

**UNC Performance Assurance Committee Minutes**  
**Tuesday 17 August 2021**  
**via Microsoft Teams**

**Attendees**

|                             |       |              |
|-----------------------------|-------|--------------|
| Eric Fowler (Chair)         | (EF)  | Joint Office |
| Mike Berrisford (Secretary) | (MiB) | Joint Office |

**Shipper Members (Voting)**

|                   |      |                                  |
|-------------------|------|----------------------------------|
| Alex Mann         | (AM) | Gazprom (Alternate)              |
| Alison Wiggett    | (AW) | Corona Energy                    |
| Andy Knowles      | (AK) | Utilita                          |
| Carl Whitehouse   | (CW) | Shell                            |
| Graeme Cunningham | (GC) | Centrica/British Gas (Alternate) |
| Mark Bellman      | (MB) | ScottishPower                    |
| Sallyann Blackett | (SB) | E.ON                             |

**Transporter Members (Voting)**

|                 |      |                        |
|-----------------|------|------------------------|
| Andy Clasper    | (AC) | Cadent (Alternate)     |
| Jenny Rawlinson | (JR) | BUUK (Alternate)       |
| Leteria Beccano | (LB) | Wales & West Utilities |

**Observers/Presenters (Non-Voting)**

|               |      |                              |
|---------------|------|------------------------------|
| Anne Jackson  | (AJ) | PAFA/Gemserv                 |
| Dave Turpin   | (DT) | Xoserve                      |
| Ellie Rogers  | (ER) | Xoserve                      |
| Fiona Cottam  | (FC) | Correla on behalf of Xoserve |
| Helen Field   | (HF) | Correla on behalf of Xoserve |
| Karen Kennedy | (KK) | Correla on behalf of Xoserve |
| Neil Cole     | (NC) | Correla on behalf of Xoserve |
| Sara Usmani   | (SU) | PAFA/Gemserv                 |

**Apologies**

|                 |      |                              |
|-----------------|------|------------------------------|
| Alex Travell    | (AT) | BUUK                         |
| Lee Greenwood   | (LG) | Centrica                     |
| Lisa Saycell    | (LS) | Gazprom                      |
| Louise Hellyer  | (LH) | Total                        |
| Martin Attwood  | (MA) | Correla on behalf of Xoserve |
| Oorlagh Chapman | (OC) | Centrica/British Gas         |
| Rachel Clarke   | (RC) | PAFA/Gemserv                 |
| Rebecca Hailes  | (RH) | Joint Office                 |
| Shiv Singh      | (SS) | Cadent                       |

Copies of non-confidential papers are available at: <https://www.gasgovernance.co.uk/PAC/170821>

**1. Introduction**

Eric Fowler (EF) welcomed all parties to the meeting.

### **1.1 Apologies for absence**

Alex Travell, BUUK,  
Lee Greenwood, Centrica,  
Lisa Saycell, Gazprom,  
Louise Hellyer, Total,  
Martin Attwood, Correla on behalf of Xoserve,  
Oorlagh Chapman, Shipper Member,  
Rachel Clarke, PAFA,  
Rebecca Hailes, Joint Office and  
Shiv Singh, Transporter Member.

### **1.2 Note of Alternates**

Alex Mann, Gazprom,  
Andy Clasper, Cadent,  
Graeme Cunningham, Centrica and  
Jenny Rawlinson, BUUK.

### **1.3 Quoracy Status**

The Committee meeting was confirmed as being quorate.<sup>1</sup>

### **1.4 Approval of Minutes (13 & 29 July 2021)**

The minutes from the previous meetings were approved.

### **1.5 Approval of Later Papers**

EF explained that there was one single late paper relating to agenda item 5.

## **2. Monthly Performance Assurance Review Items**

### **2.1 PARR Report Review – Dashboard update (PAFA)**

Sara Usmani (SU) provided the Shipper Performance Analysis PARR Dashboard update. PAFA supplied the following observations for this section:

#### **SHIPPER PERFORMANCE IMPROVEMENT PLANS**

- Performance Assurance Committee (PAC) members were informed that the updates on all Shippers are available for viewing on Huddle, but the Performance Assurance Framework Administrator (PAFA) would only be reporting on five Shippers this month; and
- PAC were happy with the progress being made and agreed with the Performance Assurance Framework Administrators (PAFAs) proposal to continue monitoring performance against the provided plans.

#### **SHIPPER EVALUATION CASE**

- At a performance escalation meeting in February, PAC requested that Shipper “Bratislava” provide the PAFA and PAC with monthly updates on their performance. The PAFA informed Committee members of the latest update on the Bratislava Shipper case:

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<sup>1</sup> PAC meetings will be quorate where there are at least four Shipper User PAC Members and two Transporters (DNO and/or IGT) PAC Members with a minimum of six PAC Members in attendance.

