

**UNC Performance Assurance Committee**  
**Tuesday 16 November 2021**  
**via Microsoft Teams**

**Attendees**

Rebecca Hailes (Chair)	(RH)	Joint Office
Mike Berrisford (Secretary)	(MiB)	Joint Office

**Shipper Members (Voting)**

Alison Wiggett	(AW)	Corona Energy
Andy Knowles	(AK)	Utilita
Clare Louise Roberts	(CLR)	ScottishPower (Alternate)
Graeme Cunningham	(GC)	Centrica/British Gas
Lisa Saycell	(LS)	Gazprom
Louise Hellyer	(LH)	Total
Stacey Helps	(SH)	SSE Energy Services

**Transporter Members (Voting)**

Brandon Rodrigues	(BR)	ES Pipelines (Alternate)
Shiv Singh	(SS)	Cadent

**Observers (Non-Voting)**

Anne Jackson	(AJ)	PAFA/Gemserv
Ellie Rogers	(ER)	Xoserve
Fiona Cottam	(FC)	Correla on behalf of Xoserve
Karen Kennedy	(KK)	Correla on behalf of Xoserve
Lee Greenwood	(LG)	Centrica/British Gas
Martin Attwood	(MA)	Correla on behalf of Xoserve
Neil Cole	(NC)	Correla on behalf of Xoserve
Rachel Clarke	(RC)	PAFA/Gemserv
Sara Usmani	(SU)	PAFA/Gemserv

*Copies of non-confidential papers are available at: <https://www.gasgovernance.co.uk/PAC/161121>*

**1. Introduction**

Rebecca Hailes (RH) welcomed all parties to the meeting

**1.1 Apologies for absence**

Alex Travell, Transporter Member,  
Carl Whitehouse, Shipper Member,  
Jenny Rawlinson, Alternate Transporter Member,  
Leteria Beccano, Alternate Transporter Member,  
Mark Bellman, Shipper Member,  
Oorlagh Chapman, Observer, and  
Sallyann Blackett, Shipper Member.

## 1.2 Note of Alternates

Brandon Rodrigues, for Jenny Rawlinson  
Clare Louise Roberts for Mark Bellman.

## 1.3 Quoracy Status

The Committee meeting was confirmed as being quorate.<sup>1</sup>

## 1.4 Approval of Minutes (12 October 2021)

Approval of the minutes from the previous meetings was deferred until the 14 December 2021 meeting, to allow for further amendment to the outstanding action PAC1001 statement as raised by K Kennedy (KK).<sup>2</sup>

## 1.5 Approval of Later Papers

None.

## 2. Monthly Performance Assurance Review Items

### 2.1 PARR Report Review – Dashboard update (PAFA)

Sara Usmani (SU) provided the Shipper Performance Analysis PARR Dashboard update. PAFA supplied the following observations for this section:

#### SHIPPER PERFORMANCE IMPROVEMENT PLANS

- Performance Assurance Committee (PAC) Members were informed that the updates on all Shippers are available for viewing on Huddle, but the Performance Assurance Framework Administrator (PAFA) would only be reporting on five Shippers this month.
- A number of Shippers have made significant progress on their plans and are close to achieving UNC target.
  - The PAFA updated Committee Members on Shipper *Thimphu* who have been operating at UNC target for the past two months. However, the most recent month's data (October 2021), indicated a drop in performance, which was driven by two meters within their portfolio (of total 11 meters) which had fault flags applied. Once these meters are accounted for, read performance would be in line with UNC target. The PAFA informed the PAC that the Shipper had 0 GWh of Annual Quantity (AQ) at risk. Due to the effective management of the Shipper's portfolio, the performance improvement since the plan was issued, no AQ at risk on the Shipper's portfolio and the proactiveness of the Shipper, the PAFA recommended that the Shipper's plan should be closed. PAC Members agreed unanimously with the recommendation but requested the PAFA to continue monitoring due to the dip in performance last month and if there are further concerns, to raise them back to the Committee.

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<sup>1</sup> PAC meetings will be quorate where there are at least four Shipper User PAC Members and two Transporters (DNO and/or IGT) PAC Members with a minimum of six PAC Members in attendance.

<sup>2</sup> Please note: following the meeting, an updated set of minutes for the 12 October 2021 PAC meeting have been published on the Joint Office web site at: <https://www.gasgovernance.co.uk/PAC/121021> (awaiting approval on 14 December 2021)

- Due to the energy crisis, there were two Shippers (*Tallinn* and *Bratislava*) on performance improvement plans who had entered the Supplier of Last Resort (SoLR) process. The PAFA updated Committee Members on their performance and reported that the plan would automatically be terminated as no sites would be left on their respective portfolios. The PAFA have been tracking the Shipper(s) who have been awarded the sites under the SoLR process and noted that updates will be brought to the PAC in the coming months on how read performance and AQ at risk, amongst other measures, may be impacted. PAC Members discussed their concerns as the sites move across to other Shippers, particularly as meter read performance may not be the sole focus for these Suppliers under the current circumstances.

**New Action PAC1101:** *Reference Shipper Performance Observations - PAFA (SU/RC) to monitor the movement of sites for Tallinn and Bratislava to the new Shipper codes, the impact on read performance and AQ at risk. Analysis of sites under the old Shippers to be brought to the 14 December 2021 PAC meeting.*

- PAC Members were happy with the progress made by the remaining Shippers and agreed with the Performance Assurance Framework Administrator's (PAFA's) proposal to continue monitoring performance against the provided plans.

