

**UNC Workgroup 0674 Minutes  
Performance Assurance Techniques and Controls  
Wednesday 29 July 2020  
via Teleconference**

**Attendees**

Alan Raper (Chair)	(AR)	Joint Office
Karen Visgarda (Secretary)	(KV)	Joint Office
Andy Clasper	(AC)	Cadent
Carl Whitehouse	(CW)	Shell Energy
Catherine Mulliss	(CM)	E.ON
Fiona Cottam	(FC)	Xoserve
Gurvinder Dosanjh	(GD)	Cadent
Hilary Chapman	(HC)	SGN
Karen Kennedy	(KK)	British Gas
Karen Whittam	(KW)	E.ON
Kirsty Dudley	(KD)	E.ON
Leteria Beccano	(LB)	Wales & West Utilities
Louise Hellyer	(LH)	Total Gas & Power
Mark Bellman	(MB)	ScottishPower
Sallyann Blackett	(SB)	E.ON
Tracey Saunders	(TS)	Northern Gas Networks

\* via teleconference

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0674/290720>

The Workgroup Report is due to be presented at the UNC Modification Panel by 17 September 2020.

**1.0 Introduction and Status**

**1.1. Approval of minutes (24 June 2020)**

The minutes from the previous meeting were approved.

**1.2. Review of Outstanding Actions**

**Action 0601:** ScottishPower (MB) to investigate the DSC Change Proposal raising procedure in relation at to which parties have the authority to request and raise a Change Proposal.

**Update:** AR and MB both agreed this action could be closed, as this area had been encompassed within the Modification V12.0. **Closed**

**Action 0602:** ScottishPower (MB) to amend Business Rule 7 in the Modification to use exercisable, from a voting perspective, and to be mirrored within the PAF document concerning majority voting.

**Update:** MB confirmed that this had been updated and so this action could be closed. **Closed**

**Action: 0603:** ScottishPower (MB) to further investigate the two Members from the same company at PAC meetings scenario to include the alternate.

**Update:** MB explained that he had now added a section into the amended Modification v12.0 in relation to this matter and so the action could now be closed. **Closed**

**Action 0604:** ScottishPower (MB) to update the Appeals section in the amended Modification v12.0.

**Update:** MB confirmed that the Appeals section had been updated with version 12.0 of the Modification and so this action could be closed. **Closed**

**Action 0605:** ScottishPower (MB) and Gemserv (SR) to perform a crossmatch exercise against the legal text and the PAF Document to ensure no duplication exists.

**Update:** AR said that this crossmatch exercise was still taking place and so this action should be carried forward. **Carried forward**

**Action 0606:** All to feedback directly to [Mark.Bellman@scottishpower.com](mailto:Mark.Bellman@scottishpower.com) with any comments concerning the Performance Assurance Framework Document, (PAF D) by Monday 13 July 2020.

**Update:** MB confirmed that he had not received any responses and so this action could be closed. **Closed**

**Action 0607:** ScottishPower (MB) to investigate where the league table is detailed within the legal text including the PAC views on targets and performance.

**Update:** MB explained he wanted Peer Review Techniques to be included in the PARR so it reflected parties' performance which could subsequently be published. Kirsty Dudley (KD) said that it would be helpful if MB could include a template on this subject within the PAF D, to provide clarity and to stop further questions in the future. MB agreed this was a good suggestion and that he would incorporate a table with the PAF D. He confirmed the action could then be closed. **Closed**

**New Action 0701:** ScottishPower (MB) to investigate encompassing a template into the PAF D in relation to setting out targets and performance in Peer Review Techniques.

**Action 0608:** Joint Office (AR) to request an extension at the July Panel until September 2020.

**Update:** AR confirmed that an extension to September had been confirmed and so this action could now be closed. **Closed**

## 2.0 Review of amended Modification v12.0

Mark Bellman (MB) explained as the PAFA were not able to provide a representative at the meeting he would update the PAFA directly on any decisions or outcomes of the meeting.

MB then provided an overview of the amended Modification v12.0 and drew attention to specific areas of interest and amendments.

MB said that in relation to the third party reference, he was keen to ensure PAC had authority over non-UNC parties in order to be able to investigate impacts on settlement accuracy and the performance of a third party, so as to enable PAC to ascertain the root cause of specific issues. Kirsty Dudley (KD) proposed that there should be a paragraph added into the PAF D regarding the treatment of third parties to aid transparency and MB agreed.

MB said in relation to the appeals process, he had spoken to Ofgem and they were keen that any dispute was resolved by the Industry where possible, with Ofgem being the final stage if required.

