) and the ISOP to make representations in respect of whether such Modification Proposal should be a Self-Governance Modification Proposal.</p> <p>7.5 Workgroup Assessment</p> <p>If the Modification Panel determines pursuant to paragraph 7.2.3(b)(ii) that the Modification Proposal should proceed to Workgroup Assessment or determines pursuant to paragraph 11.4.4(b) that a Request should proceed to Workgroup Assessment the Code Administrator shall within ten (10) Business Days of such determination finalise the Terms of Reference in accordance with paragraph 12.9 and notify each Transporter, the ISOP, each Independent Gas Transporter and each User and the CDSP of the composition of the Workgroup and invite each Transporter, each User, each Independent Gas Transporter and Non-Code Party (if any) and the CDSP to make representations in respect of the Modification Proposal within fifteen (15) Business Days following the date of the invitation.</p>	
--	---	--

	<p>9.1 Consultation - Draft Modification Report</p> <p>9.1.2 Where the Modification Panel has determined that legal text is required, then within one Business Day of receiving such Draft Modification Report the Secretary shall circulate the Draft Modification Report to the next meeting of the Modification Panel and subject to paragraph 9.1.3, within one Business Day following date upon which the panel meeting is convened, the Secretary shall circulate it to each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant and each Non-Code Party (if any), the ISOP and the CDSP inviting them to make (or withdraw earlier) representations to the Transporters within fifteen (15) Business Days following the date of that invitation.</p> <p>9.1.4 Where the Modification Panel has determined that legal text is not required:</p> <p>(a) pursuant to paragraph 7.3.1(a), within one (1) Business Day of receiving the Draft Modification Report;</p> <p>(b) pursuant to paragraph 9.1.3, within one (1) Business Day of such determination;</p> <p>the Secretary shall circulate the Draft Modification Report to each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, and each Non-Code Party (if any), the ISOP and the CDSP inviting them to make (or withdraw earlier) representations to the Code Administrator within fifteen (15) Business Days following the date of that invitation.</p> <p>9.3 Consultation - Final Modification Report</p> <p>9.3.1 (b) the Secretary shall submit a copy of that final Modification Report to:</p>	
--	--	--

	<p>(i) each Third Party Participant, each Transporter, each User, each Independent Gas Transporter and each Non-Code Party (if any), the ISOP and the CDSP that submitted (and did not so withdraw) a representation with regard to the draft Modification Report pursuant to paragraph 9.1.2 or 9.1.4; and</p> <p>(ii) each Member,</p> <p>and shall attach to that report all representations (if any) so received (and not so withdrawn); and</p> <p>9.3.2 (b) within three (3) Business Days following receipt of such report the Secretary shall submit a copy of the final Modification Report to:</p> <p>(i) each Third Party Participant, each Transporter, each User, each Independent Gas Transporter and each Non-Code Party (if any), the ISOP and the CDSP; and</p> <p>(ii) each Member;</p> <p>and shall attach to that report all representations (if any) so received (and not so withdrawn) and the report (if any) received pursuant to (b); and</p> <p>9.3.4 The Code Administrator shall, within one (1) Business Day of receipt from the Secretary of the final Modification Report, circulate to the Authority and each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, and each Non-Code Party (if any), the ISOP and the CDSP the following:</p> <p>(a) a copy of the final Modification Report and any other attachments; and</p> <p>(b) a copy of the Modification Panel's recommendation to the Authority seeking a determination of the Authority as to whether the Modification should be implemented or not.</p>	
--	---	--

	<p>9.3.5 Where the Authority receives a final Modification Report pursuant to paragraph 9.2.2 or 9.3.4, the Authority may determine whether the proposed Modification shall be implemented and may give notice of its decision to the Secretary, in which case on receipt of such notice from the Authority:</p> <p>(a) if the notice confirms the Authority's determination not to implement the proposed Modification, the Secretary shall circulate to each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, and each Non-Code Party (if any), the ISOP and the CDSP a non-implementation notice; and</p> <p>(b) if the notice confirms the Authority's determination to implement the Modification, the Secretary shall circulate to each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, and each Non-Code Party (if any), the ISOP and the CDSP an implementation notice.</p> <p>9.3.8 Where a Modification Report is received by the Authority pursuant to paragraph 9.2.2 or 9.3.4, the Authority, pursuant to Standard Special Condition A11, may direct that the Modification Report, including any legal text, should be amended and resubmitted and where it makes such a direction:</p> <p>(a) the Secretary shall notify each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, and each Non-Code Party (if any), the ISOP and the CDSP that the Authority is of such opinion (and the Authority's reasons for making such direction);</p> <p>9.3.10 The Modification Panel shall upon receipt of the final Modification Report under paragraph 9.3.1 or 9.3.2 in respect of a Self-Governance Modification Proposal:</p> <p>(c) instruct the Secretary to circulate an implementation notice or a non-implementation notice (as the case may be) in respect of such proposal to</p>	
--	--	--

	<p>each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, each Non-Code Party (if any), the ISOP, the CDSP and the Authority.</p> <p>9.3.11 The Code Administrator shall, within one (1) Business Day of receipt from the Secretary of the final Modification Report circulate to each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, each Non-Code Party (if any), the ISOP, the CDSP and the Authority a copy of the final Modification Report and any other attachments.</p> <p>9.5 Further Consultation</p> <p>9.5.2 Having considered the circumstances relating to the Modification Proposal which is subject to paragraph 9.5.1, the Modification Panel may determine that:</p> <p>(a) the Secretary should request the Authority to give an indication of the likely date by which the Authority's decision shall be made; or</p> <p>(b) the Code Administrator should within five (5) days of the date of the meeting prepare and circulate a notice to each Transporter, Users, each Independent Gas Transporter, the ISOP, the CDSP and Non-Code Parties outlining the change in circumstances or reasons for delay and inviting further representations within ten (10) days of the date of the notice; or</p> <p>9.5.4 If the Modification Panel makes a determination in accordance with 9.5.2(b) the Secretary shall within five (5) Business Days of the date upon which the invitation for representations closed prepare, and submit a supplemental report (which need not be in the form of a Modification Report) and also procure that the Code Administrator submits that report and copies of any representations received to the Authority and circulates a copy to each Transporter, Users, each Independent Gas Transporter, the ISOP, the CDSP and Non-Code Parties.</p> <p>9.7 Modification</p>	
--	--	--

	<p>9.7.3 The Code Administrator shall, as soon as reasonably practicable, notify each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, and each Non-Code Party (if any), the ISOP and the CDSP of each Modification. Each such notice shall specify the legal text of the Modification and the date upon which the Modification shall become effective and may provide (for the purposes of information only) an explanatory note (which note should not be relied upon) in respect of the Modification. Each Modification shall become effective upon the date specified in the relevant notice. Having so notified each Transporter, each User, each Independent Gas Transporter, each Member, each Third Party Participant, and each Non-Code Party (if any), the ISOP and the CDSP, the Code Administrator may, with the agreement of the Transporters and the Authority, notify all Users, all Transporters, all Independent Gas Transporters, Members, each Third Party Participant, and Non-Code Parties (if any), the ISOP and the CDSP of any amendment to the date specified in the earlier notice, and the date specified in any such notice shall be the date upon which the relevant Modification shall become effective.</p> <p>10.1 Procedure</p> <p>10.1.2 If the Authority considers it appropriate that the Modification Proposal referred to in paragraph 10.1.1 should be treated as an Urgent Modification Proposal:</p> <p>(a) the Secretary shall notify each Transporter, each User, each Independent Gas Transporter, each Member and each Non-Code Party (if any), the ISOP and the CDSP;</p> <p>(b) to the extent that the Authority agrees with the recommendation made in the procedure and timetable submitted by the Code Administrator, all or any of the Modification Rules (including, but without limitation, consulting with the Modification Panel and seeking representations from each Transporter, Users, Independent Gas Transporters, and any Non-Code Party, the ISOP and the CDSP), may be deviated from or any other procedure accepted by the Authority may be followed;</p>	
--	---	--

	<p>10.2 Modification Report</p> <p>10.2.2 The Code Administrator may submit a Modification Report (in whole or in part) orally and/or in writing. The Code Administrator shall in respect of any Modification Report (or any part thereof) submitted orally as soon as possible confirm that oral submission in writing. The Code Administrator shall as soon as reasonably practicable send a copy of each such report to each Transporter, each User, each Independent Gas Transporter, each Member, and each Non-Code Party (if any) and the ISOP.</p> <p>11.4 Request Procedures</p> <p>11.4.3 Following submission of a report under paragraph 11.4.2, the Modification Panel shall consider the report, and in the event that the Modification Panel does not determine that a further assessment be undertaken by the Workgroup, the Code Administrator shall circulate the report to the person making the Request, all Transporters, all Independent Gas Transporters, and all Users, the ISOP and the CDSP.</p> <p>12 GENERAL</p> <p>12.3 Representations</p> <p>12.3.1 All representations (and any withdrawal of the same) made by each User, the ISOP, any Independent Gas Transporter or any Transporter or the CDSP pursuant to these Rules shall be readily identifiable as representations (or, as the case may be, a withdrawal thereof), shall identify the unique reference designation on the Modification Proposal or Request to which they relate and shall be sent to the Secretary at the address of the Code Administrator, for the time being, notified to Users for the purposes of paragraph 12.1.</p> <p>12.3.2 Any Transporter, User, Independent Gas Transporter, Third Party Participant or Non-Code Party, the ISOP or the CDSP may at any time prior to the submission of the Modification Report by notice to the Secretary</p>	
--	--	--

withdraw any representation made by it, whether made in writing or at a meeting of Users or Non-Code Parties.

12.4 Variation of Modification Proposal

12.4.1 In the case of a Modification Proposal adopted pursuant to paragraph 6.4, the:

(b) Relevant Transporter, Independent Gas Transporter or Relevant Shipper adopting the proposal (where that proposal made is in respect of an Individual Network Code),

shall (as the case may be) as it considers appropriate modify that adopted Modification Proposal having regard to better facilitating the achievement of the Relevant Objectives and having had regard to any other matter (including, but without limitation, representations (if any) received (in accordance with these Rules) from each Transporter, Users, Independent Gas Transporters, Non-Code Parties, Third Party Participants, **the ISOP** or the CDSP and otherwise and the report of the relevant Workgroup and discussions at meetings of the Modification Panel) as appropriate.

