Figure 1. Linepack and Price Performance Measures Gas Year 1999/2000
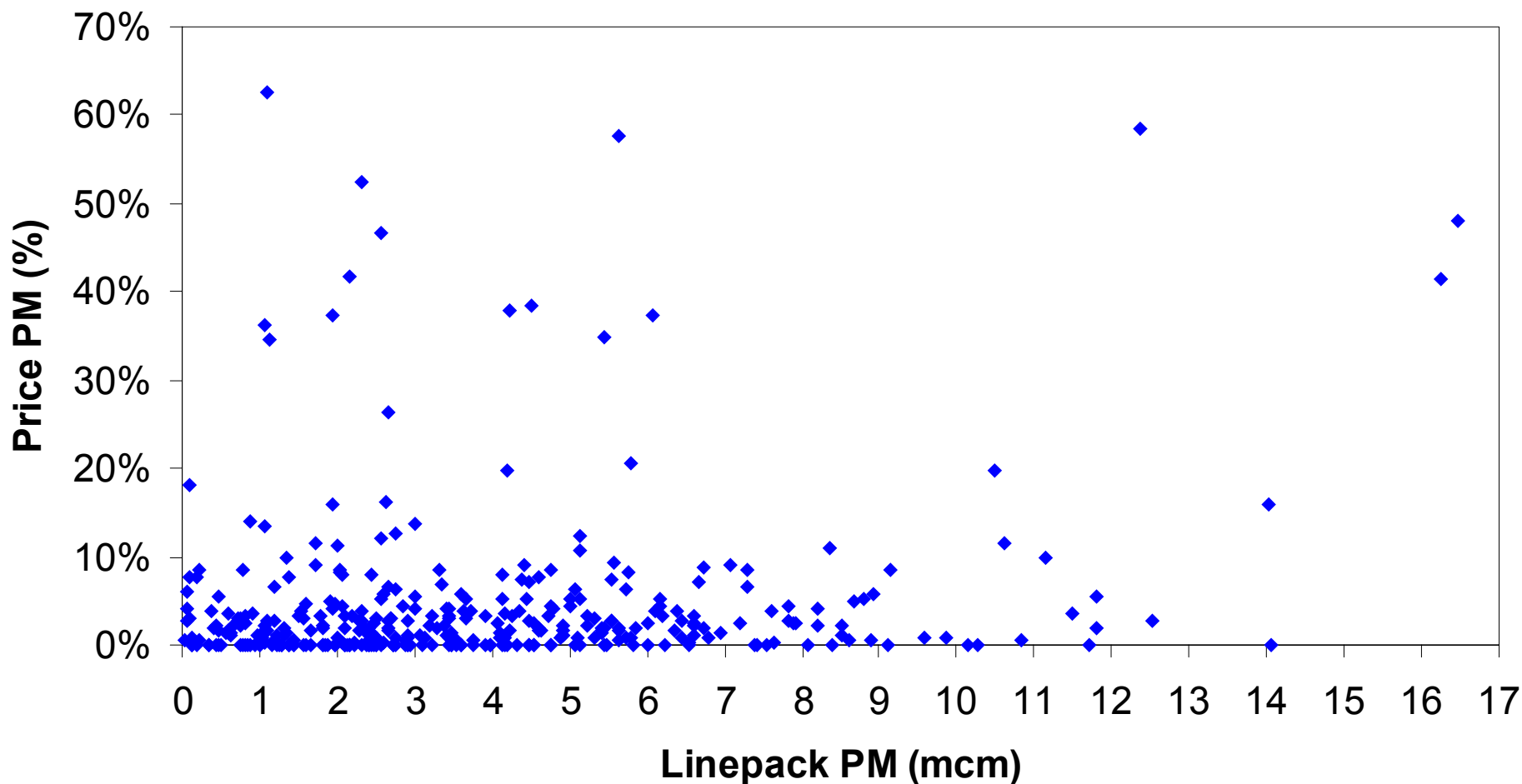