- Bratislava continue to see improvements with PC4 annual read performance, with the latest statistics increasing to 48% - significant improvement from 0% at the beginning of the year. However, no improvements continue to be seen in the PC4 monthly market, whereby read performance has remained at below 10% in May, continuing the trend seen within the market and prior to the meeting held in February;
- The latest number of no reads continues to decrease, however, the expectation is that these will filter through the PC4 annual market as they have been over the last few months;
- Despite the PAC requesting the Shipper and the Customer Advocate Manager (CAM) to meet on a bi-monthly basis, the Shipper has not communicated with the CAM since the end of April. The PAFA have also sent emails and meeting invitations scheduled for the end of July, which there was no response or attendance to;
- Committee members were previously concerned that the Shipper were not taking this seriously enough and consequently, the Joint Office had issued them with a letter following the July PAC meeting. Though there has been no communication between the Shipper and CAM/PAFA, the letter had triggered the Shipper to contact the CAM whereby they believe that they were meeting the targets set out by the PAC as they were submitting reads. The CAM informed the Shipper that though reads are being submitted, they may not necessarily be accepted due to the high number of read rejections being faced. They were also reminded of the concern with performance in the PC4 monthly market being low and remaining flat; and
- Although the Shipper has contacted the CAM, there has been no contact made with the PAFA and the progress on Bratislava's Shipper case remains a concern. The PAFA recommended that the escalation continues, and the Shipper should be invited to the September PAC meeting for a second stage escalation. Committee members voted and mutually agreed with PAFAs recommendation.

**New Action PAC0801:** PAFA (AJ) to issue Bratislava with a letter inviting them to the 14 September 2021 PAC meeting.

#### **NDM SAMPLE DATA UPDATE**

- Committee members were provided with updates on the five Shippers discussed at the May PAC meeting, whereby it was agreed these Shippers would be issued with a performance improvement letter, reminding them of the requirements to submit NDM Sample data to the Central Data Services Provider (CDSP);
- Letters were sent out to four of the five Shippers in July 2021;
  - one Shipper was not issued a letter as the PAFA were informed by the CAM and the Demand Estimation team at the CDSP that the Shipper had now submitted their data sample and therefore the letter was no longer needed; and
- Of the four letters issued, three Shippers have been engaging with the PAFA on mitigations and steps going forwards to ensure the NDM sample data submission is not missed.

#### **UNDERPERFORMING SHIPPERS**

- The PAFA presented a Shipper case ("Khartoum") to the PAC on an underperforming Shipper who has been struggling with read performance across the board. This is a Shipper that the PAFA have been monitoring for quite some months but have been working with the CAM to understand the issues and mitigations;

- Khartoum have been operating in the PC4 monthly market for quite some time and read performance has now picked up in this area. However, within the PC1 and PC3 markets where sites were picked up towards the end of last year, performance remains low;
- Committee members were informed of the issues Khartoum were facing in getting reads submitted but were assured the CAM has provided them with the appropriate training, which they have undertaken, to support them in getting reads accepted;
- The PAFA were informed by the CAM that the issues should be resolved by September, at which point read performance should pick up due to the small number of sites on the Shipper's portfolio; and
- Should improvements not be seen, the Shipper will move to the next stage of the performance assurance process which involves an informal meeting between the PAFA, CAM and Shipper.

### **AQ AT RISK**

- The PAFA have been receiving a new set of reports which have been added to both the Anonymised (2A.13) and Non-anonymised reports (2B.16) following amendments to the Performance Assurance Reports Register (PARR) document which was approved at the May 2021 UNCC meeting;
- Following two months of data being supplied, initial analysis was presented to the PAC:
  - The Total AQ at risk within the gas market sits within PC4, particularly the PC4 smart and PC4 annual markets;
  - Analysis was provided on the total AQ at risk, whereby Committee members were informed of the 10 worst performing Shippers which account for 75% of total AQ at risk (across the whole gas market);
    - Two Shippers particularly have a higher proportion of the total AQ at risk, though this has declined between May and June;
  - As only two months of data is available, this is an area the PAFA will continue to monitor and provide updates for;
  - Committee members welcomed the analysis presented, as it provides further context to underperforming Shippers.

### **2.2 Review of Outstanding PARR Actions**

None to consider.

### **2.3 Risk & Issues Register Update (PAFA)**

In noting that additional information is also available on the Huddle portal, Sara Usmani (SU) provided a brief update. PAFA supplied the following observations for this section:

- PAC members were provided an update on the Winter Annual Ratio (WAR) Bands following the latest data being available and ahead of the opening of the September window, whereby Shippers have one final opportunity to submit reads for either window before the end of the gas year;
- The PAFA presented the latest data which indicated there had been very little movement in the number of reads submitted and WAR bands generated. The percentage of no WAR bands calculated remained relatively unchanged between the two gas years;
- However, when the values were run through the risk tool, the total risk level declined by 1.3%; and

- This is a result of the number of sites now eligible to submit readings to generate a WAR band decreasing rather than the number of sites submitting readings increasing.

## 2.4 Measurement Error Risk Update

### 2.4.1. Measurement Error (*EM009 – Alrewas EM MTD*) Update

EF explained that in-line with previous discussions, the matter is now being progressed via the Offtake Arrangements Workgroup, with regular feedback to PAC anticipated.

### 2.4.2. Measurement Error (*SE007 – Isle of Grain*) Update

As per item 2.4.1 above.

