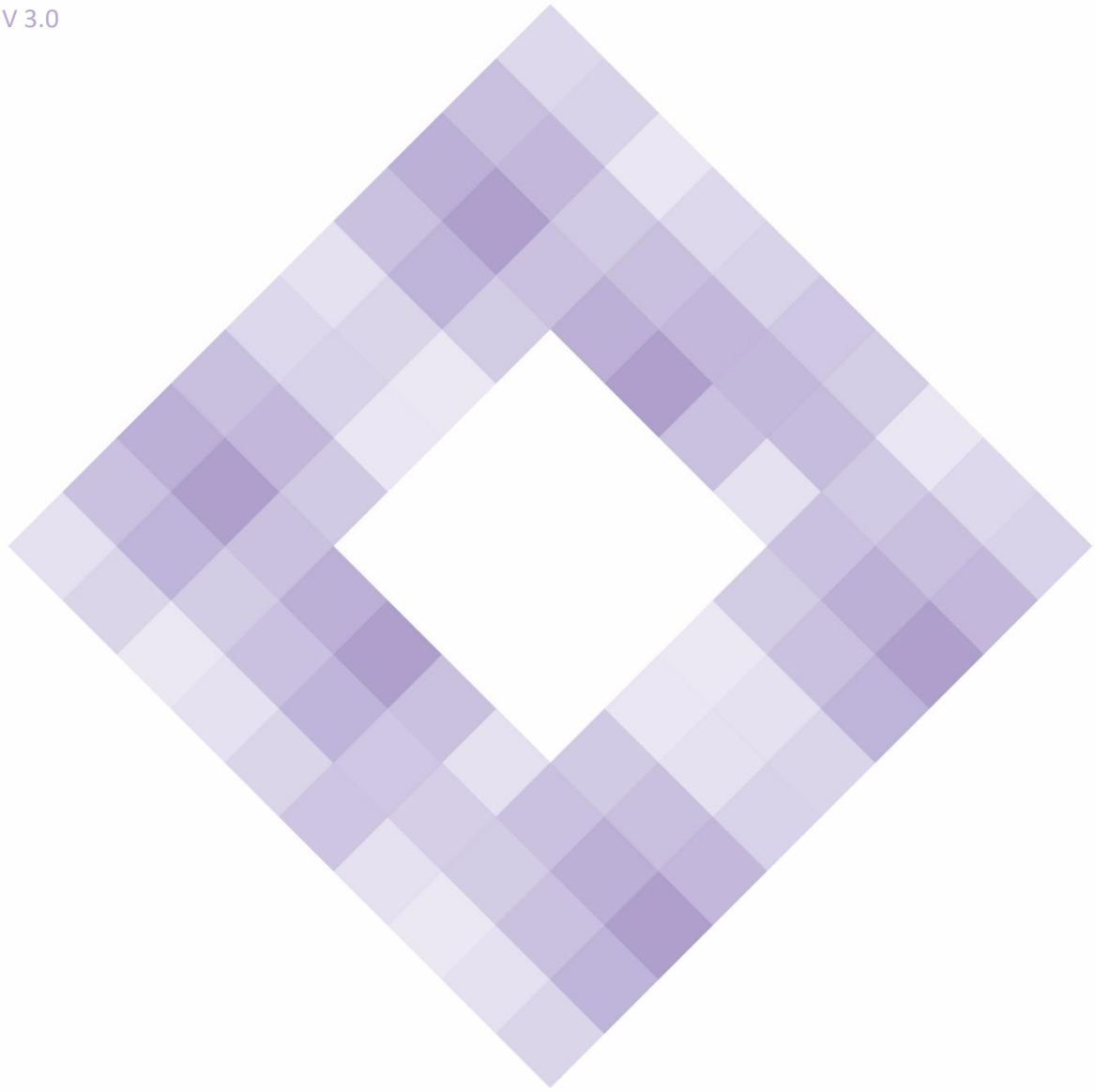
Performance Assurance Framework Administrator - Annual Review and Feedback Request 2020

15 September 2020

V 3.0



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CHANGE HISTORY

Version	Status	Issue Date	Author	Comments
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V2.0	Draft	18/08/2020	Shelley Rouse	
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DOCUMENT CONTROLS

Reviewer	Role	Responsibility	Date
Anne Jackson	Reviewer	Initial review	05/08/2020
Sara Usmani	Reviewer	Quality review	19/08/2020

Executive Summary

This report provides an overview of the work undertaken by the Performance Assurance Committee (PAC), Performance Assurance Framework Administrator (PAFA) and the Central Data Service Provider (CDSP) for the operation of the Uniform Network Code (UNC) Gas Performance Assurance regime between the period 1st July 2019 to 30th June 2020.

The PAC operate within the Performance Assurance Framework (PAF). The PAF is limited to energy and supply points within local distribution zones, including those in Independent Gas Transport Networks (IGT) (although PAC have no jurisdiction over the IGT's themselves), it does not extend to energy transported through the National Transmission System and supply meter points connected to it.

The PAC monitors Shipper performance against the Performance Assurance Reports Register (PARR). The data within these reports is used by the PAFA to review Industry performance, identify areas for performance improvement and to target poorly performing Shippers to request performance improvement action. The PAC also monitor the risks in the risk register and their impacts on gas industry settlement risk.

The PAC met a total of sixteen times over the period; consisting of thirteen Committee meetings, one extraordinary meeting and two development workshops. A considerable amount of work has been undertaken to enhance the PARR reporting both in terms of the data available within the reports as well as the method of delivery, with a PARR report development workshop being held in October 2019. To date, six of the ten PARR reports are available on Xoserve's Data Delivery Platform (DDP), with work continuing to deliver the remaining reports as soon as possible. An increasing number of UNC modifications contain reference to the requirement for PAC to monitor industry behaviour in a particular area and consider development of a PARR report.

The PAC has also continued to work closely with the PAFA and CDSP to further develop the range of performance assurance techniques available to them. PAFA have continued to work with the Xoserve Customer Advocate team, meeting with them every two weeks. The primary aim of these meetings is to increase communication with Shipper organisations, highlighting areas of concern and offering performance assurance advice. The implementation of these techniques has led to performance improvements across many of the areas monitored by the PARR reports.

The profile of the PAC has been raised, with the work of the PAC being increasingly recognised across the industry. More recently, the PAFA were invited to the UNC Panel to discuss performance assurance reporting, particularly in regard to the urgent COVID-19 modifications.

A record number of Shippers have been contacted regarding making improvements to their performance against the requirements of the UNC. Some of the most notable PAC achievements over the last 12 months have been:

- Significant increase in the number of performance improvement techniques being applied:
    - **Issuing 42** Performance Observation letters;
    - **Making 11** Performance Improvement Requests;
    - **Establishing 8** Performance improvement plans with Shipper organisations;
    - **Contacting 4** Shippers regarding the provision of NDM sample data.
- The continued development of the PARR
    - The reports have grown from **ten** anonymised reports ("A" for industry) and non-anonymised reports ("B" for PAC) to **ten** anonymised reports and **thirteen** non-anonymised reports, with another **three** in development.
    - An increasing number of UNC modifications contain recognitions for the requirement of PARR reports.
    - PAFA have worked closely with the CDSP to test the development of the Data Delivery Platform helping to ensure that the logic used for the PAC reports is reflective of the requirements of the PARR and offers the PAC the appropriate level of insight.
- Delivery of XRN4795 in November 2019, ensuring the data being provided to the PAFA by the CDSP is accurate to enable effective targeting on Shipper performance.
- Increased Shipper engagement levels, demonstrated through improved Huddle usage and emails to the PAFA mailbox.
- Risk register redesign undertaken:
    - **28** risks recorded;
    - **3** risks moved to issues;
    - PAC working on grouping risks into topics, to target specific areas for improvement.

For the coming contract year, the primary focus of the PAC will be meter readings with an objective to improve meter read performance across all product classes. By ensuring an increase in meter read performance, it is expected that this will lead to the achievement of additional benefits through Shippers working their portfolio's, processing failures, correcting AQs and updating Meter Asset data there by leading to improved settlement accuracy.

