

Targeting Strategy

To discuss and agree the merits of using the UNC targets as a benchmark for PAC strategic targeting vs AQ at risk numbers and the volume of unread meters as a whole.

TARGETING STRATEGY

For Approval

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	PC1	PC2	PC3	PC4 M	PC4 A
2020	37%	7%	33%	4%	31%
2021	32%	20%	32%	16%	28%
Variation	-5%	+13%	-1%	+12%	-3%

The percentage (%) of Parties meeting UNC requirements for each meter reading class

	PC1	PC2	PC3	PC4 M
July 2020	72%	54%	40%	34%
July 2021	98%	68%	66%	44%
Variation	16%	14%	26%	10%

Average read performance (%) of Parties under active monitoring

UNC target

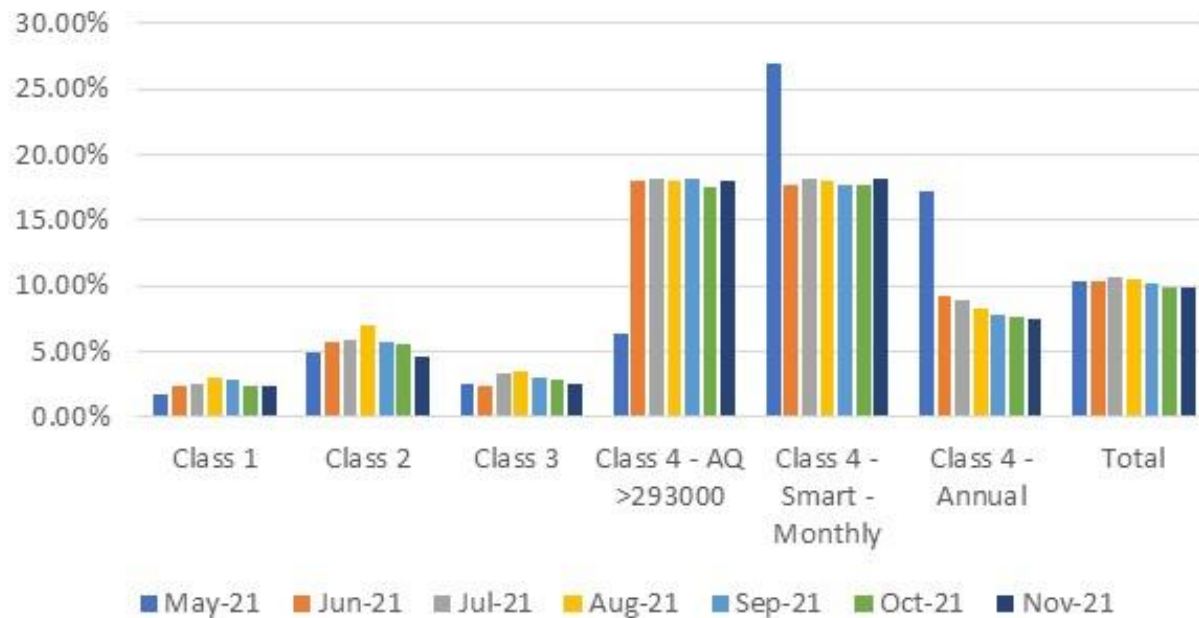
- Decision taken in 2019/2020 by PAC to concentrate efforts based on UNC target.
- Current targeting has seen some gains, however, low levels of parties have achieved UNC target.
- UNC target gives equity to the Performance assurance process.
- Sets the standard for industry and adds to greater settlement accuracy (more reads).

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2A.13 AQ at Risk - Product Class split



