

**UNC Workgroup 0672 Minutes**  
**Incentivise Product Class 4 Read Performance**  
**Tuesday 20 August 2019**

**at Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA**

**Attendees**

Rebecca Hailes	(RH)	Joint Office
Karen Visgarda	(KV)	Joint Office
Andy Clasper	(AC)	Cadent
David Mitchell*	(DM)	SGN
Fiona Cottam	(FC)	Xoserve
James Rigby	(JR)	Xoserve
Karen Kennedy*	(KK)	British Gas
Lorna Lewin*	(LL)	Orsted
Luke Reeves*	(LR)	EDF Energy
Mark Jones	(MJ)	SSE
Megan Coventry*	(MC)	SSE
Rob Johnson*	(RJ)	Waters Wye Associates
Rose Kimber	(RK)	CNG Ltd
Sallyann Blackett	(SB)	E.ON
Stephanie Clements	(SC)	ScottishPower
Steven Britton*	(SB)	Cornwall Insight

*\*via teleconference*

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0672/200819>

The Workgroup Report is due to be presented at the UNC Modification Panel by 19 December 2019.

**1. Introduction and Status Review**

**1.1. Approval of Minutes (23 July 2019)**

The minutes from the previous meetings were approved.

**2. Consideration of Amended Modification**

Stephanie Clements (SC) explained that there had been some confusion regarding the content and context of the Modification surrounding the read performance area. She said the Modification needed to be further amended and the Business Rules needed to be redefined, together with the costings. SC said that she was having discussions with Fiona Cottam (FC) regarding the meter reads and the potential impact of Modification 0700 - *Enabling large scale utilisation of Class 3*.

Mark Jones (MJ) said it was worth noting that the UIG factors would be different again next year and that it would make sense for the Modification to encompass all class 4, with a target against the overall portfolio, including a target of the percentage of allocated energy volume. Rose Kimber (RK) concurred with this suggestion. SC said she would investigate the performance across class 4.

**New Action 0801:** ScottishPower (SC) to investigate the performance across class 4, and propose a potential target to present to the Performance Assurance Committee (PAC) and for that target to be given a name.

Rebecca Hailes (RH) noted that the Modification originally had an Authority Direction status and that it was now proposed to be Self-Governance, all agreed with the Self-Governance status as it did not now contain the incentives, however RH said for the present time it made more sense to leave with an Authority Direction status and ask Panel to review the self-governance status when it is finally sent to Panel. SC confirmed that the Relevant Objectives would be redefined, as appropriate.

SC requested that an extension from Panel was now required, it was agreed that the submission date should now be December and RH agreed to request the extension at the September Panel.

**New Action 0802:** Joint Office (RH) to request an extension to December from the September Panel.

### 3. Submission of Rough Order of Magnitude (ROM)

RH said that the ROM could not be requested at the present time as the Modification had to be further amended.

### 4. Consideration of Legal Text

RH said that the legal text could not be drafted at the present time as the Modification had to be further amended.

### 5. Confirmation of Impacts to IGTs – Legal perspective

RH raised the question if an IGT Modification would need to be raised and said that she would contact Anne Jackson at Gemserv to discuss this matter, and she added that she would request more generic guidelines on when an IGT Modification was needed.

**New Action 0803:** Joint Office (RH) to contact Anne Jackson at Gemserv to ascertain if an IGT Modification would be needed and request generic guidelines in relation to when an IGT Modification is required.

### 6. Development of Workgroup Report

RH provided a high-level overview of the content of the Workgroup Report and it was agreed that further data analysis was required regarding the volatility charge and SC said would investigate this area, noting that the AQ analysis would also need to be included.

SC said that in relation to the proposed target this would allow the PAC to act to improve the performance of those Shippers that were failing in Class 4. Fiona Cottam (FC) said that she did have some concerns whether the read performance would be targeting the biggest risk area, as there was still uncertainty if some meters had not been read for a long period of time.

With regards the target itself a general discussion took place and it was agreed that the target should have an initial value, target name, and a defined process for the PAC to set the target on an annual basis, and the question was asked whether the PARR Reports 2.A.5 and 2.A.7 were adequate for this purpose, including if the Data Discovery Platform (DDP) MPRN level data was sufficient. James Rigby (JR) said he would investigate this area regarding the DDP and the MPRN level with no reads over 1, 2 and 3 years.

**New Action 0804:** Xoserve (JR) to investigate regarding Drop 2, if the DDP delivers at MPRN level with no reads over a 1, 2 and 3 year period.

### 7. Review of Outstanding Actions

**Action 0701:** ScottishPower (SC) to clarify the status of the IGTs with CACoP from a legal perspective. (This action has now been reworded to; *ScottishPower (SC) to clarify whether an equivalent IGT modification would be required.*

**Update:** SC requested that this action was carried forward and clarified to show that it was looking at whether an equivalent IGT modification would be required for this UNC modification.  
**Carried forward.**

**Action 0702:** Xoserve (FC/LJ) to investigate if an XRN had been already been raised.

**Update:** FC said that at this stage it was too early to raise an XRN and so she asked for this action to be closed. **Closed**

## 8. Next Steps

RH outlined the next steps as follows:

- Consideration of amended modification;
- Submission of ROM;
- Consideration of Legal Text,
- Confirmation of whether an equivalent IGT Modification was required, and
- Development of the Workgroup Report.

## 9. Any Other Business

None.

## 10. 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
10:30 Monday 23 September 2029	Radcliffe House, Blenheim Court, Warwick Road, Solihull B91 2AA	Standard Workgroup agenda, plus <ul style="list-style-type: none"> <li>• Consideration of amended modification</li> <li>• Submission of ROM</li> <li>• Consideration of Legal Text</li> <li>• Confirmation of whether an equivalent IGT Modification was required, and</li> <li>• Development of Workgroup Report.</li> </ul>

**Action Table (as at 20 August 2019)**

<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
<b>0701</b>	23/07/19	3.0	ScottishPower (SC) to clarify whether an equivalent IGT Modification would be required.	ScottishPower (SC)	<b>Carried forward</b>
<b>0702</b>	23/07/19	3.0	Xoserve (FC/LJ) to investigate if an XRN had been already been raised.	Xoserve (FC/LJ)	<b>Closed</b>
<b>0801</b>	20/08/19	2.0	ScottishPower (SC) to investigate the performance across class 4, and propose a potential target to present to the Performance Assurance Committee (PAC) and for that target to be given a name.	ScottishPower (SC)	<b>Pending</b>
<b>0802</b>	20/08/19	2.0	Joint Office (RH) to request an extension to December from the September Panel.	Joint Office (RH)	<b>Pending</b>
<b>0803</b>	20/08/19	5.0	Joint Office (RH) to contact Anne Jackson at Gemserv to ascertain if an IGT Modification would be needed and request generic guidelines in relation to when an IGT Modification is required.	Joint Office (RH)	<b>Pending</b>
<b>0804</b>	20/08/19	6.0	Xoserve (JR) to investigate regarding Drop 2, if the DDP delivers at MPRN level with no reads over a 1, 2 and 3 year period.	Xoserve (JR)	<b>Pending</b>