

**UNC Workgroup 0674 Minutes
Performance Assurance Techniques and Controls**

Tuesday 17 September 2019

at Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA

Attendees

Alan Raper (Chair)	(AR)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Andy Clasper	(AC)	Cadent
Anne Jackson	(AJ)	Gemserv
Fiona Cottam	(FC)	Xoserve
James Rigby	(JR)	Xoserve
Karen Kennedy*	(KK)	British Gas
Kirsty Dudley*	(KD)	E.ON
Loraine O'Shaughnessy	(LO)	Joint Office
Louise Hellyar	(LH)	Total Gas & Power
Maitrayee Bhowmick-Jewkes	(MBJ)	Joint Office
Mark Bellman	(MB)	ScottishPower
Sallyann Blackett	(SB)	E.ON

* via teleconference

Copies of all papers are available at: www.gasgovernance.co.uk/0674/170919

The Workgroup Report is due to be presented at the UNC Modification Panel by 19 December 2019.

1.0 Introduction and Status

1.1. Approval of minutes (29 July 2019)

The Chair, Alan Raper (AR) presented the amended minutes from the last meeting, Workgroup considered the amendments and approved the minutes.

1.2. Review of Outstanding Actions

Action 0603: *Reference: DSC PAC Budget and Report Prioritisation* – Xoserve (LJ) to ascertain what Data Protection and/or commercial barriers exist that could potentially constrain the PAFAs access to data (anonymised / non-anonymised) in order for it to deliver new PAC information requests.

Update: James Rigby (JR) provided an update to the Workgroup and advised that there was a late paper submitted to the DSC Change Management Committee meeting held on 11 September 2019 which, when processed, will provide PAFA access to the Data Discovery Platform (DDP). A further update will be provided in due course when this paper has had time to progress. **Carried Forward**

Action 0701: Reference: *UNC Business Requirements – UNC Parties* - MB will consider the wording for both principles and provide back to Workgroup.

Update: Mark Bellman (MB) has provided an amended Modification which covers this action. **Closed**

Action 0702: Reference: *UNC Business Requirements – UNC Parties* - Change Committee to consider a PAC category within their prioritisation routine for such requests as mentioned in Statement 3.

Update: JR provided an update to the Workgroup on the discussion that was held at the recent DSC Change Management Committee meeting. As a result of the meeting discussions, Xoserve will commence sharing all data changes, and this will be linked to the ongoing PAFA access to DDP (see action 0603). JR commented that there needs to be a clear process moving from XRN's (Change Proposals) to a full Data Discovery Platform.

Workgroup wondered if this action should belong in PAC. It was agreed that, whereas this action is definitely relevant to this Modification, it was agreed that an overarching Change Proposal may be needed and an update at PAC on this item.

It was agreed that JR will come back to the next Workgroup meeting with a suggested process whereby PAC, (or any customer), can put in requirements for data changes in a more effective way than raising a Change Proposal. **Carried Forward**

Action 0703: *Reference: UNC Business Requirements – Protections* - Joint Office to check if there is any indemnity on the confidentiality signed letters that are signed. AJ will also check this with Lawyers.

Update: AR provided update on the confidentiality and indemnity clause for PAC members, as documented in Section V16 of the UNC. Anne Jackson (AJ) advised that her understanding was that the action was for to identify the consequences of not keeping confidentiality which would need to be passed to the Lawyers. It was agreed that this action could be closed but for Workgroup to consider that it may need revisiting.

Closed

Action 0704: *Reference: Performance Assurance Techniques* - Xoserve to consider and feedback to Workgroup their ability to undergo technical reviews.

Update: Fiona Cottam (FC) provided an update advising that, in principle, this can be done. This has a natural link to where Xoserve want to provide their customers with more support and provide them with a better customer insight etc. FC added that Xoserve would possibly like to have an expectation set out around the maximum number of reviews they can do per year.

When asked, FC confirmed that this is not a piece of work that Xoserve would be asking CAMS to complete. She added that this is on the radar of the UIG Taskforce where they have setup a team within Customer Engagement. This team will be contacting customers about specific issues. **Closed**

Action 0705: *Reference: PAC Appointments and Requirements* - All Workgroup participants to review the document ahead of the next meeting.

Update: This document was covered as part of agenda item 3.0. **Closed**

Action 0706: *Reference: PAC Appointments and Requirements* - Joint Office to set up process obliging shippers to nominate a SPOC for PAC matters.

