

**UNC Performance Assurance Committee Minutes**  
**Tuesday 20 November 2018**  
**at Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA**

**Attendees**

Bob Fletcher (Chair)	(BF)	Joint Office
Mike Berrisford (Secretary)	(MiB)	Joint Office
Billy Howitt	(BH)	PAFA
Carl Whitehouse	(CW)	Shipper Member
Dave Turpin	(DT)	Observer, Xoserve
Emma Smith	(ES)	Observer, Xoserve
John Welch	(JW)	Shipper Member
Kirsty Dudley*	(KD)	Shipper Alternate
Lisa Saycell*	(LS)	Shipper Member
Louise Hellyer	(LH)	Shipper Member
Mark Bellman	(MB)	Shipper Member
Mark Jones	(MJ)	Shipper Member
Neil Cole	(NC)	Observer, Xoserve
Sally Hardman*	(SH)	Transporter Member
Sara Usmani	(SU)	PAFA
Shanna Key*	(SK)	Transporter Member

**Apologies**

Anne Jackson	<del>(AJ)</del>	<b>PAFA</b>
Graham Wood	(GW)	Shipper Member
Sallyann Blackett	(SB)	Shipper Member

\* via teleconference

Copies of non-confidential papers are available at: <https://www.gasgovernance.co.uk/pac/201118>

**1. Introduction and Status Review****1.1 Confirm Quorate Status**

BF welcomed everyone to the meeting and declared the meeting as being quorate.

**1.2 Apologies for absence**

Apologies were noted as above.

**1.3 Note of Alternates**

K Dudley for S Blackett.

**1.4 Review of Minutes (05 & 12 November 2018)**

The minutes of the previous meetings were approved.

**2. Review of Outstanding Actions**

**PAC250705b:** PAFA to review the risk [register](#) [model](#) once the updated post-Nexus data is received.

**Update:** Committee Members concluded that as the matter would now be included within the Work Plan going forwards, this action could now be closed. **Closed**

**PAC 250708:** Xoserve to consider how data can be made more accessible to industry at an aggregate level by LDZ and Product Class to enable movements in volumes to be tracked. MB to provide Xoserve with a more detailed specification setting out the type of information required by industry.

**Update:** When NC advised that this matter had been the subject of a Change Proposal discussion and had been discussed at the recent DSC Delivery sub-group meeting, Committee Members concluded that this action could now be closed. **Closed**

**PAC0921 (260901):** PAFA to provide a proposed plan/timescales for progressing with an incentive regime modification.

**Update:** When SR advised that the PAFA has been in correspondence with Ofgem, and as yet, has not received a formal response from them (Ofgem), MB agreed to liaise with SR offline to look to incorporate requirements within UNC Modification 0674 going forwards.

Committee Members agreed that this action could now be closed. **Closed**

**PAC0803:** PAFA (NV) to document and provide information on the process of moving a PAC Related Risk to an Issue and how it will be defined and monitored.

**Update:** An update is expected at the 11 December 2018 PAC meeting. **Carried Forward**

**PAC0904:** Joint Office (BF) to a) draft a high-level resignation process which sets out how the process is closed and down and confirms to the Member what the member can/cannot do following resignation and, b) to include an agenda item for discussion at the 09 October meeting to review the draft resignation process and the Non-Disclosure Agreement.

**Update:** BF explained that he has discussed the matter with Transporters, culmination in the conclusion that this is a complex consideration. He went on to suggest that perhaps this is better managed through the development of UNC Modification 0674 – a point acknowledged by the Committee Members, and as a consequence, it was agreed that this action should now be closed. **Closed**

**PAC0907:** *Reference PAF Draft Risks 017D and 018D* - PAFA (NV) to look to re-evaluate the (draft) risks against the October 2018 AUGE information, once it has been published.

**Update:** When NV explained that the Risk Register has been updated to incorporate requirements and that a review of the AUGE information undertaken that has resulted in a request (by the PAFA) to the AUGE for additional information, Committee Members agreed the action could now be closed. **Closed**

**PAC0911:** *Reference PAF Risk Register* – All parties to review risks 001 – 015 and provide views on suitable steps for progressing these (current and next action flags etc.), including potential PAC owners.

**Update:** When BF suggested that this action had now been completed, Committee Members agreed to close the action. **Closed**

**PAC0916:** *Reference PAC09 – Data quality and issues with the submission of readings result in higher levels and fluctuations in (UIG) Unidentified Gas* – Xoserve (FC) to ensure that an overview of the Ofgem letter is provided to PAC in due course.

**Update:** When NC advised that the Ofgem letter has not yet been issued on the grounds that the UIG Workgroup wishes to review the content prior to release, it was agreed to reconsider the action at the 11 December 2018 PAC meeting. **Carried Forward**

**PAC0919:** *Reference Resolution of the Consumption Adjustment Issue* – Ofgem (JD) to compose an industry letter / communication, outlining what remedial actions have been taken so far, in looking to resolve the consumption adjustment issue.

**Update:** In noting that there was no Ofgem representative in attendance at the meeting, BF agreed to contact J Dixon and seek a response. Thereafter, the Committee Members agreed to reconsider the action at the 11 December 2018 PAC meeting. **Carried Forward**

**PAC0922:** PAFA (NV) to provide an update on the Project Plan with observations and any recommendations.

**Update:** When BF explained that the action had now been completed, Committee Members agreed that the action could now be closed. **Closed**

**PAC0923:** All PAC members to review the published Project Plan with a view of providing updates on any required actions.

**Update:** Related to action PAC0922, please refer to the comments above. **Closed**

**PAC0925:** PAFA and Xoserve to consider the focus of future PAF Reviews to ensure it captures PACs requirements and provide a proposal/view on how this could be structured (i.e. should it be a review of the framework or a review of the PAFA role).

