

Guidance

This Excel spreadsheet provides a template for responses to our **consultation on the implementation of energy code reform** published on 30 January 2024.

There are three tabs for you to fill in:

- 'Organisation Details': general information about yourself, your organisation and questions around your response's confidentiality.
- 'Consultation Questions': a list of all the questions made throughout the consultation document on the left hand side with blank cells on the right hand side for you to fill with your responses. Please respond to each one as fully as you can.
- 'General feedback': an opportunity for you to give us feedback on the overall consultation process.

Please complete this spreadsheet and **send your response to industrycodes@ofgem.gov.uk by 23/04/2024.**

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

Contact name	Dan Hopkinson
Role title	CEO
Company name	ElectraLink
Telephone number	07921 286698
Email address	dan.hopkinson@electralink.co.uk
Date of submission	22/04/2024
Do you want your response treated as confidential?	No
Do you want part of your response treated as confidential?	No

No.	Question	Response
1	Do you agree that we should recommend to the Secretary of State that the 11 industry codes listed (including the SQSS) should be designated as “qualifying documents” for the purposes of using our transitional powers in the Energy Act 2023 to deliver energy code reform?	ElectraLink agrees that all codes should be included in the reform and designated as “qualifying documents” for the purposes of using Ofgem’s transitional powers to deliver energy code reform. We believe that code reform is necessary in the changing energy market.
2	Do you agree that we should recommend to the Secretary of State that the 5 central systems listed (including the Central Switching Service) should be designated as “qualifying central systems” for the purposes of using our transitional powers in the Energy Act 2023 to deliver energy code reform?	ElectraLink agrees that the DTS should be included within the scope of the reform, and we are already working closely with central system providers to better coordinate responses to industry change, including the currently ongoing Market Wide Half-Hourly Programme and the now completed faster switching programme. ElectraLink maintains the DTS as a central system for industry and is always prepared. ElectraLink believes that there will be benefits from code rationalisation and consolidation, especially when they are properly aligned and rationalised in the long term. These simplified codes, with greater digitalisation and accessibility will unlock efficiencies, and allow changes to be made more quickly and enable the UK to move to a digitised low carbon energy system. We do not believe that there will be
3	Do you agree with the monetised costs and benefits set out in the accompanying draft impact assessment (ie the quantitative analysis)? Please specify if you think there is any further evidence that we should consider.	
4	Do you agree with the hard-to-monetise costs and benefits set out in the draft impact assessment (ie the qualitative analysis)? Please specify if you think there is any further evidence that we should consider.	Please see our general views on the costs and benefits analysis of the impact assessment in question 3.
5	Do you agree with our preferred option to consolidate the CUSC and DCUSA to form a <u>unified electricity commercial code</u> ?	ElectraLink agrees with Ofgem’s preferred option to merge CUSC and DCUSA to form a unified Energy Commercial Code. We believe that the codes have significant overlap across the transmission and distribution spaces, leading to a necessity for a more unified management of these spaces. Alongside this, we believe that these two spaces will continue to become more closely integrated with the advancement of ElectraLink agrees with Ofgem’s preferred option. This combined code would consolidate four codes that work in similar areas which make sense for consolidation, even if there is not a lot of overlapping content. Additionally, three of these codes are already administered by National Grid and having them all under one roof may aid with accessibility and interoperability between the codes, reducing burden on market. ElectraLink agrees with Ofgem’s preferred option and agrees that the similarity of content covered by the existing codes creates unnecessary duplication of rules and complexity for industry participants. This may also allow for greater agility in the gas networks as we move forward to hydrogen or other potential technologies to unlock a net-zero system.
6	Do you agree with our preferred option to consolidate the Grid Code, STC, SQSS and Distribution Code to form a <u>unified electricity technical code</u> ?	
7	Do you agree with our preferred option to consolidate the UNC and IGT UNC to form a new <u>unified gas network code</u> ?	
8	Do you agree with our proposals to rationalise the identified code provisions as part of any consolidation exercise?	ElectraLink agrees that the identified code provisions should be rationalised to gain any benefit from consolidation, but believes that further rationalisation must be carried out to ensure that the full benefits of code consolidation can be created.
9	Do you agree with our proposal to publish the first Strategic Direction Statement (SDS) for all codes next year (before code managers are in place)?	We are aware that this will leave some of the most important parts (specific industry ElectraLink agrees with Ofgem’s proposals to publish the first SDS for all codes next year before code managers are fully in place. We believe this will provide greater clarity and certainty on how codes may evolve and what they should prioritise, and that providing this clarity earlier can only help incoming code managers understand their role in the system and any necessary changes that will be needed. Code
10	Do you have views on the proposed SDS process?	ElectraLink agrees with the proposed SDS process and has no further views on it currently. As stated in our response to question 9, ElectraLink believes that the SDS will provide greater certainty on how codes should evolve and what they should prioritise with improvements.
11	Do you agree with our proposal that a principles-based standard condition for gas and electricity licensees would support the development and delivery of code modifications related to the SDS?	ElectraLink agrees with the proposals as outlined in our response to question 9.
12	Do you agree with our preferred option for how a Stakeholder Advisory Forum should be constituted?	ElectraLink agrees with the proposals and the selection of option 2. We believe that they will include a wide variety of participants from across the industry while also ensuring that expert advice can still be provided to the code manager as required. This expert advice will be essential as code managers move to a position of greater