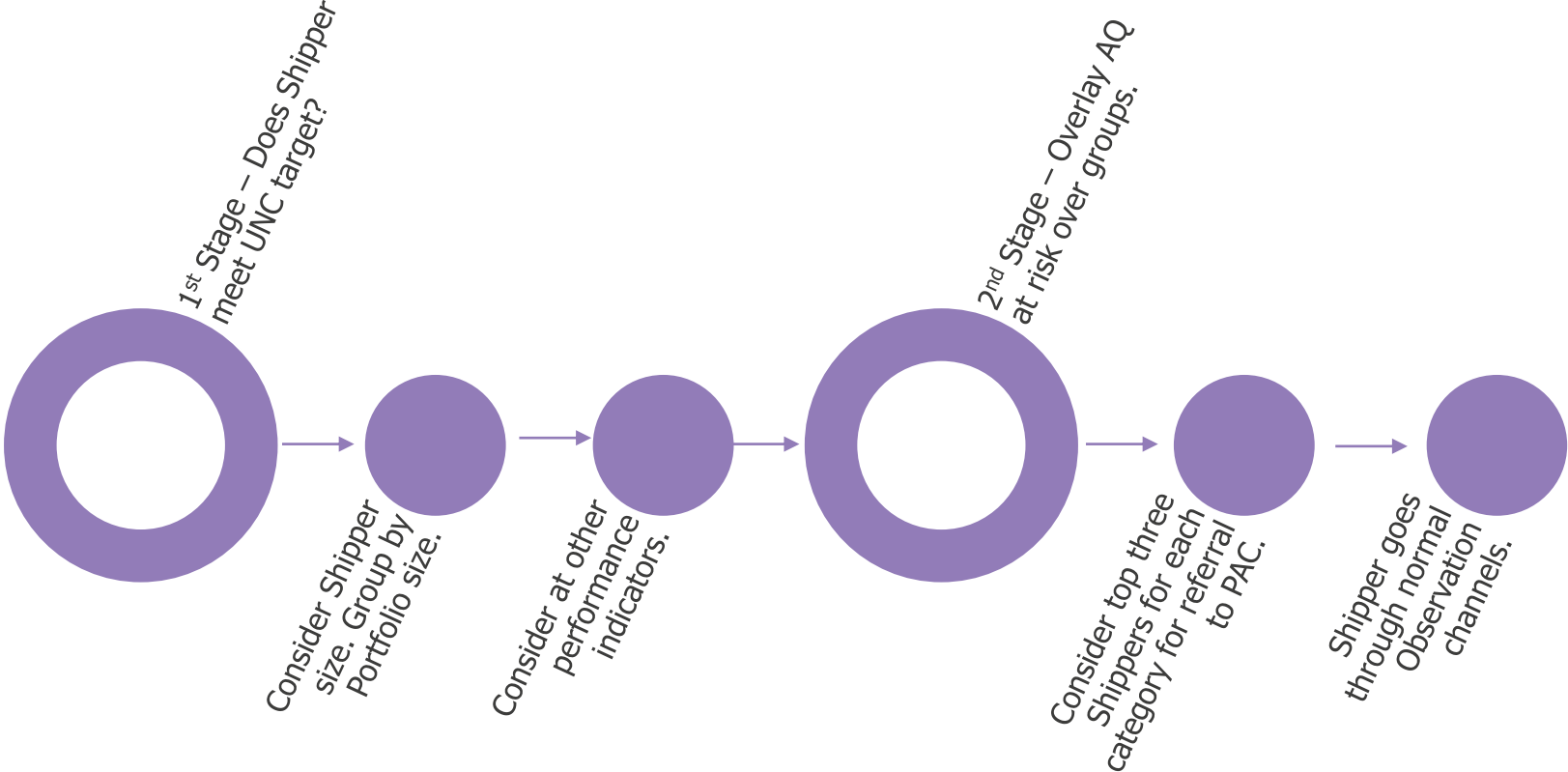
AQ at risk

- PAC members have indicated interest in pursuing this as a strategy.
- Would inherently lean more towards large Shippers and I&C sector.
- PAC have come under criticism previously from ICoSS on targeting AQ at risk.
- New strategy will bring different results in the following 12 months and will need time.
- Could drive greater change in this area.

TARGETING STRATEGY

Hybrid Approach

Example of hybrid approach



PAC DECISION ON TARGETING

- PAC are asked to consider the merits and potential drawback of;
 - UNC target as main measure
 - AQ at risk as main measure
 - Hybrid approach

- PAC are asked to **agree** on a renewed targeting strategy.

Performance Assurance Techniques

*To discuss, review and agree the current application of
Performance Assurance Techniques.*

PERFORMANCE ASSURANCE TECHNIQUES

For Approval

To discuss, review and agree the current application of Performance Assurance Techniques.

Current arrangements asks Shippers to set their own target date for resolution of their PIPs and provide a plan, however, no guidance on this.

Plan structure

- Plans are currently requested through letters and can come in the form of a short email or large detailed PDF.
- What could be introduced to provide consistency in the process?

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Current arrangements asks Shippers to set their own target date for resolution of their PIPs and provide a plan, however, no guidance on this.

Target resolution setting

Option 1

- Provide template for a more structured resolution plan including milestones.
- PAC set target dates on a case-by-case basis based on a PAFA recommendation and Shipper attendance at PAC.

Option 2

- Provide template for a more structured resolution plan including milestones.
- Shippers continue to set their own resolution dates.