Figure 2. Incentive Outcome for Varying Linepack Performance Targets (b_P =10%)
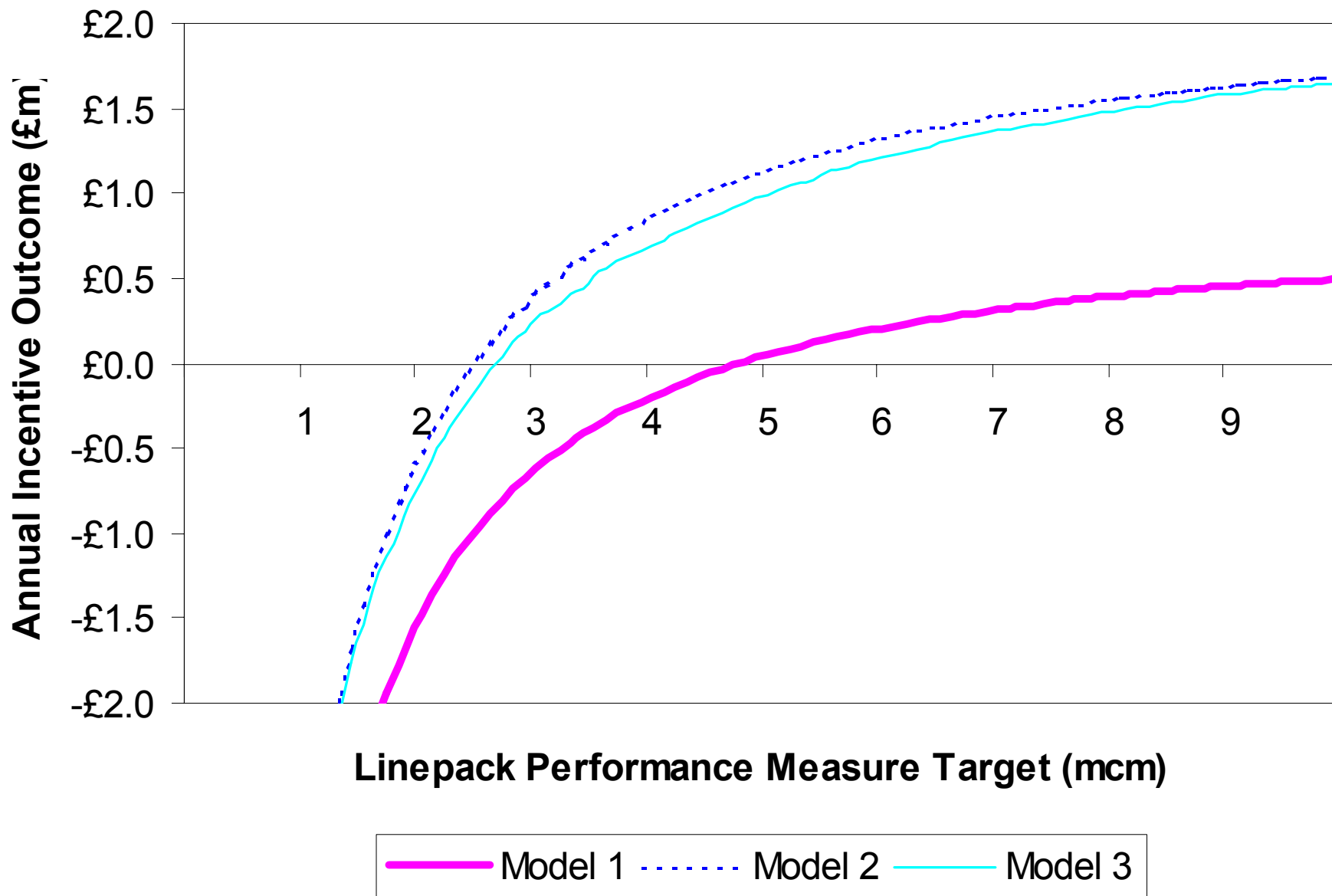