

UNC Workgroup 0674 Minutes
Performance Assurance Techniques and Controls
Monday 24 August 2020
via Teleconference

Attendees

Alan Raper (Chair)	(AR)	Joint Office
Karen Visgarda (Secretary)	(KV)	Joint Office
Carl Whitehouse	(CW)	Shell Energy
Claire Louise Roberts	(CLR)	ScottishPower
Fiona Cottam	(FC)	Xoserve
Gurvinder Dosanjh	(GD)	Cadent
Karen Kennedy	(KK)	British Gas
Kirsty Dudley	(KD)	E.ON
Mark Bellman	(MB)	ScottishPower
Sallyann Blackett	(SB)	E.ON
Sally Hardman	(SH)	SGN
Sean Cooper	(SC)	npower
Richard Pomroy	(RP)	Wales & West Utilities
Tracey Saunders	(TS)	Northern Gas Networks

** via teleconference*

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0674/240820>

The Workgroup Report is due to be presented at the UNC Modification Panel by 17 September 2020.

1.0 Introduction and Status

Alan Raper (AR) welcomed all to the meeting.

Richard Pomroy (RP) said that he understood that the meeting was originally scheduled to be the last meeting for the overview of this Modification, however he said that he had concerns, as he felt there should be more time to evaluate and sense check the Modification, due to the length and the complexity of it.

AR said he understood RP's concern, especially as the overall process had been so long and agreed that it was a lengthy and complicated Modification. Gurvinder Dosanjh (GD) concurred with RP's comments and he added that both the Proposer and the Legal Team had done a tremendous amount of work on it, and that one more meeting would be advantageous to ensure all the areas were totally aligned and completed prior to the Panel submission, to avoid a potential send back.

GD said that it would be of benefit to invite both Liam King (LK) and Jon Dixon (JD) from Ofgem to the next meeting. Mark Bellman (MB) said that he had engaged with JD on previous occasions and had invited him to the meetings, he added that JD did attend the December 20219 meeting and provided a worthwhile overview of REC's treatment of performance and governance.

AR said that the next meeting would be on Wednesday 23 September 2020 and that he would seek an extension from Panel to October 2020 and that he would invite both Jon Dixon and Liam King to that meeting.

New Action 0801: Joint Office (AR) to seek an extension from Panel until October 2020.

New Action 0802: Joint Office (AR) to invite Ofgem; Jon Dixon and Liam King to the meeting on 23 September 2020.

1.1. Approval of minutes (29 July 2020)

The minutes from the previous meeting were approved.

1.2. Review of Outstanding Actions

Action 0605: ScottishPower (MB) and Gemserv (SR) to perform a crossmatch exercise against the legal text and the PAF Document to ensure no duplication exists.

Update: AR said that this crossmatch exercise was still taking place and MB said that duplications and inconsistencies were also still being flagged and so this action should be carried forward. **Carried forward**

Action 0701: ScottishPower (MB) to investigate encompassing a template into the PAF D in relation to setting out targets and performance in Peer Review Techniques.

Update: MB said that a Peer Review template had now been added into the PAF D document and that he would also add in the Error and Failure Resolution, (EFR) template that Electricity used to aid clarity. Karen Kennedy (KK) said that she would investigate providing that template with some necessary adaptations. MB thanked KK for her offer of help and said this action should be carried forward. **Carried forward.**

Action 0702: ScottishPower (MB) to investigate the nature of the decision and provide examples/adding into the PAF D Document and Joint Office (AR) to request a new agenda at the UNCC August meeting on the Terms of Reference regarding the proposed Appeal process.

Update: AR said that the UNCC area had been incorporated into the PAC arrangements and that this was discussed at the August UNCC meeting, with a request for feedback from the UNCC members.

MB showed an example the Peer Review template and said that this would be used from a ranking perspective only, in relation to settlement. Kirsty Dudley (KD) requested if this table could be added into the later part of the PAF D Document to provide clarity and MB confirmed this would be included.

