

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

**Monday 29 April 2019**

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

**Attendees**

|                            |      |                                 |
|----------------------------|------|---------------------------------|
| Bob Fletcher (Chair)       | (BF) | Joint Office                    |
| Karen Visgarda (Secretary) | (KV) | Joint Office                    |
| Alexander Mann*            | (AM) | Gazprom                         |
| Andy Clasper               | (AC) | Cadent                          |
| Anne Jackson               | (AJ) | Gemserve                        |
| Edd Fyfe*                  | (EF) | SGN                             |
| Emma Smith                 | (ES) | Xoserve                         |
| Fiona Cottam               | (FC) | Xoserve                         |
| Imran Shah*                | (IS) | Centrica (from agenda item 4.0) |
| James Jackson*             | (JJ) | UK Power Reserve – Sembcorp)    |
| John Welch                 | (JW) | npower                          |
| Kirsty Dudley*             | (KD) | E.ON                            |
| Leanne Jackson             | (LJ) | Xoserve                         |
| Louise Hellyer             | (LH) | Total Gas & Power               |
| Luke Reeves*               | (LR) | EDF Energy                      |
| Mark Bellman               | (MB) | Scottish Power                  |
| Mark Jones*                | (MJ) | SSE                             |
| Mark Palmer*               | (MP) | Orsted                          |
| Megan Coventry*            | (MC) | SSE                             |
| Rachel Durham*             | (RD) | Smartest Energy                 |
| Rob Johnson                | (RJ) | Waters Wye Associates           |
| Sallyann Blackett          | (SB) | E.ON UK                         |
| Stephanie Clements         | (SC) | Scottish Power                  |

*\*via teleconference*

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0674/290419>

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

**1.0 Outline of Modification**

Mark Bellman (MB) introduced the modification and explained it was to provide an effective framework for the governance of industry performance to give the industry participants mutual assurance in the accuracy of settlement volume allocation. He added, that it would allow the Performance Assurance regime to be more agile and responsive to the information it is receiving by empowering the Performance Assurance Committee (PAC) to determine and action an appropriate response at any time. He explained that it would provide the PAC and Performance Assurance Framework Administrator (PAFA) access to any standard reports already being provided to individual UNC Parties within performance packs e.g. shipper performance packs.

Anne Jackson (AJ) talked through the Performance Assurance Controls and Techniques presentation and drew attention to specific areas of interest. She overviewed the current 'As Is'

status of the UNC – V Section 16 and UNCC – V Section 12, Ancillary Documents in relation to the present areas of engagement and the future proposal of increasing the Ancillary Documents within the UNCC, to enable the PAC and PAFA to have greater gravitas and overall empowerment within the performance monitoring areas, specifically in relation to settlement performance. AJ overviewed the Performance Improvement Techniques (PITs) which defined the process of engagement and escalation route. Bob Fletcher (BF) commented that there was a large amount of work involved and that a Strawman/Task/Timeline Plan was required in order to focus and address principles and objectives and the PAC authority in each Workgroup meeting, AJ said she would produce the plan as requested.

**New Action 0401:** Gemserve (AJ) to produce a Strawman of Task/Timeline Plan of topics to be addressed; principles and objectives and PAC authority in relation to the Ancillary Documents.

Kirsty Dudley (KD) said that the Ancillary Documents would be available alongside the amended Modification and AJ confirmed that they would be. KD also enquired if there would be any CDSP system changes and MB said it was unlikely as this Modification is aiming to establish the performance framework and not the specific reporting.

Louise Hellyer (LH) said that consideration should be made regarding potential charging processes amendments in the future and MB said he would note that. AJ said that the suggestion was for the incentives to be included within the Modification and that the factors were initiated by the PAC, and BF said that the appropriate Change Proposals would need to be raised in line with the DSC Change procedures should service lines be impacted.

A brief general discussion took place regarding the approval process and Sallyann Blackett (SB) said this would be undertaken by the UNCC as the PAC was a closed group, and then the decisions could be debated based on a recommendation from PAC. KD agreed and said a consultation process should be considered in a similar approach to the DSC process, other aspects maybe proposed by external parties for further consideration.

MB agreed and noted that the appeals process would be fully detailed within the Ancillary documents and he provided an overview of how the appeals process was presently undertaken within the electricity arena. KD suggested that it would be a good idea for MB to speak to Jon Dixon at Ofgem regarding the Regulatory Design User Group (RDUG) in relation to the REC.

MB said it would be beneficial if he and AJ were to have further discussions with David Tennant at Dentons regarding the links between the principals and the Ancillary documents, once he had incorporated the required amendments into the Modification.

Bob Fletcher proposed that a dedicated Workgroup meeting should be arranged in order to discuss the amendments/principals/objectives and it was agreed this would be Monday 20 May 2019.

## 2.0 Initial Discussion

### 2.1. Issues and Questions from Panel

None raised.

### 2.2. Initial Representations

None received.

### 2.3. Terms of Reference

The standard UNC Workgroup Terms of Reference will apply and is available at <https://www.gasgovernance.co.uk/mods>

## 3.0 Next Steps

BF confirmed that his aspirations for the meeting on Monday 20 May 2019 was to review the:

- Amended Modification
- PAFA Strawman
- Timeline/Task list of principles and objectives

**4.0 Any Other Business**

None.

**5.0 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  |
|-----------------------------|--|--|
| 10:30 Monday<br>20 May 2019 | Radcliffe House, Blenheim Court<br>Warwick Road<br>Solihull<br>B91 2AA | Detail planned agenda items. <ul style="list-style-type: none"> <li>• Amended Modification</li> <li>• PAFA Strawman</li> <li>• Timeline/Task list of Principles/Objectives</li> <li>• Consideration of Business Rules</li> <li>• Review of Impacts and Costs</li> <li>• Review of Relevant Objectives</li> <li>• Consideration of Wider Industry Impacts</li> <li>•</li> </ul> |

**Action Table (as at 29 April 2019)**

| Action Ref  | Meeting Date | Minute Ref | Action   | Owner         | Status Update  |
|-------------|--------------|------------|--|---------------|----------------|
| <b>0401</b> | 29/04/19     | 1.0        | Gemserve (AJ) to produce a Strawman of Task/Timeline Plan of topics to be addressed; principles and objectives and PAC authority in relation to the Ancillary Documents. | Gemserve (AJ) | <b>Pending</b> |