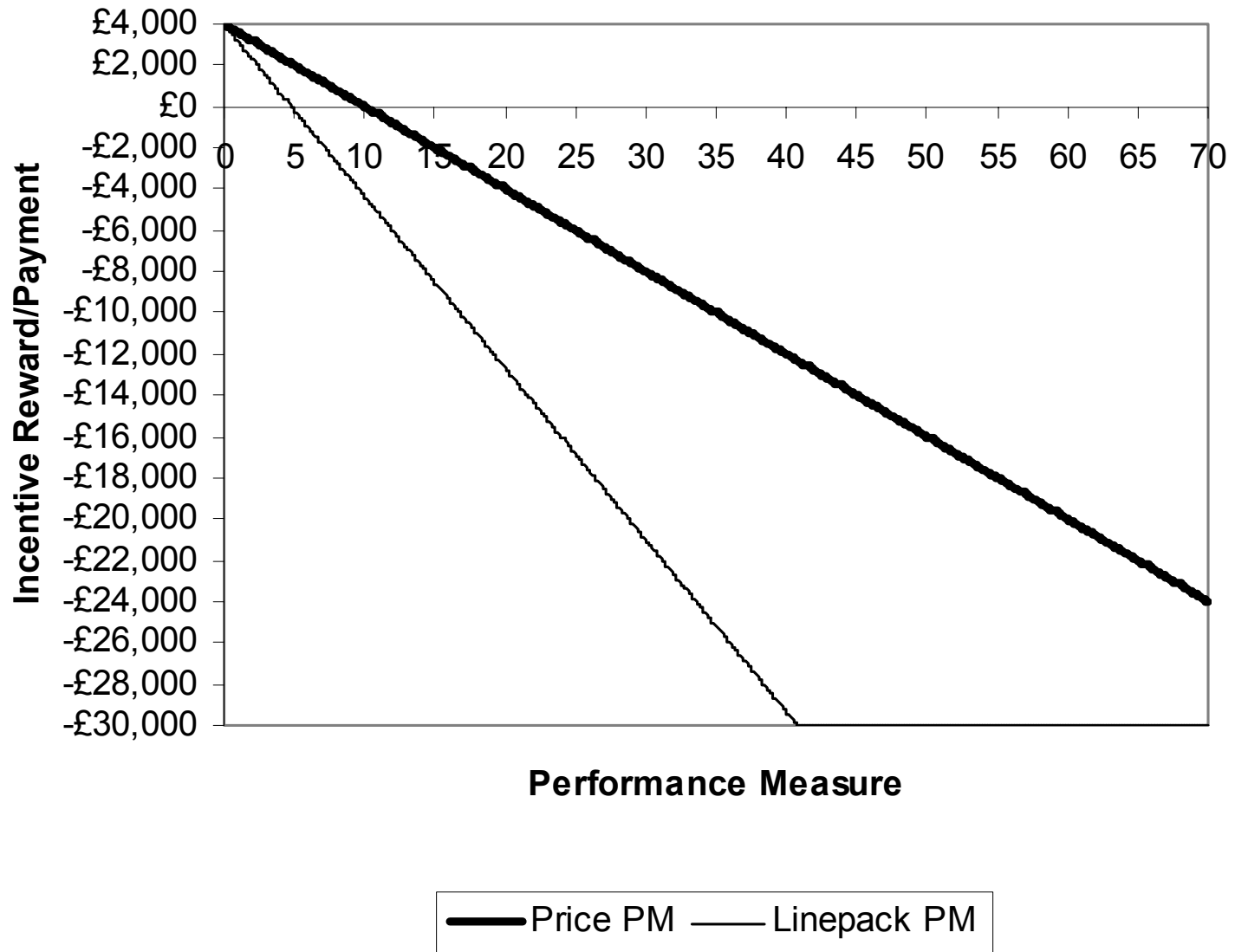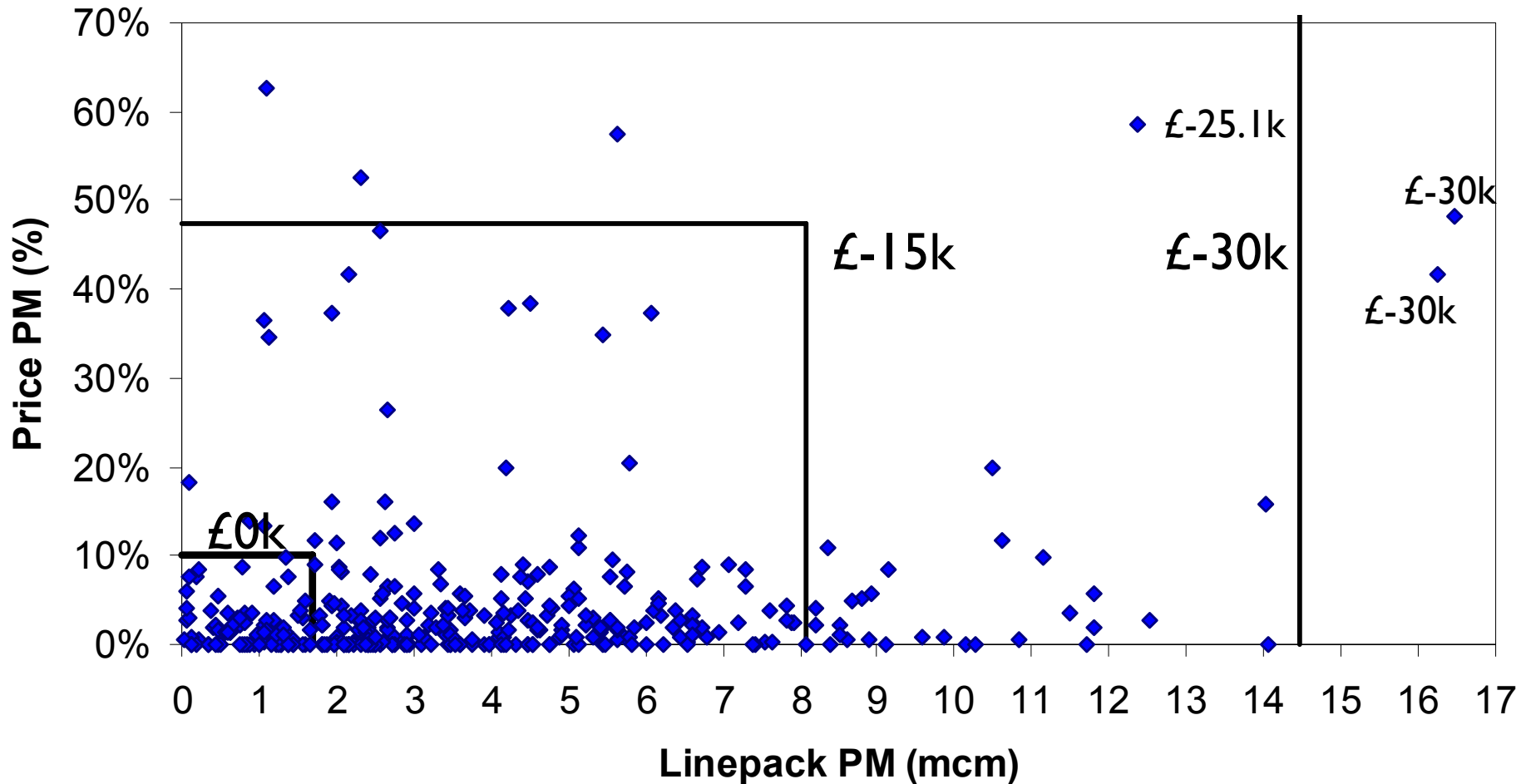
Annual Incentive Outcome (£m)