The PAC will also be playing close attention to the impact of UNC modifications implemented to provide economic relief and assistance to Consumers and Shippers through the period of the government's COVID-19 lockdown and other measures. This will include reviewing their use and, when appropriate, the reversing of or corrections as consumption levels resume or the period of need is deemed to have passed. This includes the UNC modifications **UNC0722** – Allow Users to submit Estimated Meter Reads during the COVID-19 period and **UNC0723** – Use of the Isolation Flag to identify sites with abnormal load reduction during COVID-19 period.

Feedback request:

As part of the annual review process the PAC are seeking views from industry on the activities and success of:

- the Performance Assurance Framework arrangements (which can be found at: https://www.gasgovernance.co.uk/PAC;
- the PAC in its role as managers of the Performance Assurance Framework; and
- the PAFA in its role as administrator of the arrangements;
- CDSP for the provision of information.

We are also eager to hear about any factors operational, systemic or otherwise that impact Code Parties ability to operate within the current arrangements.

Comments, feedback or suggestions may be sent to PAFA@gemserv.com

Anonymous/confidential response should be marked as such.

1. Performance Assurance Committee

The PAC is made up of a total of twelve seats, nine of which are held by Shippers and three by Transporters. This is illustrated below in Figure 1.1.

Figure 1.1: Performance Assurance Committee Member structure

Due to the sensitive nature of the information discussed at the PAC, the meetings are closed. However, industry participants are able to request attendance to some sections of the meetings by emailing a request to the Joint Office of Gas Transporters. Ofgem also have an optional non-voting seat on the committee and are able to attend PAC meetings.

The PAC meetings are held on the second Tuesday of each month and are supported by the Joint Office of Gas Transporters in its role as UNCC sub-committee chair and secretariat, and PAFA as administrator of the Performance Assurance Framework (PAF). Xoserve in its role as the Central Data Service Supplier (CDSP) also attend as an observer.

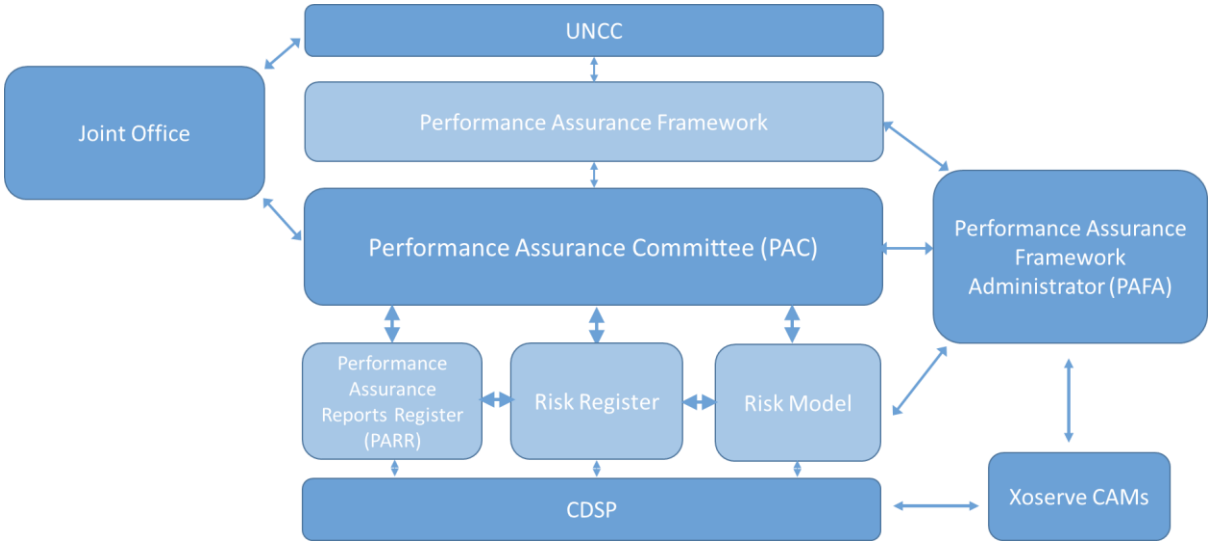
The PAF contains the following objectives:

- To determine the appropriate reporting and analysis to measure energy settlement performance and risks to it;
- To create a risk register and supporting analysis to assess risks and determine mitigation activities for energy settlement performance;
- To report as necessary; and

- To create a regime incentivising the required performance if necessary, by proposing modifications to the UNC.

The primary goal of the monthly PAC meetings is to work towards the achievement of these objectives. The PAC and its relationship to the rest of the industry is demonstrated below in Figure 1.2.

Figure 1.2: PAC industry structure



The PAC terms of reference and the Performance Assurance Framework document can be found on the PAC section of the Joint Office website: https://www.gasgovernance.co.uk/PAC

2. Performance Assurance Reports and the Data Delivery Platform

The PARR reports are separated into two reports: anonymised (marked as "A" reports) and non-anonymised (marked as "B" reports) versions. The anonymised reports are reported to the industry whilst the non-anonymised reports are only available to PAC members. Non-anonymised reports are used by the PAFA to monitor Shipper performance and in turn, provide performance assurance to the PAC. It should be noted that the PARR reports consider data relating to all energy and supply points within local distribution zones, including those in Independent Gas Transport Networks (IGT) – but excluding those directly connected to the National Transmission System.

Both A and B reports are published via the Huddle platform, with a separate location for the non-anonymised reporting which is closely monitored by the PAFA. The PARR reports included within the industry view (A) are below in Figure 2.

Figure 2: PARR report structure – anonymised reports

Report number	Report Title
2A.1	Estimated read performance
2A.2	No meter recorded in the Supply Point Register
2A.3	No meter recorded and data flows received
2A.4	Shipper Transfer read performance
2A.5	Meter read performance
2A.6	Meter read validity failure
2A.7	No read received for 1, 2, 3 or 4 years
2A.8	AQ corrections by reason code
2A.9	Standard Correction Factors
2A.10	Replaced Meter reads

The full specification of these reports and the non-anonymised reports can be found in Appendix 1 of this document. Graphs demonstrating average industry performance across all ten PARR reports can be found in Appendix 4 of this report.

The PAC and PAFA have continued to work on the development of the PARR, adding granularity and clarity to the reports and identifying the requirement for additional data items to add context and additional dimensions to the reporting. PAC welcome the increasing number of UNC modifications, whereby the proposer now includes the requirement for a PARR report and associated transparency and monitoring ability that this brings. As a result of this the number of reports included in the PARR is growing.

Change Management Committee (ChMC) change XRN4795 was delivered during this year and it updated the logic in a number of the reports, making them more fit for purpose. Change XRN4876 is also in development which aims to enable the delivery of further enhancements to the PARR, covering a wider range of metrics to add supporting detail to provide context to the PAC.

The development of the Data Delivery Platform (DDP) by the CDSP is set to enable the PAFA (and Shippers), when fully rolled out, to 'self-serve' their monthly reports. To facilitate this, PAFA were added to the Data Permissions Matrix (DPM), through the implementation of modification **UNC0707S: Introducing 'Performance Assurance Framework Administrator' as a User Type to the Data Permissions Matrix.**

Currently six PARR reports are available on the DDP, with the remaining four reports to be delivered as soon as possible. The additional reporting that is available to the PAC, as well as additional reporting due to implementation of modifications, are also expected to be available imminently. The PAFA have been part of the Beta testing team for PAFA data delivery and are working alongside the DDP team on successful delivery of the PARR.

Details of the change proposal requests can be found here: https://www.xoserve.com/change/change-proposals/?customers=&statuses=&search=

3. Performance Assurance Techniques

The PAC, with the support of PAFA, monitors Shipper performance against the PARR. The data within these reports alongside market intelligence and input from the Xoserve Customer Advocate teams is used by the PAFA to identify areas for industry performance improvement and target specific Shippers exhibiting poor performance for performance improvement action.

