

**UNC Workgroup 0483 Minutes**  
**Performance Assurance Framework Incentive Regime**  
**Tuesday 28 October 2014**  
**Energy Networks Association, Dean Bradley House, 52**  
**Horseferry Road London SW1P 2AF**

**Attendees**

Bob Fletcher Chair)	(BF)	Joint Office
Ian Hollington (Secretary)	(LD)	Joint Office
Andy Clasper	(AC)	National Grid Gas Distribution
Andy Miller	(AMi)	Xoserve
Andrew Margan	(AMa)	British Gas
Angela Love	(AL)	ScottishPower
Chris Warner	(CW)	National Grid Distribution
Colette Baldwin	(CB)	E.ON
Ed Hunter	(EH)	RWE Npower
Emma Lyndon	(EL)	Xoserve
John Peters	(JP)	Engage
Jon Dixon	(JD)	Ofgem
Jonathan Kiddle	(JK)	EDF Energy
Mark Jones	(MJ)	SSE
Naomi Anderson	(NA)	Engage
Steve Mulinganie*	(SM)	Gazprom

Copies of all papers are available at: [www.gasgovernance.co.uk/0483/281014](http://www.gasgovernance.co.uk/0483/281014)

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

**1.0 Status Review****1.1 Minutes**

The minutes of the previous meeting were accepted.

**1.2 Actions**

None outstanding.

**2.0 Discussion**

AMa advised that he would like to put development of this modification on hold until the independent study had reported. AMi questioned this, arguing that some aspects of it could be developed independently and the opportunity to do that should be taken. This led onto a discussion about the invoicing process and the underlying principle of an incentive charge, which was a similar process to that used for the energy invoice. When asked if the modification would require a unique invoicing system to be developed rather than using the existing, AMi advised that it would not be appropriate to utilise the current process.

AL voiced her concerns over an apparent inconsistency between the way in which certain principles were accepted when proposed by Transporters but not when put forward by Shippers. AMi replied that the instance being referred to was for USRVs and the use of a convenient process to resolve an issue some time ago when Transco was the only

operator. BF looked to the proposer to give some thought to the possible invoicing options.

AMa said he originally regarded this process as being a neutrality pot that would be administered by Xoserve. CW suggested that similar work in this area had been undertaken on a number of previous modifications, so researching these could be of value. AMa asked NA if the model being developed by Engage would look at incentives but she replied that it was limited to risk and this was something for the workgroup. It was noted that the party causing the risk should be included in the incentive process.

AMa agreed to continue to develop section 4 of the modification dealing with invoicing and to report back to the next workgroup meeting.

**New Action1001: AMa to continue to develop section 4 of the modification dealing with invoicing and to report back to the next workgroup meeting.**

### 3.0 Legal Text

This was not discussed at today's meeting

### 4.0 Workgroup Report

This was not discussed at today's 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 Wednesday 26 November 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 26 November 2014	Energy UK (Room F61)	Consider invoicing process
10:30 16 December 2014	Energy UK (Room LG8)	<i>To be confirmed</i>
10:30 13 January 2015	To be confirmed	<i>To be confirmed</i>
10:30 24 February 2015	Energy Networks Association (Room 4)	<i>To be confirmed</i>

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**Action Table**

<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
<b>1001</b>	28/1014	2.0	AMa to continue to develop section 4 of the modification dealing with invoicing and to report back to the next workgroup meeting.	British Gas (AMa)	<b>Pending</b>