Linepack Performance Measure Target (mcm)

Model 1 ⋯⋯ Model 2 —— Model 3

Figure 3. Incentive Outcome for Price and Linepack PMs (b_L = 4.8 mcm, b_P =10%)
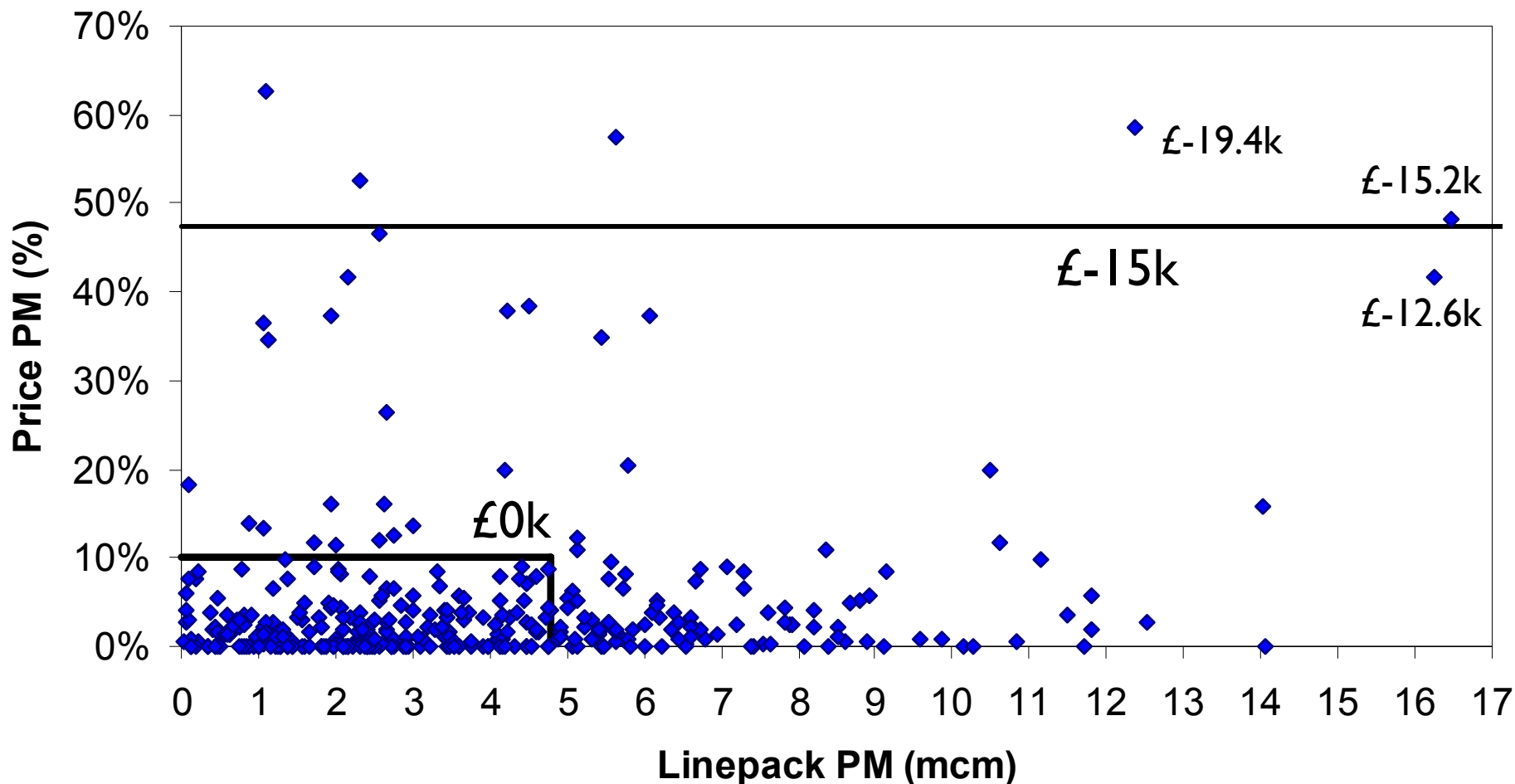

Price PM ——— Linepack PM

Figure 4. Linepack and Price PMs Model 1 – "Worst of Approach"