Update: MB explained that some of the matters referred to PAC, and subsequently to a shipper, may need to be done through a SPOC with more specialist knowledge than the general UNC SPOC. He added that, it is important that the person that is receiving the information (relating to PAC reporting) should need to know precisely what they need to do with it.

This will be further detailed in the ancillary documents that will be formulated as part of this Workgroup. **Carried Forward**

2.0 Consideration of Amended Modification

MB talked through the changes made to the amended Modification and explained the updated timeline in the amended Modification highlighting that the Consultation period will run over the Christmas period and into the New Year. MB then provided clarity where necessary on the amendments made to the Modification, which are mostly within the Solution section.

A change-marked version of the Modification was provided as material for this meeting, the main amendments are listed and, where amendments were discussed in detail, this has been documented below:

Timeline:

- The Workgroup Report will now present to Panel on 19 December 2019
- The Draft Modification Report will be issued for consultation 19 December 2019
- The Consultation Close-out for representations will be 14 January 2020
- The Final Modification Report will then be available for Panel 12 February 2020 with a Modification Panel decision on 20 February 2020.

Summary:

Clarification that the Modification is proposed by ScottishPower

Solution:

- 1 & 2. The introduction of a new objective of Performance Assurance, (Performance Assurance Objective (PAO)). MB clarified this is not an obligation on a User, this is an objective on Performance Assurance.
3. The introduction of a new overarching principle to the UNC of collective co-operation towards the specified objective (PAO).
4. A significant change, but not a huge impact. PAC would be responsible for the PAF document.
5. Giving PAC authority to do what it needs to do. Proposals to change the PAF document should go through PAC. The document should be owned by PAC and any changes are to go through PAC.

Section 6 PAC Protections

PAC, PAFA and CDSP personnel attending closed PAC meeting are required to sign and adhere to undying non-disclosure agreements and any confidential material downloaded must be deleted when no longer required and when ceasing to attend the PAC (for whatever reason), whichever is sooner

Workgroup agreed to request from Lawyers a view as to whether this provides as much protection as initially thought.

Any Party may appeal a PAC decision to escalate to OFGEM under the Performance Assurance regime only

In terms of PAC Protection, the ultimate escalation would be to Ofgem, and as such, the party should have the right to appeal.

A query was raised with regards to whether an appeal should be escalated to Ofgem or whether the appeal should be brought to PAC. AJ said that Users need to have confidence that PAC is capable of making appropriate decisions.

Decision: Remove the appeal point from the UNC part of the proposal, as this will be covered in the Appeal Process within the Ancillary Documentation.

7. MB explained elections PAC will continue largely as-is.

Decision: Remove paragraph 8. As this is written in the escalation ancillary documentation

9. Referring to the REC Performance Assurance Board (PAB), MB advised that when parties are requested to present themselves to the PAB it is quite effective.

He added that the technique is that PAC would request attendance at the meeting with the right person in terms of seniority and calibre to ensure compliance with PAC decisions.

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Decision: Remove paragraph 10 & 11 as they are not Business Rules.

Decision: Remove 12.1 and 12.2 as this is already covered.

12.3, 12.4, 12.5, 12.6 are all general objectives and may already be covered in UNC Section V16.

No further observations made.

New Action 0901: MB agreed to review UNC parties section of the Modification requirements and compare it with current Data Permissions detailed UNC Section V5.

3.0 Consideration of Ancillary Documents

AJ presented an update to the Workgroup which specifically focused on the top level Performance Assurance Framework (PAF) Document. The presentation material was provided for the Workgroup and is published on the meeting web page.

Slide: Outside the UNC – UNC Related Documents

AJ advised that the Performance Assurance Techniques (PATs); PAC Appointment and Requirements; Appeal Procedure and Annual PAF Review and Consultation documents would all be going in to one PAF.

AJ also asked Workgroup to consider including the PAC Terms of Reference whilst reviewing the material for this agenda item.

Slide: Framework Section - Goal

Comparing what is currently the goal of the Gas Energy Settlement Performance Scheme and the suggested new goal, AJ suggested that there may need to be an assurance objective, of the form of the suggested statement.

Workgroup considered and debated which statement, out of the two statements (the current goal and suggested new objective), should be adopted.

