

**UNC Performance Assurance Committee Strategic Workshop**  
**Tuesday 24 May 2022**  
**via Microsoft Teams**

**Attendees**

Rebecca Hailes (Chair)	(RHa)	Joint Office
Helen Cuin (Secretary)	(HCu)	Joint Office

**Shipper Members (Voting)**

Alison Wiggett	(AW)	Corona Energy
Andy Knowles	(AK)	Utilita
Anthony (Tony) Dicicco	(AD)	ESB Generation & Trading
Claire Louise Roberts for Mark Bellman	(CLR)	ScottishPower (Alternate)
Graeme Cunningham	(GC)	Centrica
Lisa Saycell	(LS)	Gazprom
Louise Hellyer	(LH)	Total
Sallyann Blackett	(SB)	E.ON

**Transporter Members (Voting)**

Alex Travell	(AT)	BUUK
Shiv Singh	(SS)	Cadent

**Observers (Non-Voting)**

Anne Jackson	(AJ)	PAFA/Gemserv
Kate Lancaster	(KL)	Correla on behalf of Xoserve
Michele Downes	(MD)	Correla on behalf of Xoserve
Neil Cole	(NC)	Correla on behalf of Xoserve
Rachel Clarke	(RC)	PAFA/Gemserv
Sara Usmani	(SU)	PAFA/Gemserv

Copies of non-confidential papers are available at: <https://www.gasgovernance.co.uk/PAC/240522>

**1. Introduction**

Rebecca Hailes (RHa) welcomed all parties to the meeting.

**1.1 Apologies for absence**

Mark Bellman, Shipper Member.

Fiona Cottam, Correla on behalf of Xoserve.

**1.2 Note of Alternates**

Claire Louise Roberts for Mark Bellman

**1.3 Quoracy Status**

The Committee meeting was confirmed as being quorate.<sup>1</sup>

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<sup>1</sup> PAC meetings will be quorate where there are at least four Shipper User PAC Members and two Transporters (DNO and/or IGT) PAC Members with a minimum of six PAC Members in attendance.

#### 1.4 Approval of Minutes (26 January 2022)

The previous minutes were approved.

#### 1.5 Approval of Later Papers

RHa noted 5 late papers published after 13 May 2022. Noting that the Strategic Workshop is a somewhat different meeting to scheduled meetings, the Committee agreed to consider these, despite there being some decisions to be taken.

#### 1.6 Review of Outstanding Actions

**PACSW0101:** Committee Members to consider the updated PAC Mission Statement with a view to approving the statement at the next meeting and agreeing where this should be documented.

**Update:** Rachel Clarke (RC) referring to the [Strategic Workshop 2 Presentation](#) (slide 3) provided the PAC Mission Statement: *“To be instrumental in driving, supporting and encouraging industry’s continued improvement for gas Settlement performance and risk management”*, which was unanimously approved and recommended for publication on the Joint Office PAC home page (at <https://www.gasgovernance.co.uk/PAC>). **Closed.**

**PACSW 0102:** Joint Office (RHa) to consider the regular PAC agenda items and potential areas of consolidation.

**Update:** RHa having considered the current agenda asked for views on ways of providing live Modifications progress updates, focusing on those Modifications which are expected to have a performance assurance impact. Sallyann Blackett (SB) suggested it was worthwhile considering any PAC input required by Workgroups and having a high-level overview of in flight Modification development. Rachel Clarke (RC) suggested this could be provided via a brief synopsis paper. RHa asked if there were any standard agenda items which were not adding value. It was suggested that the Standards of Service Liabilities Report could be removed supported by the continued publication of the document for information. **Closed.**

**PACSW 0103:** Joint Office (RHa) to consider additional dates for a follow up Strategic Workshop.

**Update:** 2<sup>nd</sup> Workshop organised. Committee to consider if further Strategic Workshops are required through the course of the next few scheduled meetings. **Closed.**

## 2. Holistic Performance Matrix Workshop

Sara Usmani (SU) provided an update from the first Workshop following the Committee’s review of the proposed Performance Matrix. Please refer to the [Strategic Workshop 2 Presentation](#) (from slide 11).