Outcome = £-2m, b_L = 1.7 mcm

Figure 5. Linepack and Price PMs Model 1 – "Worst of Approach"

Outcome = £0m, b_L = 4.8 mcm

Figure 6. Linepack and Price PMs
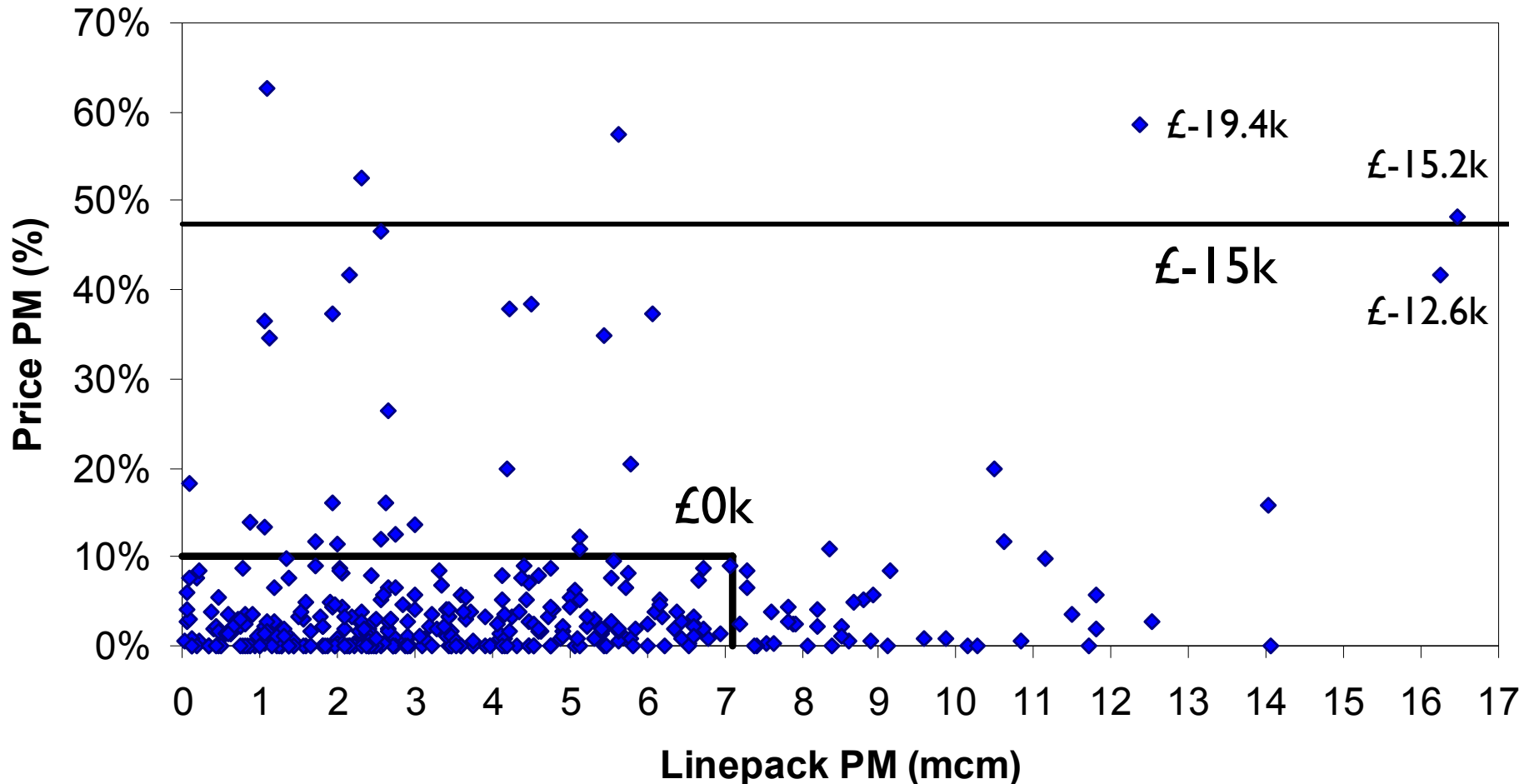**Model 1 – "Worst of Approach"**