### 2.4.3. Wales North UIG Error Update

EF explained that this item originated as a consequence of an action (DESC 0703) assigned at the 21 July 2021 Demand Estimation Sub-Committee meeting.<sup>2</sup>

L Beccano (LB) explained that she had spoken to a WWU engineering colleague who has confirmed that this was a telemetry related issue originating at the Ross on Wye NTS – GDN Offtake which manifested itself in the form of a data error which was subsequently corrected within the D+5 window.

In essence, the root cause is thought to be an unstable telemetry connection via the ADSL route. This caused the occasional data spikes, one of which happened right over the gas day transition.

As a consequence of their own internal investigations, WWU instigated three (3) actions as follows:

- They have switched the ADSL off to ascertain whether running on satellite communications as the primary route stops the anomaly. If this proves to be successful, WWU can then consider using this as the primary route until the ADSL issue is resolved with their service provider;
- WWU's I.T. partner has advised them of a way that they can correct the data after gas day transition before it gets sent on – this has been communicated to all WWU Control Room staff, but is as yet untested in the live system, and
- WWU's I.T. partner have been requested to look at a modification that stops the values going to zero when an error occurs, and instead, to take the last good value – whilst this will still need correcting, the error will be very small by comparison.

During an extensive debate, several key items were noted (in summary) as follows:

- The error is more akin to a LDZ Metering related error, rather than a UIG error;
- From a Gas Allocations perspective, closeout takes place at D+5 and as the error was corrected within this timeframe, it will not result in a measurement error (i.e. meter process related error);
  - making reference to her comments / concerns voiced at the 21 July 2021 DESC meeting, S Blackett (SB) explained that whilst the error was corrected within the D+5 timeframe, the approach to resolving the issue whereby the 'whole' volume correction (cumulative) amount was applied on Day 2, only served to exacerbate the issue;

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<sup>2</sup> A copy of the DESC 21 July 2021 meeting minutes can be found on the Joint Office web site at: <https://www.gasgovernance.co.uk/desc/210721>

- F Cottam (FC) also explained that the error would show up in the National UIG percentage at D+1 in a 'flattened' out condition;
- It was noted that as a consequence of the fact that the error was corrected within the D+5 timeframe, Correla had provided regular updates to the industry via their 'live update' web site page;
  - However, some parties felt that some form of formal industry wide notification would have been beneficial, as anything that varies from the 'normal' should be highlighted even though it may mean it needs to find a happy balance between structural and error related matters, as this type of issue can impact upon Shipper's modelling activities;

**New Action PAC0802:** Reference the WWU Wales North LDZ Metering Error – Correla (FC) to consider where best to highlight the D+5 validation aspects and impacts (e.g the Demand Estimation Portal perhaps).

- When it was suggested that there is also a learning opportunity to this matter, LB responded by accepting the point and advising that WWU is aware of the 'root cause' and is working hard to avoid a repeat – parties present welcomed WWU's open approach and dialogue around the corrective measures being put in place.

When asked, PAC Members in attendance indicated that they were comfortable with the proposed adoption of the (appropriate) corrective actions being undertaken.

## 2.5 Open / Meter By-Pass Update

F Cottam (FC) provided an overview of the '*Meter By-Pass Update*' presentation during which attention was focused on the following points (by exception):

### By-Pass Consumption Adjustments slide

- The 45 '*No Responses*' are being progressed with assistance from the respective CAM's.

### PAC Action 0703 slide

- As far as Site 1 is concerned, the corrective actions undertaken are expected to resolve the issue, with little to no AQ at Risk impacts anticipated.
- As far as Site 2 is concerned, there is no significant AQ at Risk impacts anticipated.

### PAC Action 0402 slide

- Engagement processes appear to indicate a positive position in respect of ongoing data cleansing as industry awareness also grows;
- It is noted that Request Workgroup 0763R '*Review of Gas Meter By-Pass Arrangements*' are also considering these matters and also raising industry awareness at the same time;
- The 0763R Workgroup are recommending that a by-pass should not be installed without the express permission of the system operator / site owners.

## 2.6 Covid-19 Updates

In drawing parties' attention to the statement provided within the Action Summary Table for outstanding action PAC 0704, FC suggested that on the grounds that the two Covid-19 related isolations would continue to be monitored going forward, this agenda item could now be removed – a suggestion supported by PAC Members in attendance.

### 3. Matters for Committee Attention

#### 3.1 PAC/PAFA Access to Data / Dedicated Sprint Planning Update

In providing a brief overview of the (first of two) 'DDP Update' presentation, K Kennedy (KK) advised that the DSC Business Evaluation Report (BER) in support of XRN5321 was presented to the 11 August 2021 DSC Change Management Committee where Members voted unanimously to approve the request for extra PAC funding.<sup>3</sup>

KK advised that the associated releases had been grouped and prioritised in a manner to best optimise efficiency, delivery and budgetary return.

KK then went on to suggest that as far as the User story carry over into the 2022-23 budget point was concerned, there is one other possible option, namely to return to the DSC Change Managers and request even more (extra) funding within this budget period.

Concluding discussions, KK advised that the 'Read Performance – PC4 Annual' slide comprises data compiled after the 21 July 2021 PAC meeting discussions and is provided for information purposes only.

