

**UNC Workgroup 0483 Minutes**  
**Performance Assurance Framework Incentive Regime**  
**Friday 06 March 2015**  
**at ENA, 52 Horseferry Road, London SW1P 2AF**

**Attendees**

Bob Fletcher Chair)	(BF)	Joint Office
Mike Berrisford (Secretary)	(MB)	Joint Office
Andrew Margan*	(AMa)	British Gas
Andy Clasper	(AC)	National Grid Distribution
Andy Miller	(AM)	Xoserve
Angela Love	(AL)	ScottishPower
Carl Whitehouse*	(CWh)	first:utility
Chris Warner	(CW)	National Grid Distribution
Colette Baldwin	(CB)	E.ON
Edward Hunter*	(EH)	RWE npower
Emma Lyndon	(EL)	Xoserve
Jonathan Kiddle	(JK)	EDF Energy
Lorna Lewin	(LL)	DONG Energy
Mark Jones	(MJ)	SSE
Rachel Hinsley	(RH)	Xoserve
Richard Pomroy	(RP)	Wales & West Utilities

\* via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0483/060315>

The Workgroup Report is due to be presented at the UNC Modification Panel by 16 April 2015.

**1.0 Review of Minutes and Actions****1.1. Minutes**

Following a brief discussion around the comments provided by AL<sup>1</sup>, the minutes of the previous meeting were then approved.

**1.2. Actions**

No outstanding actions to consider.

**2.0 Discussion****2.1. Performance Assurance Framework presentation from British Gas**

AMa provided an overview of the presentation. Attention focused on the 'UNC Change Roadmap' on slide 3, during which AMa confirmed that a British Gas colleague had raised the matter of development of a settlement risk model (focusing on risk and behaviours) related modification at a recent EUC meeting. He then indicated that British Gas's preference is for this matter to be resolved through the UNC Modification and not through any Trade Body route.

When asked, whether the new (settlement risk model) modification could be viewed

<sup>1</sup> Please note: a copy of the comments provided by AL are published on the Joint Office web site alongside other papers for the PAF Workgroup meeting at: <http://www.gasgovernance.co.uk/PA/060315>. An updated version (v2.0) of the 24 February 2015 meeting minutes were then published after the meeting at: <http://www.gasgovernance.co.uk/0483/240215>.

as an 'enabling type' modification for updating the risk model in future, AM indicated this was correct although it should be recognised that an expert (similar in concept to the AUGÉ) would/could be needed as this is not seen as a one-off exercise. AL suggested that clarity would be needed around whether this is an interim or enduring (contract) solution.

Moving on to consider the 'Next Steps' slide<sup>2</sup>, discussion focused on item 3, during which it was confirmed that a completed Modification 0520 Guidance Document would be provided in time for consideration at the next PAF Workgroup meeting, with the intention of submitting the 0520 Workgroup Report at the April Panel meeting. BF suggested that whilst these 'target' timescales are extremely tight, if AMa could provide an early indication of requirements to Wales & West Utilities (RP) they could look to preparing the legal text in a timely fashion.

AM pointed out that as 0520 is a User Pays modification, it needs a (high-level) cost estimate generating and that this could not be prepared before all the underlying information is known.

CB enquired as to why British Gas appeared to be attempting to rush 0520 through the process, to which AMa responded by stating that in his view it is not being rushed as it is a relatively simple modification, although he is relatively relaxed should AM and RP require more time.

AL suggested that as the Data Warehouse would not be available at Project Nexus go-live, how this potentially impacts upon 0520 would also need consideration. EL also pointed out that Xoserve are unable to confirm report formats until more information is provided.

When asked if it is envisaged that the legal text would need to define the report requirements, AMa confirmed that this is not the case, as these would be captured within the ancillary document (i.e. the Guidance Document). RP suggested that suitable governance arrangements for the guidance document would be needed in due course. Responding, AMa pointed out that the 0520 business rules establish how the reports would be maintained and the legal text would only need to point to the guidance document. At this point, CW advised that care would be needed around possible information sensitivity issues, especially baring in mind the proposed UNC TPD Section V 'carve out' aspects.

When asked, AMa confirmed that British Gas is still working on aspects relating to the Appendix section within the 0520 modification.

AL indicated that she would be happy to support AMa in developing the potential benefits case for 0520 in due course.

Summing up discussions, BF felt that the 'key' to meeting the proposed timescales lies with getting an updated guidance document to RP as soon as possible and British Gas submitting and amended (0520) modification as quickly possible in order to enable the Workgroup to look to conclude the Workgroup Report at the 08 April 2015 meeting at the very latest.

## **2.2. Amended Modification**

In light of discussions on item 2.1 above, further consideration of this item was deferred.

## **2.3. Workgroup Report – extension to submission date**

In light of discussions on item 2.1 above, further consideration of this item was deferred.

<sup>2</sup> Post meeting note: British Gas formally withdrew UNC Modification 0483 immediately following the meeting.

### **3.0 Diary Planning**

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

Following the formal withdrawal of UNC Modification 0483, there are no more Workgroup meetings scheduled.