Outcome = £322k, b_L = 7.1 mcm

**Figure 7. Linepack and Price PMs
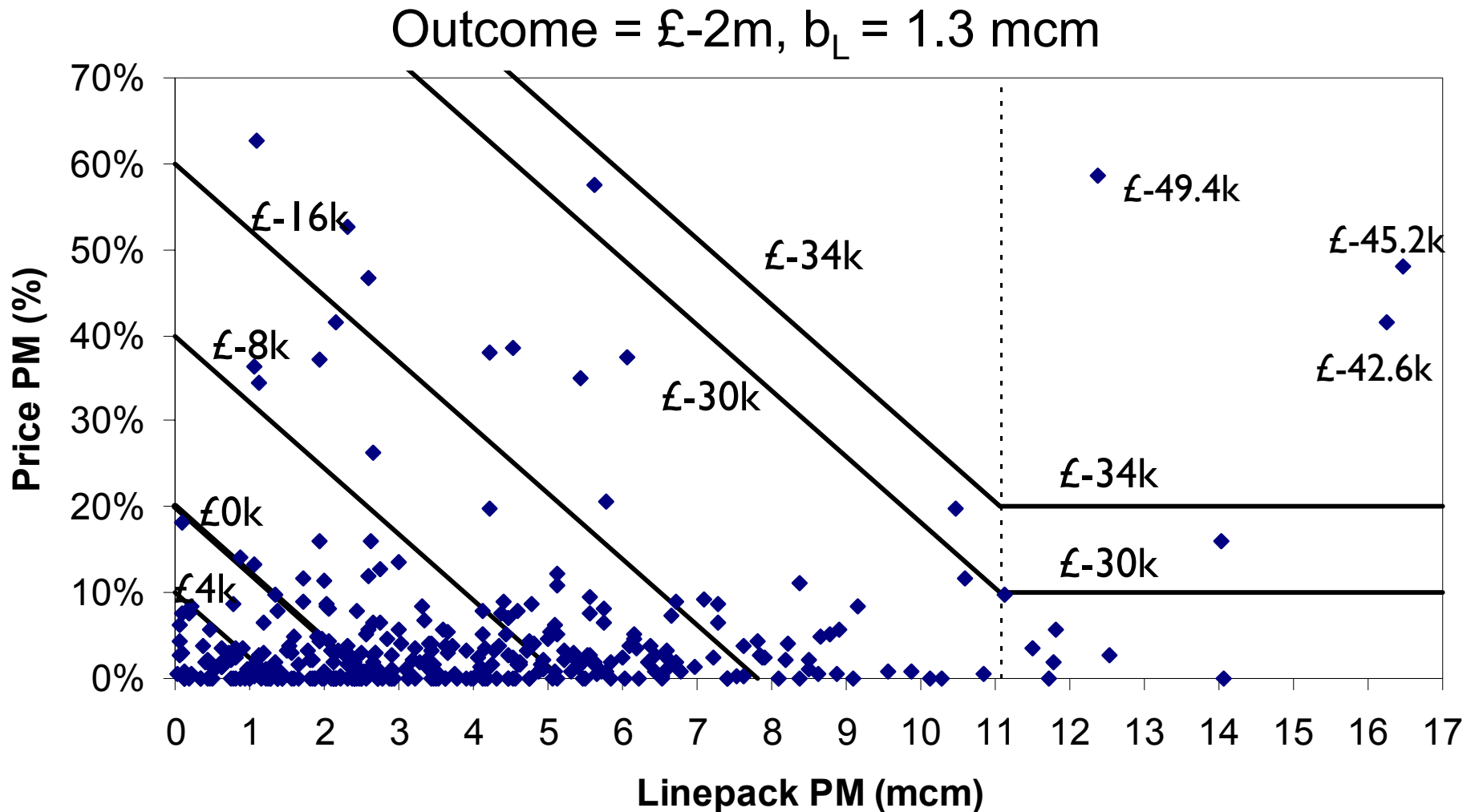Model 2 – "Additive Model"**

Outcome = £-2m, b_L = 1.3 mcm

**Figure 8. Linepack and Price PMs
Model 2 – "Additive Model"**
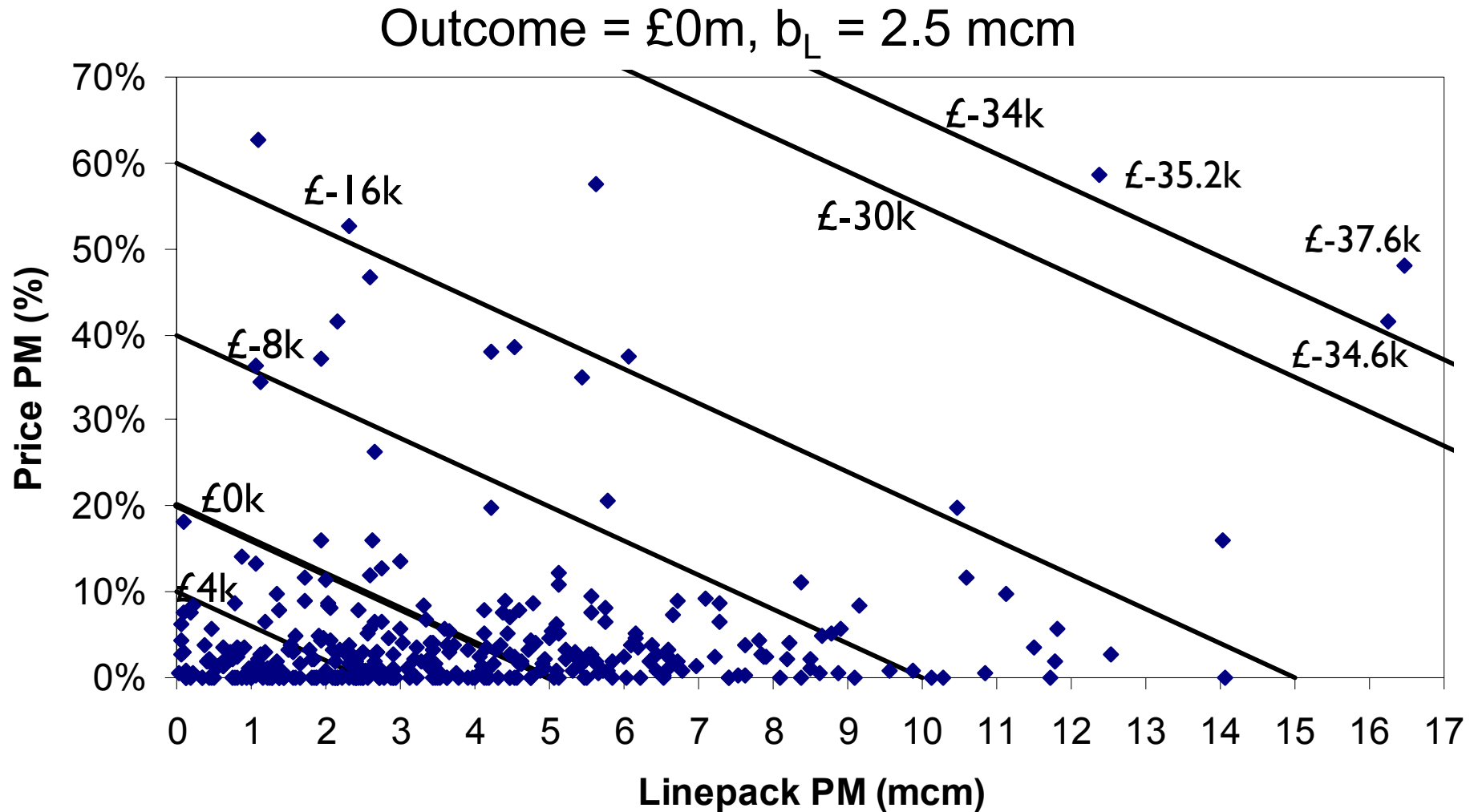
Outcome = £0m, b_L = 2.5 mcm