#### 3.2 Performance Issues Impacting the Success of Faster Switching

In providing a brief overview of the (second of two) 'DDP Update' presentation, K Kennedy (KK) advised that after further discussion of this matter with G Cunningham (GC) it is felt that the current agenda item (and action PAC 0705) title should be changed to read as 'Read Performance Issues relating to Meter Asset & Meter Attribute Misalignment' to more accurately reflect the requirements – a view supported by PAC Members in attendance.

Discussion then centred on the merit of possibly raising a new User Story relating to AQ at Risk in order to provide Shippers with a better insight into their metering related rejections. Subject to PAC recommendation, Shippers would be engaged in order to ascertain their views on whether the (separated out) data provision would be useful. However, some parties believe that there is already sufficient asset information made available to Shippers and that perhaps the real worry relates to read tolerance related concerns.

Some believe that there would be real value in highlighting potential erroneous data / information that potentially impacts upon AQ and settlement.

Attention then turned to consideration of post Faster Switching 'fuzzy' logic matching and whether this feature was completely removed as part of the Project Nexus delivery, especially when considering that if 'fuzzy' matching is still present, then the circa 21k serial number rejections figure potentially becomes an even bigger concern.

**New Action PAC0803:** *Reference Meter Serial Number Rejections – Xoserve (ER) to look to clarify whether 'fuzzy' matching system functionality was completely removed as part of the Project Nexus delivery, or whether any remains, and if so, what processes still utilise it.*

When KK enquired whether PAC Members in attendance believed that there would be merit in raising a new User Story, which could always sit in the backlog background until such a time as it was deemed appropriate to promote, PAC Members present indicated their support.

Concluding, KK advised that she would now look to provide an update at the 14 September 2021 PAC meeting.

<sup>3</sup> A copy of the 11 August 2021 DSC Change Management Committee meeting minutes can be found on the Joint Office web site at: <https://www.gasgovernance.co.uk/dsc-change/110821>

### **3.3 PAC Budget Spend Update**

EF explained that Rebecca Hailes had attended the 11 August 2021 DSC Change Management Committee meeting (on behalf of PAC) where she advocated the 'ring fencing' of the £125k budget for Financial Year 2022/23 and spoke in general about PAC budget requirements in supporting KK in requesting an additional £12k for funding in support of BER5321. RH also proposes providing a further update at the 14 September 2021 PAC meeting – in noting that additional requirements need to be considered, it was agreed that perhaps an progress update at the 12 October 2021 PAC meeting might be more appropriate.

### **3.4 Standards of Service Liabilities Report (information only)**

Provided for information only with no additional queries to report.

### **3.5 PAFA Future Projects**

When FC suggested that this item would be 'covered off' during consideration of the outstanding actions under agenda item 5. below, A Jackson (AJ) provided a very brief resume of the previous presentation provided to the 21 July 2021 PAC meeting, noting that this was comprised of two elements which parties had been asked to consider in more depth after the meeting.

When asked whether anyone had any questions / comments relating to the content of the first element of the presentation, there were no adverse comments forthcoming from PAC Members in attendance.

## **4. Update on Potential Changes to Performance Assurance Reporting and PARR**

### **4.1 PAFA Industry Meeting Update**

AJ advised that she did not have a specific update to provide at this time.

### **4.2 Modification 0674 - Performance Assurance Techniques and Controls**

M Bellman (MB) provided a verbal update on the progress of the Modification explaining that at the 17 June and 15 July 2021 Panel meetings questions / concerns were raised over aspects of the Modification and especially around whether any new issues had been raised during the consultation phase.<sup>4</sup>

MB remains of the view that the majority of the issues raised are not new and perhaps stem from a lack of understanding of the supporting legal text provisions.

However, as a consequence of those discussions several items have been identified, and the Workgroup reconstituted to consider these with a view to reporting back in circa 6 months time.

It was noted that the next Workgroup meeting is scheduled for 23 August 2021.

### **4.3 Modification 0734S – Reporting Valid Confirmed Theft of Gas into Central Systems**

In noting that the Modification is nearing completion, E Rogers (ER) advised that she is liaising with Rachel Clarke of Gemserv to consider the PAC (data related) elements with a view to providing an update at the 14 September 2021 PAC meeting.

EF advised that at present, the interaction between the various industry forums including those that will operate under REC remains unclear to him.

It was noted that the next Workgroup meeting is scheduled for 26 August 2021.

### **4.4 Any Other changes**

None to consider.

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<sup>4</sup> Copies of the UNC Panel minutes for the 17 June and 15 July 2021 meetings are available on the Joint Office web site at: <https://www.gasgovernance.co.uk/panel/170621> & <https://www.gasgovernance.co.uk/panel/150721> respectively.



## 5. Review of Outstanding Actions

### 5.1 PAC Actions

**PAC0402:** *Reference the 106 MPRs with a status of 'Open' By-Pass with progressive readings* – Correla (MA) to look to provide additional (more detailed) supporting evidence of what was identified during investigations.

**Update:** Please refer to the discussions under item 2.5 above for further details.

When EF pointed out that there is a standing agenda item for continued monitoring of this matter, it was agreed that the action could now be closed. **Closed**

**PAC0505:** *Reference PAC Additional Budget Requirements* – Joint Office (RH) to draw up a 'Strawman' of the wording for a further budget request for consideration at the 15 June 2021 meeting.