Fiona Cottam (FC) said that this also needed to be included in the PARR in a descending order with the worst offenders at the top, and she added that in the Code Section V16.5.3 it states it will be anomalyised, and MB agreed and said that this was also included in the Legal Text. FC asked if there would also be a 'name and shame' process and MB said no, as he was not aware of any other Code Administrator acting in this manner, and he preferred the Peer Review procedure. He said that this action should be carried forward, as he would discuss this area in more depth. **Carried forward.**

Action 0703: ScottishPower (MB) to amend the membership appointment number from 3 down to 2, and re investigate the appointment process/ the feasibility of increased numbers, and to include a reference to the domestic sector in the amended Modification v13.0 and the PAF D.

Update: MB said that he had in fact reduced the number down to 1, due to concerns over quoracy issues and added that in the future this could be re-raised if governance of this area was reviewed in the future. A short general discussion took place surrounding this matter and Kirsty Dudley (KD) said in the Legal Text, it mentioned 9 individuals and MB said this was also detailed in the appointment process section.

Tracey Saunders (TS) said that she had a question regarding Section 5, (Solution), rule 4.2.4: Committee members and alternates

A list of all PAC Members and standing alternates is published on the Joint Office website.

Alternates need not necessarily come from the same company as the PAC Member. It will be for the PAC Member to consider the suitability of their alternate, in respect of experience and understanding of the issues that the PAC will deal with. For the avoidance of doubt a PAC Member can act as Alternate for another PAC Member

A single alternate may not represent more than one (1) other PAC Member, unless a quorum cannot be achieved without this happening.

TS said that she was questioning the last sentence as above in relation to the alternate and quoracy and Richard Pomroy (RP) agreed, as he said, that quoracy needed to be confirmed in the first instance, with the alternates confirmed afterwards. He proposed that this area should be in line with the Modification Panel process for consistency. MB said he would reinvestigate this area and provide an update as well as producing the amended Modification v14.0. He said this action could now be closed. **Closed**

New Action 0803: ScottishPower (MB) to change the wording of 4.2.4. *A single alternate may not represent more than one (1) other PAC Member, unless a quorum cannot be achieved without this happening.* to be in-line with the Modification Panel process

New Action 0804: ScottishPower (MB) to provide the updated amended Modification v14.0

Action 0704: ScottishPower (MB) to confirm if the 14 days in the proposed legal text, Section V16.7.4(g) were calendar or business days.

Update: MB said that this had now been confirmed as Business Days and, due to re-numbering, the section was now V16.8.3(g) and that he would review the timescales in relation to the 14 Business Days. **Closed**

New Action 0805: ScottishPower (MB) to review the timescale in relation to the 14 Business Days as defined in Section V16.8.3 (g).

Action 0705: ScottishPower (MB) to alter the wording in the proposed legal text, Section V16.11.1 to reflect the knowledge and seniority required change the word 'representative' to 'delegate' and reflect these changes in the PAF D as well.

Update: KD said that not having a single named individual would be useful, especially within her organisation. MB said that there would be up to 2 representatives. KD said that from an 'out of office' perspective this could cause issues if the 2 representatives were off at the same time for the same duration and then things could be delayed.

RP said the fail-safe option for urgent and critical communications would be to send these to the Company Secretary of the organisation. MB agreed and said that this area would be expanded, especially as this matter was originally raised by ICoSS with regards to members receiving communications. He proposed another way to address this topic was to put the obligation on the party to respond and so then no individual would be named, he said he would re-look at the wording regarding the representative and delegate. The action was carried forward. **Carried forward.**

Action 0706: Cadent (AC) to reword the 16.12.2 deed of indemnity section of the legal text.

Update: GD confirmed the wording had now been revised and simplified and so the action could now be closed. **Closed**

Action 0707: Xoserve (FC) and ScottishPower (MB) to investigate how the CAMs are constituted with the existing DSC arrangements within Section 16.0

Update: FC said there was an existing DSC Service Area (19): Network Operator and User Relationship Management, which was funded by Shippers and Network Operators each year. She suggested that references to the CAMs and Customer Advocates in the Framework document (she had found 5 in total) could be amended to 'Network Operator & User Relationship Management' within Section 16. All agreed to this proposal and the action was carried forward awaiting updates in the documentation. **Carried forward**

Action 0708: ScottishPower (MB) to provide examples of Peer Reviews within section 19.7 of the PAF D.

