

Performance Assurance Workgroup

Terms of Reference

Objective

To ensure that gas settlement has accurate allocation, control, self monitoring and governance so that no undue commercial advantage is derived from settlement

Mission for the Workgroup

- Consider if there is support to look at and investigate a Gas Performance Assurance Framework (GPAF) – within [3] months
- Number of meetings to be held to determine if there is agreement to embark on a programme of work to develop a GPAF
- First phase would be to determine the scale of the issues; agree priorities; and identify when they can be addressed
- Agree the overarching framework for performance assurance to be ready in advance of Project Nexus, at the earliest opportunity

Proposed Outputs

- Report on recommended initial steps for a Review Group and draft a workplan
- Detail what analysis will be needed to more accurately determine the potential scale of the assurance requirement and the structure of the framework that might be required
- Provide a considered opinion on why this piece of work is necessary to be delivered for Nexus
- Propose a Performance Assurance governance regime i.e. what new Committee/ Committees need to be established and how it would be funded

Scope of the Gas Performance Assurance Framework

Potential issues that the Performance Assurance Framework would seek to monitor and incentivise resolving in the first instance are noted below. However existing MOD proposals, other initiatives and Project Nexus might address these, however there is the possibility that new issues could arise from Nexus:

- Meter reading submission in line with UNC and Licence requirements
- CSEP update
- Shipperless and unregistered sites
- Site status management and control
- Incorrect asset information and invalid meter readings

- AQ update performance and the timing out of reconciliation, prevalence of MOD640 charges, sites not allocated gas and erroneously low AQs
- Shrinkage and allocation
- Offtake errors

Initial view of what the GPAF would consist of:

- Input measures – frequency, quality and control
- Output measures (for example meter readings) – frequency, quality and control
- CSEP updates/reconciliations – frequency, quality, control and exceptions
- iGT registrations and data update – frequency, quality and control
- Site registration – exceptions and handling
- Asset information – status, verification and responsibility
- Data quality (measure of errors) – meter readings, asset information
- Process serials – AQ update, threshold crossers, dead meters
- Accounting for unidentified gas – AUGE continuing role

Out of Scope

Developing targets and sanctions is out of scope – this would be the initial piece of work for the Panel to deliver.

Membership

Membership is open to all UNC Parties, Ofgem and Citizens Advice and Citizens Advice Scotland.