**Update:** Please refer to the discussions under item 3.3 above for further details.

When EF pointed out that the PAC has agreed an agenda item for the next meeting, it was agreed that the action could now be closed. **Closed**

**PAC0601:** *Reference Measurement Error EM009* – Joint Office (RH) to forward the information received to date regarding PAC0502 to PAC Members for discussion under AOB in July 2021.

**Update:** Please refer to the discussions under item 2.4.1 above for further details.

When EF pointed out that there is a standing agenda item for continued monitoring of this matter, it was agreed that the action could now be closed. **Closed**

**PAC0602:** *Reference Orifice Plate Data Provisions* – Joint Office (RH) to request OP overview data from all Gas Transporters.

**Update:** In referring to the 'Orifice Plates Summary' presentation EF advised that the information provided excludes a summary of some very recent email communications from both SGN and Cadent relating to Offtake Metering Reports for 2021.

Focusing on the 'Orifice Plates' slide, EF suggested that the data reflects a technical move towards utilisation of ultrasonic flow reading as a replacement / upgrade to OP's.

When A Jackson (AJ) enquired as to what is being done in order to mitigate the potential maintenance related risk (i.e. where an OP inserted in the incorrect orientation is removed, cleaned and then replaced back in the incorrect orientation), FC referred to the recent update (and supporting presentation) provided at the 08 July 2021 Offtake Arrangements Workgroup meeting at which point, SB also reiterated her points made at that meeting.<sup>5</sup>

It was noted that in reducing the potential risk for incorrectly inserted OP's, adoption of the ultrasonic flow reading mechanism might in itself introduce a different set of risks that would need considering going forward.

PAC Members present agreed to carry forward the action. **Carried Forward**

**PAC0605:** *Reference the Risk related to Measurement Error SE007* – Joint Office (RH) to forward the information received to date regarding PAC0502 to PAC Members for discussion under AOB in July 2021.

**Update:** Please refer to the discussions under item 2.4.2 above for further details.

When EF pointed out that there is a standing agenda item for continued monitoring of this matter, it was agreed that the action could now be closed. **Closed**

**PAC0701:** *Reference SHIPPER EVALUATION CASE Bratislava* – Joint Office (RH) to write to Bratislava.

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<sup>5</sup> Copies of the 08 July 2021 Offtake Arrangements Workgroup meeting materials can be found on the Joint Office web site at: <https://www.gasgovernance.co.uk/OA/080721>

**Update:** When EF advised that R Hailes had written to Bratislava on behalf of PAC, PAC Members present debated what would be a suitable approach going forward in order to progress this ongoing poor performance related matter. When asked, FC confirmed that for a previous situation that was similar to this one, PAC had conducted a 'closed' meeting within the main PAC meeting to which Ofgem had been invited in order to enable representatives from the offending party to provide an explanation as to why they are under performing.

PAC Members agreed that in light of the ongoing work on this matter the action could now be closed. **Closed**

**New Action PAC0804:** Reference *SHIPPER EVALUATION CASE Bratislava* – Joint Office (EF/RH) to provide a copy of the Joint Office email correspondence with Bratislava to the PAFA.

**PAC0702:** Reference *PARR Report Review – Dashboard update* - Correla (FC) and PAFA (AJ) to present findings on a change in Product Class correlating with the decline in Meter Read Performance within the PC4 Annual Market.

**Update:** When asked, PAC Members agreed that the action could now be closed. **Closed**

*In a post meeting update the PAFA supplied the following additional observations for this action, as follows:*

- *At the July PAC meeting, Committee members were reminded of the declining average read performance in the PC4 annual market – an observation that has previously been highlighted to the PAC;*
- *The PAFA have been working with the CAMs and industry to gather market intelligence in this area and it appears that due to national lockdown measures, Shippers are having difficulties in obtaining reads due to lack of access to sites;*
- *Committee members discussed the possibility of declining sites in the PC4 annual market due to realignment to the PC4 monthly market and PC3 market (a result of the SMART meter roll out); and*
  - *The PAFA have tested this hypothesis and it appears to be not true as the total number of sites have increased in the PC4 annual market whilst the PC4 monthly and PC3 market have seen sites decline. Therefore, declining average read performance is due to the lack of meter readings being submitted and accepted and the main contributor to declining average read performance.*

**PAC0703:** Reference the two '*Static Readings*' – Correla (MA) to investigate and provide a view on the potential of the magnitude of the AQ at Risk involved.

**Update:** Please refer to the discussions under item 2.5 above for further details.

When asked, PAC Members agreed that the action could now be closed. **Closed**

**PAC0704:** Reference the *Covid-19 Update Provision* – Correla (MA) to establish whether this matter is (directly / indirectly) related to the utilisation of 'Isolation Flags' and whether they (Correla / Xoserve) have any concerns that the flags have remained open throughout the Covid pandemic period.

**Update:** Please refer to the discussions under item 2.6 above for further details. It was agreed that the action could now be closed. **Closed**

**PAC0705:** Reference ~~the Performance Issues Impacting the Success of Faster Switching~~ Read Performance Issues relating to Meter Asset & Meter Attribute Misalignment – Correla (KK) to consider providing a new / revised description for this agenda item going forward.

