

To the UNC Modification Panel Members from the Performance Assurance Committee (PAC).

PAC noted the OFGEM decision letter on UNC Modifications 0619/A/B and in particular the references under Next Steps to *“this low DM population has an adverse effect on the accuracy of gas settlements, particularly in respect of the daily volumes of unidentified gas.”*

PAC would like to recommend to UNC Modification Panel that a workgroup is mandated with the objective of meeting OFGEM’s challenge *“to identify a suitable classification of relevant Supply Points which maintains the safeguards around accurate capacity declarations, as historically provided by the ratchet regime, whilst increasing the frequency and quality of meter read data being submitted to the Central Data Services Provider.”*

Whilst this challenge is limited to *“classification of relevant Supply points”* PAC would like the remit of the workgroup to be extended to include other means of meeting the challenge by for example:

- incentivising the transfer of appropriate meters to more frequent and better quality meter reading products;
- focussing on short, medium and long term means to incentivise performance to existing standards of meter read frequency;
- incentivising more frequent meter reads and/or increase the standards.

PAC considers that mandating a workgroup would better develop the required modification instead of relying on individual parties to raise modifications piecemeal on the multiple aspects of read performance and frequency (an approach which to date has resulted in only 3 Modifications to incentivise read performance and frequency, one of which was simply codifying a CMA AEC Remedy and the 2nd modification was withdrawn).