12.6 Consequences of the Rules and Confidentiality

12.6.4 Without prejudice to the generality of paragraph 12.6.2, no act or thing done or omitted to be done by a Transporter, an Independent Gas Transporter, **the ISOP**, the Code Administrator or any User (or any employee, director or agent of a Transporter, an Independent Gas Transporter, **the ISOP**, the Code Administrator or any User) pursuant to, in relation to, in respect of or in connection with these Rules shall give rise to any action or claim or liability by any User or Non-Code Party against a Transporter, **the ISOP**, the Code Administrator (or any such employee, director or agent of a Transporter, **the ISOP**, the Code Administrator) or by any other User, Non-Code Party, Independent Gas Transporter, ~~or a~~ Transporter, **the ISOP** or the Code Administrator against such User (or any such employee, director or agent of such User).

12.6.5 Nothing in or arising as a consequence of these Rules is intended in any way to limit or negate the ability for the time being of any User, Transporter, Independent Gas Transporters, **the ISOP** or the Code Administrator to seek to discuss any issue or matter with the Authority or to give rise to any consequence in respect of any contractual relationship (other than pursuant to a Modification) which may, from time to time, exist between any User and Transporter.

12.6.6 Save where expressly stated otherwise, nothing in these Rules shall oblige or impose any duty on any User, Transporter, Independent Gas Transporter, **the ISOP** or the Code Administrator to provide or make available any information.

12.7 Disapplication of these Rules

12.7.1 In respect of any Modification Proposal or Request if the Code Administrator considers it would be appropriate to disapply any of these Rules the Secretary shall notify each Member, each Transporter and each User, each Independent Gas Transporter, each Third Party Participant, **and** each Non-Code Party (if any), **the ISOP** and the CDSP and in that notice specify which paragraphs of these Rules the Code Administrator considers it would be appropriate to disapply and explaining why and invite each Transporter, Users, Independent Gas Transporters, Third Party Participants, **and** Non-Code Parties (if any), **the ISOP** and the CDSP to make representations within ten (10) Business Days following the date of such invitation in respect of the proposed disapplication. The Code Administrator shall within the three (3) Business Days following the expiry of such ten (10) Business Days send to each Member and the Authority copies of all representations (if any) so received.

12.7.2 The Modification Panel shall, subject to paragraph 5.3.1, at the next following meeting of the Modification Panel consider the representations (if any) received (in accordance with this paragraph 12.7.1) from Transporters, Users, Independent Gas Transporters, Third Party Participants, **and** Non-Code Parties (if any), **the ISOP** and the CDSP, and the Modification Panel

may determine that it is appropriate to disapply any of the paragraphs of these Rules specified in the relevant notice. If the Modification Panel shall so determine the paragraphs of these Rules specified in the relevant notice shall, if the Authority agrees, be disapplied.

13 APPEAL PROCEDURES

13.1 No later than fifteen (15) Business Days after the Self-Governance Modification Proposal Determination Date, a User, Transporter, **the ISOP**, an Independent Gas Transporter, Materially Affected Party (if any) or Third Party Participant may make an Appeal by giving written notice of the Appeal to the Secretary, such notice to identify the Self Governance Modification Proposal which is the subject of the Appeal, any representations which the Appealing Party wishes to make in support of the Appeal and evidence supporting the Appealing Party's view that it will be unfairly prejudiced by the modification proposed in the relevant Self-Governance Modification Proposal.

13.2 Subject to the Appeal being made within the period referred to in paragraph 13.1, the Secretary shall, on receipt of a notice under paragraph 13.1 notify each Transporter, User, Independent Gas Transporter, Member, Third Party Participant, **and** Non-Code Party (if any), **the ISOP** and the CDSP and the Authority that an Appeal has been made and the Secretary shall put discussion of the Appeal on the Agenda of the next meeting of the Modification Panel which shall (subject to paragraphs 5.4.1 and 5.4.2) be convened pursuant to paragraph 5.3.1.

13.4 The Modification Panel shall, upon deciding whether to confirm or reverse its determination under paragraph 9.3.10(a), notify the Secretary and the Appealing Party of its decision as soon as reasonably practicable following receipt of the Appeal, and where the Modification Panel:

(a) confirms its determination under paragraph 9.3.10(a), the Code Administrator shall notify each Transporter, User, Independent Gas Transporter, Member, Third Party Participant, **and** Non-Code Party (if any), **the ISOP** and the CDSP and the Authority of the Modification Panel's confirmation of its determination and send each such person an

	<p>implementation or (as the case may be) non-implementation notice under paragraph 9.3.10(a) confirming the implementation or (as the case may be) non-implementation of the proposal;</p> <p>(b) reverses its determination under paragraph 9.3.10(a), the Code Administrator shall notify each Transporter, Independent Gas Transporter, User, Member, Third Party Participant, and Non-Code Party (if any), the ISOP and the CDSP and the Authority of the Modification Panel's determination and send each such person an implementation or (as the case may be) non-implementation notice, which shall have effect in place of the implementation or (as the case may be) non-implementation notice issued pursuant to the Modification Panel's initial determination under paragraph 9.3.10(a).</p> <p>13.10 Where the Authority:</p> <p>(a) confirms the Modification Panel's determination under paragraph 13.4(a), the Secretary shall notify each Transporter, User, Independent Gas Transporter, Member, Third Party Participant, and Non-Code Party (if any), the ISOP and the CDSP of the Authority's confirmation of the Modification Panel's determination under paragraph 13.4(a) confirming the implementation or (as the case may be) non-implementation of the proposal;</p> <p>(b) quashes the Modification Panel's determination under paragraph 13.4(a), the Secretary shall notify each Transporter, User, Independent Gas Transporter, Member, Third Party Participant, and Non-Code Party (if any), the ISOP and the CDSP of the Authority's decision and send each such person an implementation notice or (as the case may be) non-implementation notice, which shall have effect in place of the Modification Panel's determination under paragraph 13.4(a) ..</p>	
Type of Change	Changes to existing clauses and addition of new clauses.	
Reason	<p>The purpose of these change is to:</p> <ul style="list-style-type: none"> include the references to "ISOP". include the ISOP as a Relevant Person with ability to make modification proposals in the UNC. 	

Consultation – FSO Codes Change Programme – Modification Proposal – UNC

	<ul style="list-style-type: none"> • include the ISOP to receive notifications from the Panel Secretary. • include the ISOP to make representation during Self-Governance Modification Proposal. • include the ISOP in Modification Procedures. • include the ISOP in Appeal Procedures. 	
Effect	<p>The effect of these changes is that:</p> <ul style="list-style-type: none"> • the ISOP accedes to UNC and becomes a Code Party. • the ISOP is included as Relevant Person with ability to make modification proposals. • the ISOP can receive notifications from the Panel Secretary following any direction from the Authority during Significant Code Review Phase. • the ISOP becomes a non-voting member with representation in the UNC panel. • the ISOP to able to make representation during Self-Governance Modification Proposal. • the ISOP will be able to participate in Modification Procedures for consultation and panel recommendations. • the ISOP will be able to participate in Appeal Procedures within UNC. 	

Modification proposal on UNC General Terms Section A

	Required Change	Reference
Institutional Change (Uniform Network Code – General Terms Section A)	1.1 Introduction 1.1.1 This Section A provides for the resolution of certain disputes between the Parties. 1.1.2 For the purposes of this Section A: (a) a "dispute" is any dispute or difference arising between the Parties under or in connection with the Code, a the Framework Agreement, any Ancillary Agreement or any Supplemental Agreement; (b) in respect of any dispute "parties" means the Transporter(s), and/or the User(s), and/or the ISOP who are party to such dispute, and "party" shall be construed accordingly.	UNC: General Terms Section A - DISPUTE RESOLUTION 1.1
Type of Change	Changes to existing clauses.	
Reason	The purpose of these changes is to: <ul style="list-style-type: none"> include the references to "ISOP" within the Dispute process. 	
Effect	The effect of these changes is that: <ul style="list-style-type: none"> the ISOP is included within the Dispute process like other Code Parties. It is worth noting that no changes have been made to the Mediation process and Expert determination process. 	

Modification proposal on UNC General Terms Section D

	Required Change	Reference
<p>Institutional Change (Uniform Network Code – General Terms Section D)</p>	<p>1.2 Interpretation</p> <p>1.2.1 For the purposes of the Code:</p> <p>(e) “Customer Class” means each of the following classes of Core Customer:</p> <p>(i) Shipper Users;</p> <p>(ii) DN Operators;</p> <p>(iii) National Gas Transmission;</p> <p>(iv) Independent Gas Transporters;</p> <p>(v) the ISOP.</p> <p>2.3.2 (b) any Party which is or would be adversely affected by a breach of such provision may seek to enforce such provision (and GT Section B 2.4.12.5.1 does not apply to this paragraph).</p> <p>4.2 Constitution of DSC Committees</p>	<p>UNC: General Terms Section D – CDSP AND UK LINK</p> <p>1.2, 2.3, 4.2, Annex D1.</p>

	<p>4.2.1 Each DSC Committee shall comprise representatives (“Committee Representatives”) of each Customer Class as follows:</p> <p>(a) 6 individuals appointed as representatives of Shipper Users (“Shipper User Representatives”); and</p> <p>(b) 6 individuals appointed as representatives of Transporters and IGTs, of which:</p> <p>(i) 2 shall be appointed by National Gas Transmission (“NTS Representative”);</p> <p>(ii) 2 shall be appointed by DN Operators (“DNO Representatives”); and</p> <p>(iii) 2 shall be appointed by IGTs (“IGT Representatives”); and</p> <p>(c) an individual appointed by the ISOP (“ISOP Representative”).</p> <p>4.2.2 Annex D-2 sets out the basis on which the Committee Representatives of each Customer Class (other than the ISOP) are to be appointed and from time to time removed and/or replaced.</p> <p>4.3 Voting arrangements</p> <p>4.3.1 Each Committee Representative other than the ISOP Representative shall hold one (1) vote; provided that in the circumstances provided for in Annex D-2 a Committee Representative may hold more than one (1) vote.</p> <p>ANNEX D-1 – TRADING BETWEEN USERS</p> <p>3.3 GT Section B2.4.12.5.1 shall not apply in respect of paragraphs 3.1 and 3.2.</p>	
Type of Change	Changes to existing clauses and addition of new clauses.	
Reason	<p>The purpose of these changes is to:</p> <ul style="list-style-type: none"> • include the references to “ISOP”. • Include the ISOP within Customer Class in the UNC. • include the ISOP in DSC Committees. 	
Effect	The effect of these changes is that:	

	<ul style="list-style-type: none">• the ISOP is included within Customer Class alongside Shipper Users, DN Operators, National Gas Transmission and Independent Gas Transporters.• the ISOP can appoint one representative to the DSC Committee as a non-voting member.	
--	--	--

Modification proposal on TPD Section H

	Required Change	Reference
Institutional Change (Transportation Principal Document Section H)	1.12 Demand Estimation Sub-Committee 1.12.2 The Committee shall be composed of: (a) up to five (5) Transporter Representatives being Voting Members; (b) up to five (5) User Representatives being Voting Members; and (c) if appointed by the ISOP, one (1) ISOP Representative, not being a Voting Member.	UNC: TPD Section H – DEMAND ESTIMATION AND DEMAND FORECASTING
Type of Change	Changes to existing clauses	
Reason	The purpose of these changes is to: <ul style="list-style-type: none"> include the references to the "ISOP". include the ISOP within Demand Estimation Sub-committee. 	
Effect	The effect of these changes is that: <ul style="list-style-type: none"> the ISOP is included within Demand Estimation Sub-committee as a non-voting member. 	