**Update:** In noting the proposed agenda title change, PAC members agreed the action could now be closed. **Closed**

**PAC0706:** Reference *PAFA Future Projects* – PAFA (AJ) and Correla (FC) to consider the immediate issues presented and provide options for mitigation or resolution. Update to be given at August PAC meeting.

**Update:** FC provided an overview of the '*Options for PAFA Contract Scope*' presentation during which attention initially focused on the '*Options for the Performance Improvement Plans*' slide 8.

In highlighting that Option 3 is the 'do nothing' option, which is not a feasible option in this instance, FC pointed out that it is not necessary to seek a formal view at this meeting as the intention is for PAC Members to be given sufficient time to consider the information provided before being asked to vote for a preference (on Options 1 and 2) at the 14 September 2021 PAC meeting.

During a quick debate on the options, views were divided between Options 1 and 2, whilst concerns were also voiced about Xoserve undertaking contractual decisions without PAC involvement as it is felt that this could potentially lead to a lack of value for money – in short, a 'balanced' approach is needed that ensures that both budgetary and performance management aspects are taken into account, whereby PAC needs to agree what mechanisms are needed in order to provide Xoserve with a clear direction as to what is needed alongside any budgetary requirements and impacts. Acknowledging the points being presented, Dave Turpin (on behalf of Xoserve) referenced the discussions undertaken at the 29 July 2021 Extraordinary PAC meeting.<sup>6</sup>

Some PAC Members voiced concerns around advocating any changes to the current plans (descoping some interventions), as this would give the wrong messages whilst others also believe that it is important to consider the 'what is to come' aspects as well.

AJ advised that the current proposals are based around the provision of 9 plans per quarter and that on the whole gas market performance has been consistently poor compared to the equivalent electricity side and regularly falls short of Uniform Network Code (Code) obligations – in short, this appears to suggest a lack of 'real' (tangible) performance incentives and this is something that PAC needs to consider, especially in terms of what future effort would be required to address the issue(s).

One party voiced a concern that if PAC is unable to ensure that parties perform to their minimum required Code performance levels, then the PAC has failed in its primary role. Furthermore, care is needed to avoid losing sight of existing performance related concerns when moving forward.

It was also suggested that care would be needed to avoid simply doing the easy items and a balance would be needed to ensure an appropriate balance for interventions that target the greatest risks to AQ and of exemplar action setting higher expectations for performance for all parties, regardless of size – in short, perhaps adoption of a 80:20 rule based approach between investigation and maintenance would be beneficial.

Moving on to consider the '*Determining the cost of changes*' slide 10, it was suggested that in terms of the last bullet point, PAC needs to vote on the options, rather than the proposals.

When asked, FC provided a brief overview of the CAM's role in managing parties' performance related issues and how their involvement provides an important 'bridge' between all parties concerned on a regular basis. FC went on to explain that her Correla team works closely with the CAM's on all performance related areas.

Some PAC Members noted that a 'bespoke' plan based approach might prove beneficial especially if favouring bullet point 3 alongside Option 1 on slide 8, although this could be subject to the identification of suitable supporting threshold levels (i.e. operating boundaries). It was also noted that targeting of smaller Shippers should not be curtailed just because they are small – poor performance is the key driver regardless of size.

When asked, FC explained that work should / would continue on the (current) 9 plans subject to further discussion being undertaken at the September 2021 PAC meeting.

When asked, FC advised that she would now work closely with the PAFA in order to refine the presentation further (expanding upon the improvement plan elements including provision of success criteria etc.) prior to the formal vote on the Options at the September PAC meeting.

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<sup>6</sup> A copy of the 29 July 2021 Extraordinary PAC meeting minutes can be found on the Joint Office web site at: <https://www.gasgovernance.co.uk/pac/290721>

PAC Members present agreed to carry forward the action. **Carried Forward**

**PAC0707:** *Reference Confirmation of the Transporter User Representation Appointment Period* – Joint Office (RH) to check and confirm whether and how Transporter Representatives are appointed for a 2 year period.

**Update:** EF advised that at present it is not 100% certain whether Transporter Representatives are appointed for a 2 year term or not, especially as indications are that the appointment is 'evergreen'.

PAC Members present agreed to carry forward the action. **Carried Forward**

**PAC Extra 0701:** CDSP to ascertain the cost/resource level required to continue the current PAC/PAFA BAU activities and circulate this to PAC Members as soon as possible.

**Update:** When EF advised that work remains ongoing between the CDSP and the PAFA, and that this action is closely related to PAC0706 above, PAC Members agreed to carry forward the action. **Carried Forward**

**PAC Extra 0702:** CDSP/PAFA to estimate the cost/resource level likely over the next 12-18 months for PAC/PAFA activities, extrapolating from the current BAU activities.

**Update:** When EF advised that work remains ongoing between the CDSP and the PAFA, and that this action is closely related to PAC0706 above, PAC Members agreed to carry forward the action. **Carried Forward**

**PAC Extra 0703:** CDSP to produce the updated ROM for Modification 0674, specifically the cost for the PAFA work, split into both implementation costs and possible costs under 0674.

