

UNC 0674:

Creating a framework of techniques for Performance Assurance



Proposer: Mark Bellman – ScottishPower (on behalf of PAC)

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Why change?



- A number of performance assurance roles (PAC, PAFA) and a reporting framework were created by the industry
- However now that reports are available and PAC has started to investigate performance measures, it is apparent the framework has a number of omissions, principally that there are no consequences for a party failing to meet its UNC obligations
- This omission means that there is no support or sanction that PAC can give a shipper who is operating failing or broken processes.
- The effect of this is that settlement processes is running on incorrect data resulting in errors in settlement allocation; settlement uncertainty for all market participants; and contributing to UIG. It also impacts the quality of meter-level data, for which all market participants rely on each other

Options



- During two PAF workshops, PAC has discussed different generic techniques to allow effective control of performance
- These have been developed further into a range of specific techniques to give greater support for, and accountability of, shippers with broken processes
- The proposal is for a series of proportionate and progressive controls. No viable alternatives have been raised
- The mod has been reviewed by PAC members
- PAC consider the need for performance techniques to be urgent; but recognise this modification needs broad industry support through workgroups and consultation

Solution



- The modification will:
 - lay out i) the over-arching changes required to support market participants in meeting performance obligations and ii) the consequences of failing to meet these obligations (The Framework).
 - define the progressive series of proportionate techniques to prevent or remediate failure to meet target measures (The Tools).
 - propose that PAC develop a Targets And Incentives Methodology (TAIM) Document to outline the principles for determining targets and charges. Such target measures would then be developed under other modifications raised by market participants (for example on read performance, exception resolution, etc)
- PAC believe this will provide market participants with clarity on require performance targets; support to meet these targets and greater certainty about the consequences of failing to meet obligations

Recommended Steps



- The Proposer recommends that this modification should be:
 - Considered a material change and not subject to self-governance
 - Workgroup assessment to develop the modification over a 6 month workgroup period (c. 6 – 8 workgroup meetings)