**Update:** In noting the 11 December 2018 'target date' for this action, SR enquired as to what Committee Members are expecting as an output from this action. At this point a brief discussion on the 'original' background to the action was undertaken.

Concluding discussions, MB suggested that a simple single page summary, on what the PAFA consider should be covered (including contractual change related aspects) would suffice. Thereafter, the Committee Members agreed to reconsider the action at the 11 December 2018 PAC meeting. **Carried Forward**

**PAC0927:** *Reference Risk Register* – PAFA (NV) and PAC (JW) to come up with an interim tool kit for PAC to follow.

**Update:** When NV explained that a late paper had been provided (PAF Risk Management Process table) in the form of an outstanding action PAC0927 update, JW responded by suggesting that this is a good starting point which could provide an interim process until UNC Modification 0674 provisions provide a more encapsulated solution.

When JW indicated that he would look to discuss refinements to the table with NV offline after the meeting, Committee Members agreed to reconsider the action at the 11 December 2018 PAC meeting. **Carried Forward**

**PAC0928:** *Reference PARR Reports* – PAFA (NV) a review to be scheduled to ensure the reports meet PAFA requirements.

**Update:** When SR explained that the PAFA is proposing to review the PARR reports and highlighting any changes for subsequent PAC approval at the 08 January 2019 meeting, MB enquired whether there are any elements of the Shipper pack information that might be included. Responding, SR politely pointed out that some aspects of the Shipper information is confidential / commercially sensitive in nature – DT offered to discuss the finer details with the PAFA offline after the meeting in order to assist them (the PAFA) to better understand the context and content of the various sources of Shipper related information. **Carried Forward**

**New Action PAC1108:** *Reference PARR Reports* - Xoserve (DT) and PAFA (SR) to discuss the finer details with the PAFA offline after the meeting in order to assist them (the PAFA) to better understand the context and content of the various sources of Shipper related information.

**PAC1006:** *Reference the 'PARR Dashboards - 2A.8 AQ Correction by Reason Code* - PAFA (SR) to look to provide a new report identifying kWh movement directions, once UNC Modification 0660S is approved.

**Update:** When SR explained that this action had now been completed, Committee Members agreed to close the action. **Closed**

**PAC1008:** Reference the 'Customer Advocate Engagement' – Xoserve (DT) to consider how best to provide future (monthly) updates to the PAC, including nature and level of content.

**Update:** Opening discussions, DT explained that Xoserve have now developed a template for providing monthly updates to the PAC based around the various Performance Letters.

DT went on to explain that in its discussions with industry parties, Xoserve have been recording contact information (i.e. who it is within an organisation that they are speaking to); what the potential (performance) issue might be; and what remedial action (if any) has been agreed or instigated; and what deadline for improvements have been agreed / set.

DT explained that going forwards, Xoserve would look to provide the PAFA with anonymised information (possibly in the form of a spreadsheet to be agreed following discussion with MB) for it to utilise accordingly. BH pointed out that any such information could be uploaded to the Huddle system, if PAC deemed it to be appropriate to do so.

DT also advised that to date, there had been no major issues highlighted within industry responses to this initiative.

MB suggested that perhaps provision of an over arching industry view around whether poor performing parties are going to be able to improve or not, would be beneficial to the PAC – a point acknowledged by DT before he moved on to indicate that he believes that there may be some very interesting discussions to be undertaken with various parties, especially around the matter of AQ corrections etc, once industry engagement ramps up. ES pointed out that PAC would also need to look to 'tease out' inappropriate behavioural trends that might currently be hiding under the surface.

MB remained convinced that having an Xoserve up front assessment / engagement potentially avoids unnecessary PAC misinterpretation of the underlying issues and potential remedies.

When DT went on to suggest that this new provision is a work in progress that would be expected to develop further once the Shipper / PAFA reporting differences are addressed. BH suggested that having a more 'holistic' view around overall settlement matters would prove to be very helpful. When MB kindly offered to set up a meeting between Exelon, Xoserve and himself, DT took up the offer which will now be progressed outside this meeting, the outcome of which would be reported back at the 11 December 2018 PAC meeting.

Moving on, when MB suggested that care would be needed around the roles of Xoserve, the PAFA and PAC in order to avoid unnecessary duplication of effort, JW also suggested that PAC needs to be careful to avoid portraying Xoserve as enforcement solution for PAC objectives.

Discussions then strayed slightly when LH enquired where poor performing parties can view their respective performance indicators within the Huddle system (possibly as a precursor to receiving their respective PAC communication letters). As a consequence of this question, NV agreed to carefully reword the corresponding 'Shipper Performance Analysis' presentation statement and to also add a new reference within the Performance Letters to highlight to the recipient(s) where the information resides in the Huddle system.

**New Action PAC1109:** Reference 'Shipper Performance Analysis' presentation - PAFA (NV) to carefully reword the corresponding 'Shipper Performance Analysis' presentation statement(s).

**New Action PAC1110:** Reference 'Shipper Performance Letters' - PAFA (NV) to look to add a new reference within the respective Shipper Performance communication letters to highlight to the recipient(s) where the information resides in the Huddle system and to also provide a list of Huddle users for PAC purposes.

Moving on, SR suggested that should the PAFA be able to provide anonymised Huddle reports, Xoserve could look to potentially utilise the information within the Shipper packs during their engagement with customers and thereby open up another avenue of engagement, whilst also providing a clear point of contact at the same time. When it was noted that there is a balance needed between the Huddle and Shipper pack information sources, BF suggested that perhaps an annual review of the **Single Point of Contact (SPoC)** listing would also prove beneficial as this is the agreed communication list.