Modification proposal on UNC General Terms Section B

	Required Change	Reference
<p>Institutional Change (Uniform Network Code – General Terms Section B)</p>	<p>1.5 Framework Agreement</p> <p>1.5.1 For the purposes of the Code:</p> <p>(a) "Shippers Framework Agreement" is the agreement pursuant to which a Transporter's Network Code is made binding between the Transporter and each Shipper User and each Trader User;</p> <p>(b) "Transporters Framework Agreement" is the agreement pursuant to which National Gas Transmission's Network Code is made binding:</p> <p style="padding-left: 40px;">(i) between the Transporters; and</p> <p style="padding-left: 40px;">(ii) between each DN Operator and each Independent Gas Transporter owning or operating an IGT System directly-connected or indirectly-connected to that DN Operator's System; and</p> <p>(c) "ISOP Framework Agreement" is the agreement pursuant to which National Gas Transmission's Network Code is made binding between each Transporter and the ISOP; and</p> <p>(d) "Framework Agreement" means a Shippers Framework Agreement, or the Transporters Framework Agreement or the ISOP Framework Agreement.</p> <p>2.3 Independent System Operator and Planner</p>	<p>UNC: General Terms Section B - GENERAL 1.5, 2.3, 2.4, 2.5, 6.1</p>

2.3.1 For the purposes of the Code, the **ISOP** means a person designated by the Secretary of State under section 162 of the Energy Act 2023 as the holder of the ESO Licence, and the GSP Licence, for the time being that person is the NESO.

2.4 Parties

2.4.1 For the purposes of the Code "Party" means a Transporter, Independent Gas Transporter, ~~or~~ a User ~~or the ISOP~~.

2.4.2 References to a Party:

(a) in the Transportation Principal Document ~~and the European Interconnection Document~~ are to a Transporter, ~~or~~ a User ~~or the ISOP~~;

(b) in the Offtake Arrangements Document, are to a Transporter; and

(c) in the Independent Gas Transporters Arrangements Document, are to a Transporter or an Independent Gas Transporter;

(d) in the European Interconnection Document are to a Transporter or a User and otherwise are to any Party.

2.4.3 References to a Party:

(a) in the context of a Transporter's Network Code, are to:

(i) the Transporter or any User who is party to the relevant Shippers Framework Agreement; or (as the case may be)

(ii) in the case of National Gas Transmission's Network Code:

	<p>(A) any Transporter or Independent Gas Transporter as a party to the Transporters Framework Agreement;</p> <p>(B) any Transporter or the ISOP as party to the ISOP Framework Agreement;</p> <p>(b) in the context of any Ancillary Agreement, are to the Transporter or a Shipper User who is party to that agreement; and</p> <p>(c) in the context of any Supplemental Agreement, are to a Transporter who is party to that agreement.</p> <p>2.5 Effect of Code</p> <p>2.5.1 Nothing in the Code or a Framework Agreement or any Ancillary Agreement creates contractual rights or liabilities:</p> <ul style="list-style-type: none">(a) between Shipper Users inter se;(b) between Trader Users inter se;(c) between DNO Users inter se;(d) between Independent Gas Transporters inter se;(e) between Independent Gas Transporters and Users or IGTS Users; or(f) between Transporters and IGTS Users;(g) between any Shipper User and any Trader User;(h) between any Shipper User and any DNO User; or(i) between any Trader User and any DNO User;(j) between Independent Gas Transporters and the ISOP <p>except where the Code expressly provides otherwise or disapplies this paragraph 2.5.1 or except as may be provided for in an Ancillary Agreement.</p> <p>2.5.2 Paragraph 2.5.1 shall not apply in respect of paragraphs 5 and 6.</p> <p>6.1 Assignment</p> <p>6.1.2 For the purposes of this paragraph 6.1, a relevant other Party is:</p>	
--	--	--

	<p>(a) where the assigning Party is a Transporter, each User, each other Transporter and each Independent Gas Transporter who is bound (including if relevant, the ISOP) by the assigning Transporter’s Network Code;</p> <p>(b) where the assigning Party is a User, the Transporter.</p> <p>6.1.5 No assignment shall be made by a Transporter unless the assignment relates to the rights of the Transporter both:</p> <p>(a) as the Transporter under the Transporter's Network Code and the relevant Framework Agreement, and</p> <p>(b) as a Transporter and (except in the case of National Gas Transmission) DNO User under National Gas Transmission's Network Code and both the Transporters Framework Agreement and the ISOP Framework Agreement.</p>	
Type of Change	Changes to existing clauses and addition of new clauses.	
Reason	<p>The purpose of these changes is to:</p> <ul style="list-style-type: none"> • include the references to “ISOP”. • include the ISOP to accede to the UNC. • include the ISOP as a Code Party to the UNC and a Party with reference to the Transportation Principal Document. 	
Effect	<p>The effect of these changes is that:</p> <ul style="list-style-type: none"> • the ISOP becomes a Code Party to the UNC and a Party with reference to the Transportation Principal Document. 	

Modification proposal on Defined Terms in UNC General Terms Section C

Definitions	Required Change	Reference
"Accession Agreement"	means an agreement between National Gas Transmission (on its own behalf and on behalf of all other Parties) and a New DNO, in the form in the Annex hereto.	UNC: General Terms Section C – INTERPRETATION 1 Defined Terms
"Electricity System Operator Licence" or "ESO Licence"	'means a licence granted or treated as granted under section 6(1)(da) of the Electricity Act 1989;'	UNC: General Terms Section C – INTERPRETATION 1 Defined Terms
"Gas System Planner Licence" or "GSP Licence"	'means a licence granted or treated as granted under section 7AA of the Gas Act 1986;'	UNC: General Terms Section C – INTERPRETATION 1 Defined Terms
"National Energy System Operator" or "NESO"	means National Energy System Operator Limited (No. 11014226) whose registered office is St Catherines Lodge, Bearwood Road, Sindlesham, Berkshire RG41 5BN designated as the ISOP and holder of the ESO Licence and the GSP Licence.	UNC: General Terms Section C – INTERPRETATION 1 Defined Terms

Consultation – FSO Codes Change Programme – Modification Proposal – UNC

“Independent System Operator and Planner” or “ISOP”	means a person designated by the Secretary of State under section 162 of the Energy Act 2023 as the holder of the ESO Licence , and the GSP Licence , for the time being that person is NESO .	UNC: General Terms Section C – INTERPRETATION 1 Defined Terms
Type of Change	Addition of new definitions.	
Reason	The purpose of these changes is to: <ul style="list-style-type: none"> include the definitions for “Accession Agreement”, “Electricity System Operator Licence” or “ESO Licence”, “Gas System Planner Licence” or “GSP Licence”, “National Energy System Operator” or “NESO”, and “Independent System Operator and Planner” or “ISOP”. 	
Effect	The effect of these changes is that: <ul style="list-style-type: none"> it clarifies and introduces new terms used in the UNC. 	
Associated document(s)	“Gas System Planner Licence” or “GSP Licence”	
Additional Ref(s)	“Electricity System Operator Licence” or “ESO Licence”	

Group 2 – ISOP Strategic Gas Network Planning, Advisory and National Security Roles

Modification proposal on TPD Section O - System Planning

	Required Change	Reference
New Clauses	5. STRATEGIC GAS NETWORK PLANNING	UNC: TPD Section O SYSTEM PLANNING

<p>in UNC: (Transportation Principal Document Section O)</p>	<p>5.1 Introduction</p> <p>5.1.1 This paragraph sets out the requirements for National Gas Transmission and the ISOP to exchange information and to meet to discuss matters relating to the Network Model, Relevant Network Model Data, Gas Network Capability Needs Report, Strategic Planning Options Proposal and Gas Options Advice Document with a view to facilitating the efficient development and implementation of overall planning and forecasting activities for the NTS.</p> <p>5.1.2 Where either National Gas Transmission or the ISOP believe such meetings would be better facilitated by the participation of the Authority, either may request Authority's participation, and subject to the Authority's agreement to participate, each will make available such information as may be requested by the Authority for its participation in any such meeting.</p> <p>5.1.3 For the purposes of this paragraph "Network Model", "Relevant Network Model Data", "Gas Network Capability Needs Report", "Strategic Planning Options Proposal" and "Gas Options Advice Document" shall each have the meaning given in the GSP Licence.</p> <p>5.1.4 When publishing a Gas Network Capability Needs Report or a Gas Options Advice Document, the ISOP is required by condition C8.10 of the GSP Licence to have due regard for the need to exclude any information from publication which may be commercially prejudicial to any Party or contrary to any Legal Requirement.</p> <p>5.2 Stage 1 – Network Model and Relevant Network Model Data</p> <p>5.2.1 In accordance with Special Condition 9.12 of National Gas Transmission's Transporter's Licence, National Gas Transmission is required (by no later than 30 September in each Formula Year) to provide the ISOP with:</p> <ul style="list-style-type: none"> (a) the Network Model; (b) the Relevant Network Model Data; 	
---	--	--

	<p>(c) such other supporting information as is specified in such condition, and it is further required to use reasonable endeavours to ensure the Network Model and the Relevant Network Model Data provided are replications of the model and data in use by National Gas Transmission.</p> <p>5.2.2 Where the Network Model and/or the Relevant Network Model Data have changed significantly from that previously provided to the ISOP, National Gas Transmission is also required to notify the ISOP of such changes and provide the necessary updates.</p> <p>5.2.3 In addition to the information to be provided pursuant to Special Condition 9.12 of National Gas Transmission's Transporter's Licence, National Gas Transmission shall:</p> <p>(a) provide the ISOP with such additional information as the ISOP may reasonably require for the purposes of the ISOP's use of the Network Model and Relevant Network Model Data;</p> <p>(b) following changes to the Network Model and/or Relevant Network Model Data provide the ISOP with reasonable details of the changes and the rationale for the changes; and</p> <p>(c) meet to discuss the Network Model and Relevant Network Model Data with the ISOP as it may reasonably require.</p> <p>5.2.4 National Gas Transmission and the ISOP shall agree the version of the Network Model to be used by the ISOP when preparing the Gas Network Capability Needs Report to ensure National Gas Transmission and the ISOP use the same version of the Network Model for the purposes of their respective gas planning and forecasting activities.</p>	
--	--	--

