

**UNC Workgroup 0674 Minutes
Performance Assurance Techniques and Controls
Monday 28 February 2022
via Teleconference**

Attendees		
Alan Raper (Chair)	(AR)	Joint Office
Helen Cuin (Secretary)	(HC)	Joint Office
Andy Clasper	(AC)	Cadent
Ellie Rogers	(ER)	Xoserve
Fiona Cottam	(FC)	Corella
Graham Cunningham	(GC)	Centrica
Mark Bellman	(MB)	ScottishPower
Sally Hardman	(SH)	SGN
Sallyann Blackett	(SB)	E.ON
Steve Mulinganie	(SM)	Gazprom
Talia Lattimore	(TL)	IGT UNC (Gemserv)
Tom Stuart	(TSt)	Wales & West Utilities
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0674/280222>

The Workgroup Report is due to be presented at the UNC Modification Panel by 21 April 2022.

1.0 Introduction and Status Review

Alan Raper (AR) welcomed all to the meeting and confirmed the purpose of today's meeting was to review the Variation Request and consequential changes to the Legal Text, to facilitate completion of the Final Modification and Supplemental Reports for submission to the April UNC Modification Panel.

2.0 Review minutes from previous meeting (02 February 2022)

The minutes from the previous meeting were approved.

3.0 Review of any further amendments to the Varied Modification

AR confirmed that since v16.0 was discussed on 02 February meeting, there had been no further changes to the Modification.

4.0 Review of the Variation Request (VR)

Mark Bellman (MB) and Alan Raper (AR) provided an overview of the changes to the Modification, as listed in VR in business rule order and cross-referenced with amendments to the legal text.

The main discussion during this agenda item resulted from the proposed formalisation of the PAC meetings into two discrete sessions. MB explained the separation between confidential and non-confidential Performance Assurance Committee (PAC) meetings and the ability for interested parties to attend non-confidential meetings.

Steve Mulinganie (SM) enquired about the openness of the non-confidential meetings and the ability for the press to attend. Some concern was expressed about allowing journalist to attend meetings in general but AR advised this issue is common to all UNC governance meetings and typically had not been of significant concern. In any event, it was recognised that the minutes of PAC meetings are published in the public domain and that the chairperson would have some discretion when considering requests to participate in future PAC meetings and the legitimate interest/intent of attendees.

MB explained the concept of Performance Audits and the amended rule that provides an opportunity for a party to appeal a PAC decision for a Party to undergo an audit. The Workgroup considered the changes to the UNC Modification Rules and the endorsement of Performance related Modifications from PAC. SM supported the principle of endorsements and ability to identify a proposal being raised in the interests of the industry.

There was some discussion relating to the level of endorsement a “PAC modification” should carry, One participant was of the view it should be a unanimous committee endorsement but MB explained that in his view a majority vote should be sufficient, given that this was the basis for all other committee decisions and that the modification would still be subject to all the governance of the Modification Rules

5.0 Review the amended Legal Text

The amendments to the Legal Text were considered during item 4.0 to ensure they aligned with the business rules.

6.0 Completion of the Supplemental Report

AR provided a brief update on the production of the Supplemental Report and the tasks required to ensure the Varied Modification and Workgroup’s Supplemental Report are captured within the Final Modification Report.

MB thanked all parties for their contributions into the development of the Modification.

The Workgroup considered the materiality of the changes in the VR and considered whether the issues identified in the 2021 consultation had been thoroughly and completed discussed. No further concerns were identified.

The Workgroup also considered whether to recommend a further consultation to obtain views on whether previously expressed opposition to the Modification had altered taking into account the extent of changes. SM supported a further consultation given the extent of the changes but no other Workgroup participant endorsed this view.

7.0 Next Steps

AR stated that he would welcome feedback on the documents provided asking for any further refinements to be communicated to allow these to be finalised and presented to the UNC Modification Panel in April.

8.0 Any Other Business

None.

9.0 Diary Planning

No further meetings are planned for Workgroup 0674.