Where areas for performance improvement are identified the PAC have deployed a number of performance assurance techniques to encourage Shippers to work towards meeting the requirements of the UNC. Over the course of the year, the PAC have worked to deploy these techniques across the PARR, issuing a total of fifty-seven Shipper specific communications. These are spread across the performance assurance techniques as follows:

- **Issuing 42** Performance Observation letters,
- **Making 11** Performance Improvement Requests, leading to;
    - **Establishing 8** Performance improvement plans with Shipper organisations
- **Contacting 4** Shippers regarding the provision of NDM sample data

Month of issue	Technique	Performance area
July'19	Performance observation	2A.9 – standard CF AQ>732,000
Sept'19	Performance observation	2A.9 – standard CF AQ>732,000
Sept'19	Performance observation	Mandating provision of NDM sample data
Feb'20	Performance observation	2A.5 Read Performance Product Class 4
Feb'20	Performance observation	2A.3 No meter recorded in the supply point register and data flows received
Feb'20	Performance observation	2A.5 Read Performance Product Class 1
Apr'20	Performance observation	2A.5 Read Performance Product Class 1

Month of issue	Technique	Performance area
Nov'19	Performance improvement request	2A.5 Read performance in PC1,2 and 3
Jan'20	Performance improvement request	2A.5 Read Performance Product Class 4
Apr'20	Performance improvement request	2A.5 Read Performance Product Class 1

The Performance Assurance Techniques are displayed below in Figure 3, a full description of the techniques can be found in Appendix 2 of this document.

Figure 3: Performance Assurance Techniques

4. Performance improvements (to date)

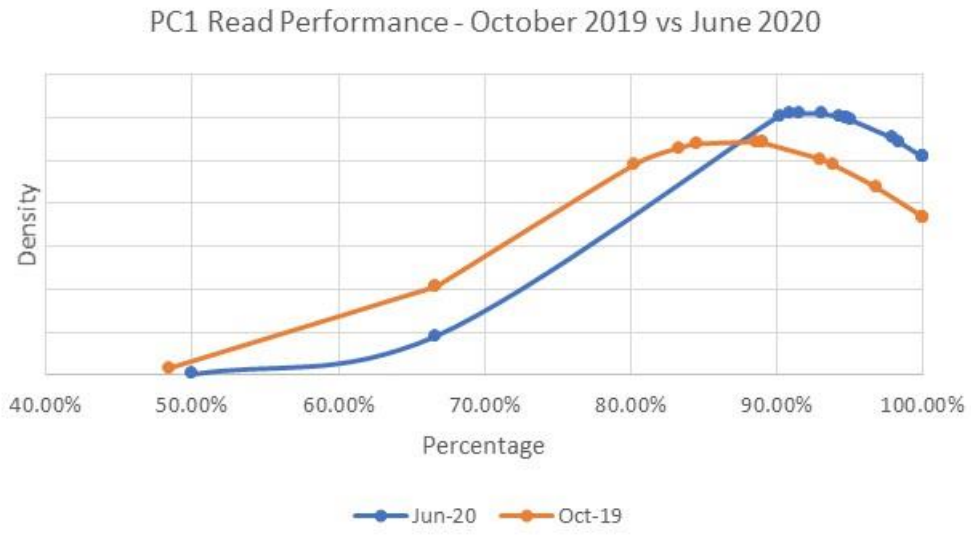
The PAC and PAFA have continued to work closely alongside the Xoserve Customer Advocate Team (CAMs) to encourage improvements in Shipper performance. PAFA meet with the CAMS every two weeks to discuss areas of concern, discuss progress and understand issues that are currently impacting the industry as a whole.

Following the outbreak of COVID-19 and the UK lockdown, PAC took the decision, guided by Ofgem communications in this area, to suspend performance improvement activities from 24th March 2020. Following additional guidance from the Authority, performance improvement activities were recommenced in July 2020.

During the period from the start of this performance year (1st July 19), until the delivery of XRN4795 (November 2019), the correct logic was not deployed on read performance figures. However, following the successful delivery of XRN4795, the corrected read performance figures enabled targeting to commence. The read performance figures from October 2019 until the suspension of performance assurance activities in March 2020, saw the largest improvements in read performance with the distribution showing that a higher percentage of meters being read.

Figure 4.1 and 4.2 demonstrate the distribution of percentage of read performance across product class 1 (PC1) and product class 2 (PC2) from October 2019 to June 2020, respectively.

Figure 4.1: Read Performance for PC1 Market – October 2019 vs June 2020



A combination of the six performance improvement letters issued to Shippers in PC1 in early 2020 combined with targeted engagement by the CAMs, has resulted in the increase in the percentage of PC1 meters being read. The average read performance in October 2019 was c. 87% which increased to c. 92% in June 2020, illustrating the work of the PAFA and PAC completed on improving read performance in this area.

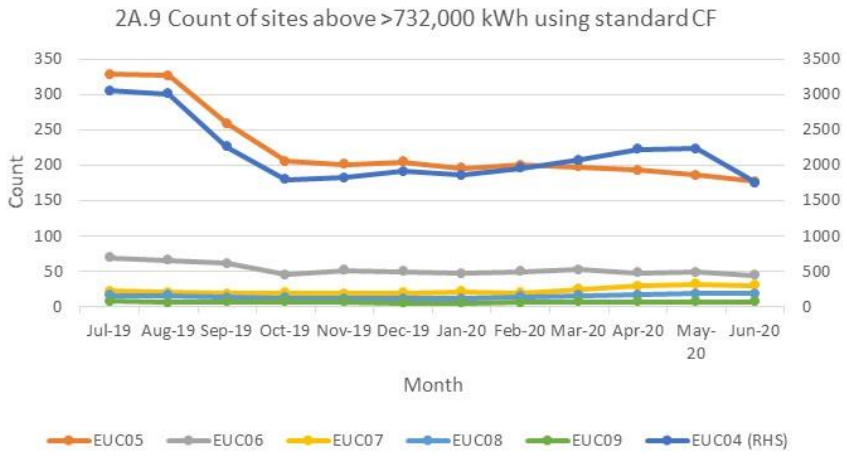
Due to work around reports being provided to the PAFA by the CDSP from February 2019, the PAFA and PAC were able to take performance improvement action sooner for the PC2 market. CAM communications began in 2019 Q2, with the worst performers being targeted. However, due to a lack of improvement seen, improvement letters were issued in November 2019. PAC performance improvement activity has also led to an increase in read performance in PC2.

Figure 4.2: Read Performance for PC2 Market – October 2019 vs June 2020

Significant improvements have been made within the PC2 market, as illustrated in the distribution graph in Figure 4.2. In July 2019, there were a number of Shippers submitting no reads as well as Shippers submitting less than 50% of meter reads. This has improved significantly with the lowest meter reading in June 2020 being 60%. The industry average has also shifted from c. 52% in July 2019 to c. 78% in June 2020 – an increase of 26%.

The PAC have continued to focus on the inappropriate use of the standard gas conversion factors (1.02264) for sites with an AQ above 732,000 kWh. Figure 4.2 below demonstrates the reduction made in EUC04 and EUC05 during the relevant period.

Figure 4.3: Standard Conversion Factors used across all EUC bands



EUC04 has historically had a higher number of standard conversion factors used and has continued to be an area of concern for the PAC. Since July 2019, standard conversion factors have declined from 3,056 to 1,756 in June 2020. Meanwhile, EUC05 has also seen a reduction of 152 conversion factors used for the same period. All other EUC bands remain stable and do not pose concern for the PAC.

5. Huddle Usage

Huddle is a platform that is utilised by the PAFA to securely share reporting on industry performance with the PAC, CDSP and industry members. Current arrangements allow each Shipper organisation a single access licence to the Huddle platform.

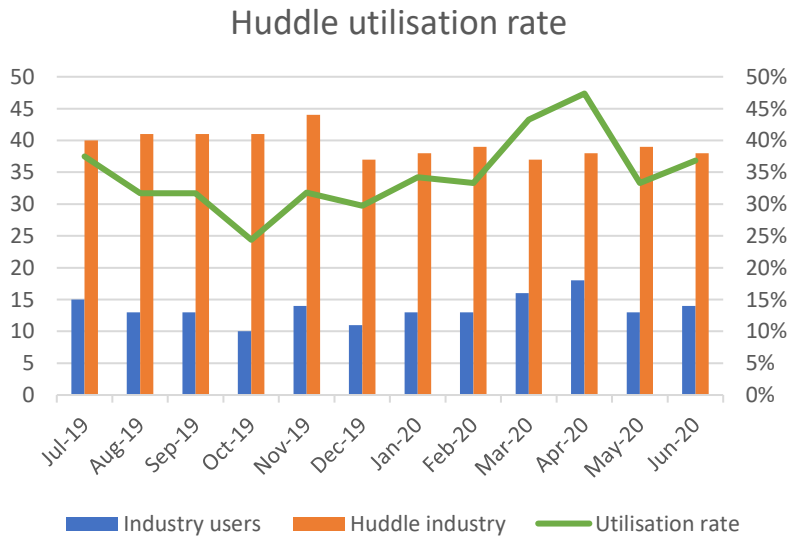
This year, PAFA have undertaken a full review of the Shipper access to the Huddle platform, encouraging Shippers to update their contact details and advising Shippers of the level of information that is available for Shippers to access.