	<p>5.2.5 National Gas Transmission and the ISOP shall each maintain a change log to record each change and/or update to:</p> <ul style="list-style-type: none">(a) their respective versions of the Network Model and Relevant Network Model Data;(b) in the case of National Gas Transmission, any of the tools, systems, configurations or other supporting systems or information provided by National Gas Transmission to the ISOP pursuant to Special Condition 9.12 of National Gas Transmission's Transporter's Licence and required in connection with the operation of National Gas Transmission's version of the Network Model. <p>5.3 Stage 2 – Gas Network Capability Needs Report</p> <p>5.3.1 In accordance with condition C8 of the GSP Licence, the ISOP is required to prepare and publish a Gas Network Capability Needs Report and provide it (by no later than 31 December in each second year) to National Gas Transmission and the Authority, which shall:</p> <ul style="list-style-type: none">(a) set out details of the ISOP's view of the physical capability and system needs for the NTS; and(b) include such other information as is specified in such condition <p>and it is further required to use reasonable endeavours to ensure the information contained in the report is capable of being applied for the purposes of identifying and proposing options to respond to the system needs for the NTS.</p> <p>5.3.2 In addition to the information to be provided pursuant to condition C8 of the ISOP's GSP Licence, the ISOP shall provide National Gas Transmission with such additional information as it may reasonably require for the purposes of its use of Gas Network Capability Needs Report and meet to</p>	
--	---	--

	<p>discuss the Gas Network Capability Needs Report with National Gas Transmission as it may reasonably require.</p> <p>5.4 Stage 3 - Strategic Planning Options Proposal</p> <p>5.4.1 In accordance with Special Condition 9.10 of National Gas Transmission's Transporter's Licence, National Gas Transmission is required (within six (6) months of publication of the ISOP's most recent Gas Network Capability Needs Report) to provide a Strategic Planning Options Proposal to the ISOP and the Authority, which shall:</p> <p>(a) have regard to the information contained in the ISOP's most recent Gas Network Capability Needs Statement; and</p> <p>(b) identify any material differences between National Gas Transmission's views and the information in the ISOP's most recent Gas Network Capability Needs Report and the associated implications.</p> <p>5.4.2 In addition to the information to be provided pursuant to Special Condition 9.10 of National Gas Transmission's Transporter's Licence, National Gas Transmission shall provide the ISOP with such additional information as the ISOP may reasonably require for the purposes of its use of National Gas Transmission's most recent Strategic Planning Options Proposal and meet to discuss the Strategic Planning Options Proposal with the ISOP as it may reasonably require.</p> <p>5.5 Stage 4 - Gas Options Advice Document</p> <p>5.5.1 In accordance with condition C8 of the GSP Licence the ISOP is required to prepare and publish a Gas Options Advice Document and provide it (by no</p>	
--	--	--

	<p>later than 31 December in each second year) to National Gas Transmission and the Authority, which shall:</p> <p>(a) set out the ISOP's views of the drivers for change to the NTS and the best options for the NTS which could meet the needs and requirements identified in the ISOP's most recent Strategic Planning Options Proposal;</p> <p>(b) an assessment of the impact of National Gas Transmission's options in its most recent Strategic Planning Options Proposal;</p> <p>(c) identify any material differences between the ISOP's views and the information National Gas Transmission's most recent Strategic Planning Options Proposal and the associated implications; and</p> <p>(d) include such other information as is specified in such condition.</p> <p>5.5.2 In addition to the information to be provided pursuant to condition C8 of the ISOP's GSP Licence, the ISOP shall provide National Gas Transmission with such additional information as it may reasonably require for the purposes of its use of the Gas Options Advice Document and meet to discuss the Gas Options Advice Document with National Gas Transmission as it may reasonably require.</p>	
Type of Change	New clauses as required for ISOP's Gas System Planning role.	
Reason	<p>The purpose of these changes is to:</p> <ul style="list-style-type: none"> • add new clauses for the ISOP's Strategic Gas Planning role. • provide clarity on structure, provisions, and obligations for strategic gas planning. • outline the Gas Network Planning Process. • add requirements for NGT and ISOP to coordinate their network planning activities and for NGT to provide Network Model and Relevant Network Model Data to the ISOP. 	

	<ul style="list-style-type: none"> • introduce a clause in the UNC for coordinated planning between NGT and ISOP and a soft escalation route in the event of disagreement. • add requirement for both NGT and ISOP to maintain individual change log for Network Model and Relevant Network Model Data updates. • add requirement for both NGT and ISOP to agree the version of Network Model to be used in preparing Gas Network Capability Needs Report. • add provision for ISOP to prepare Gas Network Capability Needs Report setting out its view of the physical capability and system needs for the National Transmission System. • add provision for NGT to produce Strategic Planning Options Proposal setting out their response to the Gas Network Capability Needs Report. • add provision in gas planning process so that the ISOP can comply with condition C8.10 of its GSP Licence. • add provision for ISOP to produce Gas Options Advice Document by 31 December in each second year. • add provision for the ISOP to publish the report setting out its views on the drivers for change to the NTS and the best options that could meet the requirements. • add provision for ISOP to assess impact of NGT’s options produced in most recent Strategic Planning Options Proposal. 	
<p>Effect</p>	<p>The effect of these changes is to:</p> <ul style="list-style-type: none"> • establish the ISOP’s rights and obligations pursuant to the Gas Network Planning Process. • establish 4-stage process for gas system planning and define outputs from each party. • establish requirements and process to share Network Model and Relevant Network Model Data with the ISOP. • establish requirements for NGT and the ISOP to coordinate their gas network planning activities. • establish a soft escalation route in the event of disagreement between NGT and the ISOP. • establish requirement for both NGT and the ISOP to maintain individual change log for Network Model and Relevant Network Model Data updates. 	

	<ul style="list-style-type: none"> • establish requirement for both NGT and the ISOP to agree to the version of Network Model to be used in preparing Gas Network Capability Needs Report so that both parties use the same version of the Network Model for their respective gas planning and forecasting activities. • establish requirement from the ISOP to prepare Gas Network Capability Needs Report setting out its view of the physical capability and system needs for the National Transmission System. • establish provision for NGT to produce Strategic Planning Options Proposal setting out their response to the Gas Network Capability Needs Report. • establish provision in gas planning process such that ISOP can comply with condition C8.10 of its GSP Licence to have regard for the need to exclude any information from publication which may commercially prejudice any Party or is a Legal Requirement. • establish provision for the ISOP to produce and publish Gas Options Advice Document by 31 December in each second year. • establish provision for the ISOP to publish the report setting out its views on the drivers for change to the NTS and the best options that could meet the requirements. • establish a provision for the ISOP to assess impact of NGT’s options produced in most recent Strategic Planning Options Proposal and identify any material differences between views of ISOP and NGT. 	
--	--	--

Modification proposal on OAD Section H

	Required Change	Reference
Modification and addition of new Clauses in UNC:	1.1 Introduction	UNC: OAD

<p>(Offtake Arrangements Document Section H NTS LONG TERM DEMAND FORECASTING)</p>	<p>1.1.1 This Section H sets out requirements for National Gas Transmission and each DNO to exchange information relating to historic and forecast development of demand in relation to the DNO's LDZ(s) and for each DNO to provide certain information to the ISOP.</p> <p>1.6 Further provisions</p> <p>1.6.2 National Gas Transmission shall be entitled to publish the forecast information provided to it by the DNO, provided that such information is published on an aggregated basis which does not disclose demand information relating to individual loads.</p> <p>1.6.3 The DNO shall, at the ISOP's request, provide the ISOP with any information or forecasts relating to demand on its LDZ(s) as reasonably required by the ISOP to comply with any provision of its GSP Licence.</p> <p>1.6.4 The ISOP shall be entitled to publish the forecast information provided to it by the DNO, provided such information is published on an aggregated basis which does not disclose demand information relating to individual loads.</p>	<p>Section H</p>
<p>Type of Change</p>	<p>Changes to existing clauses and addition of new clauses.</p>	
<p>Reason</p>	<p>The purpose of these changes is to:</p> <ul style="list-style-type: none"> allow the ISOP to request and be provided with information from NGT and DNOs on historic and forecast demand development in relation to the DNO's LDZ(s). clarify that the ISOP can publish the demand forecast of DNO's LDZs on an aggregate basis without disclosing demand information of individual loads. 	

Effect	The effect of these changes is that: <ul style="list-style-type: none"> • the ISOP will be able to receive information from NGT and DNO's on historic and forecast demand development in relation to the DNO's LDZ(s). • the ISOP will be able to publish the demand forecast of DNO's LDZs on an aggregate basis without disclosing demand information of individual loads. 	
---------------	--	--

Modification proposal on TPD Section V

	Required Change	Reference
--	------------------------	------------------

<p>ISOP Additions in UNC: (Transportation Principal Document Section V - GENERAL)</p>	<p>5 INFORMATION AND CONFIDENTIALITY</p> <p>5.3 Protected Information</p> <p>5.3.1 In this Section "Protected Information" means:</p> <p>(a) for the purposes of the Transporter's obligations under paragraph 5.1:</p> <p style="padding-left: 40px;">(i) any information relating to the affairs of a User which is obtained by the Transporter pursuant to or in the course of the negotiation, implementation or performance of the Code, the Framework Agreement or any Ancillary Agreement to which that User is party;</p> <p style="padding-left: 40px;">(ii) the terms of any Ancillary Agreement;</p> <p>(b) for the purposes of a User's obligations under paragraph 5.2:</p> <p style="padding-left: 40px;">(i) any information relating to the affairs of the Transporter or of another User which is obtained by the User pursuant to or in the course of the negotiation, implementation or performance of the Code, the Framework Agreement or any Ancillary Agreement to which the User and (in relation to another User) that other User are party;</p> <p style="padding-left: 40px;">(ii) the terms of any Ancillary Agreement to which that User is party;</p> <p>(c) for the purposes of the ISOP's obligations under paragraph 5.14 any information relating to the affairs of the Transporter or a User obtained</p>	<p>UNC: TPD Section V 5.3, 5.8, 5.9, 5.14</p>
--	--	--

pursuant to compliance with the GSP Licence or in the course of the implementation or performance of Section O5.