SU gave an overview of the matrix which has been developed to provide a renewed approach to targeting Shipper performance and having a single holistic performance reporting matrix. SU confirmed the key reporting items and an explanation of the data that will be reported, as follows:

- Read Performance
- Check Reads not complete
- Shipper Transfer Read Performance
- AQ at Risk
- Aged Reads
- AQ Read Performance (PC4)

SU noted a fix being deployed for Aged Reads to correct an inaccuracy which would impact the “No Read letter”. This fix will be in place for the June “No Read Letter”.

SU clarified the data from these reports will feed into the Performance monitoring and matrix.

The Committee considered:

- The scope of the Performance Reports.
- The rankings/weightings and the rationale around applying 50% weighting to Read Performance based on importance, 20% weighting to Aged Reads and 10% weighting on the other elements.

- The scope of [Modification 0672S - Target, Measure and Report Product Class 4 Read Performance](#).
- PC1 rankings and the obligation for check reads for sites with remote reading equipment installed which derives the read.
- The UNC obligations and the balance of measures to ensure they are in line with the UNC and the frequency of meter reads.
- The inclusion of Transfer reads.
- Daily Read obligations on Transporter for DMSP provided reads, Class 1 sites.
- [Modification 0710S - CDSP provision of Class 1 read service](#).
- The Opening read obligations under UNC TPD Section M: 5.13.2, for the proposing User, for Class 2, 3 or 4 Supply Meters, and the Transporter for Class 1 Supply Meters.
- The knowledge of Shipper and Supplier activities and the differences in obligations.
- Change being implemented for Data correction in Date Discovery Platform (DDP).

It was agreed that the final Performance Matrix will be presented by the PAFA to the Committee in July with the aim of using the proposed matrix from August (subject to July PAC approval).

It was suggested there should be some science behind the weighting to take into account the relevance and the associated risk it presents to settlement, recognising that larger sites with larger volumes will have a greater impact. The Committee discussed a different balance of weightings to take into account the impact of read performance. It was suggested that a different weighting should be considered for PC2, PC3 and PC4 sites.

The final weightings, agreed unanimously are as follows:

PC1, PC2 and PC3:

Read Performance	50%
Check Reads not complete	10%
Shipper Transfer Read Performance	5%
AQ at Risk	10%
Aged Reads	25%

PC4:

Read Performance	50%
Check Reads not complete	10%
Shipper Transfer Read Performance	10%
AQ at Risk	10%
Aged Reads	20%

Michele Downes (MD) confirmed that the Check Read obligations are under UNC TPD Section M: 5.12.1, ; Class 1 Supply Meter (at which Transporter Daily Read Equipment is installed), and each Class 2, 3 or 4 Supply Meter at which Remote Meter Reading Equipment is installed, except where the Transporter Daily Read Equipment or Remote Meter Reading Equipment provides a direct (rather than a derived) reading of the relevant index and where applicable corrector of the Supply Meter (each such Supply Meter a “relevant” Supply Meter)

The inclusion and relevancy of Transfer reads, within the matrix, was considered, particularly when updated/replacement reads are not monitored. SU explained the knock-on effect and difficulties with subsequent reads following a transfer when an opening read has failed, which can require the need to backfill reads. It was recognised that at present there may be limited switching, nevertheless it was challenged if there was adequate Shipper reporting at present to drive the right behaviours. It was acknowledged that the Transfer Read was less important to gas settlement, but important for the allocation of energy between Shippers.

**New Action PACSW 0501:** *Performance Assurance Matrix* - PAC to consider if PC3 Read Performance is worth considering as an additional performance monitor.

**New Action PACSW 0502:** *Performance Assurance Matrix* - CDSP/PAFA to consider the Shipper Transfer Read Performance for PC2-PC4 sites and provide a view on what should be incorporated into the reporting.

**New Action PACSW 0503:** *Performance Assurance Matrix* - CDSP/PAFA to provide a view on Shipper Transfer Read performance in terms of being a Transporter responsibility for PC1 sites.