DT then advised that Xoserve would look in to how best to manage new industry contacts going forwards.

Returning to the outstanding action, Committee Members agreed to close the action. **Closed**

**PAC1009:** *Reference the 'Smart Meters (exchanges and read submission statistics)'* – Xoserve (FC) to look to provide a high level comparison of the differences between the 0632S and BEIS reports at the 20 November 2018 PAC meeting.

**Update:** When NC explained that there was not much to update PAC with at the meeting, and that he would be looking to provide some comparison information to the PAFA after the meeting, Committee Members acknowledged the discussions undertaken elsewhere and concluded that this action was now complete. **Closed**

**PAC1012:** *Reference Estimated and Check Reads Letter 2A.1 (& 2A.9)* – Xoserve (DT) to look to report back on reconciling the various performance report findings.

**Update:** Committee Members agreed that this matter had been discussed elsewhere in the meeting and therefore the action could now be closed. **Closed**

**PAC1101:** *Reference Risk Model Methodology* – PAFA (AJ) to look to set up a methodology review meeting once the refreshed data has been made available and analysed.

**Update:** Committee Members agreed that this action could now be closed. **Closed**

**PAC1102:** *Reference UNC Modification Workgroup Report Template PAC Change - Joint Office* (BF) to ensure that a new agenda item for inclusion of PAC performance related impact assessment is added to the 15 November 2018 Panel agenda.

**Update:** When BF made reference to the Panel response paper to be discussed under AOB item 6.7, and that further consideration would also be given at the 11 December 2018 PAC meeting, Committee Members agreed that this action could now be closed. **Closed**

**PAC1103:** *Reference 'Performance Assurance Framework Function'* - npower (JW) to provide an accessible format version of the document to the Joint Office for distribution to PAC Members for review.

**Update:** When JW apologised and advised that he had not yet had an opportunity to progress this action, Committee Members agreed to defer consideration until the 11 December 2018 PAC meeting. **Carried Forward**

**PAC1104:** *Reference 'Performance Assurance Framework Function'* – All parties to review the document and provide comments / suggested amendments to JW direct.

**Update:** Committee Members agreed that this action could now be closed. **Closed**

**PAC1105:** *Reference Retail Energy Code Consultation* – PAFA (AJ) to draft a PAC consultation response (inc. settlement and meter reading aspects and a broad view on performance assurance and objectives) on behalf of PAC and circulate to Committee Members for views by no later than close of play on 08 November 2018.

**Update:** In noting that Committee Members present at the 12 November 2018 teleconference meeting voted unanimously to approve the layout and content of the PAC REC consultation response letter, Committee Members agreed to close the action. **Closed**

**PAC1106:** *Reference Retail Energy Code Consultation* – All Committee Members to review the PAC consultation response letter and provide views back to the PAFA asap.

**Update:** Committee Members agreed that this action could now be closed. **Closed**

**PAC1107:** Joint Office (BF/MiB) to evaluate how best to enhance the PAC agendas going forwards (including any potential pit falls) in a similar style to the DSC Change Management Committee agendas.

**Update:** When asked, Committee Members indicated their approval of the new PAC agenda presentation style (i.e. similar to the style utilised in the DSC Change Management Committee meetings).

Inline with the new agenda format, BF reminded Committee Members (and observers) that in future the initial (draft) PAC meeting agenda would be published 10 business days in advance of a meeting (unless agreed otherwise agreed), with the (final) agenda and any / all associated materials for consideration at a meeting should be provided and published 5 business days in advance of the meeting. When asked, Committee Members indicated that they prefer the new agenda format and recognise the submission timetable.

Thereafter, Committee Members agreed that this action could now be closed. **Closed**

### 3. Monthly Review Items

#### 3.1 Risk Register Review

When NV explained that the register had been updated to reflect progression of the various risks, including the addition of two new risks, and follows on from the discussions and feedback from the 09 October 2018 meeting, Committee Members votes unanimously to approve the updated register.

<b>Voting Outcome:</b>	<b>PAC to approve the updated Risk Register</b>	
<b>Shipper Member</b>	<b>Voting Count</b>	<b>For / Against</b>
Carl Whitehouse	1	For
John Welch	1	For
Kirsty Dudley (Alternate)	1	For
Lisa Saycell	1	For
Louise Hellyer	1	For
Mark Bellman	1	For
Mark Jones	1	For
<b>Transporter Member</b>	<b>Voting Count</b>	<b>For / Against</b>
Sally Hardman	1	For
Shanna Key	1	For

### 3.1.1. New Risks

#### SMART Meter Installations Potentially Impacting upon Settlement

In introducing this new (draft) risk raised by J Welch of npower, NV enquired whether PAC would be happy to consider this item at this meeting, to which Committee Members unanimously agreed.

JW explained that in raising this risk he had become aware that there is limited throughput based information available at this time, although he is convinced that the risk would increase over time – in short, the aim of the risk is to ensure that the PAC starts to look into reporting on SMART meter exchanges going forwards (i.e. % of exchanges that are notified late, or not at all).

JW pointed out that currently the gas regime restricts / prevents retrospective exchanges taking place, and therefore he believes that would be value in PAC investigating what, if any, (alternative) options might be appropriate. NV then advised that the PAFA has already requested provision of monthly SMART exchange statistics, including run rates – it was noted that once the information is provided, further (detailed) consideration could be undertaken.

When BF suggested that this is not simply a SMART related risk and that perhaps it should be widened out to include all meter exchanges, JW accepted the point but suggested that perhaps a better alternative would be to expand the existing meter exchange risk (i.e. the meter asset data related risk).

