

PAC Risk to Issue

9 October 2018

Risk



- Events that will have an adverse impact if they occur
- Combined likelihood the event will occur and the impact if it does occur
- Each risk should be given an owner who is responsible for identifying the risk if it becomes an issue, and for implementing the plan to resolve it
- A risk log includes descriptions of each risk, full analysis, impact and likelihood scores, review dates, actions to be taken and a plan to mitigate the risk

- PAC risks?

Risk treatment



THREAT	GENERIC STRATEGY
Avoid	ELIMINIATE UNCERTAINTY- TERMINATE
Transfer	INVOLVE OTHERS- TRANSFER
Reduce	CHANGE SIZE- TREAT
Accept	TAKE THE RISK-TOLERATE



Risk log example



Risk Log										
Date:		Impact					SEVERITY		Threshold	
Version:		Likelihood					EXTREME		Impact x Likelihood >= 20	
Owner:		Risk					HIGH		13 =< Impact x Likelihood >= 19	
							MEDIUM		6 =< Impact x Likelihood >= 12	
							LOW		Impact x Likelihood <= 5	
ID	Date Identified	Description	Owner	Impact	Likelihood	Severity	Remedial Actions	Status	Date Updated	Trend
001	29.6.16	Annual Industry Workplan and Budget Statement will not be completed by the end of January 2017 thus leading to the perception that the PAC :hairperson (L do not have a Workpland and Budget in place		1	1	LOW	Noted that a similar arrangement existed in the equivalent electricity industry arrangements. To be included in the next iteration of the Framework Document - action PAC1003.	Mitigated	10/01/2017	No change
002										

Issue



- Something that is going wrong and needs managing
- Each issue should have a plan for dealing with the issue, who is going to lead that initiative, what the schedule for review will be and how it will be marked done when resolved
- An issues log includes descriptions of each issue, its impact, its seriousness and actions needed to contain and remove it

- PAC issues?

Issues log example



Implementation Issue Log				TOTAL ISSUES							
				0							
Date:				0	EXTREME						
Version:				0	HIGH						
Owner				0	MEDIUM						
				0	LOW						
				0	OPEN						
ID	Date Identified	Description	Owner	Raised by	Accountable	Escalated to	Date Informed	Status	Date Completed	Impact	Solution
001											
003											
004											
005											
006											
007											
008											

Dashboard



Project Overall

#N/A

Risks

0

LEVEL

0	EXTREME
0	HIGH
0	MEDIUM
0	LOW

TREND

0	Deteriorating
0	No change
0	Improving

Mitigated

Actions

0

0 OPEN

AVG DAYS OPEN

0 CLOSED

Closed

Issues

0

0 EXTREME

0 HIGH

0 MEDIUM

0 LOW

Closed

Decisions

DATE	DECISION BY	DECISION

PAC Issues log



- What is the PAC's definition of a risk and issue?
- Current issues log contains both risks, issues and actions
- Recommendation:
 - For the to PAC to capture PAC related risks as discussed in the PAC meetings
 - For the to PAC to capture PAC related issues as discussed in the PAC meetings

PAC Issues log



Issue Ref.	Issue	Background	Issue Originator	Date Created	Status	Priority for Discussion (H/M/L)	Status Date	Status Summary/Action taken	Next Review
PAC 009	Data quality and issues with the submission of readings result in higher levels and fluctuations in unidentified gas	The UIG process has changed since Project Nexus was delivered. In this time there have been fluctuations in the UIG values see across LDZs. In addition the levels of UIG are higher than anticipated	PAC	10/10/2017	Live	High	06/08/2018	PAC notes the IA has closed for Urgent Modification 0642, 0642A and 0643 PAC also notes that the Authority expects the AUGÉ, DESC and PAC to play a role in resolving the ongoing UIG issues. PAC notes that Urgent Modification 0658 has been implemented and that establishment of the task force should allow for the development of options and solutions.	09/10/18
PAC 010	Product Class 2 and 3 failure to submit meter readings	A number of sites have been transferred into Product Classes 2 and 3 from other Product Classes and have failed to either provide or provide frequent meter reads. This is creating an issues in terms of short term UIG allocation.	PAC	05/03/2018	Live	High	06/08/2018	A draft Modification sponsored by PAC is in development with an aim of submitting the proposals to the July/August Panel. PAC to follow progress of the modification and consider the issue at a later date.	09/10/18
PAC001	Performance Assurance Framework Document: Document 5 - Provision and Signing of Letters of Agreement and/or Confidentiality for Members and Alternates	Initial letters are more about compliance with Code and not about maintaining confidentiality of data.	PAC	29/06/2016	Closed	Low	10/10/2016	DNOs were requested to develop a Confidentiality Agreement for incorporation into Document 5 and review the existing content of Document 5 and the definition (page 5, Section 1). In particular to consider whether an indemnity of some form is required for PAC Members and/or PAFA Drafting included in v1.5, to be agreed in Jan 17	Completed at Jan 17 meeting
PAC002	<i>Performance Assurance Framework (PAF) Document: Document 4 (Page 28) - Performance Assurance Administrator Scope: Part 1 General; paragraph 5 - Agreeing the PAFA Scope, cost estimates and cost reporting - timecales/percentages at paragraph 5 are currently in square brackets and need to be agreed</i>	Agreeing such matters ahead of a forthcoming gas year will become more relevant for year 2 onwards, since year 1 is more about engaging a PAFA, gathering data and initial risk identification.	PAC	29/06/2016	Closed	Low	05/02/2018	Review against proposed workplan and and industry consultation document.	Closed