### AQ AT RISK

- The total AQ at Risk within the gas market saw a further decrease in September by c.1800 GWh, with the largest decreases seen within the Class 4 Annual market.
- The majority of the AQ at risk continues to sit within the Class 4 market, though the total measure has declined by c. 2,500 GWh since May 2021.
  - PAC Members discussed possible reasons behind the decrease, with one reason being a wider number of meters being read and second being that as sites are being reclassified into the PC4 Annual market, the meters are being reset.

### NDM SAMPLE DATA: OCTOBER SUBMISSION

- PAC Members were reminded of the purpose of the Modification 0654S '*Mandating the provision of NDM Sample Data*' and the supporting reporting that comes as a result of it.
- Committee Members were informed that during the most recent submission window, which took place in October 2021, an increase in total successful submissions was observed.
  - The total successful submissions increased from c. 38% in April 2021 to c. 70% in October 2021. This is primarily due to the number of files with discrepancies/missing information/incorrect file formats submitted decreasing between the two windows. Consequently, the number of successful submissions has increased.
- The number of Shippers not submitting any files remains unchanged from the last window, with a total of five Shippers not submitting.
  - The Shippers (not submitting) remain the same, with the exception of one Shipper (*Kingstown*) who is a new Shipper to the market.
  - *Wellington* is a Shipper who was previously issued with a letter from the PAC requesting to submit NDM sample data, but no response was received. PAC Members explored further possibilities and have requested the PAFA to liaise with the Shipper and the NDM Estimation team at Xoserve/Correlia to request submission in line with the obligations of the Modification.

- Three Shippers have previously responded to the PAC letter, of which one informed the PAFA that they intend to start to submit in the next submission window (*Riyadh*). The Shipper noted that the delay was due to updating their terms and conditions to enable the Shipper to obtain daily meter readings from their customers. Other two Shippers were looking to submit in the next window but have ceased trading – SoLR awarded Shippers successfully submit therefore the PAFA expects to see Shippers who do not submit to decrease for the next window, for these sites.

**New Action PAC1102:** *Reference NDM Sample Data: October Submission - PAFA (SU/RC)* to liaise with the Demand Estimation team at Xoserve/Correla and Wellington to request submission in line with the obligations in Modification 0654S 'Mandating the provision of NDM Sample Data'.

#### **SHIPPER X – BILLING/CRM ISSUE**

- Committee Members were informed of an issue with Shipper X, who had requested to remain anonymised, regarding a Billing/CRM issue. The Shipper indicated that this issue could be wider reaching although this could not be verified.
- An update was provided on read performance under the existing Shipper, and Committee Members were also informed that the Shipper has ceased trading due to the GB energy crisis and the PAFA are awaiting an update from the Shipper on whether their Shipper entity will remain. The PAFA noted that no update had been received to date.

#### **2.2 Bratislava (CAMs) Weekly Meetings Update**

Please refer to the PAFA summary update provided under item 2.1 above for more details.

Following a brief discussion, PAC Members in attendance agreed that this item could be removed from future agendas, as any outstanding aspects would be covered within the presentation pack for item 2.1 above.

#### **2.3 Review of Outstanding PARR Actions**

None to consider.

#### **2.4 Risk & Issues Register Update (PAFA)**

In noting that additional information is also available on the Huddle portal, Sara Usmani (SU) provided an update. PAFA supplied the following observations for this section:

- PAC Members were presented with an update on Read performance risks including Smart meter installations. An updated version of the risk register would be available following the meeting on Huddle and the Gas Performance Assurance Portal (GPAP) (for GPAP details see section 3.9 below).
- The PAFA indicated that data cleansing had been completed throughout the risk tool following anomalies found in the data as a result of COVID-19.
- Committee Members were informed that Read Performance risks on the whole had decreased over the past 12 months, however, areas of concern had been highlighted throughout the presentation.
- The PAFA presented risk updates on all areas of read performance, which includes Product Class 1, Product Class 2, Product Class 3, Product Class 4 Monthly and Annual.

- **Product Class 1:** The value at risk has increased by 190% within the market due to a drop in read performance and an increase in the number of sites within the market. The PAFA notes that the Annual Quantity (AQ) in this area had risen by 10 million kWh over the past 12 months. The PAC were informed that the risk in this area remains high and PAFA therefore recommended that this should remain a priority for the Committee. The PAFA noted that more data was needed for the Product Class 1 market before a recommendation on next steps is made to the PAC.
- **Product Class 2:** The risk in this market has decreased by 26% over the past 12 months. This is a result of increased read performance, partially offset by increasing number of sites within the market. The average AQ has fallen by 5 million kWh. The PAFA informed the PAC that the risk rating for this risk had decreased in priority as a result of the year's movement.
- **Product Class 3:** Over the course of the year, the value at risk within the Product Class 3 market decreased by 15%. The PAFA noted that this risk was stable, however, the impacts of UNC Modification 0692S '*Automatic updates to Meter Read Frequency*' may have an impact on the total number of sites within the market and therefore the risk levels may see a potential decrease.
- **Product Class 4: (Monthly and Annual):** The value at risk within both of the Monthly and Annual markets had decreased by 54% and 4%, respectively. This was largely due to an increase in read performance across the period – PC4 monthly saw an increase of 21% whilst the annual market saw a marginal increase of 0.6%. The PAFA notes that the hypothesis is that the decrease in risk for PC4 monthly is a result of previous PC4 Monthly targeting coming to fruition. The PAFA notes that more data was needed for PC4 Annual before a recommendation on next steps is made to the PAC.
- **AMR:** The PAFA noted that there had been further decreases in the AMR Monthly and AMR Annual risks, both by 4%. The PAFA noted that these were both mid-level risks and remain so following the update.
- **SMART Meters:** An increase of 51% in the risk value had been seen in Smart Meter Installations. This was predominantly due to the 145% increase in Smart Meter exchanges from July 2020. The risk had been mitigated by the average number of dates between exchange and asset update being reduced by 76% from 12 days on average to 3 days. The PAC discussed how the Smart Meter roll out had progressed with the CDSP confirming that 11 million of the 24 million meters had been exchanged to date.