Figure 9. Linepack and Price PMs
Model 2 – "Additive Model"
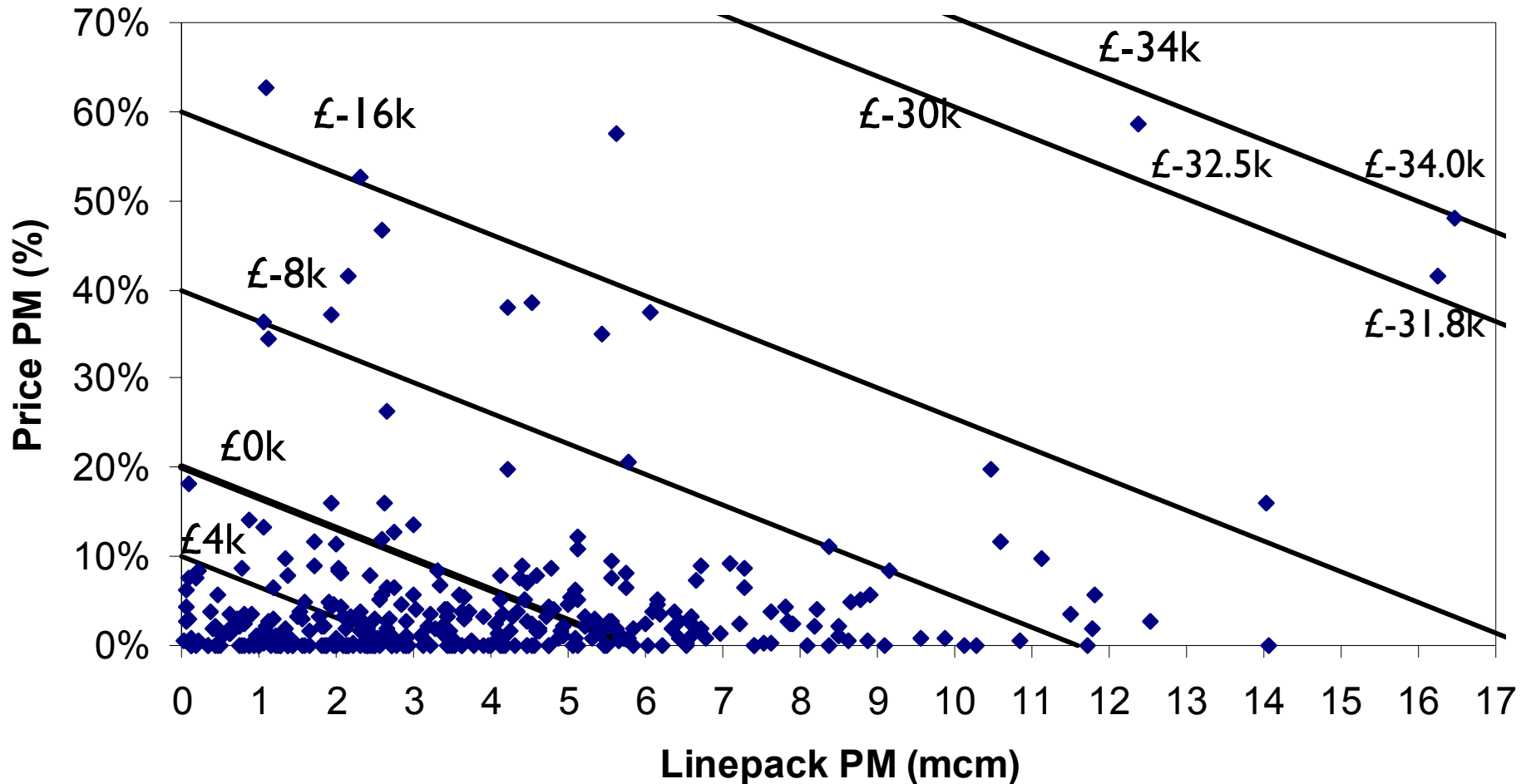
Outcome = £322k, b_L = 2.9 mcm

Figure 10. Linepack and Price PMs
Model 3 – "Hybrid Model"
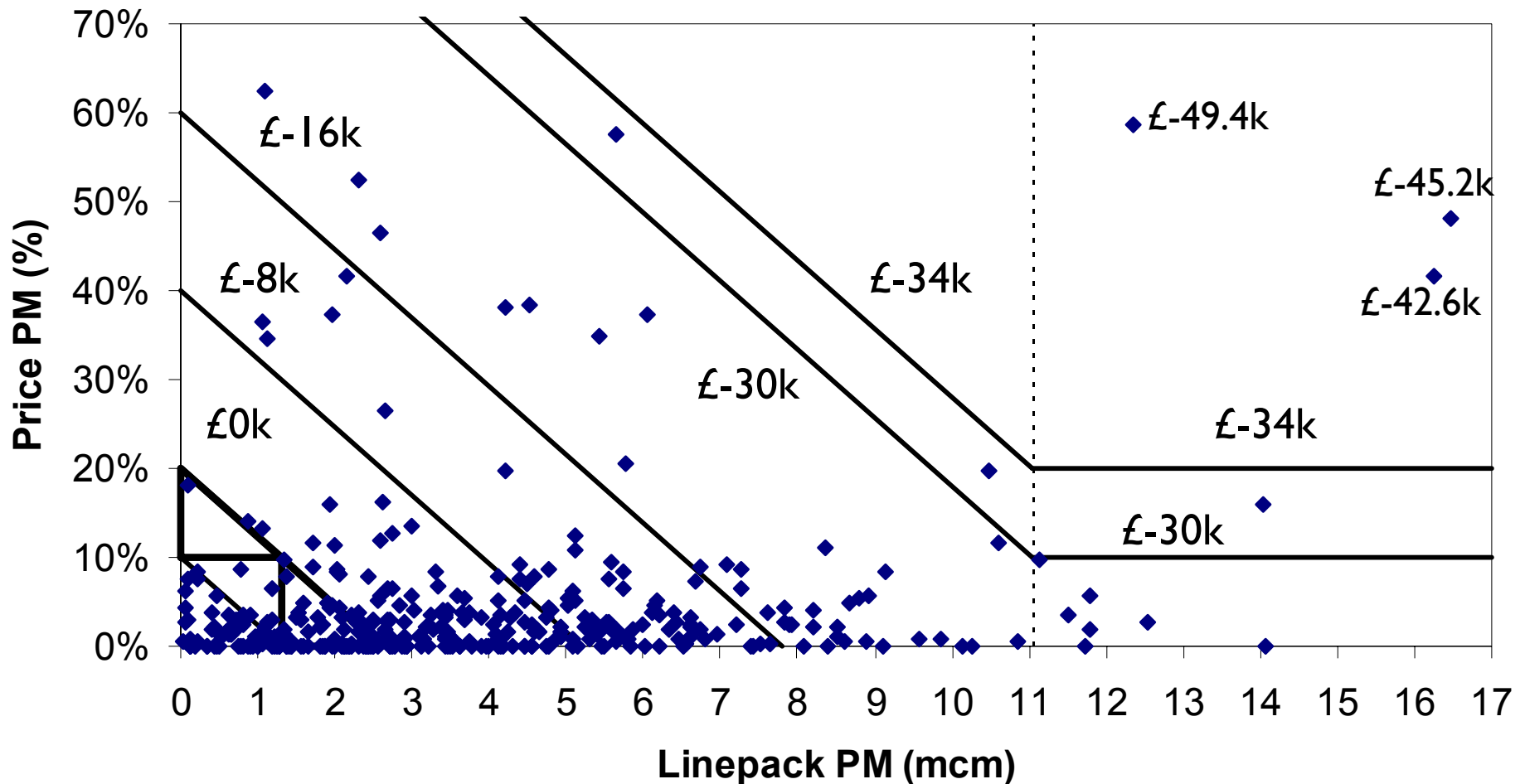
Outcome = -£2m, b_L = 1.3 mcm