13	What are your views on i) a requirement to assess the greenhouse gas impact of code modifications with updated guidance, or, ii) introducing a ‘net zero’ code objective?	ElectraLink agrees with changes that will help the UK meet our net-zero targets, but believes that serious care must be taken to ensure that codes are not having to undertake potentially costly or time-intensive greenhouse gas impact assessments of a wide variety of code modifications where the difference is negligible. This could happen if codes had to consider a wide variety of incentives and impacts of their
14	Do you agree with our proposal to extend and harmonise the ability of code panels to prioritise the assessment of code modification proposals?	ElectraLink agrees that a consistent prioritisation of code modifications across codes will allow for easier understanding of which modifications are important, and which are not essential in the near-term. Creating one consistent methodology of prioritisation can allow for easier understanding across codes and could potentially allow for the interoperability of change registers across different codes allowing for
15	Do you agree with our proposal to adopt a phased approach to transitioning codes to the new governance model?	ElectraLink agrees that a phased approach to transition makes the most sense. This will enable the benefits of code consolidation to be seen faster, as well as allowing for significant learnings from the early parts of the code management selection. A big bang code selection would likely cause serious issues for the industry, with multiple
16	Do you identify any strategic or operational considerations that might inform the transition sequence?	As previously stated in questions 5 and 15, ElectraLink believes that it is essential that the same service and experience is maintained as the handover boundary is approached and passed when codes are consolidated. This is an essential period that cannot be mishandled and may provide a significant issue for a new code manager as new code provisions and topics are taken on
17	What are your views on our proposed transition sequencing?	ElectraLink agrees with the proposed transition sequencing. It is essential to ensure that the BSC is resolved first, and preferably as soon as possible, due to the importance of the Market Wide Half-Hourly Programme. ElectraLink has been involved heavily with the MHHSP to ensure a smooth transition to the new Data Integration Platform and want to emphasise the need to ensure that there is stability
18	Do you have any other comments on how Ofgem should approach the implementation and transition process?	ElectraLink believes that data sharing is essential for the future of the industry, and that sharing data across the industry and even among other industries will have significant cross cutting benefits, some of which are not currently understood or visible to participants.

We believe that consultation is at the heart of good policy development. We welcome any comments about how we've run this consultation. We'd also like to get your answers to these questions:

Question	Response
Do you have any comments about the overall process of this consultation?	
Do you have any comments about its tone and content?	
Was it easy to read and understand? Or could it have been better written?	
Were its conclusions balanced?	
Did it make reasoned recommendations for improvement?	
Any further comments?	