## 2.5 Measurement Error Risk Update

### 2.5.1. Measurement Error (*EM009 – Airewas EM MTD*) Update

RH reminded those present that in-line with previous discussions, the matter is now being progressed via the Offtake Arrangements Workgroup, which last met on 29 September 2021.<sup>3</sup>

In summarising the progress made to date in respect of this measurement error, Fiona Cottam (FC) highlighted that:

- The scale of the error in East Midlands LDZ energy, based on the first Independent Technical Expert (ITE) report triggered the requirement for a Second ITE, (ITE2), on the grounds that the Meter error had been confirmed as being above the 500 GWh threshold;

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<sup>3</sup> A copy of the 29 September 2021 OAW meeting minutes and supporting Correla presentation are available to view and/or download from the Joint Office web site at: <https://www.gasgovernance.co.uk/OA/290921>

- The expectation is that the correction would appear on the monthly Amendment Invoice which will be issued towards the end of May 2022, based on a 'best guess' of how long it is expected to take the 2<sup>nd</sup> ITE to produce their report;
  - whilst there is no clear date for when the 2<sup>nd</sup> ITE report would become available, the expectation is that this could take anywhere up to 6 months, especially as the Offtake Arrangements Workgroup Participants have specifically requested a separate assessment is provided by the 2<sup>nd</sup> ITE rather than a review of the 1<sup>st</sup> ITE report;

For further details on the background to this matter please refer to the discussions on outstanding action PAC1003 under agenda item 5. below.

## 2.6 Open / Meter By-Pass Update

M Attwood (MA) provided an overview of the '*Meter By-Pass Update*' presentation during which the following key points were considered (by exception), as follows:

### Background – slide 2

When asked, MA confirmed that a Consumption Adjustment is only required for supply points where the unrecorded energy is >10,000 kWh.

### By-Pass Flag and Status Update – slide 3

When Clare Louise Roberts (CLR) enquired as to what, if any, the associated background risks were for the initial July 2020 analysis period, MA responded by advising that John Welch (on behalf of the PAFA) had undertaken some risk analysis very early on in the process, but pointed out that the associated risk is likely to be under estimated due to the fact that AQ's for some sites which have a meter by-pass are reduced over time when static meter readings are submitted.

When asked, PAC Members agreed that it would be beneficial to compare the risk associated with meters currently recorded with an 'Open' by-pass against the position before the data cleansing activity began (i.e. November 2020 to November 2021).

**New Action PAC1103:** *Reference By-Pass Flag and Status Updates - PAFA (RC) and Correlá (MA) to provide a comparison of the risk associated with meters on 'Open' by-pass for November 2020 and November 2021.*

### By-Pass Consumption Adjustments – slide 5

When CLR enquired as to how Correlá validates Shipper Consumption Adjustment submissions, MA responded by advising that (standard) automated validation is applied to the energy quantity in Shipper submission taking into account the upper and lower tolerance check requirements.

**New Action PAC1104:** *Reference Shipper Consumption Adjustment Validation – Correlá (MA) to investigate what validation processes are followed and thereafter provide an update to the 0763R 'Review of Gas Meter By-Pass Arrangements' Workgroup.*

### By-Pass Consumption Adjustments – slide 6

MA advised that this matter had recently been discussed within the 0763R Workgroup which took place on 28 October 2021<sup>4</sup> during which issues such as MAM non-compliance were discussed. It was also pointed out that REC PAB<sup>5</sup> are also considering the links with the MAM processes, which seems to suggest that perhaps Shippers do not fully understand what is required of them which in turn highlights a potential risk that PAC might need to consider in more detail.

Ellie Rogers (ER) advised that the Request Workgroup 0763R is looking in detail at this matter, including investigation into individual cases and liaising with the Shippers in order to better understand the issues. The group is also looking to identify whether an educational task might be needed going forward – the Request Workgroup is also considering whether there might be a Code or REC requirement.

It was noted that further information and consideration of the matter would be discussed at the 25 November 2021 0763R Workgroup meeting.

When asked, Lisa Saycell (LS) suggested that until the issues around MAM's communications are resolved, there remains a benefit in PAC continuing to monitor the situation, Anne Jackson (AJ) suggested that the matter goes beyond simply the work of 0763R and that there would be longer term benefits to PAC monitoring the situation.

It was noted that it is expected that the 0763R Workgroup would be requesting a three (3) month extension to its current Panel reporting deadline, taking this out to January 2022.

When asked to clarify what the 86 '*Progressive Readings*' really means, MA explained that this relates to sites where meter reads are being received which show a progression (i.e. read index is increasing, suggesting that gas is actually being consumed), which potentially implies the by-pass is in the 'closed' position.

### 3. Matters for Committee Attention

#### 3.1 GB Energy Crisis Update

Opening the discussion, RH advised that she did not have a specific update (over and above the recent news events) to provide.