Update: MB said this action could be closed the examples of Peer Reviews had been included. **Closed**

Action 0709: ScottishPower (MB) to include an example into section 19.5 Request for Resolution Plan, similar to the existing EFR plan used in electricity.

Update: MB said that this action should be carried forward until the EFR plan had been included in the documentation. **Carried forward**

Action 0710: ScottishPower (MB) to clarify the two levels of publication of league tables are required for PAC and wider publication.

Update: MB said this action could be closed as the two levels of publication of league tables had been included. **Closed**

Action 0711: ScottishPower (MB) to define the Audit approach within section 19.8 of the PAF D, to include a targeted, monitored and performance measured approach.

Update: MB said the Audit approach within the updated Section 20.0 Audit in the PAF D had been defined as targeted and so this action could now be closed. **Closed**

Action 0712: Xoserve (FC) to provide commentary explaining why a ROM is not required for inclusion in the Workgroup Report.

Update: FC explained that no ROM had been requested for this Modification for the following reasons:

There were no changes to reports as a result of the Modification: governance of the PARR (Performance Assurance Report Registers) moves under PAC but this Modification was not proposing any new reports and any new PARR reports would follow existing industry governance

References to the CDSP's Customer Relationship Managers, (currently known as the Customer Advocate Managers, (CAMs)) describe an existing DSC service line which was already funded by industry parties, and there were no material changes to that service line as a result of this Modification

Many of the Performance Assurance Techniques (PATs) which the Modification describes were being applied informally by the PAFA anyway, so there should be little impact to ongoing costs of the PAFA service

New PATs which might require CDSP engagement (e.g. Training or Audits) would be chargeable to the Performance Assurance Party to which they were applied

FC confirmed that the action could then be closed. **Closed**

2.0 Review of amended Modification v13.0

Mark Bellman (MB) provided a walkthrough of the amended Modification v13.0 track changed version and drew attention to specific areas of interest, in relation to the sections that had been amended.

A brief general discussion took place with regards to the proposed legal text, Section V16.5.2 and MB clarified that he was going to use the section as defined in the Modification 0732FT - Performance Assurance Committee voting arrangements, as this Modification was now live. RP confirmed this was most the sensible approach, from a consistency perspective.

New Action 0806: ScottishPower (MB) to use the wording from Modification 0732FT - Performance Assurance Committee voting arrangements, to populate proposed legal text Section V16.5.2 to ensure consistency.

RP then said he had concerns regarding the overall governance package, as PAC could raise their own Modifications and there were no checks/balances or formal control, although he supported the objective of the Modification. AR said the formal Modification process would provide the required governance.

A lengthy and protracted general discussion took place regarding the overall governance area and RP asked why the scope had not been defined in the Code, as the only option was the UNCC and to raise a new Modification. He added that the appeal process mechanism via the UNCC did not seem optimal, as the UNCC members would have no knowledge/history of an instance in PAC, given PAC is a closed group.

MB said that the process had been clearly defined within the Modification and that the first stage would be to appeal to PAC, followed by the UNCC and ultimately Ofgem, however he said he knew Ofgem were keen for any dispute to be resolved by the industry via PAC and UNCC in the first instance. He added that the UNCC had no overall authority over PAC and that the UNCC could not over-turn a PAC decision, but that the 'administrative tension' created by the existence of an option for the referred party to request a UNCC review should ensure that a PAC referral decision is done with diligence and careful consideration before being exercised.

TS also raised concerns over the appeals process and said that she believed the governance was along similar lines to the DSC. She concurred with RP on the lack of visibility of the background to PAC decisions, since PAC is a members' only committee. MB said that as he had said in the previous Workgroup meetings, that the 'administrative tension' promoted thoroughness in the operation of the committee

TS said as a UNCC member, she found it difficult to understand how any decisions could be made on an appeal, as the UNCC would have no pre-sight of any issue that would have arisen and that she felt it was like some sort of tick box exercise and added that any investigation would be onerous, from both a time and fully understanding of the why the referral to Ofgem had been triggered in the first place.