Despite work on increasing visibility and access to the platform, utilisation still remains lower than expected. Currently 52 licences have been issued to Shipper organisations, with industry utilisation increasing on previous years to between 40 and 45%.

To identify who has access for your organisation, please contact the PAFA: PAFA@gemserv.com.

The graph below illustrates the Huddle utilisation rate across industry members (excluding PAC, CDSP & PAFA). The Huddle industry (orange bar) figure show the total number of industry users with a login during a given month whilst the industry users (blue bar) illustrates the number of users who either viewed and/or downloaded a document from the platform. The utilisation rate (right hand side axis) is the rate which indicates platform usage.

Figure 5.1: Huddle utilisation rate



Between October 2019 and April 2020, the utilisation rate increased from 25% to 47% - a 22% increase in usage. This was a result of increased engagement work through the platform as well as Shippers improvement plans utilising the platform more frequently to track their performance closely. However, since April 2020, the utilisation rate has seen a slight decline.

6. Risk Register

The PAFA have this year, undertaken a full review of the Risk Register, looking to simplify the way risks were measured and grouping risks into topics to enable the PAC to focus on specific areas of industry performance rather than individual risks in isolation.

As a result, the number of risks recorded on the register has increased from **eighteen** to **thirty**, and seven topic groups have been determined.

Risks can be raised by any PAC member and then presented to the rest of the PAC to reach agreement for inclusion in the register. PAFA and CDSP then work to provide evidence to support the risk and define possible target measures.

A list of the risks on the register is detailed below, with the full risk register being available on the Joint Office website at: https://www.gasgovernance.co.uk/index.php/PAC

PAC Risk no.	Risk Title	Category
PACR001	Theft of gas: The consumption recorded at and by the meter does not record the actual consumption at the premise because of theft of gas at that premise	THEFT OF GAS
PACR002	AQ correction process: The process to correct AQ's is not used correctly or appropriately thereby applying a bias to the AQ corrections which is not reflective of the AQ corrections needed in any shipper portfolio	DATA CORRECTIONS
PACR003a	Use of estimated reads for Daily Metered sites (Product class 1) due to an actual daily reading not being loaded into UK Link	DATA CORRECTIONS/ METER READ PERFORMANCE
PACR003b	Use of estimated reads for Daily Metered sites (Product class 2) due to an actual daily reading not being loaded into UK Link	MONITORING
PACR004	Identified LDZ Offtake measurement errors: The gas measured into the network has been identified as being incorrect	THEFT OF GAS
PACR005	Incorrect or absent meter asset data: Consumptions are inaccurately derived from the meter billing attributes provided	METER ASSET DATA / DATA CORRECTIONS
PACR006	Site-specific winter annual ratio (WAR) bands: site specific WAR bands are not available for End User Category (EUC) 03-08 sites	VOLUME CONVERSION
PACR007	Undetected LDZ offtake measurement errors: The gas measured into the network is incorrect and remains undetected	THEFT OF GAS
PACR008	Unregistered Supply points: The supply point is not registered, but is consuming gas	METER ASSET DATA/THEFT OF GAS
PACR009	Shipperless Supply points: The supply point exists on the Supply Point Register with no registered Shipper whilst consuming gas	METER ASSET DATA/THEFT OF GAS

PACR010	Meter readings fail validation (product class 3 and 4): Insufficient reads are loading into UK Link eroding the accuracy of the AQ	METER READ PERFORMANCE
PACR011	Derived meter read drift: The consumption derived from automatic reads is not reflective of the actual consumption recorded on the meter and this is not identified	METER READ PERFORMANCE
PACR012	Required meter read frequency for product 4 meters: the differing required frequency in meter read provision between product class 3 and 4 sites	METER READ PREFORMANCE
PACR013	Change of Shipper reads: Estimated change of shipper reads are used and rather than actual reads, creating inaccurate reconciliation to the shippers involved	METER READ PERFORMANCE
PACR014	Meter readings not provided within the settlement window: Sites do not have any reads loaded in the settlement window	METER READ PERFORMANCE
PACR015	Retrospective updates: Application of an inconsistent approach by Shippers and the industry to retrospective updates	DATA CORRECTIONS
PACR016	Correction factors (CF) - incorrect use of standard CF above 732,000 kwh	VOLUME CONVERSION
PACR017	Correction factors (CF) - incorrect use of standard CF for sites consuming on or below 73,200 kwh	VOLUME CONVERSION
PACR018	Correction factors (CF) - incorrect use of non-standard CF below 732,000 kwh	VOLUME CONVERSION
PACR019	Smart meter exchanges - Late meter exchanges involving smart meters	METER TECHNOLOGY
PACR020	Issues with UK link post New UK Link implementation	CENTRAL SYSTEMS
PACR021	AMR data provision: there is a risk that poor meter read services and data provision will distort settlement accuracy	METER TECHNOLOGY
PACR022	Use of meter bi-pass: Inappropriate use of meter bi-pass and/or inaccurate records kept	THEFT OF GAS
PACR023	Post New UK Link implementation reconciliations: delay in finalising 'pot 2' reconciliations	CENTRAL SYSTEMS / DATA CORRECTIONS
PACR024	understated Aqs on 177,000 PC3 meters	CENTRAL SYSTEMS
PACR025	Impact on performance assurance reporting of change to PC3 settlement process for EUC01	CENTRAL SYSTEMS / METER READ PERFORMANCE
PACR026	Removal and/or non-replacement of correction equipment	METER ASSET DATA/ VOLUME CONVERSION
PACR027	COVID-19 - impact on the operation of the PAC	ALL
PACR028	COVID-19 - related UNC modifications	METER READ PERFORMANCE
PACR029	NDM sites in EUC09, increase AQ above NDM threshold	METER READ PERFORMACE
PACR030	Delay in between UNC mod implementation and PARR report delivery	CENTRAL SYSTEMS

PAC and PAFA would welcome any feedback on the Risk Register or should any Industry Party wish to highlight a risk to settlement accuracy for consideration by the PAC, please pass details to either a PAC member or to PAFA@gemserv.com and PAFA will table for PAC members to discuss.

7. UNC Modification proposals – Industry change

Discussions during PAC meetings often identify the need for potential changes to the UNC arrangements. The PAFA and PAC are unable to raise UNC modifications in their own right, although UNC0674/IGT138, proposes to change this. Initial proposals for change are discussed at PAC meetings and then adopted by a UNC/IGT UNC Party as modification sponsor and developed through the modification process.

Following the most recent review of the PAFA scope of services (June 2020), PAFA are able to support proposers with the development of UNC/IGT UNC modifications and help to facilitate the modification through the process.

The PAC, PAFA and CDSP have so far worked collaboratively to facilitate the development of the below UNC modification proposals which has led to the raising of mods in the IGTUNC to mirror the requirements:

- **UNC0674 / IGT138: Performance Assurance Techniques and Controls**
    - To provide an effective framework for the governance of industry performance that gives industry participants mutual assurance in the accuracy of settlement volume allocation
    - It should be noted that if successful, these modifications will allow the PAC jurisdiction over all supply points including those on the IGT networks.

- **UNC0664V / IGT145: Transfer of sites with Low Read Submission Performance from Class 2 and 3 into Class 4**
    - To create an obligation for Shippers to move sites with low meter read submission performance from Product Class 2 and 3 into Product Class 4, in the first three months of entry to the settlement class.

- **UNC0677R: Shipper and Supplier Theft of Gas Reporting Arrangements**
    - Request to review and identify any discrepancies in Shippers and Suppliers theft of gas reporting arrangements.