PAC Issues log



Issue Ref.	Issue	Background	Issue Originator	Date Created	Status	Priority for Discussion (H/M/L)	Status Date	Status Summary/Action taken	Next Review
PAC003	Engagement of Specialist Experts - Future requirement to procure ad hoc independent expertise to support areas of a specialist nature	It is recognised that expert input and/or analysis will be required and PAC needs to decide if it wants a direct engagement relationship or via PAFA. Initial thoughts are that PAC needs to be the effective 'client'.	Ofgem (JD)	29/06/2016	Closed	Medium	10/10/2016	To be considered - possible creation of a standing Register of Independent Experts (similar to OC ITE?). Confidentiality? Nomination? Areas of expertise? Skillsets? Funding? Wording agreed at Oct 16 PAC	Completed at Oct meeting
PAC004	Annual Industry Workplan and Budget Statement	An annual statement from PAC to the industry about the work areas and likely budget would be a positive move - would allow some consultation/feedback and understanding of the costs to be incurred (and budgeted for).	Chairperson (LJ)	29/06/2016	Closed	Low	10/10/2016	Noted that a similar arrangement existed in the equivalent electricity industry arrangements. To be included in the next iteration of the Framework Document - action PAC1003.	Completed at Jan 17 meeting
PAC005	User Representative appointment rules	The Framework document needs to be amended to accommodate differing situations of nominees; directly employed or otherwise. This is not needed until the 2017/18 gas year User Representation process - however UNCC (Aug 16) have requested progression.	Chairperson (LJ)	27/07/2016	Closed	High	31/08/2016	To be included in the next iteration of the Framework Document - action PAC0804d. Drafting included in the v1.2 ToR and the appropriate Assurance letter in the Framework Document v1.6	Completed at Jan 17 meeting
PAC006	PAC Membership - to consider whether Ofgem should be included explicitly (non-voting)	Ofgem have obligations under the CMA report to ensure that a PAF is implemented by June 17 - also means that Ofgem would have sight of attributable information.	Chairperson (LJ)	31/08/2016	Closed	Low	10/10/2016	Is a confidentiality agreement required? Action PAC0809 Ofgem should be able to attend meetings but not qualify as a Member. To be included as a line in the PAF document as "Ofgem Representative" - link to Action 0804d	Completed at Nov meeting

PAC Issues log



Issue Ref.	Issue	Background	Issue Originator	Date Created	Status	Priority for Discussion (H/M/L)	Status Date	Status Summary/Action taken	Next Review
PAC007	Transporter Standards of Service and Liabilities	TSLs driven by sections of the UNC removed by the Nexus and FGO modifications are not necessarily 'not required' going forwards. (i) It is expected that CMSG (a DSC committee) will establish suitable CDSP measures and this needs to be monitored. (ii) Transporter standards removed by these mods should be considered and if necessary defined	Chairperson (LJ)	10/01/2017	Closed	Low	14/02/2017	New at Jan 17 meeting (after SoS review). RP is looking at the code requirements that drive the TSLs to see whether a mod is required to remove the reporting obligation. As part of this he will consider alternative routes to consider the transporter standards. Contract Managers group is already looking at this. PAC agreed to defer to them to avoid duplication.	Completed at Feb 2017 Meeting
PAC007	There might be a need for PAF-specific contacts to be established; need to understand the purposes (such as operational process, commercial etc).	After considering the Electricity Incentive scheme it could be necessary to be able to quickly reach a variety of contacts throughout the industry to understand/address areas of poor performance	PAC	14/03/2017	Closed	Medium	10/10/2017	Ongoing, DSC Contract managers to be requested to nominate PAC specific contacts or to be the contact. List to be considered at August 2017 PAC	Completed at Oct 2017 Meeting
PAC008	There might be benefits in providing some 'preventative services' (such as systems/process verification, formal training etc) to parties.	After considering the Electricity Incentive scheme it could be necessary to be able to quickly reach a variety of contacts throughout the industry to understand/address areas of poor performance	PAC	14/03/2017	Closed	Low	10/10/2017	New issue - suggested completion December 2017. Update 10 Oct - review of training requirements started/review.	Completed at Oct 2017 Meeting

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