FC highlighted in terms of lifecycle of settlement, settlement is not a defined term.

Comparing the two statements, Workgroup confirmed that the current goal refers to the regime; the current statement feels as though it covers more. MB agreed to consider the feedback.

AR wondered if there is a risk that Workgroup could be mixing up goals, objectives, and targeted performance objectives.

MB clarified that this (PAF) should be the vehicle to make sure settlement is correct. In historical terms MB questioned if the PAF was put in place before the Performance Assurance regime. FC clarified there was no regime when the PAF was put in place and referred to Modification 0506.

Slide: Framework Section - Objectives

Workgroup debated the current Framework objectives and challenged if they are objective or if this is more a list of tasks.

Amendments to the wording was suggested, AJ will update the objectives with the suggested amendments.

Decision: It was agreed that there would be no Goals or Objectives and a change to the wording within the PAF that will relate to the list currently on slide 4 that to achieve a PAF objective the listed current objectives will need to be achieved.

Slide: Framework Section - Application and Operation

In terms of their incorporation within the regime, AJ explained the data is incorporated in Performance Assurance reports.

The Performance Assurance regime is elsewhere in the UNC and the IGT UNC does not point to this specific place. (The use of the data for PAC purposes is not pointed to from the IGT UNC). There is potential for an IGT Modification to be raised so that it points to the: right sections within UNC.

KD confirmed that a Permissions Review Group was formed last year where all parts pointed to from IGT UNC were checked, this could have been missed.

New Action 0902: AJ to explore the governance. The framework needs to be explicit in terms of IGTs and the linking to UNC.

Slides: Performance Assurance Committee Section (4 Slides)

AJ advised there are a number of Roles and Responsibilities currently listed in section 2.5 of the UNCC PAC Terms of Reference that she thinks should be in the Framework document rather than the meeting Terms of Reference.

New Action 0903: *Reference: 2.5 Roles and responsibilities of PAC* - AJ to add an extra bullet, before the final bullet, that refers to the evaluation of risks and identify mitigations.

MB asked workgroup to consider the tenure of PAC members. Should this be one, two or three years?

KK advised that, as a new member to PAC, its obvious there are issues that have been ongoing for quite some time, these issues might not be picked up if the tenure remained at one year.

AJ mentioned there is a risk that PAC members could totally change if it had a 2 year tenure.

MB suggested that UNC Elections for PAC could be staggered so as to aid retention of experienced members as well as electing new members.

A reference was made to the recent proposal that PAC had a 3-year tenure, but this was rejected.

AJ suggested not using more than one Alternate per member and highlighted that the more PAC members (including Alternates) the higher the risk of a data privacy breach.

LH suggested the use of reserve Alternates from another company and not just the members own company as PAC members represent the Industry and not just their own company.

Workgroup then went on to consider how a pool of Alternates could support PAC and chosen on a rotation basis.

It was suggested that, using this approach, within a meeting you could have two representatives from one Shipper, one as a member and one as an alternate for somebody else, Workgroup thought that this would seem to be okay.

It was questioned that when choosing someone out of the reserve Alternate pool, would it be to achieve quoracy or missing members. It was clarified that the aim would be to get the number up to the shipper members required of 9 rather than just to meet quoracy.

AC challenged that currently, where members are not present, if the meeting is quorate, more transporter members would be called upon, therefore, he requested it stays the same as it is now for transporters, that is, Alternates are only called upon to reach quoracy.

AJ went on to suggest that there are certain situations, across the industry, where committees are having non-quorate meetings due to members not supporting the meeting. She clarified that, if the PAC meeting was not quorate the business for that meeting would cease. Workgroup then went on to agree a set of actions that would naturally take place should a meeting be seen as not being quorate:

1. Try to rearrange the meeting
2. Still hold the meeting, only just not make any formal decisions
3. Issue a reminder to members of their obligations

New Action 0904: AC will check and confirm back to workgroup that voting can be changed to Shipper votes and Transporter votes, each constituency (shipper and transporters) to have to reach majority.

Slide: PAFA elements and sections

AJ explained there is consideration to have a separate data section and that this section needs to be reviewed by an industry-wide group.

Slide: Budget

Workgroup considered what the process might be and at which DSC Committee the approval of any spend would be at.

MB suggested taking this to PAC for further discussions and consideration of what the process might be.

Slide: Annual Workplan and Budget Statement

No comments.