### 3. Market Entry Requirements

The Committee considered the New Shipper application process. It was agreed there would be value in better understanding the Xoserve onboarding process, the Xoserve-provided training and the assessment of the ability for parties to operate proficiently. It was suggested that the [Market Entry process](#) managed by Xoserve Customer Lifecycle Team would benefit from a review, to establish if there are any lessons learnt and enhancements to ensure market participants are receiving the right onboarding.

The Committee in striving to improve settlement performance agreed it would be beneficial to identify any gaps in the process which if addressed could potentially reduce the risks new entrants have on settlement. It was agreed to consider what the potential areas of mitigation (preventive actions) are to reduce the impacts to settlement when a registered market participant becomes active.

Noted that from June this may be taken on by REC.

**New Action PACSW 0504:** *Performance Assurance Matrix* - Joint Office (RHa) / PAFA (RC) to review the Market Entry Process for any *potential* improvements/recommendations.

**New Action PACSW 0505:** *Performance Assurance Matrix* - CDSP/Xoserve (Mike Orsler) to review the Market Entry Process for onboarding market participants to ensure they understand the importance of meeting performance standards. (RHa to contact Mike Orsler directly. Linked to action 0504 above).

## Data

### 4. Report Anonymisation

Rachel Clarke (RC) provided a recap of the earlier discussions. The Committee considered the reporting of performance in a non-anonymised format, the history behind anonymised reporting along with the benefit to PAC members not being aware of company identities when making performance target decisions. The Committee also considered past reluctance to 'name and shame'. It was noted that the UNC is silent on identifying Shippers when reporting performance.

It was recognised that with changes in membership, year by year, revisiting the decision to retain anonymisation was of benefit.

Acknowledging that

- the publication of Shipper names is not in the public domain
- knowing the Shipper identity may assist understanding performance in more context, and
- PAC Members have access to the decoding lists on the GPAP

it was challenged why there was a need for anonymisation when PAC members sign confidentiality agreements.

The Committee considered the ability to make unbiased decisions.

RHa suggested a vote is taken to establish the views from all members on various elements. It was agreed to vote (take views) from all members for:

- No need for anonymity within meetings; but continue to use anonymisation for public domain data (including minutes and published material).

The majority of members (6 out of 8) voted for and 2 voted against. A detailed record of this vote is available on request.

RHa suggested as there was not a consensus for identifying Shipper Organisations within meetings, she recommended the Committee continues with the current arrangements (continued anonymity in meetings and in all public domain data). RHa confirmed that her time as Chair of PAC she did not recall a circumstance where, in mainstream PAC business, there has not been a consensus of opinion.

It was recognised however that under the terms of reference, voting decisions are to be taken by simple majority.

RHa suggested that as there were only 8 of the 12 PAC Members present, it might be worthwhile her contacting those members not present and then all members considering the views expressed and whether this needs to be reconsidered at the June meeting.

**New Action PACSW 0506:** *Anonymity of Shippers in PAC discussions only.* Joint Office (RHa) to seek views of all Members not present at 24 May meeting.

The Committee considered whether the Terms of Reference needs to be reviewed to amend the voting.

It was noted that Modification [0674 - Performance Assurance Techniques and Controls](#), proposes the identification of Shippers (i.e. no anonymisation).

## 5. Provision of real time data

Michele Downes (MD) provided an overview of the availability of data from Xoserve systems, examples of read submission windows and how soon data can be extracted for the different Classes. MD explained the potential for incomplete reports for Class 4 based on the read windows (Class 1-3 = Month +1. Class 4 = Month +2) due to 25 business days for the Shipper to submit the meter reading to UKLink.

The Committee considered whether the incomplete report for Class 4 could be provided as an interim with an update to that data on the next report. It was challenged if the Class 4 report could be run later and accepted as a late report, at short notice, for PAC meetings and the benefits if historically there is a little performance change month on month.

RH suggested that if the Committee so wished the 5 Business Days reading time could be an area of flex but cautioned that this might affect Members ability to review data ready to make decisions at PAC.

**New Action PACSW 0507:** *Provision of real time data - Correla (NC) to confirm if PC4 Meter Read Performance Reports can be run later (closer to PAC meeting dates) to allow consideration of more recent data.*

## 6. Is PARR fit for purpose

Rachel Clarke (RC) provided an overview of the current 16 anonymised reports and 24 non-anonymised reports. It was recommended that a separate Workshop could be convened to review the PARR to work through the rationale of reports and suitability of each report currently provided.