A lengthy general discussion took place in relation to what kind of evidence would be required by the UNCC, in order to reach a conclusion. MB said that the UNCC would make a judgment on matters of procedure. Carl Whitehouse (CW) said he was interested to know in an appeal situation, if PAC would vote to refer the party to Ofgem and MB confirmed this would be the procedure. KD asked, if that was the case, had this process been discussed with the UNCC from a Terms of Reference perspective. MB said he had not raised the topic at this stage, but that he would instigate conversations on this matter at the August 2020 UNCC meeting. AR suggested submitting a discussion paper on this subject.

In relation to UNCC discussions, Tracey Saunders (TS) added that the voting procedure, raised at the July UNCC, needed to be addressed and MB confirmed that this area would be included in the amended Modification v13.0

**New Action 0702:** ~~Joint Office (AR) and ScottishPower (MB) to investigate the nature of the decision and provide examples/adding into the PAF D and request a new agenda at the UNCC August meeting on the Terms of Reference regarding the proposed Appeal process.~~ **ScottishPower (MB) to investigate the nature of the decision, and provide examples/adding into the PAF D Document and Joint Office (AR) to request a new agenda at the UNCC August meeting on the Terms of Reference regarding the proposed Appeal process.**

Louise Hellyer (LH) questioned 6) iii) in relation to the membership appointment process in relation to the number of people from the same company and she did not feel comfortable with 3 people. LH added that this could be challenged by ICoSS, from a potential imbalance perspective.

MB said he would decrease this number to 2 people per company group and LH said she would still need time to consider this option. She also suggested that membership could be structured to reflect market sectors as well. KD agreed that increasing the number of members from a group of companies was a good proposal, but also felt 3 might be excessive. Carl Whitehouse (CW) added that all PAC members had to sign a letter where they agreed to act in the interests of the industry in an independent way. MB confirmed he would consider the views expressed for the next version of the Modification.

**New Action 0703:** ScottishPower (MB) to amend the membership appointment number from 3 down to 2, and re investigate the appointment process/ the feasibility of increased numbers, and to include a reference to the domestic sector in the amended Modification v13.0 and the PAF D.

AR suggested that a potential solution could be to co-opt an individual for a certain meeting if they were qualified and had the required experience from a subject matter expert perspective, that the PAC could nominate on an ad hoc basis.

TS said that the Transporters only held 3 seats and there could therefore be a risk in the respect of both attendees from the same company from a Transporter. AR confirmed there were separate and distinct rules for Shippers and Transporters, with governed appointment processes.

KD added that having more members made for a more agile and flexible process especially if an urgent/emergency meeting was needed.

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MB confirmed he would make the necessary amendments to the Modification v13.0 to include the discussions. AR said that it was important that this amended version of the Modification v13.0 was available by Friday 14 August 2020 at the latest, in readiness for the meeting on 24 August 2020.

### 3.0 Review of legal text drafting

MB and AR provided an overview of the legal text drafting in parallel with the amended Modification v12.0 and MB explained that he would be further amending the Modification to v13.0.

MB drew attention to specific areas of interest as and when appropriate, within both the amended Modification v12.0 and the legal text drafting.

Andy Clasper (AC) confirmed that an updated Mapping Table would be supplied in-line with the changes that would be confirmed within the amended Modification v13.0. AR reiterated the urgency of requiring the documents by Friday 14 August at the latest in readiness for the next meeting on 24 August 2020. Gurvinder Dosanjh (GD) explained that Dentons were on holiday until 10 August 2020, but that he would keep MB and AR informed of the progress. AR said that all the supporting documentation needed to be aligned and completed in readiness for the meeting on 24 August 2020.

Within Section 16.7.4 (g) KD questioned if the 14 days were business or calendar days and that needed to be confirmed. MB said he would confirm this with Dentons.

**New Action 0704:** ScottishPower (MB) to confirm if the 14 days in section 16.7.4 (g) were calendar or business days.

A brief discussion took place regarding section 16.11.1 and it was agreed the wording should be amended to reflect the knowledge and seniority of that person. KD said that perhaps the word 'representative' should be change to 'delegate', and that this should also be captured in the PAF D for completeness. MB said he would make the necessary changes.

**New Action 0705:** ScottishPower (MB) to alter the wording in section 16.11.1 to reflect the knowledge and seniority required change the word 'representative' to 'delegate' and reflect these changes in the PAF D as well.

A brief discussion took place regarding the 'deed of indemnity', referenced in 16.12.2, as to whether this was required. AC said he would reword this section.