MB said that he now felt like two UNCC members did not like or agree with the appeal process, despite the fact the appeal process had been in the Modification for many months and had not been altered. He said that he could possibly remove the appeal process altogether and look to add it in the future, but he said he had tried to ensure the appeal process itself would not be too onerous and hence had included the second stage; the UNCC appeal, following on from the PAC-governed first stage.

AR added, as confirmed by MB, the appeal section had been within the Modification, for an extensive period of time and that it had been submitted to the UNCC for review at the August meeting. He said that from the overall process, he understood that in an appeal situation the UNCC members would be asked to sign a confidentiality and non-disclosure agreement, then given the evidence, historical data, the Appellant information, and that any decision made by the UNCC was non-binding. MB confirmed this was the process as defined in the Modification.

Kirsty Dudley (KD) said that as this whole process was new, it was a case of trying to predict what might happen and future proof it and she felt that the appeal process was needed. RP apologised to MB and said he clearly had not fully understood the end-to-end process and felt happier as the UNCC would be given the information and that the UNCC members would not be required to be data experts. TS also confirmed she felt more at ease with the process and procedure once it had been explained in more detail.

KD said as an aside, with regards the numbering and bulleting in the Modification, it would be helpful if the bullets could be aligned to the numbering sections from a consistency perspective, as that would provide visual clarity during the consultation phase. MB said he would address this and make the bullets link to the main numbered sections.

New Action 0807: ScottishPower (MB) to include numbers aligned to the bullets in the sections of the amended Modification v14.0
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3.0 Review of Legal Text drafting and Mapping Table

AR explained the Legal Text had originally been drafted against the amended Modification v12.0 with a second iteration aligned against v13.0 of the amended Modification. AR said that the Legal Text would then have to be aligned once more against the amended Modification v14.0. MB said he would get v14.0 completed as soon as possible.

AR then provided a split screen of the Legal Text and Mapping Table and MB provided a walkthrough of the content and context, drawing attention to specific areas of interest.

Both of the documents can be viewed via:

<https://www.gasgovernance.co.uk/0674/240820>

In relation to Section V16.2.4, MB agreed to sense check with Dentons the wording of 'without prejudice' regarding the appeal process.

New Action 0808: ScottishPower (MB) to discuss with Dentons Section V16.2.4 the wording of 'without prejudice' regarding the appeal process.

KD raised a general point concerning the wording of the legal text as she said in some sections it referred to 'his' and 'he' and she understood that the Code should be drafted as gender neutral. MB said it was his understanding that 'his' and 'he' referred to 'her' and 'she' from a Legal definition. AR said he would investigate this area and provide feedback.

New Action 0809: Joint Office (AR) to investigate the definitions in Code from a Legal Text perspective in relation to gender neutral, as some of the Legal Text in Modification 0674 refers to 'his' and 'he'.

MB continued to narrate through the legal text and in relation to Section V16.11.1. Appointment of PAC Representative, that he would look to add in the word the delegate to this section.

New Action 0810: ScottishPower (MB) to add the word 'delegate' to Section V16.11.1 Appointment of PAC Representative.

In relation to Section V16.13.1 and the obligation on DN Operators, there was a brief general discussion regarding whether it was the DNOs responsibility to produce the reports, as it states in the Code in Section V16.5.3, or was it the CDSPs responsibility. The general consensus of opinion was that perhaps this section was not updated when the CDSP Funding, Governance & Ownership (FGO) arrangements went live. TS said that this existing text needed reviewing as she understood the requirement to provide PARR reports was an active CDSP Service Line. Sally Hardman (SH) said that she too understood that this obligation was against the CDSP to provide this information to the PAC. AR said he would investigate the matter to obtain confirmation.

New Action 0811: Joint Office (AR) to obtain confirmation as to who is responsible for producing the reports as defined in Section V16.13.1, either the DNOs or the CDSP.

AR made a request to GD to see if a reverse Mapping Table could also be supplied along with the normal format of Mapping Table, when the Legal Text was updated. GD said he would investigate this matter.

New Action 0812: Cadent (GD) to provide updated Legal Text 2.1, Mapping Table and a reverse Mapping Table.