It was suggested that some offline groundwork should be undertaken to bring to a future meeting with an overview and to allow consideration on whether a sub-group could be formed to review the current reports and provide a view and where there may be gaps in the current performance reporting.

It was agreed to consider the PAFA agreement and if it allows for mini sub-groups without agreement upfront.

**New Action PACSW 0508:** PAFA (AJ) to discuss with Xoserve (FC) regarding offline work to assess suitability of PARR reports

## PAC Processes

## 7. PAC Escalation Process Doc

Rachel Clarke (RC) presented the escalation process for Performance Improvement Plan (PIPs), providing an overview of the steps. The Committee briefly considered the steps, in particular the appeal process and the next steps for successful and unsuccessful appeals. An updated version of the process had been created to reflect the current and future approach.

## 8. Annual Cycle Review

Rachel Clarke (RC) provided a brief overview of the topics for discussion, which included allowing PAC decisions to embed in order to show results, membership appointments, and documentation changes to avoid deviation.

Lisa Saycell (LS) challenged the ability to address decisions and not being tied down to previous decisions which do not provide results.

The Committee considered the logging of key decisions and the duration/rotation of membership appointments to avoid the potential risk that all members could be replaced in a given appointment year, with the existing process.

**New Action PACSW 0509:** *Membership Appointment* - Joint Office (RHa) to establish which documents (including the [PAC Terms of Reference](#) and the [Guidelines for the User Representative Appointment Process](#)) would need to be amended to establish a 2 Year Appointment Period and when this could take effect.

**New Action PACSW 0510:** PAC to consider establishing a Decision/Action Log for recording key decisions.

## Wider Industry Considerations

### 9. Consider Longer Term Impacts of Code Reform

Rebecca Hailes (RHa) informed the Committee that Jonathan Dixon REC PAB Chair was not available for today's meeting at short notice and has been invited to the 14 June 2022 PAC meeting.

Rachel Clarke (RC) provided an overview of the longer-term impacts of a Code Reform and the timeframe for the appointment of Code Managers by Ofgem who will be licenced as the Strategic Body. The Government will be starting work on areas that require legislation, including frameworks for Code Manager Licence towards the end of 2022.

It was noted that the REC Performance Assurance Board (PAB) will be working with all PABs. Some moves are expected within the gas market, including the management of asset information and Governance. Various expectations were discussed including the future of Panel meetings and the use of Subject Matter Groups.

### 10. Training

Michele Downes (MD) provided a presentation on the Xoserve Training and Support provided on the Xoserve website available at: <https://www.xoserve.com/> under the Learning Hub and Help Centre tabs. It was agreed to provide a Walkthrough of what was available on the website at June PAC meeting.

## 11. AOB

### 11.1 Line in the Sand Letter

RHa explained that at the last PAC meeting the Line in the Sand pre-notification letter had been discussed which is aimed at improving read submission.

Rachel Clarke (RC) confirmed feedback had been provided with suggestions of including a brief paragraph on the role of PAC, the date at which performance monitoring will commence, the possibility of including the timeline as an appendix and providing a high-level reference to UNC TPD Section M – Supply Point Metering (not referring to paragraph M5.9).

The Committee agreed to the changes suggested with the intention of PAFA issuing the letter mid June 2022, to the DSC Contract Managers.

## 12. Next Steps

It was agreed to consider offline whether another Strategic Workshop was required following the developing of the Performance Matrix.