In noting the request to add this agenda item made at the October meeting Rachel Clarke (RC) made reference to the PAFA's draft '*Open letter to address SOLR events*' as provided on the Huddle platform ahead of the meeting.

At the request of the PAFA who are looking for formal endorsement of the letter, PAC Members conducted a brief online review of the draft document during which it was noted that:

- The draft letter deliberately follows a similar approach to the previous PAC Covid-19 document issued during 2020/21;
- Concerns were voiced that the letter as currently drafted seems to imply that unless parties write to the PAC, they could be placed in a Poor Performance Review status, without (PAC) taking into account prevailing market conditions;
  - responding RC advised that she would be happy to reword the document, as this is certainly not the intention;
- It was suggested that whilst it would be good practice to invite parties (i.e. Shippers & SoLRs) to engage, it should not be seen as the only route, and they should be encouraged to contact the PAC as soon as possible when performance related problems / issues occur;

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<sup>4</sup> A copy of the 28 October 2021 0763R Workgroup meeting minutes are available to view and/or download from the Joint Office web site at: <https://www.gasgovernance.co.uk/0763/281021>

<sup>5</sup> Information relating to the REC PAB can be found at: <https://www.retailenergycode.co.uk/code-manager/rec-performance-assurance-information/>

- In noting that there are currently six (6) SoLRs in place during these extremely difficult energy market conditions, perhaps a better-defined letter (i.e. more clarity), would be preferable;
  - it was debated whether (or not) early engagement with the SoLRs would improve the assessment process, and if not, the letter may not be worthwhile;
    - it was suggested that perhaps the question relates to what PAC believes it might do with any additional information as this is a balancing act involving mitigation vs performance assessments;
  - In referring to Ofgem's relaxing of market aspects in April – June 2020 period, RH felt that this 'targeted' communication mechanism could prove valuable, especially bearing in mind that the PAC are already taking a reasonable and pragmatic approach to Shipper performance assessments;
  - It was noted that SoLR processes take time to complete, in some instances over 6 weeks or more, and that PAC should also consider this when making any decisions;
- During discussion the consensus of PAC Members was that the paragraph that starts '*At the November PAC meeting.....will be available at:*' does not add value and should therefore be removed;
- When it was suggested that writing to a party to state that PAC are going to be 'pragmatic' in its approach potentially sends out the wrong signals, AJ pointed out that she did not fully agree and that in her view engagement should be seen in a positive light by those involved;
  - it was noted that the PAFA are happy to be guided by PAC whilst also pointing out that in their opinion having communication links in place early can go some way to offsetting the intrinsic timescales involved in SoLR events, especially where performance related issues also exist;
  - the consensus of PAC Members was that the statement that starts '*The PAC have instructed the PAFA.....these Shippers' performance.*' does not add value and should therefore be removed;
- It was noted that where the PAFA (or Correla or a PAC Member) observes instances of declining performance, and are already aware (a known, known so to speak) of mitigating circumstances, it can be a more informed consideration as to whether to make a performance related recommendation to the PAC;

PAC Members in attendance then undertook a vote (subject to the small adjustments to the content of the draft letter as requested above) and **unanimously approved** the issuing of the open letter to the six (6) known elected Supplier of Last Resort (SoLR) organisations.

### 3.2 AQ Corrections Requests

In noting that this item is closely related to the work being undertaken within the 0783R Workgroup, Fiona Cottam (FC) suggested, and PAC Members agreed, that this would probably sit better under item 4. on the agenda going forward.

When FC advised that discussions within the Workgroup have noted the potential interaction with PAC, ER added that she is also currently working closely with Cadent on the monitoring requirements and that currently the feeling is that PAC's role should remain a 'light touch' one – this is currently an 'open topic' within the Workgroup which is expected to be pursued further in due course.

### 3.3 Monitoring Vacant Sites Requests (inc. PAC's Role)

In also noting that this item is closely related to the work being undertaken within the 0778R Workgroup, it was again suggested, and PAC Members agreed, that this would also sit better under item 4. on the agenda going forward.



When asked, Lee Greenwood (LG) provided a brief update on the progress being made within the 0778R Workgroup on this matter, whereupon FC made reference to 0778R action 0904 explaining that she believed that the summary is potentially an incorrect representation of the Workgroup discussions – ER agreed to bring this anomaly to the Workgroup Chairperson’s attention for the next meeting.

When RH enquired whether the vacant sites topic is already recognised on the PAC Risk Register, LS highlighted that there appears to be an incorrect industry assumption that parties involved know everything, which is clearly not the case.

FC suggested that the Request is possibly one way the industry is seeking more allowances in terms of their performance in respect of vacant sites (i.e. lack of readings and AQ at Risk aspects) before confirming that this is essentially a Transporter to Shipper charging consideration and not necessarily a Customer charging one.

Stacey Helps (SH) pointed out that the Workgroup are starting to now ‘drill down’ into the details on the matter.

In considering how PAC may be kept up to date on these matters, RH pointed out that usually updates are provided by either the Proposer, a PAC Representative coincidentally attending the Workgroup meetings or the PAC Chairperson.

When asked whether the PAFA currently has an active role in keeping abreast of the various Workgroup initiatives and discussions (across the industry), FC confirmed that currently this is not in the PAFA’s role, and as such, would require a Change Request to be raised to initiate such a change – the question being is this required at every Workgroup meeting, when it may not necessarily represent value for money.