Appendix 1: PARR description

Report ID	Topic	Details	Split by	12 Months Rolling	Report Format	Condition
2B.1	Estimated & Check reads used for Gas Allocation and Consumption Adjustments for Product Classes 1 & 2	Estimated Reads: Checks Class 1 & 2 portfolios for each reporting day and count of MPRNs where a read has been estimated and no actual present on the same day. Only includes instances where an estimate read is still present at D+6 Check Reads: As at the report snapshot day check how many class 1 & 2 MPRNs are present with DRE/AMR. For those MPRNs validate if we have a site visit read <+14 months and no subsequent site visit read.	Class	Annual	%	M-1
2B.2	No meter recorded in the supply point register	Meter serial number should be blank and MPR status should be LI. Dead and extinct are excluded	Class	Annual	Count	M
2B.3	No Meter Recorded in the Supply Point Register and data flows received by Xoserve	Same as above but additional validation to confirm if Data Flows have been received in that month e.g. Asset Updates	Class	Annual	Count	M
2B.4	Shipper Transfer Read Performance	Only covers a Change of Supply Event. Read Reason Code of O (opening read). Read Reason Code of R with a source read of A (if within the submission window)	No split	Annual	%	M-2
2B.5	Read Performance	As per the read frequency and latest read received date, validate if we have received the expected read e.g. monthly read site we will check if we have received the read in month. Class and Shipper transfer are excluded. M-2, exclude sites where class changes happened in M-2, Shipper changes	Class	Month	%	M-2
2B.6	Meter Read Validity monitoring	MRE01026: Reading breached the lower Outer tolerance MRE01027: Reading breached the Upper Outer tolerance	Reason codes	Month	%	M-1

		MRE01028: Reading breached the lower inner tolerance value and no override flag provided MRE01029: Reading breached the upper inner tolerance value and no override flag provided MRE01030: Override tolerance passed and override flag provided The total calculation is based on the Number of Rejections for each category / number of reads received by Class type				
2B.7	No reads received for 1,2,3 or 4 years	For reporting 22.11.2018 No reads received for 1 year – latest read date between 22.11.2016 and 22.11.2017 No reads received for 2 years – Latest read date between 21.11.2015 and 22.11.2016 No reads received for 3 years – Latest read date between 21.11.2014 and 22.11.2015 No reads received more than 4 years – Latest read date less than 22.11.2014. Report currently includes NTS sites in Class 1 which is incorrect	AQ band	Annual	%	M
2B.8	AQ Corrections	AQ correction by reason code: cancellations of AQ corrections in the same month are excluded from the report	AQ band	Annual	Count	M-1
2B.9	Standard Correction Factors for sites with AQ>732,000mwh	Standard correction factor by AQ band	AQ band	Annual	Count	M
2B.10	Replaced Meter reads	Count of meter points where replacement reads received by AQ band. Only reports class 3 & 4	AQ band	Annual	Count	M-1

Appendix 2: Performance Improvement Process

Regular monitoring

- PARR reporting is used to monitor Shipper performance.
- Monitoring is likely to be an area of constant evolution as drivers of settlement risks are identified by PAC and shipper action improves performance with the resultant impact on settlement risk.

Targeted Monitoring

- Detailed analysis of the PARR reports identifies those Shippers that are consistently not performing as expected.
- Shippers are closely monitored for 3 months, working with the Xoserve CAMs to identify any issues before any performance improvement recommendations are made to the PAC.

Performance Observation/ Data cleanliness letter

- Following identification of sub-optimal performance in a particular PARR report, communication is sent to all Shippers operating within that area.
- Communications advise that PAC are paying particular attention to this report and that performance improvement is required.
- No formal response from Shippers is required.
- Failure to improve performance within 3 months of receipt of this communication could lead to escalation through a 'Performance Improvement Request'.

Performance Improvement Request letters

A suite of Shipper communications has been designed to encourage performance improvement.

Performance improvement request (letter):

- Using PARR data and market intelligence, PAFA identify those Shippers who have demonstrated 3 months of sub-optimal performance.
- PAC approve issuing of a 'Performance Improvement request'.
- Shippers are required to both acknowledge receipt of this letter and provide details of an improvement plan.
- Failure to respond or provide adequate details of their improvement plan could lead to escalation.

Urgent Performance Management Request (letter):

1. PAFA identify Shippers whose performance is of significant concern to the PAC, using PARR data, market intelligence and Xoserve CAM input.
2. PAC approve issue of an 'Urgent Performance Management' request.
3. Shippers are required to respond with details of performance improvement plans in expedited timescales.
4. Failure to or an inadequate response could lead to escalation.

PAFA Meeting

Alongside written communication, a face-to-face meeting may also be arranged. PAC can request PAFA to meet with Shippers to discuss performance in more detail and/or question the measures proposed in their performance improvement plan. PAFA also work alongside the Xoserve Customer Advocate teams (CAMs) to increase communication with Shippers.

This combination of written communication and face-to-face meetings has proved successful to date and we are currently seeing performance improvements in all areas that have been targeted.

PAC Call in

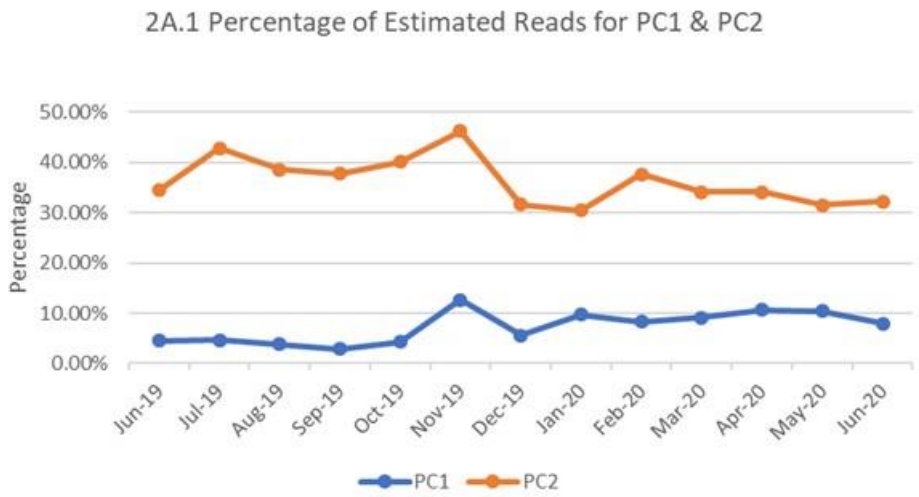
PAC can request senior representatives within a Shipper organisation attend a meeting with the PAC to answer questions around their Company's performance and plans to improve.

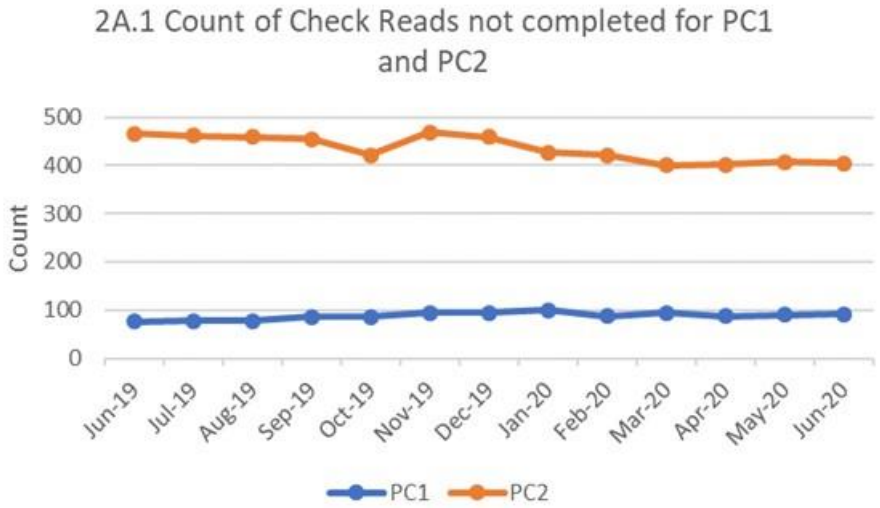
Presentation of case to Ofgem

Failure to improve performance to a level that is either in line with the requirements of the UNC or aligned with the rest of the industry, can lead to Shippers' names, details of relevant PAC and PAFA contact and performance data being passed to Ofgem as an evidence pack. This technique has not been applied this year.