Slide: Performance Assurance Committee Document

It was agreed that the TOR and the PARR should be listed as related documents.

Slides: Performance Assurance Framework – potential amendments/additions (2 Slides)

AJ made suggestions of where the list of potential amendments and additions could be placed within the Framework.

It was confirmed that DMSPs cannot be held to Code as they are sub-contracted by Code parties. It was confirmed that the suggestion of the inclusion of the performance of central service providers (CDSP/DMSP) would need to be checked and confirmed with Dentons, (drafters of the legal text).

4.0 Development of Workgroup Report

Workgroup discussed what the content of the Workgroup Report might be, deciding that a summary of what the Workgroup timeline has been and the key changes that have been discussed should be included.

AJ suggested the inclusion of the Modification outputs and a commentary on whether these have been achieved.

The Workgroup Report will be considered at the next Workgroup meeting.

5.0 Next Steps

AR outlined the next steps:

- AJ will produce a change marked version of the Performance Framework document.
- MB will provide an amended Modification (in line with the above discussions);
- AC will provide Legal Text to the October Workgroup, provided the amended Modification is published with sufficient notice.
- Development of the Workgroup Report.

6.0 Any Other Business

6.1. Meeting Start Times

AR asked the Workgroup if future meetings could have a start time of 10am. Some Workgroup participants commented that they would have difficulty reaching the office in time for a 10am start time. AR agreed to keep the current start time of 10:30 for future meetings.

7.0 Diary Planning

Further details of planned meetings are available at: <https://www.gasgovernance.co.uk/events-calendar/month>

Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
Wednesday 23 October 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Standard Agenda, plus: <ul style="list-style-type: none"> • Consideration of amended modification • Consideration of ancillary documents • Development of Workgroup Report

Action Table (as at 17 September 2019)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0603	26/06/19	5.0	<i>Reference DSC PAC Budget and Report Prioritisation</i> – Xoserve (LJ) to ascertain what Data Protection and/or commercial barriers exist that could potentially constrain the PAFAs access to data (anonymised / non-anonymised) in order for it to deliver new PAC information requests.	Xoserve (LJ)	Carried Forward
0701	29/07/19	2.0	<i>Reference: UNC Business Requirements – UNC Parties</i> MB will consider the wording for both principles and provide back to Workgroup	Proposer (MB)	Closed
0702	29/07/19	2.0	<i>Reference: UNC Business</i>	Xoserve/DSC	Carried

			<i>Requirements – UNC Parties</i> Change Committee to consider a PAC category within their prioritisation routine for such requests as mentioned in Statement 3	Change Committee	Forward
0703	29/07/19	2.0	<i>Reference: UNC Business Requirements – Protections</i> Joint Office to check if there is any indemnity on the confidentiality signed letters that are signed. AJ will also check this with Lawyers	Joint Office	Closed
0704	29/07/19	3.0	<i>Reference: Performance Assurance Techniques:</i> Xoserve to consider and feedback to Workgroup their ability to undergo technical reviews	Xoserve (LJ/FC)	Closed
0705	29/07/19	3.0	<i>Reference PAC Appointments and Requirements:</i> All Workgroup participants to review the document ahead of the next meeting.	All Workgroup Participants	Closed
0706	29/07/19	3.0	<i>Reference PAC Appointments and Requirements :</i> Joint Office to set up process obliging shippers to nominate a SPOC for PAC matters,	Joint Office	Carried Forward
0901	17/09/19	2.0	<i>Amended Modification</i> - MB agreed to review UNC parties section of the Modification requirements and compare it with current Data Permissions detailed UNC Section V5.	ScottishPower (MB)	Pending
0902	17/09/19	3.0	<i>Objectives:</i> AJ to explore the governance. The framework needs to be explicit in terms of IGTs and the linking to UNC.	Gemserv (AJ)	Pending
0903	17/09/19	3.0	<i>Reference: 2.5 Roles and responsibilities of PAC</i> - AJ to add an extra bullet, before the final bullet, that refers to the evaluation of risks and identify mitigations.	Gemserv (AJ)	Pending
0904	17/09/19		<i>Performance Assurance Committee Section</i> - AC will check and confirm back to workgroup that voting can be changed to Shipper votes and	Cadent (AC)	Pending

			Transporter votes, each constituency (shipper and transporters) to have to reach majority.		
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