

GT SECTOR	
<b>REFERENCE NUMBER:</b>	<b>CATEGORY:</b>
<b>LICENCE CONDITION NUMBER:</b> <i>(if relevant):</i>	SpC 9.12
<b>TITLE:</b>	Licensee's Network Model
<b>RELEVANT LICENCE CONSULTATION QUESTIONS</b> <i>(if any):</i>	<b>Q27 – captured under generic question on views of the proposals for changes to GT licence</b>
<b>RELEVANT ISSUES LOG:</b>	<b>9.10-9.12 - 7A-7C - Network Plan, Tx Code, Network Model Issues Log</b>
<b>POLICY ISSUES</b>	
<ul style="list-style-type: none"> <li>Misleading description of changes made in licence consultation</li> <li>Removal of 28 day time limit on Ofgem decisions</li> <li>Ofgem making proposed recommendations for change</li> <li>Network Model access</li> </ul>	<ul style="list-style-type: none"> <li>In the consultation document Ofgem say that the reason for the amendment of the licence condition is to reflect the these obligations are now ongoing, rather than new (in existing licence drafting). As such stakeholders may not have read the legal text which goes beyond the simple updates highlighted (see points below). It is also not clear what changes relate to the condition being an ongoing obligation rather than a new obligation. Please can Ofgem clarify.</li> <li>9.12.10 &amp; 9.12.15 removes existing 28 day limit for Ofgem, whereby approval is deemed in the absence of an Ofgem decision. There is no clarity on how processes should operate if Ofgem has not made a timely decision on proposed changes. The rationale for this change both here and across the licence is not clear.</li> <li>9.12.10 &amp; 9.12.15 introduce the option of the Authority proposing its own recommendations for changes (only when rejecting propose changes). It is not clear how NGGT should proceed in this circumstance, particularly in the circumstance where there is insufficient time, in the current year, to reconsult with stakeholders and bring fresh proposals to Ofgem ahead of operating the process in question. Also would Ofgem not want the ability to make recommendations when approving a proposed change?</li> <li>9.12.3 and 9.12.12 - require the licensee to provide the Authority with access/remote access to the model and the data required for the model. Existing equivalent provisions in the licence are on a reasonable endeavours basis. Due to the complexity of the model we use, this is not something that we can simply share with Ofgem. For Ofgem</li> </ul>

	to operate the model would require Ofgem to purchase a licence for the SIMONE licence and to have the necessary IT systems and support at its offices; these are not issues we can resolve for Ofgem unilaterally and so retaining a reasonable endeavours type obligation needs to be reinstated.
<b>DRAFTING ISSUES</b>	
<ul style="list-style-type: none"> <li>9.12.3</li> <li>Defined Terms</li> <li>9.12.10 and 9.12.15</li> <li>9.12.10 and 9.12.15</li> <li>9.12.16</li> </ul>	<ul style="list-style-type: none"> <li>See policy comments above relating to use of the model by Ofgem. This paragraph should refer to “reasonable access” as per the current provisions of SpC.7C</li> <li>The definition of “Relevant Network Model Data” needs to cross refer to this condition 9.12</li> <li>Remove “either”</li> <li>The removal of the existing provisions in 7C.9 and 7C.15 which deem approval of revisions after 28 days in the absence of an Authority decision means that the position is unclear in respect of proposals that have neither been approved or rejected. It is assumed that the licensee is to continue to maintain an unmodified version of the Network Model and not to include modified Relevant Network Model Data until the Authority makes a decision under 9.12.10 / 9.12.15 respectively even though there is no timeframe in which such a decision must be made. If this is the case please can Ofgem confirm the point.</li> <li>As drafted 9.12.16 is deficient as it only provides for the licensee to request a derogation and not for the Authority to either grant or be able to grant such a derogation. An additional paragraph needs to be added along the lines of the existing 7C.18 (and the approach taken in the drafting at 9.22.12).</li> </ul>
<b>FINANCE ISSUES</b>	
<b>SUPPORTING INFORMATION</b>	
<b>OFGEM ENGAGEMENT:</b>	Discussed at previous LDWG and log available