When a PAC Member noted, that in certain circumstances, there might be value in the PAFA representative attending an industry meeting, FC responded by pointing out that PAC would need to very carefully consider, what, if any, obligations would be placed on the PAFA in such circumstances and that in her opinion it is better to enhance the PAC agenda item 4. feedback mechanisms.

At this point ER suggested that perhaps one enhancement that could be beneficial would be to include a new sub section within the Workgroup Report template to ensure we capture whether there are any potential PAC monitoring roles required, even if the answer in most cases would be ‘n/a’.

**New Action PAC1105:** *Reference Workgroup Report Template* – Joint Office (RH) to consider adding a new sub section question (possibly within Section 6) within the Workgroup Report template to ‘cover’ capturing any potential PAC Monitoring Role impacts.

### 3.4 Dedicated Sprint Planning Update

In providing a late submission for PAC Members to consider, Karen Kennedy (KK) provided a brief overview of the ‘*DDP Update*’ presentation.

During consideration of the presentation the following key points were noted (by exception), as follows:

[XRN5321 Progress Update – slide 2](#)

KK confirmed that work on Release 1 continues, focusing on three (3) User Stories.

[AQ Read Performance \(MOD0672\) – slide 5](#)

In considering the ‘*1. AMR Categorisation*’ data, LS enquired whether the change impacts the meter reading frequency, to which KK responded by explaining that the report is currently defined by Meter Type rather than Meter Read Frequency, however, the implementation of UNC Modification 0692 will provide both Meter Reading Frequency and Meter Type reporting alignment going forward.

Moving on to consider item '4. *Report Timing*', ER pointed out that Xoserve are currently checking with various industry parties (especially the Proposer of UNC Modification 0672) as to what the M-1 provisions might need to be.

In concluding discussions, KK briefly pointed out that there is currently no scope to commence additional PAC reporting activity ahead of the new financial year.

At this point, FC reminded PAC Members of the recent request for them to get involved in the testing programme – whilst a small scale response has been provided, it has been positive and the PAFA have been made aware of the feedback and a variation to the PAFA's scope is also now being developed.

### **3.5 PAC Budget and Spend Update**

Opening the discussions, FC reiterated that the PAFA works to a 'fixed' contract before then advising that behind the scenes, contract related discussions have been taking place with the PAFA which are now reaching the final stages. These negotiations will ensure that all 'in flight performance improvement plans' (originally 48 and now down to 45) are included, along with their role in aspects of the forthcoming DDP testing, and hopefully a more detailed update will be provided at the 14 December 2021 PAC meeting. AJ confirmed that the PAFA had not been 'working at risk'.

When asked, FC confirmed that whilst the PAFA had supported the UIG related Workgroup meetings in the past, they are not currently supporting the needs of the 0674 Workgroup.

In pointing out that Dan Simon's is no longer supporting the 0763R Workgroup, RH enquired whether this is a potential issue to which CLR responded by indicating that as the work of this Workgroup is nearing completion, it is not necessarily a concern.

When asked about the costs associated with UNC Modification 0674, FC suggested that the cost of extra work required in order to support delivery of Modification 0674 provisions ranges from £30k - £60k (i.e.) which would be covered under the current budgetary provisions. Any additional costs would be covered via the annual reconciliation of CDSP charges – it is expected that this would be highlighted within the 0674 Supplemental Report currently being worked on.

### **3.6 Standards of Service Liabilities Report (information only)**

Report provided for information only, with no additional queries to report.

### **3.7 Strategic Workshop Strawman**

In providing an overview of the draft '*Strategic Workshop Strawman*' agenda, RC explained that the PAFA has looked at possible dates in January 2022 with Wednesday 26 January 2022 being the preferred date.

When asked what '*controlled market entry*' referred to under item 2.6 of the agenda, RC explained that this refers to the staged entry / introduction of (new) Shippers into the market place (as used in electricity).

When asked whether matters of this nature fall within the remit of the PAC, RH advised that she believed Ofgem have raised the matter and would therefore potentially support a Gas arena 'staged entry' provision being developed and introduced.

### **3.8 Annual Review 2021 Outputs**

Consideration deferred until the 14 December 2021 PAC meeting.

### **3.9 Gas Performance Assurance Portal Update**

Consideration deferred until the 14 December 2021 PAC meeting.

#### 4. Update on Potential Changes to Performance Assurance Reporting and PARR

##### 4.1 PAFA Industry Meeting Update

Consideration deferred until the 14 December 2021 PAC meeting.

##### 4.2 Modification 0674 - Performance Assurance Techniques and Controls

Consideration deferred until the 14 December 2021 PAC meeting.

##### 4.3 Modification 0734S – Reporting Valid Confirmed Theft of Gas into Central Systems

Consideration deferred until the 14 December 2021 PAC meeting.

##### 4.4 Any Other changes

Consideration deferred until the 14 December 2021 PAC meeting.

#### 5. Review of Outstanding Actions

##### 5.1 PAC Actions

**PAC0706:** *Reference PAFA Future Projects* – PAFA (AJ) and Correlá (FC) to consider the immediate issues presented and provide options for mitigation or resolution. Update to be given at August PAC meeting.

**Update:** In-light of the discussions undertaken on item 3.5 above, PAC Members agreed to close the action. **Closed**

**PAC0902:** *Reference By-Pass Consumption Adjustments* - Correlá (MA) and PAFA (AJ/SU) to consider the potential risk levels involved, what figures are currently available and what potential mitigation actions might be required going forward.