4.0 Review of revised consolidated PAF Document v4.2

AR said that, in the light of earlier discussions, the PAF Document would now need to be amended and v4.3 to be produced. The amended version would need to be approved by PAC at the 14 September 2020 meeting, as there had not been much discussion within the PAC August meeting.

MB then provided an overview of the PAF Document drawing attention to specific amendments. KD sought clarification regarding Section 7.0: Procurement and Provision of Services, in particular to Section 7.1, in relation to 'periodic updates' as to what this exactly meant from a notice period perspective. MB said he would re-word this section to provide clarity.

New Action 0813: ScottishPower (MB) to re-word the 'periodic updates' Section 7.1 to provide clarity on the notice period and the PAFA's role in this activity and the period of the current review.

KD said with Section 12.0: Provision of data or information to the PAFA, there was no reference made to the Data Discovery Platform (DDP) and she felt that this should be included, and MB agreed with this suggestion.

New Action 0814: ScottishPower (MB) to add into Section 12.0 Provision of data or information to the PAFA reference to the Data Discovery Platform (DDP).

KD said that within Section 17.0: Annual PAF Delivery Plan, Review and Consultation, and the Annual PAF Delivery Plan that a diagram or process flow, would be useful to aid clarity and understanding. MB said he would discuss with this with the PAFA.

New Action 0815: ScottishPower (MB) to discuss with the PAFA producing a diagrammatic representation of the PAF Delivery Plan to be encompassed within Section 17.0 Annual PAF Delivery Plan, Review and Consultation section.

MB then concluded the overview of the PAF Document v4.2.

5.0 Consideration of the Reporting Timeline & Development of Workgroup Report

AR said that the original version of the Workgroup Report would remain on the meeting page and would be updated once the amended Modification v14.0 had been received. He said he would appreciate any feedback or updates in relation to the content.

6.0 Next Steps

AR said his expectations for the meeting on 23 September 2020 were to:

- Review of the amended Modification v14.0
- Review of the revised Legal Text v2.1
- Review of the revised Mapping Table and reverse Mapping Table
- Review of the PAF D Document v4.3 for approval at the PAC meeting on 14 September 2020, or other otherwise convened meeting of PAC.
- Completion of the revised Workgroup Report

7.0 Any Other Business

None

8.0 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
10.00 Wednesday 23 September 2020	Teleconference	Standard Agenda, plus: <ul style="list-style-type: none"> • Review of the amended Modification v14.0 • Review of the revised Legal Text v2.1 • Review of the revised Mapping Table and reverse Mapping Table • Review of the PAF Document v4.3 for approval at the PAC meeting on 14 September 2020 • Completion of the revised Workgroup Report

Action Table (as at 24 August 2020)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0605	24/06/20	2.0	ScottishPower (MB) and Gemserv (SR) to perform a cross-match exercise against the legal text and the PAF Document to ensure no duplication exists.	ScottishPower (MB) and Gemserv (SR)	Carried forward
0701	29/07/20	1.0	ScottishPower (MB) to investigate encompassing a template into the PAF D in relation to setting out targets and performance in Peer Review Techniques	ScottishPower (MB)	Carried forward
0702	29/07/20	2.0	ScottishPower (MB) to investigate the nature of the decision and provide examples/adding into the PAF D Document and Joint Office (AR) to request a new agenda at the UNCC August meeting on the Terms of Reference regarding the proposed Appeal process.	Joint Office (AR) ScottishPower (MB)	Carried forward
0703	29/07/20	2.0	ScottishPower (MB) to amend the membership appointment number from 3 down to 2, and re investigate the appointment process/ the feasibility of increased numbers, and to include a reference to the domestic sector in the amended Modification v13.0 and the PAF D.	ScottishPower (MB)	Closed
0704	29/07/20	3.0	ScottishPower (MB) to confirm if the 14 days in section 16.7.4 (g) were calendar or business days.	ScottishPower (MB)	Closed
0705	29/07/20	3.0	ScottishPower (MB) to alter the wording in section 16.11.1 to reflect the knowledge and seniority required change the word 'representative' to 'delegate' and reflect these changes in the PAF D as well.	ScottishPower (MB)	Carried forward
0706	29/07/20	3.0	Cadent (AC) to reword the 16.12.2 deed of indemnity section of the legal text.	Cadent (AC)	Closed