In referring to *UNC Modification 0632S - Shipper asset details reconciliation*, CW wondered whether PAC should be looking for a similar solution. KD also suggested that *UNC Modification 0431 - Shipper/Transporter – Meter Point Portfolio Reconciliation* provisions might also be worth considering. Responding, JW explained that he had already discussed the UNC Modification 0632S aspects with Xoserve. NC then went on to highlight that as far as the SMART meter flag analysis is concerned, Xoserve appear to have more wider ranging data.

**New Action PAC1111:** *Reference draft SMART Meter Installations Potentially Impacting upon Settlement Risk – Xoserve (NC) to examine Xoserve's SMART exchange portfolio data and compare this with UNC Modification 0632S information.*

When it was suggested that perhaps the title of this draft risk should be revised in order to avoid potentially overlapping with 'other' risk reporting aspects, JW explained that is why this risk is specifically targeting SMART exchanges. He then went on to reiterate that he believes that there is value in the PAFA looking to expand the existing meter asset risk.

In believing that whilst this (draft) risk has the 'feel' of a process related matter, MB accepted the point being made about the wider global risk aspects whilst remaining convinced that this risk should focus on SMART exchanges.

When BF noted that the PAC could always look to downgrade the risk as SMART rollout progresses should it feel it appropriate to do so, MB suggested that as PAC has currently identified a limited number of potential risks, each should be examined in more detail, especially when the risks can be reviewed at a later date, as and when more information becomes available. Whilst acknowledging the suggested approach, KD felt that there would also be value in looking for any potential 'quick wins' that could mitigate or reduce risks to an acceptable level.

Moving on, JW suggested that based on where the industry is now, this is not a high-level risk, although he does accept that it may develop further over time as more exchanges are undertaken. NV observed that as each risk is investigated and developed further, it may reveal potential overlaps.

BF pointed out that this risk subject matter also potentially relates to the PAC Retail Energy Code (REC) consultation response letter, and ultimately may not reside 100% under UNC provisions, as it could be argued that there are legal and licence obligations related to this topic. Accepting the point, JW remained of the view that the risk subject matter has a settlement aspect to it, and therefore by default a potential UNC impact/relationship.

Concluding discussions, NV explained that the PAFA would now await provision of the information from Xoserve before considering whether or not this risk needs further refinement, including comparison with wider industry risks.

#### Post Implementation Issues with UK Link & Incorrect Attribution of Energy

In introducing this new (draft) risk, MB explained that following preliminary discussions with various parties, he concludes that this is potentially both an 'issue' and a 'risk'. Expanding on the issue point, MB explained that issues are still appearing and should the UIG weighting factors come up short of expectations, the industry would potentially be in deep trouble.

During a brief debate, it was suggested that perhaps development of an issues log tracking mechanism might prove beneficial, especially when tracking the progress of existing issues and assessing new issues – at this point it remains unclear as to how PAC might develop preventative controls to appease the risk side of the equation. NV pointed out that in other energy Codes, the industry has engaged the services of an independent review body to undertake quality assurance and process assessment. Responding, MB welcomed the suggestion, and noted that it is the tracking of issues through to resolution is a key aspect along with visibility around Xoserve's management of matters (i.e. the transparency behind the reports) – it was noted that the requirement may not involve new reporting requirements, but simply highlighting what is already available in order to improve industry understanding and awareness.

Responding to the points being discussed, ES explained how her colleague M Downes already provides regular updates to both the DSC Contract Management Committee, DSC Change Management Committee and DSG. When it was requested that PAC should have a standing agenda item to consider kWh impacts, ES pointed out that it can be extremely difficult to accurately assess the information being provided. LH observed that some of the information required by PAC could be subtly different to the other groups mentioned previously.

At this point, BF suggested that care is needed on this matter as PAC is a UNCC sub-committee and not a DSC committee.

When KD highlighted that Xoserve had provided an (internal) Release Assurance commitment (not Release 1 or 2, but hopefully in place for Release 3 purposes) at a recent DSC Change Management Committee, it was felt that there is still value in retaining this new risk.

When asked whether or not the Xoserve Release Assurance needs to feed into the PAC risk management mechanisms, ES responded by suggesting that this is not necessarily the case, as it is primarily a DSC Contract Management Committee related matter.

SK suggested that on the grounds that this is indeed a DSC Contract Management Committee matter (i.e. contractual based), perhaps the PAC should request that the Contract Managers monitor the risk and provide regular feedback on progress to the PAC going forwards, as the CDSP are within the scope of the PAC. MB advised that he could only support such a move on the understanding that any feedback from the DSC Contract Management Committee is of a suitable standard to be of use to PAC.



**New Action PAC1112:** *Reference draft Post Implementation Issues with UK Link & Incorrect Attribution of Energy Risk – Xoserve (ES) to look to provide a copy of the Issue Register to the PAC in time for consideration at the December 2018 meeting.*

BF reminded those present that PAC cannot dictate to the DSC Contract Management Committee but can request that an appropriate level of feedback is provided – in essence, the industry could always raise a new Change Proposal seeking to expand the DSC Contract Management Committee's remit and how it should provide information to PAC.

When asked if the PAFA could formally participate in the DSC Contract Management Committee meetings, BF explained that it is restricted to DSC parties only. In recognising the current position, MB explained that he would become concerned if the operation of the DSC Contract Management Committee impacted directly on the PAC risks or issues, although to date, there have been no indications that this would be the case. It was felt that in short, there are three (3) key elements that PAC need to consider, namely issues, progress and impacts, and as a consequence, MB is of the view that this risk is possibly in the medium to high category – some parties believed that whilst the issue might be high, the actual risk is medium in scale and nature.

In recognition that an 'assurance' is already in place, NV suggested that perhaps it would be prudent to await visibility of any outputs and information before seeking to score this risk – a view supported by Committee Members.