**Update:** When it was suggested that perhaps this action should be transferred to sit under the 0674 Workgroup, in order to avoid potential dual governance related issues, PAC Members agreed to close the action. **Closed**

## 5.2 DDP Sprint Actions

**PAC DDP0701:** *Reference DDP Review Requirements* – Correlá (KK) and Joint Office (RH) to look to set up an additional Sprint meeting for September 2021.

**Update:** When KK advised that due to her other commitments a September meeting (the proposal being 21 September 2021 10:00 – 12:00) might not be feasible, EF confirmed that he would liaise with R Hailes and KK after the meeting to seek an alternative October date for the additional Sprint meeting.

PAC Members present agreed to carry forward the action. **Carried Forward**

## 6. Any Other Business

### 6.1 Annual Review Process

AJ provided a brief overview of the '2021 Annual Review Process' presentation during which she explained that the first draft version of the Annual Review Document has been provided to enable PAC Members the opportunity to consider the changes at their leisure before pointing out that the proposed questions would seek to avoid the simple 'Yes / No' based approach.

When asked whether there are any comments / feedback that the PAFA could take into account ahead of the September 2021 PAC meeting, some PAC Members advised that they would be looking to read the documentation after the meeting.

Concluding discussions, AJ requested that should anyone have any comments / feedback to provide to please contact her directly (by the end of August at the latest via the PAFA email box account) and she would be looking to provide both change marked and clean versions of the document for consideration at the September PAC meeting.

**New Action PAC0805:** *Reference the Performance Assurance Framework Administrator – Annual Review and Feedback Request 2021 – All parties to look to provide comments / feedback (inc. commentary on the questions) to the PAFA via email by the end of August 2021 at the very latest.*

## 7. Next Steps

### 7.1 Key Messages

Published at: <http://www.gasgovernance.co.uk/pac/summarykeymessages>

## 8. Diary Planning

### 8.1 2021 meeting dates

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

| Time/Date   | Paper Publication Deadline        | Venue          | Programme                |
|---|-----------------------------------|----------------|--------------------------|
| 10:00, Tuesday<br>14 September 2021                     | 17:00 Monday 06<br>September 2021 | Teleconference | Standard Agenda          |
| 10:00, on a date to<br>be determined in<br>October 2021 | To be confirmed                   | Teleconference | Additional DDP<br>Agenda |
| 10:00, Tuesday<br>12 October 2021                       | 17:00 Monday 04<br>October 2021   | Teleconference | Standard Agenda          |
| 10:00, Tuesday<br>16 November 2021                      | 17:00 Monday 08<br>November 2021  | Teleconference | Standard Agenda          |
| 10:00, Tuesday<br>14 December 2021                      | 17:00 Monday 06<br>December 2021  | Teleconference | Standard Agenda          |

For details of the informal sub-group meetings and topics please contact the PAFA directly.  
[PAFA@gemserv.com](mailto:PAFA@gemserv.com)

PAC Action Table (as at 17 August 2021)

| Action Ref                  | Meeting Date | Minute Ref | Action   | Owner                     | Status Update                                 |
|-----------------------------|--------------|------------|--|---------------------------|---|
| <b>PARR Report Actions:</b> |              |            |  |                           |   |
| <b>PAC Actions 2020/21:</b> |              |            |  |                           |   |
| PAC 0402                    | 13/04/21     | 5.1        | <i>Reference the 106 MPRs with a status of 'Open' By-Pass with progressive readings</i> – Corella (MA) to look to provide additional (more detailed) supporting evidence of what was identified during investigations.     | Correlle (MA)             | Update provided.<br><b>Closed</b>             |
| PAC 0505                    | 11/05/21     | 3.1.1      | <i>Reference PAC Additional Budget Requirements</i> – Joint Office (RH) to draw up a 'Strawman' of the wording for a further budget request for consideration at the 15 June 2021 meeting.                                 | Joint Office (RH)         | Update provided.<br><b>Closed</b>             |
| PAC 0601                    | 15/06/21     | 2.4.1      | <i>Reference Measurement Error EM009</i> – Joint Office (RH) to forward the information received to date regarding PAC0502 to PAC Members for discussion under AOB in July 2021.   | Joint Office (RH)         | Update provided.<br><b>Closed</b>             |
| PAC 0602                    | 15/06/21     | 2.4.1      | <i>Reference Orifice Plate Data Provisions</i> – Joint Office (RH) to request OP overview data from all Gas Transporters.  | Joint Office (RH)         | <b>Carried Forward</b><br>Update due 14/09/21 |
| PAC 0605                    | 15/06/21     | 5.1        | <i>Reference the Risk related to Measurement Error SE007</i> – Joint Office (RH) to forward the information received to date regarding PAC0502 to PAC Members for discussion under AOB in July 2021.                       | Joint Office (RH)         | Update provided.<br><b>Closed</b>             |
| PAC 0701                    | 13/07/21     | 2.1        | <i>Reference SHIPPER EVALUATION CASE Bratislava</i> – Joint Office (RH) to write to Bratislava.  | Joint Office (RH)         | Update provided.<br><b>Closed</b>             |
| PAC 0702                    | 13/07/21     | 2.1        | <i>Reference PARR Report Review – Dashboard update</i> - Correlle (FC) and PAFA (AJ) to present findings on a change in Product Class correlating with the decline in Meter Read Performance within the PC4 Annual Market. | Correlle (FC) & PAFA (AJ) | Update provided.<br><b>Closed</b>             |
| PAC 0703                    | 13/07/21     | 2.6        | <i>Reference the two 'Static Readings'</i> – Correlle (MA) to investigate and provide a view on the potential of the magnitude of the AQ at Risk involved.   | Correlle (MA)             | Update provided.<br><b>Closed</b>             |