5.8 Data ownership

5.8.2 Where pursuant to the Code a User provides or arranges for the provision of data to a Transporter (including provision to the CDSP behalf of the Transporter pursuant to its Agency Functions) or the ISOP:

(a) such data (as provided to the Transporter or the ISOP by the User) shall belong to the User;

(b) the User hereby grants to the Transporter (its successors, assigns, agents and contractors) or the ISOP a perpetual, non-exclusive, royalty-free licence (which shall survive the User Discontinuance Date) in respect of such data and all intellectual rights therein to use, copy, adapt and deal with such data for the purposes of performance and implementation of the Code and for other purposes contemplated by the Code, but not otherwise;

(c) paragraph 5.8.1 shall apply in respect of data derived (pursuant to any process) by the Transporter or the ISOP from such data and in all compilations created by or on behalf of the Transporter or the ISOP of such data.

5.8.3 Where pursuant to the Code the Transporter or the ISOP provides data to a User or data which is recorded or maintained on the UK Link System is available to a User, the User shall (but without prejudice to

paragraph 5.2) be entitled without charge to use such data for the purposes of performance and implementation of the Code, and for other purposes contemplated by the Code, but not otherwise.

5.8.4 Where pursuant to the Code the Transporter provides or arranges for the provision of data to the ISOP of the type referred to in paragraph 5.8.1 the Transporter grants the ISOP a licence to use such data on the same terms as referred to in paragraph 5.8.2(b) for the purposes contemplated by the GSP Licence and the Code (and provided data derived by the ISOP from such data shall belong to the ISOP).

5.9 Operational and Market Data

5.9.1 Subject to the provisions of paragraph 5.9.2 and the other provisions of the Code, National Gas Transmission shall arrange for the data referred to in Annex V-1, ("Operational and Market Data") to be published or made available in the manner specified in Annex V-1, and where required for the purposes of the ISOP complying with the GSP Licence, shared with the ISOP.

5.14 ISOP obligations

5.14.1 The ISOP shall secure that Protected Information is not:

(a) disclosed to any person other than:

- (i) an officer or employee of the ISOP whose province it is to know the same;
- (ii) a professional adviser of or consultant to the ISOP;

	<p>in any such case in accordance with the requirements of paragraph 5.14.2;</p> <p>(b) used by the ISOP for any purpose other than the carrying on of the activities authorised by the GSP Licence.</p> <p>5.14.2 Where Protected Information is disclosed by the ISOP as permitted under paragraph 5.14.1, the ISOP shall (without prejudice to its obligations under paragraph 5.14.1) take all reasonable steps to secure that the person to whom the information is disclosed:</p> <p>(a) is aware of ISOP’s obligations under paragraph 5.14.1 in relation thereto; and</p> <p>(b) does not use or disclose the information other than as is permitted of the ISOP in accordance with paragraph 5.14.1.</p> <p>5.14.3 Nothing in paragraph 5.14.1 shall apply to the disclosure by the ISOP of Protected Information:</p> <p>(a) in compliance with the conditions of the GSP Licence or any document referred to in such licence with which the ISOP by virtue of the licence, the Act or the Energy Act 2023 is required to comply;</p> <p>(b) in any of the circumstances referred to in paragraph 5.5.2, and for the purpose of the ISOP’s obligations under 5.14.1, references in paragraph 5.5.2 references to:</p> <p>(i) the Disclosing Party shall mean the ISOP;</p> <p>(ii) the Protected Party shall mean the Transporter or (as the case may be) the User; or</p>	
--	--	--

	(c) to a contractor or agent of the ISOP where the contractor or the agent has entered into a confidentiality agreement with the ISOP on terms no less onerous than those in paragraph 5.14, and paragraph 5.5.4 shall apply to the ISOP as if reference to the Disclosing Party was to the ISOP.	
Type of Change	Changes to existing clauses and addition of new clauses.	
Reason	<p>The purpose of these changes is to:</p> <ul style="list-style-type: none"> • include the references to "ISOP". • add the ISOP as a party in relation to holding and providing protected information, which is consistent with the information sharing requirements of the GSP licence conditions. • add ISOP references to clarify its interaction regarding "Data Ownership", "Operational and Market Data", and "ISOP obligations" requirements. • add requirements on ISOP to secure Protected Information. 	
Effect	<p>The effect of these changes is that:</p> <ul style="list-style-type: none"> • establishes the ISOP as a party in relation to holding and providing protected information, which is consistent with the information sharing requirements of the licence conditions. • Establishes the ISOP's rights and responsibilities regarding "Data Ownership", "Operational and Market Data", and "ISOP obligations" requirements. • establishes obligations on the ISOP to secure Protected Information and sets out specific requirements to ensure that the information is not used for any other purpose than carrying out the activities pursuant to its GSP Licence. 	

Modification proposal on TPD Section O

	Required Change	Reference
<p>New Clause in UNC: (Transportation Principal Document Section O)</p>	<p>SECTION O – SYSTEM PLANNING</p> <p>1 GENERAL</p> <p>1.2 Transporting Britain’s Energy and Ten-Year Long Term Development Statement</p> <p>1.2.1 Each year National Gas Transmission:</p> <p>(a) may undertake the Transporting Britain’s Energy consultation process,</p> <p>(b) shall provide a Ten-Year Long Term Development Statement, in accordance with paragraphs 3 and 4.</p> <p>1.2.3 A "Ten-Year Long Term Development Statement" is a document (previously known as the 'Ten Year Statement') containing:</p> <p>(a) in the case of National Gas Transmission, the statement (or revised statement) required to be prepared pursuant to Part A of Special Condition 7A 9.10 of National Gas Transmission's Transporter's Licence and any direction of the Authority pursuant thereto;</p> <p>(b) in the case of a DN Operator, the statement (or revised statement) required to be prepared pursuant to Special Condition D3 of its Transporter's Licence and any direction of the Authority pursuant thereto</p> <p>and such further information which may be required for the purposes of the</p>	<p>UNC: TPD Section O</p>

	<p>Code (in particular, Section Q) or which the Transporter may decide to include in such document.</p> <p>1.2.4 Where the context admits, any reference in the Code to a Ten-Year Long Term Development Statement is a reference to the most recently published such statement at any time, and a reference to a Ten-Year Long Term Development Statement applicable to a particular Gas Year is to the statement for which (in accordance with paragraph 1.4) such year is year 0.</p> <p>1.3 Status of planning documents</p> <p>No Transporter nor the ISOP will be liable pursuant to the Code to any User in relation to any estimate, forecast or other information contained in or omitted from the Transporting Britain’s Energy consultation process or Ten-Year Long Term Development Statement, and nothing contained therein will bind a Transporter to undertake any reinforcement of any relevant System(s).</p> <p>3.3 Confidential information</p> <p>3.3.3 Subject to paragraph 3.3.2 and to the Transporter's duties under the Transporter's Licence and the Act, and except where any such person consents thereto, the Transporter agrees that the Ten-Year Long Term Development Statement, and in the case of National Gas Transmission only the Transporting Britain’s Energy consultation process, will not identify by name any particular Users nor (insofar as any User shall have provided</p>	
--	--	--

	<p>information to the Transporter relating to such person) any supplier, consumer or person producing or selling gas before its delivery to the Total System.</p> <p>4. TEN-YEARLONG TERM DEVELOPMENT STATEMENT AND GS(M)R SAFETY CASE STORAGE VOLUME</p> <p>4.1 Publication and content of Ten-Year Long Term Development Statement</p> <p>4.1.1. On the basis of the information provided:</p> <p>(a) to National Gas Transmission by Users, other responses to the Transporting Britain’s Energy consultation process and other information available to it, National Gas Transmission will;</p> <p>(b) to the Transporter by Users and other information available to it, the Transporter will prepare by such date as may be required pursuant to its Transporter's Licence in year 0, and publish a Ten-Year Long Term Development Statement.</p> <p>4.1.2 The Ten-Year Long Term Development Statement will typically include:</p> <p>(a) details for year - 1 of actual peak day demand:</p> <ul style="list-style-type: none">(i) for the Total System; and(ii) for System Exit Points (other than Unmetered Connected System Exit Points) in accordance with paragraph 4.1.3; <p>(g) a reference date for the making of estimations of demand.</p> <p>Notwithstanding the foregoing, National Gas Transmission may elect to publish all or part of the information set out above either within the Ten</p>	
--	--	--

	<p>Year Long Term Development Statement or separately. Where National Gas Transmission elects to publish such information separately from the Ten Year Long Term Development Statement, National Gas Transmission shall not be required to update such information at any time after publication.</p> <p>4.2 GS(M)R Safety Case Storage Volume details</p> <p>4.2.1 National Gas Transmission will prepare and publish as GS(M)R Safety Case Storage Volume, by the time such estimates are required for the purposes of Section Q (and accordingly before preparing the Ten-Year Long Term Development Statement) estimates for year 1 of:</p> <p>(a) Total System 1-in-20 peak day demand and Total System 1-in-50 Severe Annual Demand; and</p> <p>(b) maximum daily supply for the Total System</p> <p>which will, subject to paragraph 4.2.5, be the values thereof used for the purposes of the Code (including those of Section Q).</p> <p>4.2.4 The Ten-Year Long Term Development Statement may contain updated details of the matters of which details for year 1 are contained in the GS(M)R Safety Case Storage Volume, notwithstanding which the details in the GS(M)R Safety Case Storage Volume will prevail for the purposes of the Code.</p> <p>4.2.5 National Gas Transmission may (but shall not be obliged to) revise estimates under paragraph 4.2.1, on any date from 1 May up to and including 1 October in year 1, for the purposes of Section Q.</p>	
Type of Change	Changes to existing clauses.	

Reason	The purpose of these changes is to: <ul style="list-style-type: none">• include the references to the "ISOP".• clarify that the document previously known as the 'Ten Year Statement' is replaced by 'Long Term Development Statement'.• update the references from Ten Year Statement to Long Term Development Statement.	
Effect	The effect of these changes is that: <ul style="list-style-type: none">• references are now updated to Long Term Development Statement. This will be published by NGT each year and provide information on supply and demand for gas and total system use.• NGT will produce Long Term Development Statement pursuant to Part A of Special Condition 9.10 of its Gas Transporter's Licence.	