### 12.1 Key Messages

Any Key Messages from today's Strategic Workshop will be published at:

<http://www.gasgovernance.co.uk/pac/summarykeymessages>

## 13. Diary Planning

Further details of planned meetings are available at: [www.gasgovernance.co.uk/events-calendar/month](http://www.gasgovernance.co.uk/events-calendar/month)

Time/Date	Paper Publication Deadline	Venue	Programme
10:00, Tuesday 14 June 2022	17:00 Monday 06 June 2022	Teleconference	Standard Agenda Training Update Code Reform Update
10:00, Tuesday 12 July 2022	17:00 Monday 04 July 2022	Teleconference	Standard Agenda
10:00, Tuesday 16 August 2022	17:00 Monday 08 August 2022	Teleconference	Standard Agenda
10:00, Tuesday 13 September 2022	17:00 Monday 05 September 2022	Teleconference	Standard Agenda
10:00, Tuesday 11 October 2022	17:00 Monday 03 October 2022	Teleconference	Standard Agenda
10:00, Tuesday 15 November 2022	17:00 Monday 07 November 2022	Teleconference	Standard Agenda
10:00, Tuesday 13 December 2022	17:00 Monday 05 December 2022	Teleconference	Standard Agenda
For details of the informal sub-group meetings and topics please contact the PAFA directly. <a href="mailto:PAFA@gemserv.com">PAFA@gemserv.com</a>			

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
PACSW 0101	26/01/22	2.1	Committee Members to consider the updated PAC Mission Statement with a view to approving the statement at the next meeting and agreeing where this should be documented.	PAC Members	<b>Closed</b>
PACSW 0102	26/01/22	2.5	Joint Office (RHa) to consider the regular PAC agenda items and potential areas of consolidation.	Joint Office (RHa)	<b>Closed</b>
PACSW 0103	26/01/22	2.6	Joint Office (RHa) to consider additional dates for a follow up Strategic Workshop.	Joint Office (RHa)	<b>Closed</b>
PACSW 0501	24/05/22	3.0	<i>Performance Assurance Matrix</i> - PAC to consider if PC3 Read Performance is worth considering as an additional performance monitor.	PAC (All)	<b>Pending</b>
PACSW 0502	24/05/22	3.0	<i>Performance Assurance Matrix</i> - CDSP/PAFA to consider the Shipper Transfer Read Performance for PC2-PC4 sites and provide a view on what should be incorporated into the reporting.	CDSP/PAFA	<b>Pending</b>
PACSW 0503	24/05/22	3.0	<i>Performance Assurance Matrix</i> - CDSP/PAFA to provide a view on Shipper Transfer Read performance in terms of being a Transporter responsibility for PC1 sites.	CDSP/PAFA	<b>Pending</b>
PACSW 0504	24/05/22	3.0	<i>Performance Assurance Matrix</i> - Joint Office (RHa) / PAFA (RC) to review the Market Entry Process for any potential improvements/recommendations.	Joint Office (RHa) / PAFA (RC)	<b>Pending</b>
PACSW 0505	24/05/22	3.0	<i>Performance Assurance Matrix</i> - CDSP/Xoserve/Correla (Mike Orsler) to review the Market Entry Process for onboarding market participants to ensure they understand the importance of meeting performance standards.  (RHa to contact Mike Orsler directly. Linked to action 0504 above).	Correla (MO)	<b>Pending</b>
PACSW 0506	24/05/22	4.0	<i>Anonymity of Shippers in PAC discussions only.</i> Joint Office (RHa) to seek views of all Members not present at 24 May meeting.	Joint Office (RHa)	<b>Pending</b>
PACSW 0507	24/05/22	5.0	<i>Provision of real time data</i> - Correla (NC) to confirm if PC4 Meter Read Performance Reports can be run later (closer to PAC	Correla (NC)	<b>Pending</b>



			meeting dates) to allow consideration of more recent data.		
PACSW 0508	24/05/22	6.0	PAFA (AJ) to speak to discuss with Xoserve (FC) regarding offline work to assess suitability of PARR reports	PAFA (AJ)	<b>Pending</b>
PACSW 0509	24/05/22	8.0	<i>Membership Appointment</i> - Joint Office (RHa) to establish which documents (including the <a href="#">PAC Terms of Reference</a> and the <a href="#">Guidelines for the User Representative Appointment Process</a> ) would need to be amended to establish a 2 Year Appointment Period and when this could take effect.	Joint Office (RHa)	<b>Pending</b>
PACSW 0510	24/05/22	8.0	PAC to consider establishing a Decision/Action Log for recording key decisions.	PAC (All)	<b>Pending</b>