Concluding discussions, JW suggested that perhaps the 'assurance element' resides better under the control column description.

## 3.2 Issues Register

### 3.2.1. New Issues

None raised.

## 3.3 Project Plan

Opening discussions, SR provided a brief overview of the revised project plan explaining that it had been prioritised in order to focus on project elements. JW suggested that it is how PAC would look to link the plan into the respective meetings that would be key, especially when closing down the various milestones.

When MB referred back to previous discussions where it had been suggested that there might be value in the PAFA being more involved in the assessment and development stages (and throughout the lifecycle) of a Modification. BF outlined Panel Members concerns relating to the potential PAC impacts on Workgroup Report development, especially whether it should involve all UNC Modifications – questions have been asked around how the PAFA might be expected to resource the requirement.

Responding, MB reiterated the rationale behind the proposals and how problems would be potentially highlighted back to the PAC at an earlier point in the process (i.e. gap analysis etc.) before going on to explain that it is how PAC would be expected to manage any potential risks or benefits that become apparent through the Workgroup development stages to reap the maximum benefit.

BF went on to point out that concerns have been raised around the PAFA providing a view on Modifications and how this might directly or indirectly impact on the industry – in short, the challenge is whether it should be a PAFA or PAC assessment. When asked whether this additional workload requirement falls under the current PAFA contract scope, SR responded by suggesting that it does not, and as a consequence, would require a change to the contractual terms. In noting that this is a PAFA to CDSP contractual matter, BF warned that the scope for any change would need careful consideration.

When asked for a view on whether it is the PAFA or PAC's proposed role to provide feedback to the Proposer(s) of UNC Modifications, the consensus amongst those in attendance was that it should fall to the PAFA (on behalf of the PAC). It was recognised however, that the Proposer of the Modification may or may not, take the feedback on board, which is solely at their discretion.

When it was suggested that there might be a benefit in establishing a new PAC agenda item to cater for a high level report from the PAFA on UNC Modifications and whether the feedback has been acted upon or not (by the Proposer in the first instance), BF pointed out that the UNC Panel Members would be looking for clarity around the process to be adopted and confirmation that Modifications won't be unduly delayed.

Moving on, MB then made a more general observation in the form of a recognition that there are a lot of developments being undertaken by the PAC which begs the question as to whether (or not) the Project Plan is flexible enough to cope. In referring to the equivalent electricity market (risk) model limitations, MB suggested that care would be needed in order to avoid simply 'churning the handle' at each PAC meeting. Responding, BH advised that the PAFA is of the view that the Project Plan is a dynamic entity capable of flexibility.

### **3.4 Ofgem Update**

In the absence of an Ofgem representative, consideration of this item was deferred.

### **3.5 Review of Monthly PARR Reports (inc. Dashboard Update)**

During consideration of the '*PARR Dashboards*' presentation attention focused on the smaller 'Shipper Performance Analysis' presentation that contains commercially sensitive information extracted from the Huddle system.

As a consequence of the fact that the subsequent discussions related in the main, to sensitive information, only the key PAC decision items have been recorded within these minutes, as follows:

#### **3.5.1. 2A.1 PARR Report: Product Class 1 Analysis**

Standard Template Performance Letters to be issued to all identified poor performing parties (exc. Weymouth) on Wednesday 21 November 2018.

Future analysis to include a total for the number of industry wide supply points.

#### **3.5.2. 2A.1 PARR Report: Product Class 2 Analysis**

Repeat poor performers to be targeted to ensure improvement.

A one liner statement to be added to the bottom of each report seeking views on any industry systemic issues that may be resulting in a parties' poor performance.

Revised Performance Letters to be issued to all identified poor performing parties on Wednesday 21 November 2018.

Future analysis to include a total for the number of industry wide supply points.

### **3.5.3. 2A.5 PARR Report: Product Class Analysis**

Xoserve are currently investigating alignment of Shipper pack and PAFA reporting information.

PAFA to update the dashboard reports inline with PAC feedback and begin to highlight those Shippers having the biggest impact on settlement. These will then be reviewed at the December meeting before considering whether to send performance improvement letters.

It was agreed that the PAFA should write to all Shippers in PC3 asking if there were any systemic/industry related issues as to why performance was so poor in this area, and to suggest that they could discuss their concerns with their Xoserve CAM.

Committee Members agreed to reconsider this item at the 11 December 2018 meeting before looking to issue the letters.

### **3.5.4. 2A.9 PARR Report: EUC04 Analysis**

Highlights the fact that previous PAC decisions were correct.

Information displays an underlying trend towards improvement.

Responses have been received from four (4) parties so far, following the previous issue of the letters.

Xoserve are once again investigating alignment of Shipper pack and PAFA reporting information.

## **3.6 Review of PAC Related and New Modifications**

### **3.6.1. UNC Modification 0660S - Amendment to PARR permissions to allow PAC to update with UNCC approval**

Implementation approved at the 15 November 2018 Panel meeting, with an effective implementation date of 07 December 2018.

### **3.6.2. UNC Modification 0664 - Transfer of Sites with Low Read Submission Performance from Class 2 and 3 into Class 4**

JW explained that progression of the modification has slowed of late, although the proposed solution has been simplified following discussions with Xoserve. Furthermore, feedback provided at a recent Workgroup meeting will be considered by JW in due course.

It is anticipated that the wider industry incentive charges will be developed via a different modification in due course.

### **3.6.3. UNC Modification 0672 - Incentivise Product Class 4 Read Performance**

BF explained that work is progressing in regards of this modification.