Modification proposal on TPD Section A

	Required Change	Reference
<p>Modifications to</p> <p>UNC Clauses: (Transportation Principal Document Section A - SYSTEM CLASSIFICATION)</p>	<p>1.2 NTS and LDZs</p> <p>1.2.1 The "National Transmission System" or "NTS" is the pipeline system for the time being designated by National Gas Transmission as such, and described in National Gas Transmission's Ten Year Long Term Development Statement.</p> <p>1.2.2 (b) is subsequently designated by the owner or operator as an LDZ, after consultation with National Gas Transmission:</p> <p>(i) consistently with the provisions of the owner or operator's Transporter's Licence; and</p> <p>(ii) such that no part of any pipeline system (other than the NTS), the conveyance of gas in which is authorised by the relevant Gas Transporter's Licence, is not comprised in an LDZ; and</p> <p>(iii) such that the requirements of the Offtake Arrangements Document are satisfied in respect of all Inter-System Offtakes which exist as a result of such designation;</p> <p>as described in the owner or operator's Ten Year Long Term Development Statement.</p>	<p>UNC: TPD Section A</p>
Type of Change	Changes to existing clauses.	
Reason	<p>The purpose of these changes is to:</p> <ul style="list-style-type: none"> clarify that the document previously known as 'Ten Year Statement' is replaced by 'Long Term Development Statement'. update the references in NTS and LDZs from Ten Year Statement to Long Term Development Statement. 	

Effect	The effect of these changes is that: <ul style="list-style-type: none"> references are now updated in NTS and LDZs to Long Term Development Statement. 	
---------------	---	--

Modification proposal on TPD Section B

	Required Change	Reference
Modifications to UNC Clauses: (Transportation Principal Document Section B - SYSTEM USE AND CAPACITY)	3 NTS EXIT STRATEGY 3.7 Offtake Capacity Statement 3.7.13 The Long Term Development Ten-Year Statement to be prepared and published by National Gas Transmission in accordance with TPD Section O4 may include details of the amount of NTS Exit (Flexibility) Capacity held by DNO Users at NTS/LDZ Offtakes.	UNC: TPD Section B
Type of Change	Change to existing clause.	
Reason	The purpose of this change is to: <ul style="list-style-type: none"> clarify that the document previously known as 'Ten Year Statement' is replaced by 'Long Term Development Statement'. update the reference in Offtake Capacity Statement from Ten Year Statement to Long Term Development Statement. 	
Effect	The effect of this change is that: <ul style="list-style-type: none"> reference is now updated in Offtake Capacity Statement to Long Term Development Statement. 	

Modification proposal on TPD Section F

	Required Change	Reference
<p>Modifications to</p> <p>UNC Clauses: (Transportation Principal Document Section F - SYSTEM CLEARING, BALANCING CHARGES AND NEUTRALITY)</p>	<p>1 GENERAL AND SYSTEM PRICES</p> <p>1.1.2 For the purposes of the Code:</p> <p>(h) "Annual Compressor Fuel Cost" is the cost (in pounds sterling (£)) of operating all the NTS compressors during the Formula Year ending in the Gas Year in which the Default System Marginal Price Statement is published;</p> <p>(i) "Total System Demand" is the total system actual demand (in Terawatt Hours (TWh)), as published within National Gas Transmission's Long Term Development Ten-Year Statement, for the Gas Year preceding the Gas Year in which the Default System Marginal Price Statement is published;</p>	<p>UNC: TPD Section F</p>
Type of Change	Change to existing clause.	
Reason	<p>The purpose of this change is to:</p> <ul style="list-style-type: none"> clarify that the document previously known as 'Ten Year Statement' is replaced by 'Long Term Development Statement'. update the reference in the definition of Total System Demand from Ten Year Statement to Long Term Development Statement. 	
Effect	<p>The effect of this change is that:</p> <ul style="list-style-type: none"> reference is now updated in the definition of Total System Demand to Long Term Development Statement. 	

Modification proposal on TPD Section L

	Required Change	Reference
<p>Modifications to</p> <p>UNC Clauses: (Transportation Principal Document Section L - MAINTENANCE AND OPERATIONAL PLANNING)</p>	<p>3.2 Content of programme</p> <p>3.2.1 A Maintenance Programme will identify:</p> <p>(a) the NTS System Entry Points and NTS System Exit Points at which the ability of National Gas Transmission to accept delivery of gas or to make gas available for offtake will be affected by planned maintenance of the NTS;</p> <p>(b) the periods (within the relevant Planned Maintenance Period) for which such System Points will be so affected; and</p> <p>(c) where National Gas Transmission expects that it will continue within such period (or part thereof) to be able to accept delivery of gas or make gas available for offtake at any such System Point, but (by reason of such maintenance) on a restricted basis, an indicative estimate (on the basis of seasonal normal conditions and assumptions as to supply and demand under National Gas Transmission's Long Term Development Ten-Year Statement) of the maximum rate at which National Gas Transmission expects to be able to accept delivery of gas or make gas available for offtake at such point.</p>	<p>UNC: TPD Section L</p>
Type of Change	Change to existing clause.	
Reason	The purpose of this change is to:	

Consultation – FSO Codes Change Programme – Modification Proposal – UNC

	<ul style="list-style-type: none"> clarify that the document previously known as 'Ten Year Statement' is replaced by 'Long Term Development Statement'. update the reference in Maintenance Programme from Ten Year Statement to Long Term Development Statement. 	
Effect	<p>The effect of this change is that:</p> <ul style="list-style-type: none"> reference is now updated in Maintenance Programme to Long Term Development Statement. 	

Modification proposal on TPD Section Y

	Required Change	Reference
<p>Modifications to UNC Clauses: (Transportation Principal Document Section Y - CHARGING METHODOLOGIES)</p>	<p>PART A-II – THE GAS TRANSMISSION CONNECTION CHARGING METHODOLOGY</p> <p>SECTION 3 - CONNECTION CHARGING METHODOLOGY</p> <p>Gas Quality Instrumentation for Entry and Bidirectional connections</p> <p>30. All connections that are to be used for the entry of gas to the NTS require Gas Quality Instrumentation to be installed by the customer.</p> <p>31. National Gas Transmission’s requirements in respect of the quality of gas entering the NTS are contained in the Gas Long Term Development Ten Year Statement,</p> <p>Appendix A – Definitions</p> <p>18. The National Transmission System (NTS) is that part of the pipeline system for the time being designated by National Gas Transmission as such</p>	<p>UNC: TPD Section Y</p> <p>PART A-I-NTS TRANSPORTATION CHARGING METHODOLOGY</p>

Consultation – FSO Codes Change Programme – Modification Proposal – UNC

	and described in the National Gas Transmission Gas Long Term Development Ten Year Statement.	
Type of Change	Changes to existing clauses.	
Reason	<p>The purpose of these changes is to:</p> <ul style="list-style-type: none"> • clarify that the document previously known as 'Ten Year Statement' is replaced by 'Long Term Development Statement'. • update the reference in Connection Charging Methodology from Ten Year Statement to Long Term Development Statement. • update the reference in the definition of The National Transmission System (NTS) from Ten Year Statement to Long Term Development Statement. 	
Effect	<p>The effect of these changes is that:</p> <ul style="list-style-type: none"> • reference is now updated in Connection Charging Methodology to Long Term Development Statement. • reference is now updated in the definition of The National Transmission System (NTS) to Long Term Development Statement. 	

Modification proposal on OAD Section J

	Required Change	Reference
<p>Modifications to</p> <p>UNC Clauses: (Offtake Arrangements Document Section J - LDZ/LDZ OFFTAKES – PLANNING AND OPERATIONAL FLOWS)</p>	<p>2 Planning and Offtake Parameter Values</p> <p>2.1.2 In relation to each Offtake:</p> <p>(a) the downstream DNO shall submit planning data in accordance with this paragraph 2; and</p> <p>(b) the Parties shall exchange such other forecasts or information, concerning demand and flows of gas in the upstream or (as the case may be) downstream LDZs (or parts of those LDZs) which are likely to affect the flows of gas at the Offtake, as the Parties may from time to time agree; for the purposes of establishing Offtake Parameter Values and in order to facilitate the preparation by each DNO of its Long Term Development Ten Year Statement.</p> <p>2.2.4 The upstream DNO will include in its Long Term Development Ten Year Statement the information contained in the Offtake Parameter Statement.</p>	<p>UNC: OAD Section J</p> <p>LDZ/LDZ OFFTAKES – PLANNING AND OPERATIONAL FLOWS</p>
Type of Change	Changes to existing clauses.	
Reason	<p>The purpose of these changes is to:</p> <ul style="list-style-type: none"> clarify that the document previously known as 'Ten Year Statement' is replaced by 'Long Term Development Statement'. 	

	<ul style="list-style-type: none"> • update the references in Planning and Offtake Parameter Values from Ten Year Statement to Long Term Development Statement. 	
Effect	<p>The effect of these changes is that:</p> <ul style="list-style-type: none"> • reference is now updated in Connection Charging Methodology to Long Term Development Statement. • references are now updated in Planning and Offtake Parameter Values to Long Term Development Statement. 	

Package: National Security Direction to the ISOP

	Required Change	Reference
<p>New Clause (Uniform Network Code – General Terms Section B)</p>	<p>9 DIRECTIONS RELATED TO NATIONAL SECURITY</p> <p>9.1 Directions issued by the Secretary of State</p> <p>9.1.1 The Secretary of State may issue a direction to the ISOP (as referred to in condition B4 of the ISOP’s GSP Licence) where in the opinion of the Secretary of State there is a risk relating to national security that may detrimentally impact the resilience, safety or security of the energy system, or the continuity of essential services.</p> <p>9.1.2 The ISOP must comply with any such direction that has been issued by the Secretary of State. Parties should note that the ISOP is not required to comply with any other obligation in the GSP Licence, where and to the extent that compliance with that obligation would be inconsistent with the requirement to comply with such a direction, for the period set out in the direction. The ISOP may also withdraw from any contractual obligations made under the Code in order to comply with a direction.</p> <p>9.1.3 The ISOP is required under condition B4 of its GSP Licence to inform the Secretary of State of any conflict with the obligations as identified in</p>	<p>UNC: General Terms Section B - GENERAL 9 DIRECTIONS RELATED TO NATIONAL SECURITY</p>