Appendix 4: Annual performance graphs

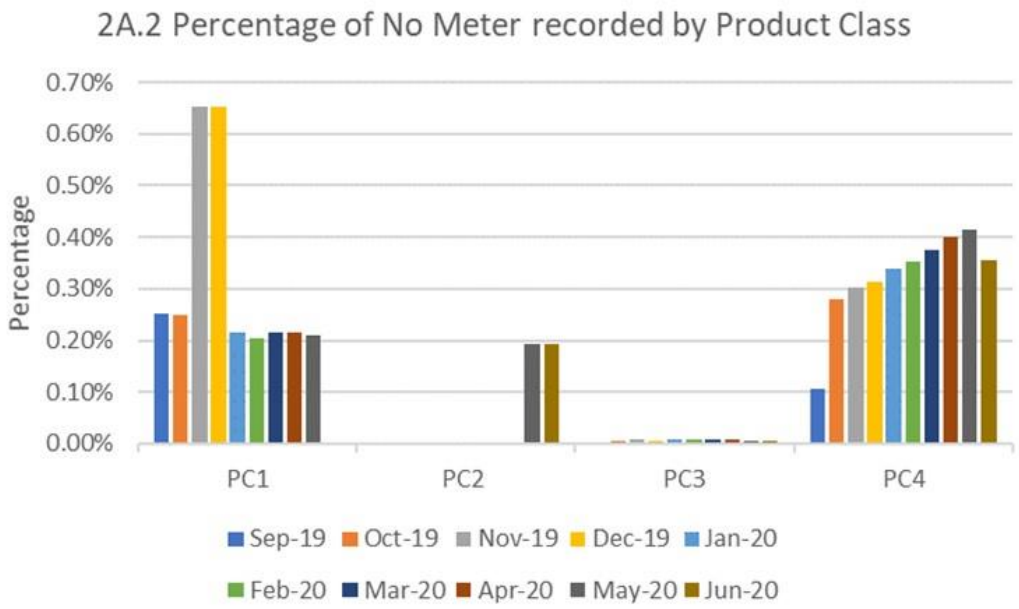
2A.1 Estimated and Check Reads – Product Classes 1 & 2



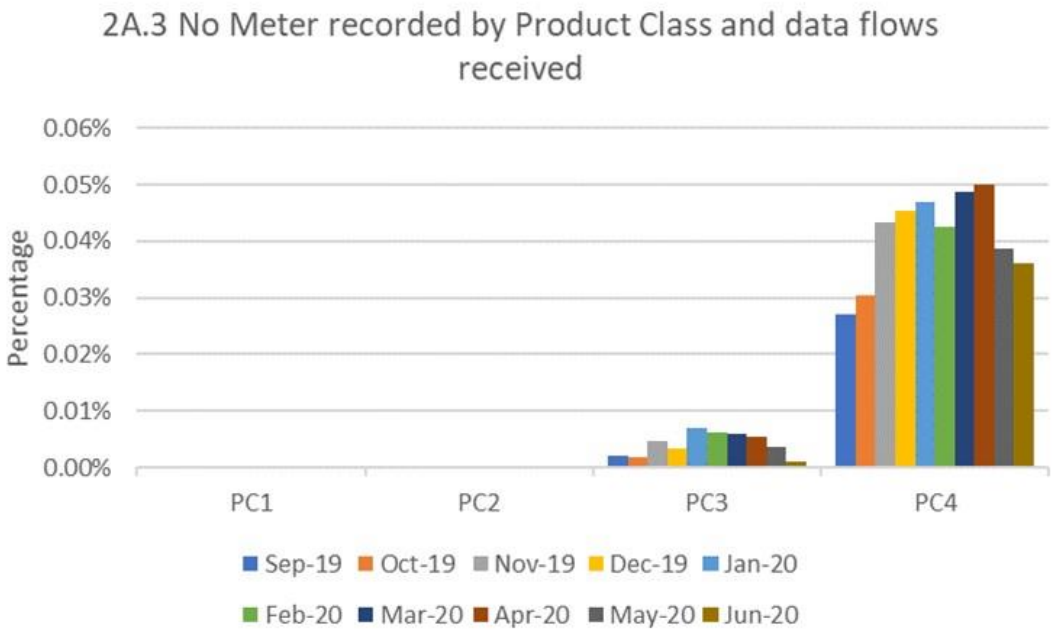


2A.2 No Meter Recorded

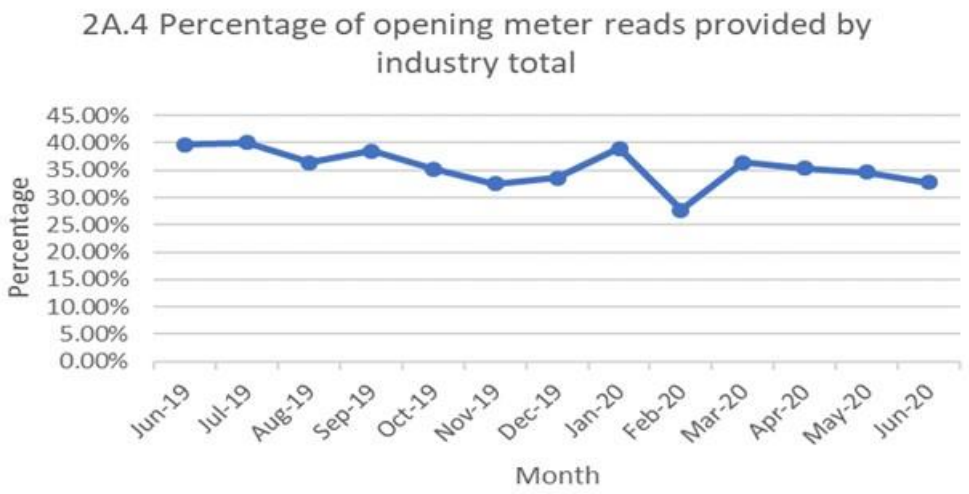
Chart begins in September-19, as all data was available and accurate from this point