### **3.6.4. UNC Modification 0674 - Performance Assurance Techniques and Controls**

BF explained that at the 15 November 2018 Panel meeting, Panel Members deferred consideration of the Modification until the 20 December 2018 Panel meeting as there were concerns that the Solution was not clear enough for Panel to make a judgement on development time. The Proposer was requested to refine the Modification further – it was noted that MB is in discussions with C Warner of Cadent in order to undertake suitable amendments inline with Panel Members feedback.

When asked whether Panel Members recommended that the Modification should be changed to a Request, BF advised that this was suggested, however the Proposer feels that the objective is clear and is likely to want to continue with the Modification.

BF went on to advise that the expectation is that the Modification would be suitably developed to be sent to a Workgroup at the 20 December 2018 Panel meeting.

#### **4. Annual Work Plan and Budget**

##### **4.1 Draft Work Plan and Budget Actions Update**

It was agreed that this item had been sufficiently debated during discussions on item 3.3 above.

#### **5. Communications Plan**

Consideration deferred.

#### **6. Any Other Business**

##### **6.1 Update on Reconciling Shipper versus PAC Report Findings – DT/ES**

DT explained that investigations remain ongoing.

When asked, DT agreed that this item could be removed from future PAC meeting agendas.

##### **6.2 Reference Issuing 2A.1 Letter & Highlighting to Transporters – DT/ES**

SR reiterated that the Performance Letters would be issued the day after the meeting after liaising with DT around who should be the 'target' audience (i.e. recipients list).

##### **6.3 Review of Reporting: XRN4770 NDM Sample Data – Modification 0654 Delivery - ES**

ES provided a brief overview of the Change Proposal explaining that it had previously been approved for implementation in March 2019. However, since the original consideration concerns relating to the quality of some of the UIG information and a potential PAC role in monitoring the requirement going forward, have been raised.

LH then explained that British Gas has indicated that they would favour a yearly meter point on meter point view which potentially links in to the PAFA reporting aspects.

##### **6.4 Solution Options: XRN4719 ROM Request – Adding AQ Reporting to the PARR Schedule Reporting Suite - ES**

When JW provided brief overview of the Rough Order of Magnitude (ROM) following implementation of *UNC Modification 0657S*, discussions centred on the fact that this has in essence, now been superseded by *UNC Modification 0660S* provisions.

JW wondered whether in light of the above fact, Committee Members would now want to stop progression of this route in favour of including requirements within the new *UNC Modification 0674* developments.

ES then provided an overview of the potential costs and options and confirmed that should PAC select a preferred option today, this would 'trigger' the creation of the associated Change Proposal.

When asked for a view on how long it might take to deliver a solution, ES suggested that this could be somewhere in the region of three (3) to four (4) months, depending upon which option is selected – it was noted that the DSC Change Management Committee have previously requested that PAC are asked to select what they believe to be the preferred option.

BF noted that on the grounds that *UNC Modification 0657S* has already been approved with an effective implementation date of 05:00 on 12 October 2018, PAC should not delay their decision any more than necessary.

When ES pointed out that the Change Proposal could look to outline both potential solutions, JW indicated that he would be happy to adopt the cheaper of the two options.

When NV enquired whether this scenario is similar to the one adopted for the 2A.5 reporting requirements (i.e. is there a need to wait for the true picture to develop to a suitable level before undertaking a decision), ES suggested that in her opinion a lack of AQ reflects a poor read performance. NV suggested that should PAC wait for the true picture to evolve, option 2 might be more appropriate.

When it was noted that there would be a potential benefit in allowing a 'fuller' report to develop in order to enable Xoserve to engage with parties sooner rather than later, JW responded by providing a high level explanation behind the options.

In referring to PAC's previous discussions on what data they believe they require to have visibility of, NV wondered if this is a question of what PAC needs, rather than would like to have – it was suggested that if this is the case, then any decision should be made regardless of the costs involved.

ES then focused PACs attention on the 2019 budget and suggested that perhaps this should be revisited/reconsidered going forwards. BF argued against the suggestion on the grounds that costs associated with delivery of a UNC Modifications are industry delivery costs and as a consequence, not a PAC specific budget requirement. BF also drew attention to the need to balance the Modification process timeline versus a (shortened) Change Proposal facilitation.

DT suggested that if the PAC could demonstrate a need there shouldn't be an adverse reaction from the DSC Change Management Committee members.

Concluding discussions, Committee Members indicated a preference for option 1.

## **6.5 PARR Reporting: XRN4795 Amendments to the PARR (0520A) Reporting - ES**

ES provided a brief overview of the Change Proposal during which she focused attention on the M-2 to M-1 reporting proposals (i.e. on or around the 20<sup>th</sup> of the month).

Committee Members then debated the proposals such as what would happen in the event that a Shipper stops doing something, would they remain visible on the (2A.1) report or simply 'drop away' – DT confirmed they would no longer be on the report in question.

When asked, ES confirmed that as far as calculating the individual average was concerned, if a party is not adding to the figures, they would not be included (i.e. if they are not in the denominator, they are not included in the numerator) – ref: 2A.1 zero's.

When NV voiced concern around whether or not, the proposed changes would be funded from the PAC budget (as this is an existing system error), DT acknowledged the point before going on to explain the wider Xoserve funding aspects.

Moving on, ES explained the three (3) month post delivery assessment provisions and how the Project Nexus delivery had delayed the provision of information. When NV indicated that he believed that as far as UNC Modification 0520A aspects are concerned, reporting is already at month three (3), ES responded by explaining that what is being discussed now relates to a new amendment request related to the zero's issue.

NC went on to point out that Release 2 (June 2018) included some reporting elements. ES also acknowledged that Xoserve had not met some of its timeline aspects, although perhaps it is now simply the time to 'just get on with it'. In noting that some parties are already paying for the reports, DT suggested that in reality, it is simply a question of where the funding emanates from.