	<p>9.1.2 as soon as reasonably practicable after the conflict is identified. The ISOP will include in such a notice, details of any identified impact or non-compliance that will be caused or will be likely to be caused to any Party, and in such a case will also seek clarification of whether this can be shared with the affected Party.</p> <p>9.1.4 Where reasonably practicable and subject to the agreement of the Secretary of State to share any such specific details, the ISOP will inform any affected Party as identified in 9.1.3 of what actions the ISOP will or has taken, or not taken, to comply with a direction or amended direction (including when such a direction is revoked) and what identified impact or non-compliance this will or is likely to cause to such Party.</p> <p>9.1.5 The ISOP's obligations under the Code or the ISOP Framework Agreement and any contracts made pursuant to the Code shall be suspended without liability where and to the extent that compliance with any such obligation would be inconsistent with the requirement upon the ISOP to comply with a direction.</p> <p>9.1.6 Each Party's obligations under the Code and any contracts made pursuant to the Code shall be suspended without liability where and to the extent that such Party is unable to comply with any such obligation as a result of any action taken, or not taken, by the ISOP to comply with a direction.</p> <p>9.1.7 The Secretary of State may at any time amend or revoke any direction issued to the ISOP as referred to in condition B4 of the GSP Licence.</p>	
Type of Change	New clause to be inserted in "General Terms" in Section B.	
Reason	The proposed code text is intended to create consistency and clarity between legislation, licences and codes where a SoS direction is issued to the ISOP in relation to National Security. It further aims to provide	

	transparency for market participants that may be affected by a SoS direction issued to the ISOP, as well as how they are effected.	
Effect	<p>The effects of these proposed code modifications include highlighting within the Codes that, in accordance with condition B4 of both the ESO Licence and GSP Licence, the Secretary of State may issue a direction to the ISOP, that the ISOP is required to comply with such direction, and may withdraw from any contractual obligations under the code, and that the ISOP’s obligations may be suspended without liability as a result of that direction. Note, the ability of the Secretary of State to direct the ISOP is not derived from this proposed modification.</p> <p>As a result of any direction, the ISOP will also identify the impacted code users, and will inform users what actions have been taken where permitted by the Secretary of State.</p>	

Package: Advisory

	Required Change	Reference
<p>New Clause (Uniform Network Code – General Terms Section B)</p>	<p>8 ADVISORY AND INFORMATION REQUESTS</p> <p>8.1 Definitions</p> <p>8.1.1 For the purposes of paragraph 8.2:</p> <p>(a) "Information Request Statement" means a statement prepared and published by the ISOP, in accordance with section 172 of the Energy Act 2023 and condition D2.5 of the GSP Licence and ESO Licence, setting out the process that the ISOP will follow when requesting information from relevant parties by the issue of an Information Request Notice;</p>	<p>UNC: General Terms Section B - GENERAL 8 ISOP ADVISORY AND INFORMATION REQUESTS</p>

	<p>(b) "Information Request Notice" means a notice that will be issued by the ISOP to a relevant party setting out the ISOP's reasonable requirements for relevant information in accordance with section 172 of the Energy Act 2023 (to be prepared in accordance with the ISOP's published Information Request Statement);</p> <p>(c) "Minister of the Crown" as defined in the GSP Licence and ESO Licence.</p> <p>8.2 Information Requests</p> <p>8.2.1 The ISOP is required to provide advice, analysis or information to the Authority or to a Minister of the Crown when requested in accordance with section 171 of the Energy Act 2023 and condition D1 of the GSP Licence and ESO Licence.</p> <p>8.2.2 The ISOP may by notice request from any Party such information as it reasonably requires in connection with the exercise of any of its functions, as set out in section 172(1) of the Energy Act 2023. It will do so by the issue of an Information Request Notice. The purposes of this may include to assist in the fulfilment of a request for advice, analysis or information as set out in 8.2.1.</p> <p>8.2.3 The ISOP is required by condition D2 of the GSP Licence and ESO Licence to prepare, submit for approval by the Authority and publish on its website once approved an Information Request Statement that sets out further detail on the process the ISOP expects to follow when requesting information from other parties.</p> <p>8.2.4 The Information Request Statement must include, but need not be limited to, the following matters as set out in condition D2.5 of the GSP Licence:</p> <p>(a) the process the ISOP expects to follow when issuing an Information Request Notice, including any further detail around the</p>	
--	--	--

	<p>expected engagement between the ISOP and recipient of an Information Request Notice; and</p> <p>(b) the details to be included in an Information Request Notice issued by the ISOP.</p> <p>8.2.5 A Party to whom a request is made under 8.2.2 must, so far as reasonably practicable, provide the requested information within such reasonable period, and in such reasonable form and manner, as may be specified in the Information Request Notice.</p> <p>8.2.6 The ISOP must, unless the Authority otherwise consents, maintain for a period of 6 (six) years and provide to the Authority where required a record of information requests as detailed in condition D2.12 of the GSP Licence including:</p> <p>(a) a copy of the Information Request Notice;</p> <p>(b) any subsequent variations to the original information requested;</p> <p>(c) the recipient’s response to the notice, including any refusal or challenges to the notice or requested information;</p> <p>(d) the time taken for the recipient to provide the requested information;</p> <p>(e) the manner and form the information was provided in; and</p> <p>(f) the information provided in response to the notice, and whether such information complied, in the ISOP’s view, with the Information Request Notice.</p>	
Type of Change	New clauses to be inserted in “General Terms” in Section B.	

Consultation – FSO Codes Change Programme – Modification Proposal – UNC

Reason	To include a standard clause in all Codes for transparency and to set out for code signatories what they should expect where the ISOP finds it necessary to request information from them in fulfilling its functions.	
Effect	To insert a new standard clause into the Codes.	

Modification proposal on TPD Section M

	Required Change	Ref. Examples
Institutional Change (Transportation Principal Document Section M)	<p>5.13 Opening Meter Readings</p> <p>5.13.14 Where a User submits a Proposing User Estimate or an Agreed Opening Meter Reading, the User shall be deemed thereby to warrant to the CDSP and to the Withdrawing User that such Meter Reading has been agreed by the Withdrawing User (and GT Section B2.5.1 shall not apply in respect of this paragraph 5.13.14).</p>	UNC: TPD Section M SUPPLY POINT METERING
Type of Change	Change to existing clause.	
Reason	<p>The purpose of this change is to:</p> <ul style="list-style-type: none"> change the cross-reference in the section "Opening Meter Readings" to correct GT Section cross-reference. 	

Effect	The effect of this change is that: <ul style="list-style-type: none"> the relevant section now refers to correct GT section cross-reference. 	
---------------	---	--

Modification proposal on OAD Section N

	Required Change	Reference
Institutional Change (Offtake Arrangements Document Section N)	<p>4 Admission</p> <p>4.2 Requirements for admission</p> <p>4.2.1 In order to become a Party, the New DNO shall:</p> <p>(a) satisfy or secure the satisfaction of the requirements in paragraph 4.2.2; and</p>	<p>UNC: OAD Section N GENERAL</p> <p>4.2, 4.3.</p>

	<p>(b) accede to the Transporters Framework Agreement by executing and delivering to National Gas Transmission an Accession Agreement and thereby agree to be bound by this Document; and</p> <p>(c) accede to the ISOP Framework Agreement by executing and delivering to National Gas Transmission an Accession Agreement.</p> <p>4.3 Effectiveness of accession</p> <p>4.3.1 Where any New DNO is to be admitted pursuant to this paragraph 4, each Party hereby irrevocably and unconditionally authorises National Gas Transmission to execute and deliver on behalf of such Party an Accession Agreement (in the form set out in the Transporters Framework Agreement and the ISOP Framework Agreement) and to admit such New DNO as a Party.</p>	
Type of Change	Changes to existing clauses and addition of a new clause.	
Reason	<p>The purpose of these changes is to:</p> <ul style="list-style-type: none"> include the requirement for a New DNO to accede to the ISOP Framework Agreement. 	
Effect	<p>The effect of these changes is that:</p> <ul style="list-style-type: none"> a New DNO, to become a Party to the Code, will need to additionally accede to the ISOP Framework Agreement. It is already required to accede to the Transporter’s Framework Agreement. 	

Modification proposal on UNC - Introduction

	Required Change	Reference
Institutional Change (Uniform Network Code – Introduction)	<p>5. National Gas Transmission’s Network Code is made binding between the Transporters (including DN Operators in their capacity as DNO Users), and between the Transporters and the Independent Gas Transporters, pursuant to the Transporters Framework Agreement.</p> <p>6. National Gas Transmission’s Network Code is made binding between each Transporter and the ISOP pursuant to the ISOP Framework Agreement.</p>	UNC: Introduction.

Consultation – FSO Codes Change Programme – Modification Proposal – UNC

Type of Change	Addition of a new clause.	
Reason	The purpose of this change is to: <ul style="list-style-type: none">• include the ISOP, together with each Transporter, in the National Gas Transmission's Network Code, pursuant to the ISOP Framework Agreement.	
Effect	The effect of this change is that: <ul style="list-style-type: none">• National Gas Transmission's Network Code is binding between the Transporters, including DNOs in their capacity as DNO Users, and between the Transporters and the Independent Gas Transporters. The ISOP, like other Parties mentioned above, will also have obligations regarding the Network Code, pursuant to the ISOP Framework Agreement.	

Appendix 3 – Questions

Questions related to the UNC code changes <i>(The Relevant Authority is GEMA)</i>	
Q1	Have we correctly identified and made all the necessary updates in the UNC and associated documents to enable the ISOP to execute its role as a Gas System Planner? If not, please elaborate what other specific changes are required?
Q2	What are your views on the proposed UNC code changes as set out in this document?
Questions related to National Security <i>(The Relevant Authority is the Secretary of State for the Department)</i>	
NS.Q1	Do you have any views on the representation of licence condition B4 (Compliance with directions related to national security) in the Codes?
NS.Q2	Can you give examples where exceptional cost would be incurred by a 'bystander' party (wholly unrelated to the subject of the direction), which would not have been incurred but for a direction given by the Secretary of State to NESO?

Your response, data and confidentiality

You can ask us to keep your response, or parts of your response, confidential. We'll respect this, subject to obligations to disclose information, for example, under the Freedom of Information Act 2000, the Environmental Information Regulations 2004, statutory directions, court orders, government regulations or where you give us explicit permission to disclose. If you do want us to keep your response confidential, please clearly mark this on your response and explain why.

If you wish us to keep part of your response confidential, please clearly mark those parts of your response that you do wish to be kept confidential and those that you do not wish to be kept confidential. Please put the confidential material in a separate appendix to your response. If necessary, we'll get in touch with you to discuss which parts of the information in your response should be kept confidential, and which can be published. We might ask for reasons why.

If the information you give in your response contains personal data under the General Data Protection Regulation (Regulation (EU) 2016/679) as retained in domestic law following the UK's withdrawal from the European Union ("UK GDPR"), the Gas and Electricity Markets Authority will be the data controller for the purposes of GDPR. Ofgem uses the information in responses in performing its statutory functions and in accordance with section 105 of the Utilities Act 2000. Please refer to our Privacy Notice on consultations, **see Appendix 4**.

