

Mod 0664 Options Grid

Component	Component 1 – Settlement class entry checks		Component 2 – Poor performance class transfer			Component 3 – Incentive charging		
Solution Option	A - Entry performance benchmark	B - Soft landing	C - Tranches	D - Whole portfolio	E - MPRN level movement	F - UIG Repayment	G - UIG Incentive tariff	H - Over-arching incentive mechanism
Description	Small tranche of trialling MPRNs is allowed without obligation. Performance must be met to add more sites.	Initial three month period following entry to the class with a lower read submission performance target.	Poor performing portfolios to be moved in tranches.	Xoserve to move shipper's whole portfolio when performance breached.	Read performance to be calculated at MPRN level. Lowest performers to be moved automatically.	Mechanism for poor performers to repay any gains in UIG.	Additional price mechanism to be added to existing UIG arrangements.	Uses the same incentive mechanism as other classes.
Pros	Ensures parties can submit reads in these classes.	Less punitive approach.	Avoids moving whole portfolio.	Reduces complexity.	Avoids moving whole portfolio.	Resolves the issue of levels or 'caps'.	Avoids changes to settlements arrangements.	Consistent across the industry.
Cons	May still not prove the ability to submit at scale.	Adds an additional read performance measure.	Too complex.	Too punitive.	Some complexity involved.	Higher UIG weighting in some bands.	Still would take time to develop.	Time to develop.
Timescale	Short	Long	Long	Short	Long	Long	Long	Long
Effort	Low	High	High	Low	High	High	High	High