2A.3 No Meter Recorded and Data Flows Received

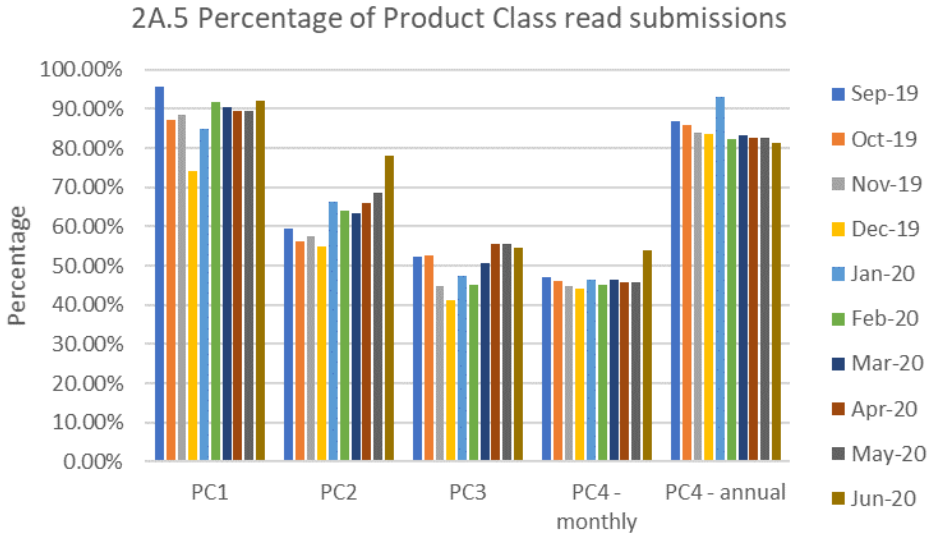


2A.4 Shipper Transfer Performance

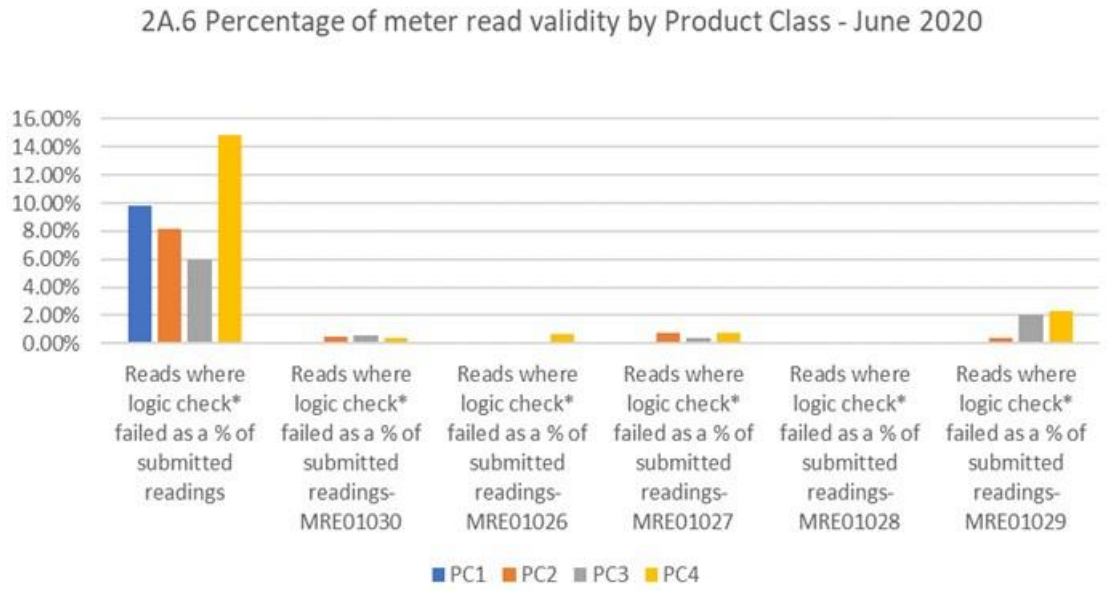


2A.5 Read Performance

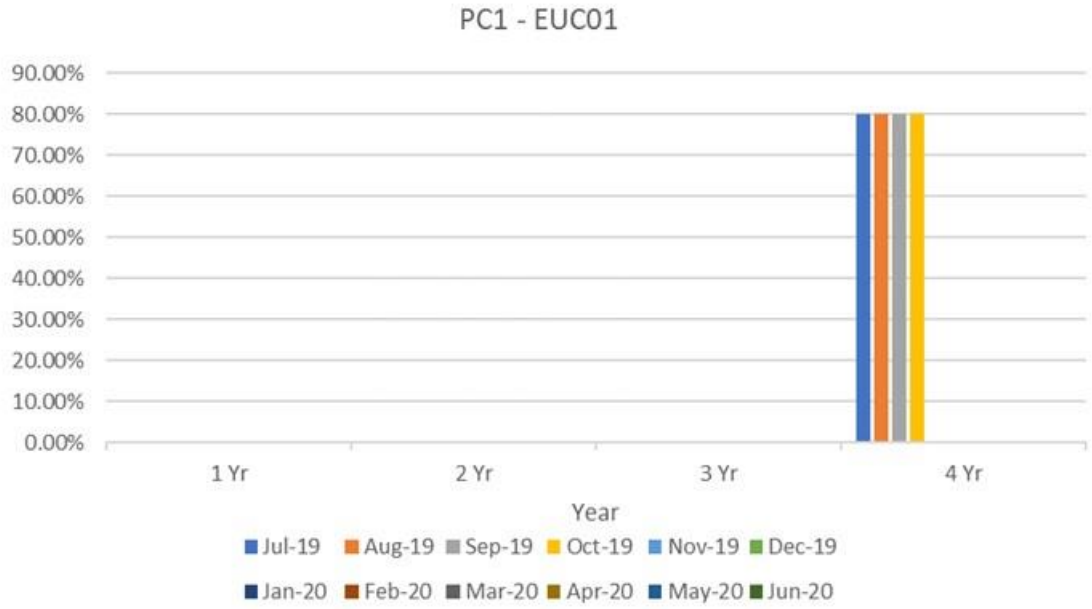
Chart begins in September-19, as all data that measured accepted vs expected reads was available from this point.



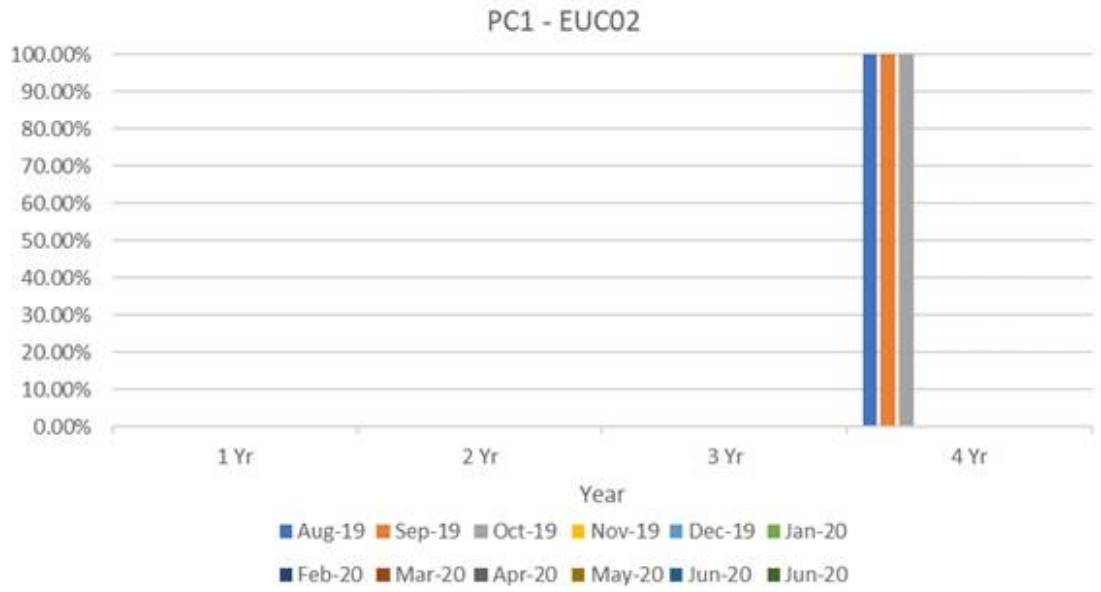
2A.6 Meter Read Validity Monitoring



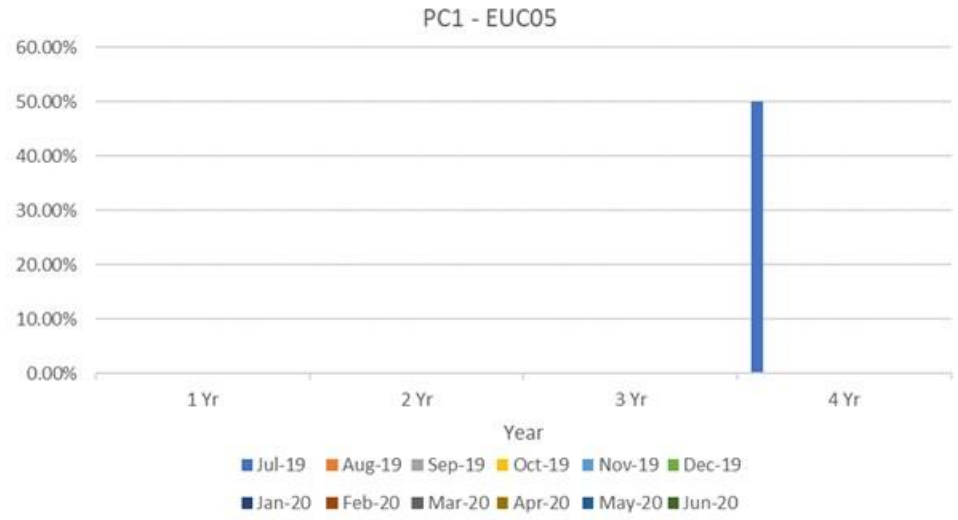
2A.7 No Reads Received for 1,2,3,4 years (PC1 EUC01)