**Update:** When MA advised that he was under the impression that this action had been formally closed at the 12 October 2021 meeting, PAC Members agreed to close the action. **Closed**

**PAC0904:** PAFA (AJ) to consider a potential date for a dedicated PAC strategic review meeting, including identification of a possible scope and aims.

**Update:** Discussed under item 3.7 above. PAC Members agreed to close the action. **Closed**

**PAC1001:** *Reference PC4 Monthly Read Performance* – PAFA (SU) and Correlá (KK) to liaise with the DDP team to derive reporting on the number of sites being moved from PC4 ~~monthly~~ Annual to PC4 Monthly ~~annual~~. Reporting to be presented back to the PAC at the earliest opportunity.

**Update:** When LS pointed out that this action relates to a change currently being developed / progressed within the DSC arena, Neil Cole (NC) provided an additional update and overview of the potential numbers involved, as follows:

- Classes 3 & 4 meter read frequency of A: circa 1713 MPRs;
- SMART (SMETS 1 & 2): circa 4.1m;
- AMR: circa 112,356, and
- A grand total of circa 4,217,231 sites to be moved to the PC4 Monthly category.

When asked whether there could potentially be a request for provision of an additional PAFA Performance Report (ad-hoc or enduring), FC suggested that the associated UNC Modification solution would imply one is not required, before confirming that any movements are one way in nature (i.e. from annual to monthly, but not back again).

Some PAC Members suggested that the issue relates more to the scale of the movements involved, should the Modification be approved. In short, it is felt that it is the total number of sites that moves that potentially impacts upon performance. Responding, FC explained that the movement is not expected to follow a 'big bang' approach and would be managed (capped) on a 100k – 150k per day basis – progress updates would be provided within the DSC arena going forward.

Moving on, FC highlighted that it would be January 2022 at the earliest before there is a better view on the potential numbers moving from annual to monthly, and any impact on meter read performance. FC advised that the current information would suggest that the 'problematic sites' might be improved during the re-alignment exercise, as AQs >293 kWh will move to monthly.

In noting that if there are any issues over the Code definition of 'Monthly Reads', Louise Hellyer (LH) suggested that the industry would need to consider them – ER pointed out that matters of this nature were considered during development of UNC Modification 0692S 'Automatic updates to Meter Read Frequency'.

When RH enquired whether the action should now be closed, PAC Members considered re-wording the action to read as follows:

*“Reference PC4 Monthly Read Performance – Correla (FC) to look to report on the number of sites being moved from PC4 Annual to PC4 Monthly and the associated rollout timelines.”*

PAC Members in attendance agreed to reword and carry forward the action with an update next due at the February 2022 meeting. **Carried Forward**

**PAC1002:** *Reference PC4 Monthly Read Performance – Correla (KK) to investigate whether the PAFA can have access to the month-by-month data within the DDP system.*

**Update:** When KK advised that work remains ongoing on this action, PAC Members in attendance agreed to carry forward the action with an update next due at the 14 December 2021 meeting. **Carried Forward**

**PAC1003:** *Reference LDZ Offtake Update – Northern Gas Networks (TS) & Cadent (SS) to liaise with the DNs to consider and provide a response to the three (3) questions posed by the Offtake Arrangement Workgroup, namely*

*Q1 – Seek clarification from the GDNs that internal processes have been reviewed and any mitigating actions identified and rolled out;*

*Q2 – Update on Orifice plate removal project, and*

*Q3 – Should other GDNs apply the learnings and potential mitigations applied to their internal processes?*

**Update:** In reviewing the two slides provided by Shiv Singh (SS) (based on the collated responses from all the DNs), RH also made reference to the previous presentation provided for action PAC0602 at the 17 August 2021 PAC meeting before pointing out that Cadent appear to have added 7 Orifice Plate sites to their RII02 submission (to now be 16 + 7).

RH advised that the next step would entail the PAFA feeding the information appertaining to this action into the Risk Register in order to monitor going forward.

In-light of the discussions, PAC Members agreed to close the action. **Closed**

**PAC1004:** *Reference Possible Strategy Workshop - PAFA (SU/RC) to create a strawman agenda for a Strategy Workshop and proposed timings for the Workshop to be brought back to the 16 November 2021 PAC meeting for discussion and approval.*

**Update:** Discussions under item 3.7 above (and action 0904). PAC Members agreed to close the action. **Closed**

**PAC1005:** *Reference Possible Strategy Workshop – ALL PAC Members to look to provide a view on whether Strategic Workshops would be appropriate, and if so, what agenda items they would like to add (including what would lie within PAC's remit).*

**Update:** When it was noted that nothing had been formally provided to date, RH requested that any feedback should be provided to the PAFA directly. In light of the brief update, PAC Members agreed to carry forward the action. **Carried Forward**

**PAC1006:** *Reference the GB Energy Crisis – Joint Office (PG/MiB)* to ensure that a new standing agenda item (within section 3) covering ‘GB Energy Crisis Impacts’ is added to the 16 November 2021.

**Update:** Completed. **Closed**

**PAC1007:** *Reference XRN5321 Testing & Delivery – Xoserve (ER), Correla (FC/KK) and PAFA (AJ)* to consider (offline) what form the testing should take, and which parties are best placed to be involved before providing an update before the next PAC meeting (i.e. no later than week ending Friday 29 October 2021).

When asked, KK confirmed that Release 2 and 3 testing requirements are being considered going forward as part of discussions regarding extending the PAFA Contract scope.

**Update:** In-light of the discussions undertaken on item 3.4 above, PAC Members agreed to close the action. **Closed**

**PAC1008:** Joint Office (PG) to request that the UNC Request 0778R Workgroup provides a regular (monthly) progress update to the PAC going forward.

