

xxth March 2022

Dear Shipper,

PERFORMANCE ASSURANCE COMMITTEE OBSERVATION: 2A.7 NO READ FOR 1,2,3 OR 4 YEARS (PC4) AND 'LINE IN THE SAND'

I am writing to you on behalf of the Uniform Network Code (UNC) Performance Assurance Committee (PAC).

As part of its work to monitor industry performance, the PAC oversees a Risk Register which includes various areas of significance to settlement. One such area is that of 'Line in the sand' and meters that roll-over that date without being reconciled on a meter reading due to there being none loaded into the system for up to four years. This is a particular problem for sites in Product Classes 3 and 4 and is relevant across all End User Category (EUC) bands.

The PAC have set out an intention to focus on sites with no reads being loaded into the system over the next 12 months and leading up to the next 'line in the sand' (Code cut-off date) on 31st March 2023. **The PAC want NO METERS (0%) to roll over the 2023 'line in the sand' without a reading being loaded.**

PAC will be monitoring the industries performance against no read data produced and available on the Data Discovery Platform (DDP) throughout 2022. Depending on performance improvements observed towards this objective, the PAC will be targeting individual Shippers in reaching the 0% target. **If there is no significant improvement by Shippers by December 2022, the PAC will be requesting Shippers attend the PAC meeting in January 2023 to discuss their lack of progress and explain their pathway to addressing no reads and their continued breach of Code.** Should no performance/adequate improvements be seen, Shippers may then be referred to Ofgem.

Poor performance in this area is leading to inaccurate consumption estimates and therefore, settlement and balancing inaccuracies contributing to Unidentified Gas (UIG). It may also lead to organisations inaccurately invoicing customers. The risk for this area has risen significantly over the last 12 months and the PAC are turning their attentions towards those who are not meeting their UNC obligations in this area.

The PAC measures performance against the suite of reports in the Performance Assurance Report Register (PARR) defined by UNC Modification 520A. The full anonymised version of these reports and dashboards summarising monthly industry performance are available on the Gas Performance Assurance Portal (GPAP). If you do not currently have access to the GPAP please contact the Performance Assurance Framework Administrator (PAFA) on PAFA@Gemserv.com, who can arrange this for your organisation.

The PAFA can provide support and early contact with the PAFA is encouraged if your organisation is experiencing issues. These discussions can be confidential. Your Central Data Service Provider (CDSP) Customer Account Management (CAM) team are also available to help if you have any concerns or questions around improving your performance. All Shippers also have access to this data via the Data Discovery Platform (DDP).

The PAC would be interested to understand if there are any systemic or industry wide issues that are affecting performance and would find feedback in this regard helpful in understanding performance across the industry. If you do have any experiences/observations in this area, please contact the PAFA at PAFA@Gemserv.com.

Thank you in advance for your assistance and support in this matter.

Yours sincerely,

Rachel Clarke

PAFA

On behalf of the PAC

If you have any queries about this letter, please contact PAFA@Gemserv.com or 020 7090 1032.