**New Action 0706:** Cadent (AC) to reword the 16.12.2 deed of indemnity section of the legal text.

### 4.0 Review of revised consolidated PAF Document

MB proceeded to provide an overview of the PAF D v4.1. He explained that this had not yet be submitted to the Joint Office as it was still being updated and he was going to seek agreement from PAC in the first instance.

MB then proceeded to draw attention to specific sections or areas of interest. In relation to section 15.0 'Support of UNC Rules', KD asked if the CAMs were itemised as DSC services. MB said he believed that this should be included in a service line and that he would investigate this matter. FC said she would also provide further clarity on this matter.

**New Action 0707:** Xoserve (FC) and ScottishPower (MB) to investigate how the CAMs are constituted with the existing DSC arrangements.

MB drew attention to 19.7 Publication in relation to the Peer Review section and a brief general discussion took place, suggesting that it would be helpful to have some examples of Peer Reviews.

**New Action 0708:** ScottishPower (MB) to provide examples of Peer Reviews within section 19.7 of the PAF D.

KD asked how far back the PAC would go with regards to 'line in the sand', MB said the PAC should have the authority to investigate 'pre line in the sand'. Sallyann Blackett (SB) agreed with this comment and said that it could be used as an argument that the party had not made sufficient progress with a timeline/resolution plan. KD said that this area needed to be made clear with the PAF D from a guidance perspective.

MB overviewed Section 19.5 Request for Resolution Plan, and he explained that it was not a legal contract, but a proposal between two parties and that PAC would regard as an undertaking and would monitor progress. KD said that an example plan would be helpful to add clarity. Karen Kennedy (KK) said that she had used the Error and Failure Resolution, (EFR), Plan as template with a similar exercise regarding the electricity industry, which had proved to be very useful and ensured a consistent approach especially regarding the milestone planning. MB said this was helpful and he would look to include a similar example plan.

**New Action 0709:** ScottishPower (MB) to include an example into section 19.5 Request for Resolution Plan, similar to the existing EFR plan used in electricity.

Within Section 19.7 Publication, the Workgroup asked where this league table would be published and whether this was for peer consumption and or public consumption. KD said that the majority of this type of information was available on the CDSP and Joint Office websites. MB said he would investigate this matter in more depth.

**New Action 0710:** ScottishPower (MB) to clarify the two levels of publication of league tables are required for PAC and wider publication.

Regarding Audit Section 19.8 queries were raised by the Workgroup regarding the audit approach, and whether this was targeted and what type of monitoring would be involved. MB said it would be targeted and agreed this needed to be included to provide clarity.

**New Action 0711:** ScottishPower (MB) to define the Audit approach within section 19.8 of the PAF D, to include a targeted, monitored and performance measured approach.

## 5.0 Consideration of the Reporting Timeline & Development of Workgroup Report

AR provided an overview of a track changed version of the draft Workgroup Report that had been based on the amended Modification v11.0. AR explained it was in track change as he knew there was likely to be a further reiteration of the Modification.

A general discussion took place regarding the content and format of the Workgroup Impact Assessment Section. MB felt in places it offered the potential to be an interpretation of the Modification and that it should be presented in a more 'high-level' format. AR agreed to review the content, align with v13.0 and ensure it only provided a list of the proposed changes. The ROM and activities of the Customer Account Managers were discussed and FC agreed to provide some wordsmithing on this section as to why a ROM was not required.

**New Action 0712:** Xoserve (FC) to provide commentary explaining why a ROM is not required for inclusion in the Workgroup Report.

KD asked how the IGT UNC Modification 138 was being managed and MB said that he was dealing with the required amendments and that KD should send any questions directly to himself or Claire Louise Roberts [Clairelouise.Roberts@scottishpower.com](mailto:Clairelouise.Roberts@scottishpower.com) Mark Bellman [Mark.Bellman@scottishpower.com](mailto:Mark.Bellman@scottishpower.com)

## 6.0 Next Steps

AR said his expectations for the 24 August 2020 meeting were:

- ***To have received all the completed documentation by Friday 14 August 2020***
- Review of amended Modification v13.0
- Review of revised legal text and Mapping Table v2.1
- Review of revised PAF D v4.1
- Completion of Workgroup Report

## 7.0 Any Other Business

None

## 8.0 Diary Planning

Further details of planned meetings are available at: <https://www.gasgovernance.co.uk/events-calendar/month>

Workgroup meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
10.00 Monday 24 August 2020	Teleconference	Standard Agenda, plus: <ul style="list-style-type: none"> <li>• Review of amended Modification v13.0</li> <li>• Review of revised legal text and Mapping Table v2.1</li> <li>• Review of revised PAF D v4.1</li> <li>• Completion of Workgroup Report</li> </ul>

