

**UNC Workgroup 0506 Minutes**  
**Gas Performance Assurance Framework and Governance**  
**Arrangements**  
**Tuesday 30 September 2014**  
**Energy UK, Charles House, 5 – 11 Regent Street, London SW1Y 4LR**

**Attendees**

Bob Fletcher Chair)	(BF)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Andy Clasper	(AC)	National Grid Gas Distribution
Andy Miller	(AMi)	Xoserve
Andrew Margan	(AM)	British Gas
Angela Love	(AL)	ScottishPower
Ed Hunter	(EH)	RWE Npower
Emma Lyndon	(EL)	Xoserve
Jon Dixon	(JD)	Ofgem
Mark Jones	(MJ)	SSE

Copies of all papers are available at: [www.gasgovernance.co.uk/0506/300914](http://www.gasgovernance.co.uk/0506/300914)

The Workgroup Report is due to be presented at the UNC Modification Panel by 18 December 2014.

**1.0 Review of Minutes and Actions**

**1.1. Minutes**

The minutes of the previous meeting were accepted.

**1.2. Actions**

**0801:** National Grid Distribution (AC) and Wales & West Utilities (RP) to consider aligning/combining the production of the legal text for Modifications 0483 and 0506.<sup>1</sup>

**Update:** AC confirmed that the view was to maintain separate text production for the present, but that this position could be reviewed as the modifications progress. **Closed**

**Transferred Actions**

Following discussion and agreement the following two actions (PA0801 and PA0802) were transferred from the Performance Assurance Framework Workgroup to the responsibility of this Workgroup and will be reviewed at the next meeting (28 October 2014):

**PA0801:** ScottishPower (AL) to examine the electricity market model for nominating and warranting of (the equivalent Review Framework) Committee members.

**Update:** Work is continuing and AL requested that this be carried forward. **Carried forward**

**PA0802:** All to look at potential options for the Review Framework Committee (including terms of reference, quoracy requirements, etc.) composition and supporting election processes.

**Update:** Discussion took place at the Performance Assurance Workgroup meeting (30 September 2014 - see minutes at [www.gasgovernance.co.uk/PA/300914](http://www.gasgovernance.co.uk/PA/300914)). **Carried forward**

## 2.0 Discussion

AMi asked the Workgroup to consider for what purposes Xoserve might be required to be part of the scheme, and would like views on why it should/should not to be documented so that Xoserve can consider. It needs to be clear what role Xoserve would play Post-Nexus and whether this was relevant as its role in interpreting and updating data would reduce past Nexus implementation.

AM believed a business case would be required to demonstrate why Xoserve should be brought in to the Performance Assurance regime, as it was clear there were disparate views on that. AMi indicated that Xoserve needed to understand the concerns of all parties.

AL suggested that clarity was required in respect of how active/proactive should Xoserve be in terms of allocation and settlement, to positively initiate/effect improvements.

**Action 0901: All parties to provide specific views on why Xoserve should/should not be included in the Performance Assurance regime (in whole or in part).**

JD observed that risks would need to be identified - some will be owned by different parties. Are these already adequately covered, eg by existing Service Level agreements (SLAs)? The regime should be assessed in November when more details were available; until then this was likely to be a very subjective discussion and incapable of resolution. The Performance regime is wider than the modifications currently raised; it is necessary to understand what makes Settlement work, and then decide what influences/improves it. The output from the Study is required to do this (assess, challenge, review, refine).

AMi commented that Nexus moves Xoserve further away from the process. Reconciliation will flow; validation checks will be done on the read submissions; Xoserve will not touch after that.

Responding to questions, AMi explained how Xoserve was audited, both as a business, and on behalf of Transporters (because Xoserve does the invoicing for Transporters). Post-Nexus, Xoserve would not be doing anything that affects Settlement.

Questions were asked regarding the defining of the PA Administrator (PAA). AL confirmed she was not going to revise the modification. It was then queried if the Committee decided it did not want to contract with a PAA would it be in breach of the UNC? Was it a timing issue? Was a business case required now to underpin the role of the PAA? Should the modification in its current form be reconsidered in view of these concerns?

BF advised that UNCC would not be able to contract directly with a PAA although it could provide guidance to the party that did in a similar way to that adopted for appointing the AUGE.

How the model might work was discussed. AM outlined how DESC approached defining and initiating pieces of work. There was still a question as to whether there was any real need for a PAA. BF recapped on the previous discussions on this topic. It was suggested an obligation could be placed on the Transporters to provide analytical support - they can then choose to procure/fulfil this in different ways. It was pointed out that it is not known

what if any work would be required, and it should not be assumed that any would be required from Day 1.

### 3.0 Legal Text

The legal text is to be provided by Wales & West Utilities.

### 4.0 Workgroup Report

The Workgroup Report is due to be presented at the UNC Modification Panel by 18 December 2014.

Deferred to next meeting.

### 5.0 Any Other Business

None raised.

### 6.0 Diary Planning

Further details of planned meetings are available at: [www.gasgovernance.co.uk/Diary](http://www.gasgovernance.co.uk/Diary)

The next meeting will take place on Tuesday 28 October 2014 and will be accommodated within the business proceedings of the Performance Assurance Framework Workgroup.

Workgroup meetings will take place as follows:

Time/Date	Venue	Workgroup Programme
10:30 28 October 2014	Energy Networks Association (Room 4)	<ul style="list-style-type: none"> <li>• Amended Modification</li> <li>• Consideration of Business Rules</li> <li>• Consideration of User Pays</li> <li>• Review of Impacts and Costs</li> <li>• Review of Relevant Objectives</li> <li>• Consideration of Wider Industry Impacts</li> <li>• Consideration of Legal Text</li> <li>• Development of Workgroup Report</li> </ul>
10:30 26 November 2014	Energy UK (Room F61)	<i>To be confirmed</i>
10:30 16 December 2014	Energy UK (Room LG8)	<i>To be confirmed</i>
10:30 20 January 2015	Energy UK (Room LG8)	<i>To be confirmed</i>
10:30 24 February 2015	Energy Networks Association (Room 4)	<i>To be confirmed</i>

### Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
<b>0801</b>	05/08/14	2.0	To consider aligning/combining the production of the legal text for modifications 0483 and 0506.	National Grid Distribution (AC) & Wales & West Utilities (RP)	<b>Closed</b>
<b>PA 0801</b>	05/08/14	3.5	To examine the electricity market model for nominating and warranting of (the equivalent Review Framework) Committee members.	ScottishPower (AL)	<i>(Transferred from PAWG on 30/09/14)</i> <b>Carried forward</b>
<b>PA 0802</b>	05/08/14	3.5	To look at potential options for the Review Framework Committee (including terms of reference, quoracy requirements, etc.) composition and supporting election processes.	All	<i>(Transferred from PAWG on 30/09/14)</i> <b>Carried forward</b>
<b>0901</b>	30/09/14		All parties to provide specific views on why Xoserve should/should not be included in the Performance Assurance regime (in whole or in part).	ALL Parties	<b>Pending</b>