Figure 11. Linepack and Price PMs
Model 3 – "Hybrid Model"
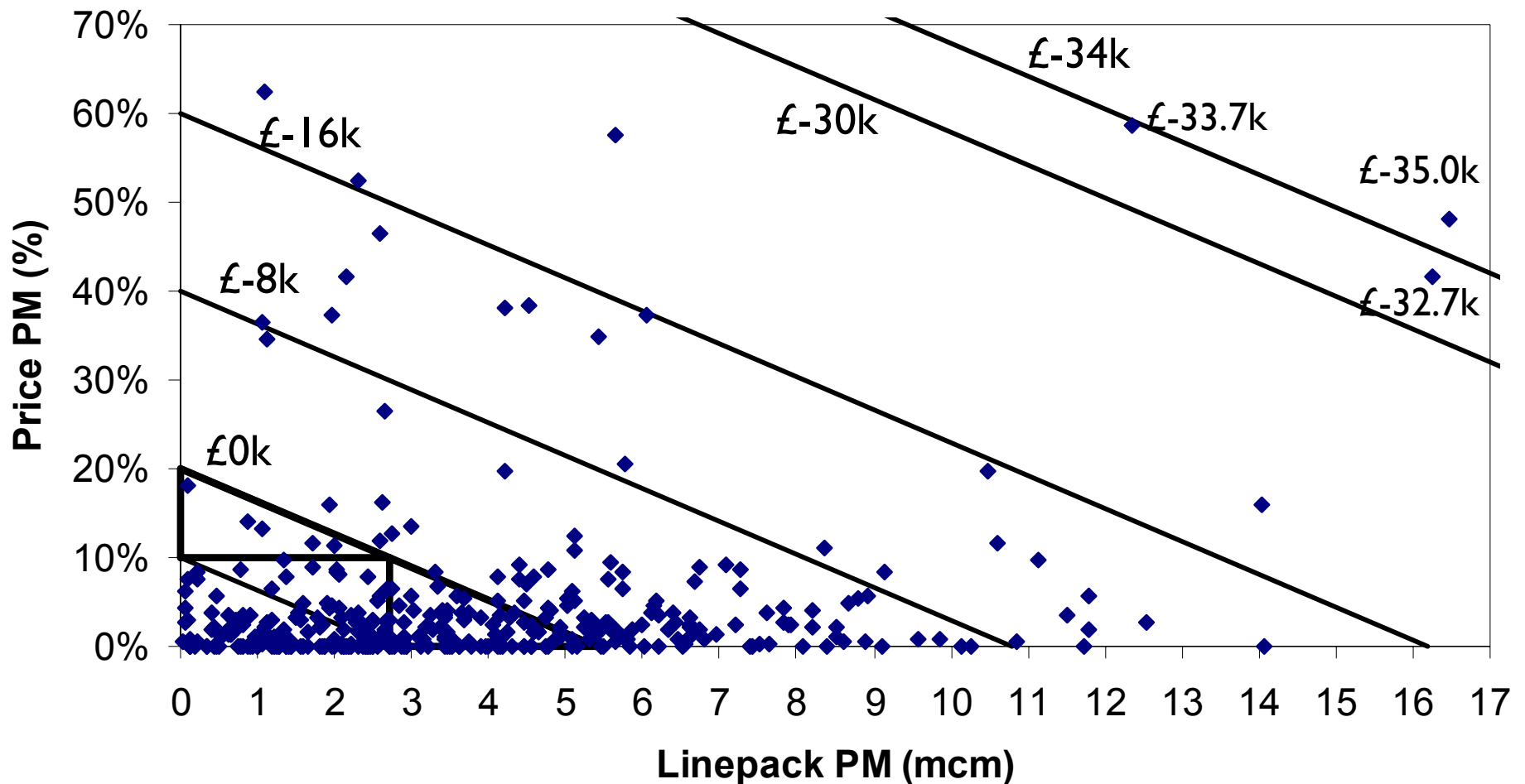
Outcome = £0m, b_L = 2.7 mcm

Figure 12. Linepack and Price PMs
Model 3 – "Hybrid Model"

Outcome = £322k, b_L = 3.2 mcm