

# PAC – some current issues for consideration

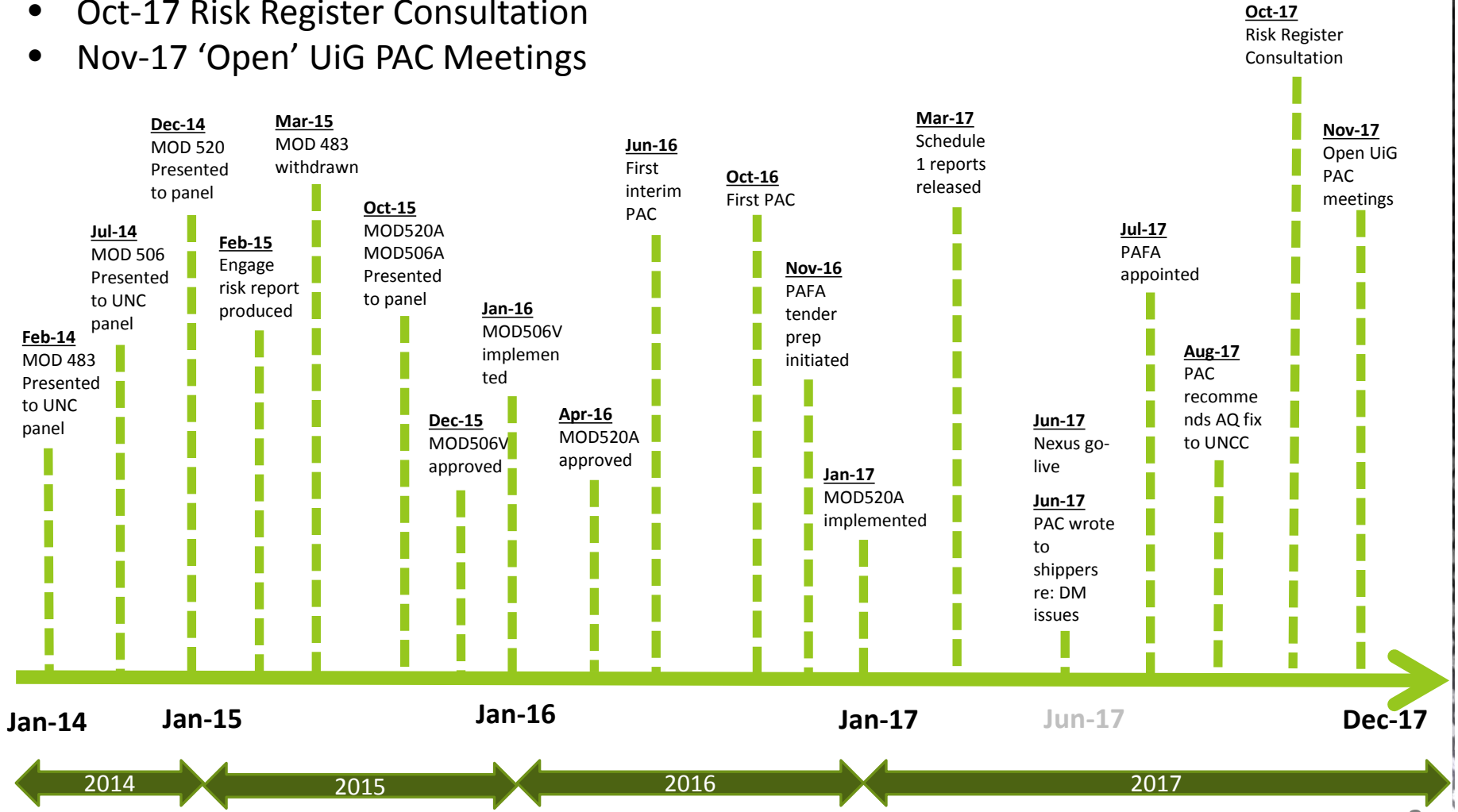
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# PAF Development Timeline

- Initial MODs on the topic introduced early 2014
- First interim PAC meeting Jun-16
- Schedule 1 reports released Mar-17
- Jul-17 PAFA appointed
- Oct-17 Risk Register Consultation
- Nov-17 'Open' UiG PAC Meetings



## Current Issues

- Process around requesting shippers comply.
- No current powers to obligate attendance etc.
- Shouldn't stop the committee – agree interim process?
- Previously wrote to shippers re: DM issues requesting feedback.
- Any concerns? CEO level appropriate as escalation? Did it have an effect?
- Incentives – MOD(s) required – when should we start that review?
- Lessons learned – communications issues with informing DM shippers of DM exception meeting.
- Reports and data – situation improving, anything else need to be done?

## Open meetings

- Were they successful?
- Some thoughts:
- Pros: Additional voices and contributions; enables links to the industry.
- Cons: Potential for 'lobbying' of positions; inappropriate to make decisions in 'open' session?
- Future open meetings?
- Regular open and closed sessions in future? Open meetings alternate months, or every 2-3 months, with closed session to follow?

# Potential MODs and imminent decision points

- Named rolling AQ MOD required
- Same required for reconciliation?
- NDM WAR Bands – make reads and/or winter consumption mandatory
- DM issues: incentives through forced class 4 settlement when estimates go beyond a certain threshold or timescale
- Reports to fill gap until schedule 2 in June 2018?
- Any to submit for pre-MOD assessment at Jan / Feb Distribution Workgroup?

No.	Topic	Description	Governance Complexity	To consider
1	Reports	Rolling AQ named report	Low	Believed that read submission always linked to rolling AQ. No longer the case.
2	Reports	Reconciliation named report	Low	As above. Also required? Any issues?
3	NDM WAR Bands	Potential to obligate winter reads, and/or winter consumption values	Medium	Is education improving the 25% situation. Can be caused by missing reads or data anomalies
4	DM Incentives	Potential to raise an incentive MOD to force DM sites into class 4 where estimates exceed a certain threshold or timescale	High?	DM Incentive MOD already in development. Also request action plans from shippers in writing?

## Summary points

- Some issues to consider with regard to approach to shipper performance.
- Incentives need to be considered in the round.
- Agree interim process?
- Decide on imminent actions and potential MODs (as well as longer and mid term actions).