In supporting NV's concerns, MB suggested that the Change Proposal should be amended to accurately capture that the 2A.1 cost is down to an error in not previously capturing / recording the fact that the report was 'not fit for purpose' and should have been covered by the original modification provisions. SH pointed out for clarification purposes that this Change Proposal is not funded via the PAC budget but is in fact funded by the Transporters.

**New Action PAC1113:** *Reference DSC Change Proposal XRN4795 – Xoserve (ES) to look to add a comment relating to the potential delivery of report date and PAC concerns.*

When JW requested that the read performance information be split out, ES agreed to discuss the matter in more detail offline with JW after the meeting.

#### **6.6 PAC Retail Energy Code Consultation Response Letter (and voting) - SR**

It was agreed that this matter had been sufficiently debated elsewhere in the meeting.

#### **6.7 Recording Settlement Impacts Within Workgroup Reports – Panel Feedback - BF**

It was agreed that this matter had been sufficiently debated elsewhere in the meeting.

#### **6.8 Proposed Changes to the PAC Meeting Schedule – late Item raised by SR**

When SR requested that the Committee Members consider a possible move of the meetings to week three (3) in the month, BF provided the rationale behind the current week one (1) or two (2) provisions – in short, this looks to ensure that the PAC are able to submit papers to the Panel / UNCC meetings in a timely fashion should the need arise.

ES also agreed to investigate whether the PARR reporting could be provided earlier than the current timetable.

When it was suggested that perhaps a move to week four (4) in the month might be feasible, Committee Members agreed to retain the current timings.

## **7. Next Steps**

### **7.1 Key Messages – PAFA**

BH provided a brief verbal overview of the draft Key Points (for the 05 and 20 November 2018 meetings) to be provided by the PAFA in due course and thereafter subject to formal approval at the next meeting, as follows:

- To be provided in due course.<sup>1</sup>

<sup>1</sup> Post Meeting note: a copy of the PAFA key messages for the 05 and 20 November 2018 PAC meetings were published on the Joint Office web site on 26 November 2018. A copy of the document can be viewed and/or downloaded at: <https://www.gasgovernance.co.uk/pac/summarykeymessages>

## 8. Diary Planning

Further details of planned meetings are available at:

<https://www.gasgovernance.co.uk/events-calendar/month>

Time/Date	Venue	Programme
10:30, Tuesday 11 December 2018	Radcliffe House, Blenheim Court, Warwick Road, Solihull, B91 2AA	Standard agenda
10:30, Tuesday 08 January 2019	Elexon, 350 Euston Road, London NW1 3AW	Standard agenda
10:30, Tuesday 29 January 2019	Radcliffe House, Blenheim Court, Warwick Road, Solihull, B91 2AA	Standard agenda

**PRID(e) Action Table (as at 20 November 2018)**

Action Ref	Action	Owner	Status Update
PAC 250705b	PAFA to review the risk register once the updated post-Nexus data is received.	PAFA	Update provided. <b>Closed</b>
PAC 250708	Xoserve to consider how data can be made more accessible to industry at an aggregate level by LDZ and Product Class to enable movements in volumes to be tracked. MB to provide Xoserve with a more detailed specification setting out the type of information required by industry.	Xoserve (FC)/ MB	Update provided. <b>Closed</b>
PAC 0921 (260921)	PAFA to provide a proposed plan / timescales for progressing with an incentive regime modification.	PAFA	Update provided. <b>Closed</b>

**PAC Action Table (as at 20 November 2018)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
PAC 0803	06/08/18	2.2.2	To document and provide information on the process of moving a PAC Related Risk to an Issue and how it will be defined and monitored.	PAFA (NV)	<b>Carried Forward</b> (Update due 11 December 2018)

PAC 0904	03/09/18	2.2	To a) draft a high level resignation process which sets out how the process is closed and down and confirms to the Member what the member can/cannot do following resignation and, b) to include an agenda item for discussion at the 09 October meeting to review the draft resignation process and the Non-Disclosure Agreement.	Joint Office (BF)	Update provided. <b>Closed</b>
PAC 0907	11/09/18	2.1.1	<i>Reference PAF Draft Risks 017D and 018D</i> - PAFA (NV) to look to re-evaluate the (draft) risks against the October 2018 AUGE information, once it has been published.	PAFA (NV)	Update provided. <b>Closed</b>
PAC 0911	11/09/18	2.1.2	<i>Reference PAF Risk Register</i> – All parties to review risks 001 – 015 and provide views on suitable steps for progressing these (current and next action flags etc.), including potential PAC owners.	All	Update provided. <b>Closed</b>
PAC 0916	11/09/18	2.2.1	<i>Reference PAC09 – Data quality and issues with the submission of readings result in higher levels and fluctuations in (UIG) Unidentified Gas</i> – Xoserve (FC) to ensure that an overview of the Ofgem letter is provided to PAC in due course.	Xoserve (FC)	<b>Carried Forward</b> (Update due 11 December 2018)
PAC 0919	11/09/18	6.	<i>Reference Resolution of the Consumption Adjustment Issue</i> – Ofgem (JD) to compose an industry letter / communication, outlining what remedial actions have been taken so far, in looking to resolve the consumption adjustment issue.	Ofgem (JD)	<b>Carried Forward</b> (Update due 11 December 2018)
PAC 0922	26/09/18	4.2.1	PAFA (NV) to provide an update on the Project Plan with observations and any recommendations.	PAFA (NV)	Update provided. <b>Closed</b>
PAC 0923	26/09/18	4.2.1	All PAC members to review the published Project Plan with a view of providing updates on any required actions.	PAC	Update provided. <b>Closed</b>
PAC 0925	26/09/18	4.4	PAFA and Xoserve to consider the focus of future PAF Reviews to ensure it captures PACs requirements and provide a proposal/view on how this could be structured. (i.e. should it be a review of the framework or a review of the PAFA role)	PAFA / Xoserve	<b>Carried Forward</b> (Update due 11 December 2018)