If you wish to respond confidentially, we'll keep your response itself confidential, but we will publish the number (but not the names) of confidential responses we receive. We won't link responses to respondents if we publish a summary of responses, and we will evaluate each response on its own merits without undermining your right to confidentiality.

Appendix 4 - Privacy notice

Personal data

The following explains your rights and gives you the information you are entitled to under the General Data Protection Regulation (GDPR).

Note that this section only refers to your personal data (your name address and anything that could be used to identify you personally) not the content of your response to the consultation.

1. The identity of the controller and contact details of our Data Protection Officer

The Gas and Electricity Markets Authority is the controller, (for ease of reference, “Ofgem”). The Data Protection Officer can be contacted at dpo@ofgem.gov.uk

2. Why we are collecting your personal data

Your personal data is being collected as an essential part of the consultation process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

3. Our legal basis for processing your personal data

As a public authority, the GDPR makes provision for Ofgem to process personal data as necessary for the effective performance of a task carried out in the public interest. i.e. a consultation.

4. With whom we will be sharing your personal data

The Department of Energy Security and Net Zero, Code Administrators, code bodies, CCWG membership.

5. For how long we will keep your personal data, or criteria used to determine the retention period.

Your personal data will be held for six months after the project is closed.

6. Your rights

The data we are collecting is your personal data, and you have considerable say over what happens to it. You have the right to:

- know how we use your personal data
- access your personal data

- have personal data corrected if it is inaccurate or incomplete
- ask us to delete personal data when we no longer need it
- ask us to restrict how we process your data
- get your data from us and re-use it across other services
- object to certain ways we use your data
- be safeguarded against risks where decisions based on your data are taken entirely automatically
- tell us if we can share your information with 3rd parties
- tell us your preferred frequency, content and format of our communications with you
- to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at <https://ico.org.uk/>, or telephone 0303 123 1113.

7. Your personal data will not be sent overseas

8. Your personal data will not be used for any automated decision making.

9. Your personal data will be stored in a secure government IT system.

10. More information For more information on how Ofgem processes your data, click on the link to our "[ofgem privacy promise](#)".

Appendix 5 – ISOP Framework Agreement

INDEPENDENT SYSTEM OPERATOR AND PLANNER (ISOP) FRAMEWORK AGREEMENT

THIS AGREEMENT is made on and with effect from [] 2024

BETWEEN:

1. **National Gas Transmission plc**, registered in England with number 02006000 whose registered office is at 1-3 Strand, London WC2N 5EH, a corporation organised and existing under the laws of England and Wales ("**National Gas Transmission**");
2. **Cadent Gas Limited**, registered in England with number 10080864 whose registered office is at Ashbrook Court Prologis Park, Central Boulevard, Coventry, United Kingdom, CV7 8PE, a corporation organised and existing under the laws of England and Wales;
3. **Northern Gas Networks Limited**, registered in England with number 05167070 whose registered office is at 1100 Century Way, Thorpe Park Business Park, Colton, Leeds, LS15 8TU, a corporation organised and existing under the laws of England and Wales;
4. **Scotland Gas Networks plc**, registered in Scotland with number SC264065 whose registered office is at Axis House, 5 Lonehead Drive, Newbridge, Edinburgh, Scotland, EH28 8TG, a corporation organised and existing under the laws of Scotland;
5. **Southern Gas Networks plc**, registered in England with number 05167021 whose registered office is at St Lawrence House, Station Approach, Horley, Surrey, RH6 9HJ, a corporation organised and existing under the laws of England and Wales;
6. **Wales & West Utilities Limited**, registered in England with number 05046791 whose registered office is at Wales & West House, Spooner Close, Coedkernew, Newport, South Wales, NP10 8FZ, a corporation organised and existing under the laws of England and Wales;

(together the "**Transporters**")

and

7. **National Energy System Operator Limited**, registered in England with number 11014226 whose registered office is St Catherines Lodge, Bearwood Road, Sindlesham, Berkshire RG41 5BN, a corporation organised and existing under the laws of England ("**NESO**").

WHEREAS:

- A. Each Transporter holds a Transporter's Licence and NESO holds a GSP Licence.
- B. National Gas Transmission has prepared a document as the network code which it is required to prepare pursuant to its Transporter's Licence, which incorporates the Uniform Network Code.
- C. The Uniform Network Code provides for rights and obligations between each Transporter and NESO.
- D. The Parties are entering into this Agreement for the purposes of giving effect to and binding themselves by the National Gas Transmission's Network Code.

NOW IT IS HEREBY AGREED as follows:

Interpretation

1.1 In this Agreement (including the Recitals hereto):

"Accession Agreement" means an agreement, between National Gas Transmission (on its own behalf and on behalf of all other Parties) and a New DNO, in the form in the Annex hereto;

"Accession Requirements" means the requirements to be complied with by a New DNO before the new DNO may accede to this Agreement;

"Effective Date" means:

- (a) with respect to each of the Original Parties, []; and
- (b) with respect to any new DNO who is admitted on or after [] as an additional party to this Agreement and (as respects such New DNO) each other Party, the date of the relevant Accession Agreement;

"National Gas Transmission Network Code" means the network code prepared by National Gas Transmission pursuant to Standard Special Condition A11(3) of its Transporter's Licence as from time to time modified in accordance with the network code modification procedures set out in the Uniform Network Code or the Transporter's Licence;

"Original Parties" means each of the Transporters and NESO;

"Party" means, subject as provided in paragraph 3, the Original Parties and each New DNO who is admitted as a party to this Agreement;

"Uniform Network Code" means the Uniform Network Code prepared pursuant to Standard Special Condition A11(6) of each Transporter's respective Transporter's Licence, as from time to time modified.

1.2 In this Agreement the terms **"Authority"**, **"DN Operator"**, **"GSP Licence"**, **"New DNO"** and **"withdrawing DNO"** shall have the respective meanings ascribed thereto under the Uniform Network Code.

1.3 In this Agreement, references to obligations of a Party include obligations, in the case of each Transporter to NESO, and in the case of NESO to each Transporter, and in each case pursuant to the Uniform Network Code incorporated into the National Gas Transmission's Network Code.

2. New DNO

2.1 Where National Gas Transmission is satisfied that a New DNO has complied in substance with all the relevant Accession Requirements, each Party shall admit the New DNO as an additional Party to this Agreement for which purposes National Gas Transmission shall enter into an Accession Agreement with such New DNO.

2.2 Each Party (other than National Gas Transmission) authorises National Gas Transmission to sign on its behalf and deliver any Accession Agreement pursuant to Clause 2.1, and undertakes not to withdraw, qualify or revoke such authority.

2.3 Upon execution of the Accession Agreement between National Gas Transmission and a New DNO, the New DNO shall become a Party.

- 2.4 National Gas Transmission shall provide NESO and the Authority with a copy of each Accession Agreement within 28 days after such agreement is made.

3 Withdrawing DNO

- 3.1 A DN Operator who becomes a withdrawing DNO shall, with effect from the specified date in accordance with the National Gas Transmission's Network Code, cease to be a Party, but without prejudice to any provision of the National Gas Transmission's Network Code as to the continuance in force of any of its rights, obligations and liabilities of any such Party or (as respect such Party) each to the other Party to this Agreement.

4 National Gas Transmission Network Code

- 4.1 The National Gas Transmission Network Code is hereby given effect and made binding between each Transporter and NESO with effect from the Effective Date.
- 4.2 With effect from the Effective Date each Transporter undertakes to NESO, and NESO undertakes to each Transporter, to comply with and to perform its obligations in accordance with and subject to the National Gas Transmission's Network Code.

5 Severance

If at any time any provision of this Agreement shall be found by any court or administrative body of competent jurisdiction to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect the other provisions of this Agreement which shall remain in full force and effect.

6 Counterparts

This Agreement may be executed in any number of counterparts.

AS WITNESS the hands of the duly authorised representatives of the parties hereto the day and year first above written.

Signed by)
duly authorised for and on behalf of)
NATIONAL GAS TRANSMISSION PLC)

Signed by)
duly authorised for and on behalf of)
CADENT GAS LIMITED)

Signed by)
duly authorised for and on behalf of)
NORTHERN GAS NETWORKS LIMITED)

Signed by)
duly authorised for and on behalf of)
SCOTLAND GAS NETWORKS PLC)

Signed by)

duly authorised for and on behalf of)
SOUTHERN GAS NETWORKS PLC)

Signed by)
duly authorised for and on behalf of)
WALES & WEST UTILITIES LIMITED)

Signed by)
duly authorised for and on behalf of)
NATIONAL ENERGY SYSTEM OPERATOR LIMITED)

ANNEX

FORM OF ACCESSION AGREEMENT

THIS ACCESSION AGREEMENT is made on []

BETWEEN:

1. **National Gas Transmission plc**, (the "**Transporter**") on its own behalf and on behalf of all the other parties to the Framework Agreement referred to below; and
2. [] (the "**New DNO**") whose principal office is at [].

WHEREAS:

- A. By the ISOP Framework Agreement dated [] 2024 and made between the Transporter and the other Original Parties named therein and as now in force pursuant to any Accession Agreement entered into by any other new Party before the date of this Accession Agreement (the "**Framework Agreement**") the Parties agreed to give effect to and be bound by the National Gas Transmission Network Code.
- B. The New DNO wishes to **be** admitted as an additional Party under the Framework Agreement.

NOW IT IS HEREBY AGREED as follows:

1. In this Accession Agreement words and expressions defined in or for the purposes of the Framework Agreement and not otherwise defined herein shall have the meanings ascribed thereto under the Framework Agreement.
2. The Transporter (acting on its own behalf and on behalf of each of the other Parties) hereby admits the New DNO as an additional Party under the Framework Agreement on the terms and conditions hereof.
3. The New DNO hereby accepts its admission as a Party and undertakes with the Transporter (acting on its own behalf and on behalf of each of the other Parties) to perform and to be bound by the Framework Agreement as a Party as from the date hereof.
4. For all purposes in connection with the Framework Agreement the New DNO shall as from the date hereof be treated as if it has been a signatory of the Framework Agreement, and as if this Agreement were part of the Framework Agreement, and the rights and obligations of the Parties shall be construed accordingly.
5. This Agreement and the Framework Agreement shall be read and construed as one document and references (in or pursuant to the Framework Agreement) to the Framework Agreement (howsoever expressed) should be read and construed as reference to the Framework Agreement and this Agreement.
6. If at any time any provision of this Agreement shall be found by any court or administrative body of competent jurisdiction to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect the other provisions of this Agreement which shall remain in full force and effect.

AS WITNESS the hands of the duly authorised representatives of the parties hereto the day and year first

above written.