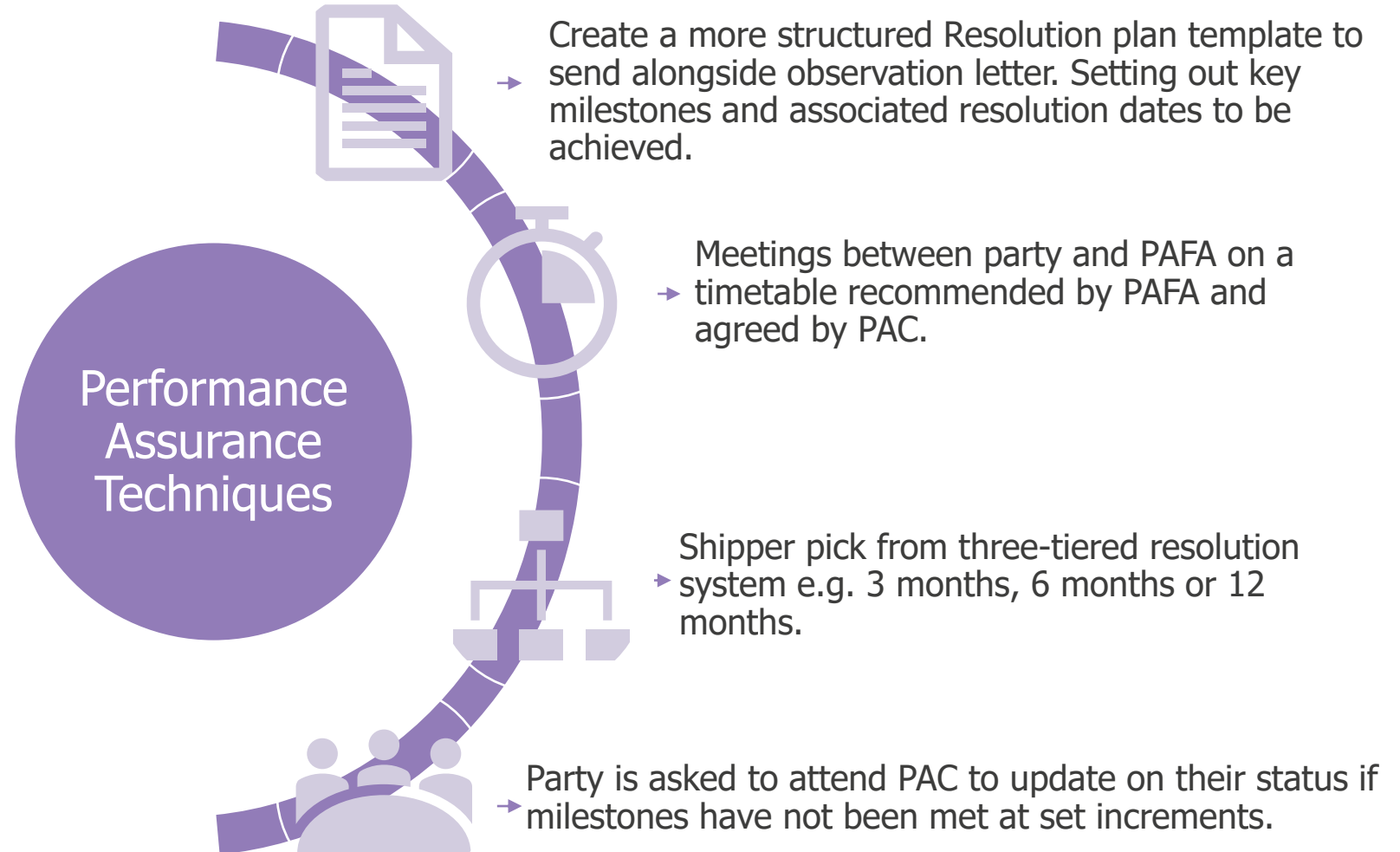
Option 3

- Provide template for a more structured resolution plan including milestones.
- Introduce a three-tiered system e.g. 3 months, 6 months and 12 months of resolution and ask Shipper/PAC to select which path they would like to take.

PERFORMANCE ASSURANCE TECHNIQUES

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PAFA Recommendation



PAC DECISION ON PATS

- PAC are asked to **agree** on a new process for current Performance Assurance Techniques, including;
 - More guidance on Performance improvement plans?;
 - Template issued to industry parties to complete and send back?;
 - Formular for setting resolution target dates;
 - And utilising incentives on bringing back parties at set milestones to report progress to PAC; or
 - Status quo.