0707	29/07/20	4.0	Xoserve (FC) and ScottishPower (MB) to investigate how the CAMs are constituted with the existing DSC arrangements in Section 16.0	Xoserve (FC)	Carried forward
0708	29/07/20	4.0	ScottishPower (MB) to provide examples of Peer Reviews within section 19.7 of the PAF D.	ScottishPower (MB)	Closed
0709	29/07/20	4.0	ScottishPower (MB) to include an example into section 19.5 Request for Resolution Plan, similar to the existing EFR plan used in electricity.	ScottishPower (MB)	Carried forward
0710	29/07/20	4.0	ScottishPower (MB) to clarify the two levels of publication of league tables are required for PAC and wider publication.	ScottishPower (MB)	Closed
0711	29/07/20	4.0	ScottishPower (MB) to define the Audit approach within section 19.8 of the PAF D, to include a targeted, monitored and performance measured approach.	ScottishPower (MB)	Closed
0712	29/07/20	5.0	Xoserve (FC) to provide commentary explaining why a ROM is not required for inclusion in the Workgroup Report.	Xoserve (FC)	Closed
0801	24/08/20	1.0	Joint Office (AR) to seek an extension from Panel until October 2020.	Joint Office (AR)	Pending
0802	24/08/20	1.0	Joint Office (AR) to invite Ofgem; Jon Dixon and Liam King to the meeting on 23 September 2020.	Joint Office (AR)	Pending
0803	24/08/20	1.2	ScottishPower (MB) to change the wording of 4.2.4. A single alternate may not represent more than one (1) other PAC Member, unless a quorum cannot be achieved without this happening. to be in-line with the Modification Panel process.	ScottishPower (MB)	Pending
0804	24/08/20	1.2	ScottishPower (MB) to provide the updated amended Modification v14.0	ScottishPower (MB)	Pending

0805	24/08/20	1.2	ScottishPower (MB) to review the timescale in relation to the 14 Business Days as defined in Section V16.8.3 (g).	ScottishPower (MB)	Pending
0806	24/08/20	2.0	ScottishPower (MB) to use the wording from Modification 0732FT - Performance Assurance Committee voting arrangements, to populate proposed legal text, Section 16.5.2 to ensure consistency.	ScottishPower (MB)	Pending
0807	24/08/20	2.0	ScottishPower (MB) to include numbers aligned to the bullets in the sections of the amended Modification v14.0	ScottishPower (MB)	Pending
0808	24/08/20	3.0	ScottishPower (MB) to discuss with Dentons Section 16.2.4 the wording of 'without prejudice' regarding the appeal process.	ScottishPower (MB)	Pending
0809	24/08/20	3.0	Joint Office (AR) to investigate the definitions in Code from a Legal Text perspective in relation to gender neutral, as some of the Legal Text in Modification 0674 refers to 'his' and 'he'.	Joint Office (AR)	Pending
0810	24/08/20	3.0	ScottishPower (MB) to add the word 'delegate' to Section 16.11.1 Appointment of PAC Representative.	ScottishPower (MB)	Pending
0811	24/08/20	3.0	Joint Office (AR) to obtain confirmation as to who is responsible for producing the reports as defined in Section 16.13.1, either the DNOs or the CDSP.	Joint Office (AR)	Pending
0812	24/08/20	3.0	Cadent (GD) to provide updated Legal Text 2.1, Mapping Table and a reverse Mapping Table.	Cadent (GD)	Pending
0813	24/08/20	4.0	ScottishPower (MB) to re-word the 'periodic updates' Section 7.1 to provide clarity on the notice period and the PAFA's role in this activity and the period of the current review.	ScottishPower (MB)	Pending

0814	24/08/20	4.0	ScottishPower (MB) to add into Section 12.0 Provision of data or information to the PAFA reference to the Data Discovery Platform (DDP).	ScottishPower (MB)	Pending
0815	24/08/20	4.0	ScottishPower (MB) to discuss with the PAFA producing a diagrammatic representation of the PAF Delivery Plan to be encompassed within Section 17.0 Annual PAF Delivery Plan, Review and Consultation section.	ScottishPower (MB)	Pending