|          |          |       |   |                          |   |
|----------|----------|-------|---|--------------------------|---|
| PAC 0704 | 13/07/21 | 2.7   | Reference the Covid-19 Update Provision – Correla (MA) to establish whether this matter is (directly / indirectly) related to the utilisation of ‘Isolation Flags’ and whether they (Correla / Xoserve) have any concerns that the flags have remained open throughout the Covid pandemic period. | Correla (MA)             | Update provided.<br><b>Closed</b>             |
| PAC 0705 | 13/07/21 | 3.2   | Reference <del>the Performance Issues Impacting the Success of Faster Switching title change</del> <u>Read Performance Issues relating to Meter Asset &amp; Meter Attribute Misalignment</u> – Correla (KK) to consider providing a new / revised description for this agenda item going forward. | Correla (KK)             | Update provided.<br><b>Closed</b>             |
| PAC 0706 | 13/07/21 | 3.5   | Reference PAFA Future Projects – PAFA (AJ) and Correla (FC) to consider the immediate issues presented and provide options for mitigation or resolution. Update to be given at August PAC meeting.  | PAFA (AJ) & Correla (FC) | <b>Carried Forward</b><br>Update due 14/09/21 |
| PAC 0707 | 13/07/21 | 6.1   | Reference Confirmation of the Transporter User Representation Appointment Period – Joint Office (RH) to check and confirm whether and how Transporter Representatives are appointed for a 2 year period.  | Joint Office (RH)        | <b>Carried Forward</b><br>Update due 14/09/21 |
| PAC 0801 | 17/08/21 | 2.1   | PAFA (AJ) to issue Bratislava with a letter inviting them to the 14 September 2021 PAC meeting.   | PAFA (AJ)                | <b>Pending</b>                                |
| PAC 0802 | 17/08/21 | 2.4.3 | Reference the WWU Wales North LDZ Metering Error – Correla (FC) to consider where best to highlight the D+5 validation aspects and impacts (e.g the Demand Estimation Portal perhaps).  | Correla (FC)             | <b>Pending</b>                                |
| PAC 0803 | 17/08/21 | 3.2   | Reference Meter Serial Number Rejections – Xoserve (ER) to look to clarify whether ‘fuzzy’ matching system functionality was completely removed as part of the Project Nexus delivery, or whether any remains, and if so, what processes still utilise it.  | Xoserve (ER)             | <b>Pending</b>                                |
| PAC 0804 | 17/08/21 | 5.1   | Reference SHIPPER EVALUATION CASE Bratislava – Joint Office (EF/RH) to provide a copy of the Joint Office email correspondence with Bratislava to the PAFA.   | Joint Office (EF/RH)     | <b>Pending</b>                                |

|   |          |     |  |                                  |   |
|---|----------|-----|--|----------------------------------|---|
| PAC 0805                                      | 17/08/21 | 6.1 | <i>Reference the Performance Assurance Framework Administrator – Annual Review and Feedback Request 2021 – All parties to look to provide comments / feedback (inc. commentary on the questions) to the PAFA via email by the end of August 2021 at the very latest.</i> | All parties                      | <b>Pending</b>                                |
| <b>PAC DDP Sprint Actions 2020/21:</b>        |          |     |  |                                  |   |
| PAC DDP 0701                                  | 13/07/21 | 5.2 | <i>Reference DDP Review Requirements – Correlá (KK) and Joint Office (RH) to look to set up and additional Sprint meeting for September 2021.</i>  | Correlá (KK) & Joint Office (RH) | <b>Carried Forward</b><br>Update due 14/09/21 |
| <b>PAC Extra-ordinary Actions 29 July 21:</b> |          |     |  |                                  |   |
| New Action 0701 (extra)                       | 29/07/21 | 2.  | CDSP to ascertain the cost/resource level required to continue the current PAC/PAFA BAU activities and circulate this to PAC Members as soon as possible.  | CDSP                             | <b>Carried Forward</b><br>Update due 14/09/21 |
| New Action 0702 (extra)                       | 29/07/21 | 2.  | CDSP/PAFA to estimate the cost/resource level likely over the next 12-18 months for PAC/PAFA activities, extrapolating from the current BAU activities.  | CDSP/PAFA                        | <b>Carried Forward</b><br>Update due 14/09/21 |
| New Action 0703 (extra)                       | 29/07/21 | 2.  | CDSP to produce the updated ROM for Modification 0674, specifically the cost for the PAFA work, split into both implementation costs and possible costs under 0674.<br><br><i>17/08/21 - Transferred to the 0674 Workgroup</i>   | CDSP                             | Update provided.<br><b>Closed</b>             |