**Update:** When RH requested more time to consider the action, PAC Members in attendance agreed to carry forward the action. **Carried Forward**

**PAC1009:** *Reference Accuracy of Data in Relation to Isolated Sites - Correla (FC)* to investigate the AUGÉ findings with a view to providing an update at the 16 November 2021 PAC meeting.

**Update:** NC provided a brief overview of the ‘PAC Action 1009 – Accuracy of Data in Relation to Isolated Sites’ presentation, during which the following key points were noted (by exception):

Isolations with Progressive Reads by AQ – slide 4

When asked whether these isolated MPRs would require supporting consumption adjustments, FC responded by advising that this is not necessarily the case, as they should reconcile ‘naturally’ once the isolation flag has been removed and any read would be rejected while the site is isolated if it demonstrates a progression.

Isolation Summary By Shipper slide 5

When asked if the biggest four (4) Shippers involved know who they are on the table, NC advised that they should know who they are from their internal MI.

Class 1 Isolation slide 6

When RH asked AJ as to whether in her role on the REC PAB she has become aware of any potential link between the UNC PAFA and the REC PAB, FC interjected by pointing out that the advice given to date suggests that parties should contact their REC Manager in the first instance – in short, this matter could involve the MAM having to undertake any action on the isolation file flow aspects.

When asked whether PAC Members wished to investigate the four (4) Shipper organisations with the largest number of isolations, it was suggested that perhaps there would be benefit in ensuring that the respective CAMs are involved.

**New Action PAC1106:** *Reference Class 1 Isolations – Correla (NC)* to look to liaise with the CAMs for the four (4) Shipper organisations with the largest number of isolations to identify a suitable way forward in resolving the issue.

In light of the brief discussions, PAC Members agreed to carry forward the action. **Carried Forward**

**PAC Extra 0701:** CDSP to ascertain the cost/resource level required to continue the current PAC/PAFA BAU activities and circulate this to PAC Members as soon as possible.

**Update:** Consideration deferred therefore PAC Members agreed to carry forward the action.  
**Carried Forward**

**PAC Extra 0702:** CDSP/PAFA to estimate the cost/resource level likely over the next 12-18 months for PAC/PAFA activities, extrapolating from the current BAU activities.

**Update:** Consideration deferred therefore PAC Members agreed to carry forward the action.  
**Carried Forward**

## 5.2 DDP Sprint Actions

**PAC DDP0701:** *Reference DDP Review Requirements* – Correlá (KK) to look to set up and additional Sprint meeting for September 2021.

**Update:** Consideration deferred therefore PAC Members agreed to carry forward the action.  
**Carried Forward**

## 6. Any Other Business

Consideration deferred until the 14 December 2021 PAC meeting.

## 7. Next Steps

### 7.1 Key Messages

Published at: <http://www.gasgovernance.co.uk/pac/summarykeymessages>

## 8. Diary Planning

### 8.1 2021 meeting dates

Further details of planned meetings are available at: [www.gasgovernance.co.uk/events-calendar/month](http://www.gasgovernance.co.uk/events-calendar/month)

Time/Date	Paper Publication Deadline	Venue	Programme
10:00, Tuesday 14 December 2021	17:00 Monday 06 December 2021	Teleconference	Standard Agenda

For details of the informal sub-group meetings and topics please contact the PAFA directly.  
[PAFA@gemserv.com](mailto:PAFA@gemserv.com)

**PAC Action Table (as at 16 November 2021)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
<b>PARR Report Actions:</b>					
<b>PAC Actions 2020/21:</b>					
PAC 0706	13/07/21	3.5	<i>Reference PAFA Future Projects</i> – PAFA (AJ) and Correlá (FC) to consider the immediate issues presented and provide options for mitigation or resolution.	PAFA (AJ) & Correlá (FC)	Update provided. <b>Closed</b>

			Update to be given at August PAC meeting.		
PAC 0902	14/09/21	2.5	<i>Reference By-Pass Consumption Adjustments - Correla (MA) and PAFA (AJ/SU) to consider the potential risk levels involved, what figures are currently available and what potential mitigation actions might be required going forward.</i>	Correla (MA)	Update provided. <b>Closed</b>
PAC 0904	14/09/21	4.3	PAFA (AJ) to consider a potential date for a dedicated PAC strategic review meeting, including identification of a possible scope and aims.	PAFA (AJ)	Update provided. <b>Closed</b>
PAC1001	12/10/21	2.1	<del><i>Reference PC4 Monthly Read Performance – PAFA (SU) and Correla (KK) to liaise with the DDP team to derive reporting on the number of sites being moved from PC4 monthly Annual to PC4 Monthly annual. Reporting to be presented back to the PAC at the earliest opportunity.</i></del>  <u><i>Reference PC4 Monthly Read Performance – Correla (FC) to look to report on the number of sites being moved from PC4 Annual to PC4 Monthly and the associated rollout timelines.</i></u>	<del>PAFA (SU) &amp; Correla (KK)</del> FC	<b>Carried Forward</b> Update due February 2022
PAC1002	12/10/21	2.1	<i>Reference PC4 Monthly Read Performance – Correla (KK) to investigate whether the PAFA can have access to the month-by-month data within the DDP system.</i>	Correla (KK)	<b>Carried Forward</b> Update due 14/12/21
PAC1003	12/10/21	2.4	<i>Reference LDZ Offtake Update – Northern Gas Networks (TS) &amp; Cadent (SS) to liaise with the DNs to consider and provide a response to the three (3) questions posed by the Offtake Arrangement Workgroup, namely  Q1 - Seek clarification from the GDNs that internal processes have been reviewed and any mitigating actions identified and rolled out;  Q2 - Update on Orifice plate removal project, and  Q3 - Should other GDNs apply the learnings and potential mitigations applied to their internal processes?.</i>	Northern Gas Networks (TS) & Cadent (SS)	Update provided. <b>Closed</b>
PAC1004	12/10/21	2.4	<i>Reference Possible Strategy Workshop - PAFA (SU/RC) to create a strawman agenda for a Strategy Workshop and proposed timings for the Workshop to be</i>	PAFA (SU/RC)	Update provided. <b>Closed</b>