PAC 0927	26/09/18	4.4	Risk Register - NV and JW to come up with an interim tool kit for PAC to follow.	PAFA (NV) / PAC (JW)	<b>Carried Forward</b> (Update due 11 December 2018)
PAC 0928	26/09/18	4.4	PARR Reports review to be scheduled to ensure the reports meet PAFA requirements.	PAFA (NV)	<b>Carried Forward</b> (Update due 08 January 2019)
PAC 1006	09/10/18	3.6	<i>Reference the 'PARR Dashboards - 2A.8 AQ Correction by Reason Code - PAFA (SR) to look to provide a new report identifying kWh movement directions, once UNC Modification 0660S is approved.</i>	PAFA (SR)	Update provided. <b>Closed</b>
PAC 1008	09/10/18	5.	<i>Reference the 'Customer Advocate Engagement' – Xoserve (DT) to consider how best to provide future (monthly) updates to the PAC, including nature and level of content.</i>	Xoserve (DT)	Update provided. <b>Closed</b>
PAC 1009	09/10/18	9.2	<i>Reference the 'Smart Meters (exchanges and read submission statistics)' – Xoserve (FC) to look to provide a high level comparison of the differences between the 0632S and BEIS reports at the 20 November 2018 PAC meeting.</i>	Xoserve (FC)	Update provided. <b>Closed</b>
PAC 1012	23/10/18	2.1.1	<i>Reference Estimated and Check Reads Letter 2A.1 (&amp; 2A.9) – Xoserve (DT) to look to report back on reconciling the various performance report findings.</i>	Xoserve (DT)	Update provided. <b>Closed</b>
PAC 1101	05/11/18	4.2	<i>Reference Risk Model Methodology – PAFA (AJ) to look to set up a methodology review meeting once the refreshed data has been made available and analysed.</i>	PAFA (AJ)	Update provided. <b>Closed</b>
PAC 1102	05/11/18	4.5	<i>Reference UNC Modification Workgroup Report Template PAC Change - Joint Office (BF) to ensure that a new agenda item for inclusion of PAC performance related impact assessment is added to the 15 November 2018 Panel agenda.</i>	Joint Office (BF)	Update provided. <b>Closed</b>
PAC 1103	05/11/18	5.	<i>Reference 'Performance Assurance Framework Function' - npower (JW) to provide an accessible format version of the document to the Joint Office for distribution to PAC Members for review.</i>	Shipper Member (JW)	<b>Carried Forward</b> (Update due 11 December)

					2018)
PAC 1104	05/11/18	5.	<i>Reference 'Performance Assurance Framework Function'</i> – All parties to review the document and provide comments / suggested amendments to JW direct.	All	Update provided. <b>Closed</b>
PAC 1105	05/11/18	7.4.1	<i>Reference Retail Energy Code Consultation</i> – PAFA (AJ) to draft a PAC consultation response (inc. settlement and meter reading aspects and a broad view on performance assurance and objectives) on behalf of PAC and circulate to Committee Members for views by no later than close of play on 08 November 2018.	PAFA (AJ)	Update provided. <b>Closed</b>
PAC 1106	05/11/18	7.4.1	<i>Reference Retail Energy Code Consultation</i> – All Committee Members to review the PAC consultation response letter and provide views back to the PAFA asap.	All	Update provided. <b>Closed</b>
PAC 1107	05/11/18	7.6	To evaluate how best to enhance the PAC agendas going forwards (including any potential pit falls) in a similar style to the DSC Change Management Committee agendas.	Joint Office (BF/MiB)	Update provided. <b>Closed</b>
PAC 1108	20/11/18	2.	<i>Reference PARR Reports - Xoserve</i> (DT) and PAFA (SR) to discuss the finer details with the PAFA offline after the meeting in order to assist them (the PAFA) to better understand the context and content of the various sources of Shipper related information.	Xoserve (DT) & PAFA (SR)	<b>Pending</b>
PAC 1109	20/11/18	2.	<i>Reference 'Shipper Performance Analysis' presentation</i> - PAFA (NV) to carefully reword the corresponding <i>'Shipper Performance Analysis'</i> presentation statement(s).	PAFA (NV)	<b>Pending</b>
PAC 1110	20/11/18	2.	<i>Reference 'Shipper Performance Letters'</i> - PAFA (NV) to look to add a new reference within the respective Shipper Performance communication letters to highlight to the recipient(s) where the information resides in the Huddle system and to also provide a list of Huddle users for PAC purposes.	PAFA (NV)	<b>Pending</b>

PAC 1111	20/11/18	3.1.1	<i>Reference draft SMART Meter Installations Potentially Impacting upon Settlement Risk – Xoserve (NC) to examine Xoserve’s SMART exchange portfolio data and compare this with UNC Modification 0632S information.</i>	Xoserve (NC)	<b>Pending</b>
PAC 1112	20/11/18	3.1.1	<i>Reference draft Post Implementation Issues with UK Link &amp; Incorrect Attribution of Energy Risk – Xoserve (ES) to look to provide a copy of the Issue Register to the PAC in time for consideration at the December 2018 meeting.</i>	Xoserve (ES)	<b>Pending</b>
PAC 1113	20/11/18	6.5	<i>Reference DSC Change Proposal XRN4795 – Xoserve (ES) to look to add a comment relating to the potential delivery of report date and PAC concerns.</i>	Xoserve (ES)	<b>Pending</b>