

CROSS SECTOR	
REFERENCE NUMBER:	CATEGORY: Addition
LICENCE CONDITION NUMBER: (if relevant):	SpC 9.4
TITLE:	Re-opener Guidance and Application Requirements Document
RELEVANT LICENCE CONSULTATION QUESTIONS (if any):	
RELEVANT ISSUES LOG:	Reopener guidance
POLICY ISSUES	
<ul style="list-style-type: none"> • General • Para 2.2 • Para 3.11 • Para 3.14 	<ul style="list-style-type: none"> • Please see the NGG response to DD questions Core_Q12 and GT_Q3 and the NGET response to DD questions Core_12, Core_20 and Core_21 relating to general policy issues on reopeners • Please see our response to question 21 to this licence drafting consultation relating to reopeners. • A blanket requirement for Board assurance is too onerous. Suggest developing a more proportionate approach, which could be linked to project cost, that also considers the potential involvement of independent User Groups (e.g. the NGG and NGET Groups are currently considering this in the detail of their Terms of Reference). • The last sentence in para 3.11 refers to the need to prove “<i>additionality</i>”. We suggest that the concept of additionality would benefit from a clearer explanation to avoid confusion, i.e. the need to prove that the project and allowances are over and above what was previously agreed • May be beneficial to include T2 CBA and EJP guidance as an appendix to the re-opener guidance so that everything is in one place, more easily allowing for revisions when required.
DRAFTING ISSUES	
<ul style="list-style-type: none"> • 9.4.1 • 9.4.3 • 9.4.6 	<ul style="list-style-type: none"> • In SpC 9.4.1, the requirements apply where the licensee chooses to apply for a re-opener. We therefore suggest that the drafting refers to “...the licensee to prepare <u>any application for a Re-opener</u>...”. • In SpC 9.4.3, we suggest “<i>The licensee must prepare any <u>application for a Re-opener</u> in accordance with...</i>” (singular) • In SpC 9.4.6, “... how the licensee must prepare its applications” is unclear drafting. We suggest “<i>The [Re-opener Applications Document] will set out requirements and guidance relating to applications for re-openers, including:...</i>”. (“...the following” is unnecessary drafting.)

<ul style="list-style-type: none"> 9.4.6(c) 9.4.6(d) 9.4.7 – 9.4.8 	<ul style="list-style-type: none"> In SpC 9.4.6(c), we suggest “<i>when it is appropriate for the licensee to redact applications which it publishes</i>”. In SpC 9.4.6(d), we suggest “<i>any requirement for <u>the application to be assured</u></i>”. The current wording is vague. In SpC 9.4.7 – SpC 9.4.8, there is considerable duplication in these two paragraphs and we suggest that they are merged as one: “<i>Before issuing or amending the [Re-opener Applications Document] by direction, the Authority will publish on the Authority’s Website: (a) the text of the proposed [Re-opener Applications Document]; (b) the date on which the Authority intends the proposed [Re-opener Applications Document] to come into effect; (c) the reasons for the proposed [Re-opener Applications Document]; and a period during which representations may be made on the proposed [Re-opener Applications Document], which will not be less than 28 days</i>”. If the current structure is retained: <ul style="list-style-type: none"> Each (a) has a typo at “<i>...the proposed the...</i>” and “<i>...the amended the...</i>”. 9.4.7(c) should not refer only to “<i>the content of the [Re-opener Applications Document]</i>” as the consultation should also be on other aspects of the document, such as its structure.
<ul style="list-style-type: none"> Definitions 	<ul style="list-style-type: none"> “<i>Re-opener Guidance and Application Requirements Document</i>” is not clear as it suggests that guidance and requirements may cover different things other than as set out in the condition. We suggest simplifying to “<i>Re-opener Applications Document</i>”. If this is not accepted and Ofgem considers that a fuller description is needed, we suggest “<i>Re-opener Application Guidance and Requirements Document</i>”. “<i>Authority</i>” and “<i>Authority’s Website</i>” are not captured / defined in the GT section of the definitions excel document.
FINANCE ISSUES	
	<ul style="list-style-type: none"> No comments
SUPPORTING INFORMATION	
OFGEM ENGAGEMENT:	