			brought back to the 16 November 2021 PAC meeting for discussion and approval.		
PAC1005	12/10/21	2.4	<i>Reference Possible Strategy Workshop</i> – ALL PAC Members to look to provide a view on whether Strategic Workshops would be appropriate, and if so, what agenda items they would like to add (including what would lie within PAC’s remit).	All PAC Members	<b>Carried Forward</b> Update due 14/12/21
PAC1006	12/10/21	2.4	<i>Reference the GB Energy Crisis</i> – Joint Office (PG/MiB) to ensure that a new standing agenda item (within section 3) covering ‘GB Energy Crisis Impacts’ is added to the 16 November 2021.	Joint Office (PG/MiB)	Update provided. <b>Closed</b>
PAC1007	12/10/21	3.1	<i>Reference XRN5321 Testing &amp; Delivery</i> – Xoserve (ER), Correla (FC/KK) and PAFA (AJ) to consider (offline) what form the testing should take, and which parties are best placed to be involved before providing an update before the next PAC meeting (i.e. no later than week ending Friday 29 October 2021).	Xoserve (ER), Correla (FC/KK) and PAFA (AJ)	Update provided. <b>Closed</b>
PAC1008	12/10/21	6.2	Joint Office (PG) to request that the UNC Request 0778R Workgroup provides a regular (monthly) progress update to the PAC going forward.	Joint Office (PG)	<b>Carried Forward</b> Update due 14/12/21
PAC1009	12/10/21	6.3	<i>Reference Accuracy of Data in Relation to Isolated Sites</i> - Correla (FC) to investigate the AUGÉ findings with a view to providing an update at the 16 November 2021 PAC meeting.	Correla (FC)	<b>Carried Forward</b> Update due 14/12/21
PAC1101	16/11/21	2.1	<i>Reference Shipper Performance Observations</i> - PAFA (SU/RC) to monitor the movement of sites for Tallinn and Bratislava to the new Shipper codes, the impact on read performance and AQ at risk. Analysis of sites under the old Shippers to be brought to the 14 December 2021 PAC meeting.	PAFA (SU/RC)	<b>Pending</b> Update due 14/12/21
PAC1102	16/11/21	2.1	<i>Reference NDM Sample Data: October Submission</i> - PAFA (SU/RC) to liaise with the Demand Estimation team at Xoserve/Correla and Wellington to request submission in line with the obligations in Modification 0654S ‘Mandating the provision of NDM Sample Data’.	PAFA (SU/RC)	<b>Pending</b> Update due 14/12/21



PAC1103	16/11/21	2.6	<i>Reference By-Pass Flag and Status Updates - PAFA (RC) and Correlá (MA) to provide a comparison of the risk associated with meters on 'Open' by-pass for November 2020 and November 2021.</i>	PAFA (RC) & Correlá (MA)	<b>Pending</b> Update due 14/12/21
PAC1104	16/11/21	2.6	<i>Reference Shipper Consumption Adjustment Validation – Correlá (MA) to investigate what validation processes are followed and thereafter provide an update to the 0763R 'Review of Gas Meter By-Pass Arrangements' Workgroup.</i>	Correlá (MA)	<b>Pending</b> Update due 14/12/21
PAC1105	16/11/21	3.3	<i>Reference Workgroup Report Template – Joint Office (RH) to consider adding a new sub section question (possibly within Section 6) within the Workgroup Report template to 'cover' capturing any potential PAC Monitoring Role impacts.</i>	Joint Office (RH)	<b>Pending</b> Update due 14/12/21
PAC1106	16/11/21	5.1	<i>Reference Class 1 Isolations – Correlá (NC) to look to liaise with the CAMs for the four (4) Shipper organisations with the largest number of isolations to identify a suitable way forward in resolving the issue.</i>	Correlá (NC)	<b>Pending</b> Update due 14/12/21
<b>PAC DDP Sprint Actions 2020/21:</b>					
PAC DDP 0701	13/07/21	5.2	<i>Reference DDP Review Requirements – Correlá (KK) to look to set up and additional Sprint meeting for September 2021.</i>	Correlá (KK)	<b>Carried Forward</b> Update due 14/12/21
<b>PAC Extraordinary Actions 29 July 21:</b>					
New Action 0701 (extra)	29/07/21	2.	CDSP to ascertain the cost/resource level required to continue the current PAC/PAFA BAU activities and circulate this to PAC Members as soon as possible.	CDSP	<b>Carried Forward</b> Update due 14/12/21
New Action 0702 (extra)	29/07/21	2.	CDSP/PAFA to estimate the cost/resource level likely over the next 12-18 months for PAC/PAFA activities, extrapolating from the current BAU activities.	CDSP/PAFA	<b>Carried Forward</b> Update due 14/12/21