**Action Table (as at 29 July 2020)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0601	24/06/20	1.0	ScottishPower (MB) to amend Business Rule 7 in the Modification to use exercisable, from a voting perspective, and to be mirrored within the PAF document concerning majority voting.	ScottishPower (MB)	Closed
0602	24/06/20	2.0	ScottishPower (MB) to amend section 7 in the Modification to use exercisable from a voting perspective and to be mirrored within the PAF document concerning majority voting.	ScottishPower (MB)	Closed
0603	24/06/20	2.0	ScottishPower (MB) to further investigate the two Members from the same company at PAC meetings scenario to include the alternate.	ScottishPower (MB)	Closed
0604	24/06/20	2.0	ScottishPower (MB) to update the Appeals section in the amended Modification v12.0.	ScottishPower (MB)	Closed
0605	24/06/20	2.0	ScottishPower (MB) and Gemserv (SR) to perform a cross-match exercise against the legal text and the PAF Document to ensure no duplication exists.	ScottishPower (MB) and Gemserv (SR)	Carried forward
0606	24/06/20	4.0	All to feedback directly to <a href="mailto:Mark.Bellman@scottishpower.com">Mark.Bellman@scottishpower.com</a> with any comments concerning the PAF Document by Monday 13 July 2020.	ALL	Closed
0607	24/06/20	4.0	ScottishPower (MB) to investigate where the league table is detailed within the legal text including the PAC views on targets and performance.	ScottishPower (MB)	Closed
0608	24/06/20	8.0	Joint Office (AR) to request an extension at the July Panel until September 2020.	Joint Office (AR)	Closed

0701	29/07/20	1.0	ScottishPower (MB) to investigate encompassing a template into the PAF D in relation to setting out targets and performance in Peer Review Techniques	ScottishPower (MB)	Pending
0702	29/07/20	2.0	<del>Joint Office (AR) and ScottishPower (MB) to investigate the nature of the decision and provide examples/adding into the PAF D Document and request a new agenda at the UNCC August meeting on the Terms of Reference regarding the proposed Appeal process.</del>  <u>ScottishPower (MB) to investigate the nature of the decision and provide examples/adding into the PAF D Document and Joint Office (AR) to request a new agenda at the UNCC August meeting on the Terms of Reference regarding the proposed Appeal process.</u>	Joint Office (AR) ScottishPower (MB)	Pending
0703	29/07/20	2.0	ScottishPower (MB) to amend the membership appointment number from 3 down to 2, and re investigate the appointment process/ the feasibility of increased numbers, and to include a reference to the domestic sector in the amended Modification v13.0 and the PAF D.	ScottishPower (MB)	Pending
0704	29/07/20	3.0	ScottishPower (MB) to confirm if the 14 days in section 16.7.4 (g) were calendar or business days.	ScottishPower (MB)	Pending
0705	29/07/20	3.0	ScottishPower (MB) to alter the wording in section 16.11.1 to reflect the knowledge and seniority required change the word 'representative' to 'delegate' and reflect these changes in the PAF D as well.	ScottishPower (MB)	Pending
0706	29/07/20	3.0	Cadent (AC) to reword the 16.12.2 deed of indemnity section of the legal text.	Cadent (AC)	Pending
0707	29/07/20	4.0	Xoserve (FC) and ScottishPower (MB) to investigate how the CAMs are constituted with the existing DSC arrangements.	Xoserve (FC)	Pending

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<b>0708</b>	29/07/20	4.0	ScottishPower (MB) to provide examples of Peer Reviews within section 19.7 of the PAF D.	ScottishPower (MB)	<b>Pending</b>
<b>0709</b>	29/07/20	4.0	ScottishPower (MB) to include an example into section 19.5 Request for Resolution Plan, similar to the existing EFR plan used in electricity.	ScottishPower (MB)	<b>Pending</b>
<b>0710</b>	29/07/20	4.0	ScottishPower (MB) to clarify the two levels of publication of league tables are required for PAC and wider publication.	ScottishPower (MB)	<b>Pending</b>
<b>0711</b>	29/07/20	4.0	ScottishPower (MB) to define the Audit approach within section 19.8 of the PAF D, to include a targeted, monitored and performance measured approach.	ScottishPower (MB)	<b>Pending</b>
<b>0712</b>	29/07/20	5.0	Xoserve (FC) to provide commentary explaining why a ROM is not required for inclusion in the Workgroup Report.	Xoserve (FC)	<b>Pending</b>