

## UNC Workgroup Individual Terms of Reference

### 0672 – Incentivise Product Class 4 Read Performance

#### Introduction

This is an Individual Terms of Reference that includes matters referred from Panel or identified within any initial representations. It replaces the standard Terms of Reference.

#### Purpose of the Modification and its Solution

Please refer to: <https://www.gasgovernance.co.uk/0672>

It is proposed to measure performance against an agreed performance target for Energy reconciled after a defined period and apply incentive charges against those Shippers whose Energy reconciliation performance is below the target threshold.

#### Topics for Discussion

- Understanding the objective
- Clarify how many meters are now in Product Class 4
- Clearly articulate the potential impact on shippers in order to assess materiality.
- Is this Modification required or can it be facilitated by a PAC report request. - *Raised by Panel on 18 July 2019*
- Assessment of alternative means to achieve objective
- Development of Solution (including business rules if appropriate)
- Assessment of potential impacts of the modification
- Assessment of implementation costs
- Assessment of legal text.

#### Output

To produce a Workgroup Report, for submission to the UNC Modification Panel, containing the assessment and recommendation(s) of the Workgroup.

#### Composition of Workgroup

The Workgroup is open to any party that wishes to attend or participate.

A Workgroup meeting will be quorate provided at least two Transporter and two Shipper User representatives are present.

#### Meeting Arrangements

Meetings will be administered by the Joint Office of Gas Transporters and conducted in accordance with the Code Administration Code of Practice (<https://www.gasgovernance.co.uk/cacop>)