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Performance Assurance Framework

12th June 2013

PAF

- The integrated nature of the gas industry means that poor performance is felt by all parties
- Currently under the RbD mechanism LSP parties actions impact SSP parties
- Under modification 432 Project Nexus Settlement Reform, all parties will impact each other. This creates financial exposure, risk and uncertainty
- To meet this aim the Industry is:
 - Identifying what should be measured
 - Identifying the performance targets/standards
 - Considering an incentive regime on poor performers

PAF

- The PAF framework is expected to operate following implementation of modification 432
- Read Performance, RGMA & AQ appear to be the primary features of a PAF Framework (rejection analysis may be valuable in determining why a read/RGMA submission has rejected and the steps required for successful submission – should this be a feature of PAF?)
- Under 432 discussions the community chose not to increase the read performance standards, should this decision be re-visited in the future?
- In order to support PAF and Data Cleansing, is it time to remove the anonymity from the Industry?

Reducing risk

Minimising risk

Key objectives

Key Dependency

Key Dependency

Key Dependency

Minimise Rec'n variance

Accurate Allocation

AQ

Meter Read

Meter Asset

**Frequent
(shipper choice)
Reconciliation**

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UK Link Replacement Data Cleansing

- Modification 432 will include:
 - a change to meter read validations
 - implementation of individual meter point reconciliation
 - Effectively a re-introduction of the reconciliation scaling adjustment
- The “back-stop” processes of USRVs and AQ Amendments will cease to exist. A read, once loaded, will be used for reconciliation and (where applicable) AQ calculation
- For some time Xoserve has been highlighting data topics that will impact a Shipper’s ability to submit a meter reading and affect the calculation of consumption

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Data issues

- The topics that impact AQ and reconciliation and require resolution are evident today
- USRV' s – (circa 60,000 in 2012)
- No reads loaded for [x] years (70,000 supply meter points no reads loaded for over 4 years – note reads appear to be available for 58,000 supply meter points)
- Correction factors of zero (circa 200 meters)

**THESE MUST BE CORRECTED BEFORE 432 IMPLEMENTATION
TO MINIMISE INDIVIDUAL SHIPPER ISSUES AND COMMUNITY
RISK**

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