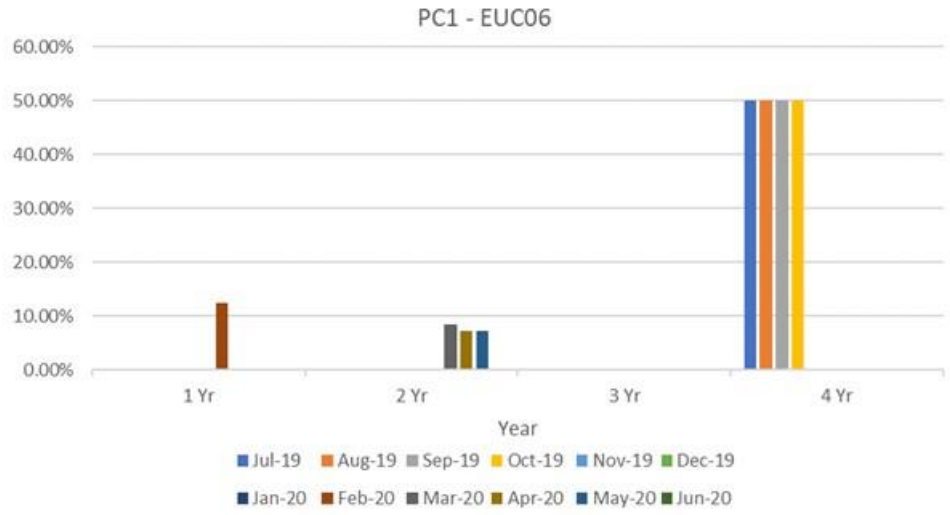
2A.7 No Reads Received for 1,2,3,4 years (PC1 EUC02)



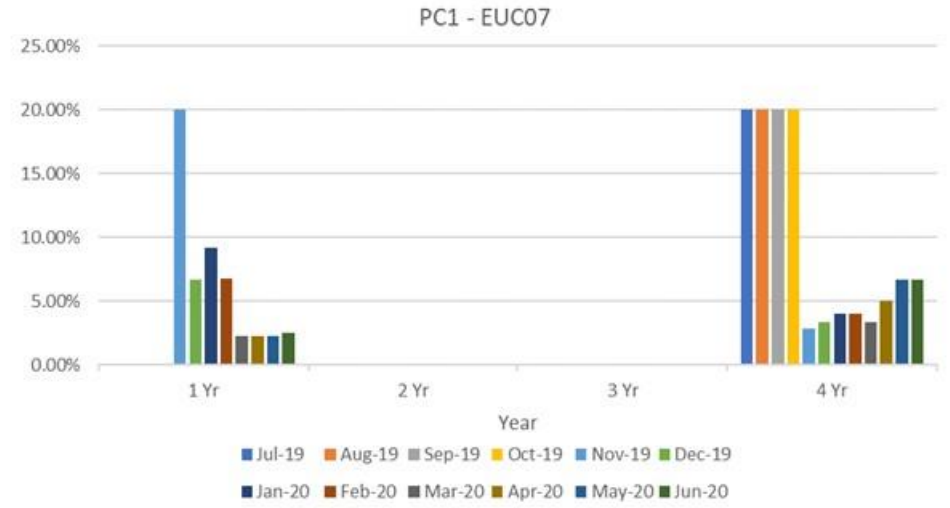
2A.7 No Reads Received for 1,2,3,4 years (PC1 EUC05)



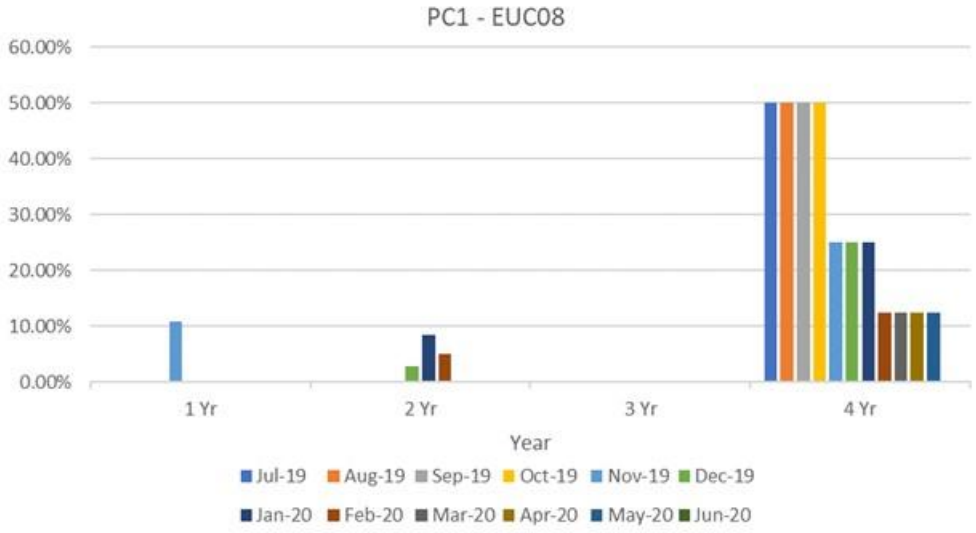
2A.7 No Reads Received for 1,2,3,4 years (PC1 EUC06)



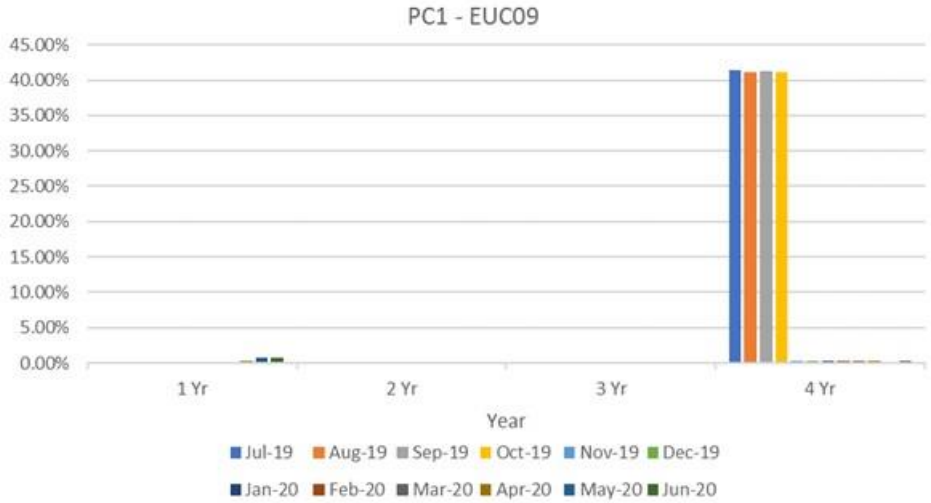
2A.7 No Reads Received for 1,2,3,4 years (PC1 EUC07)



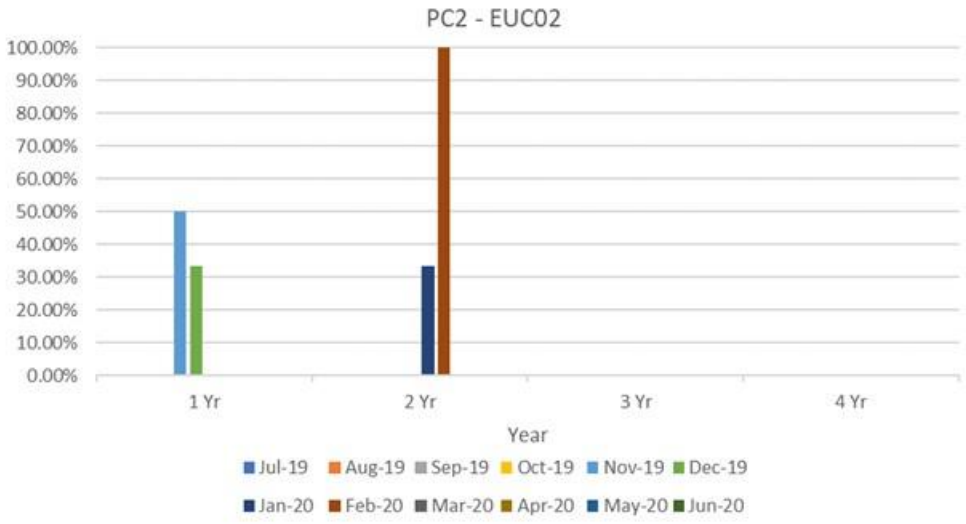
2A.7 No Reads Received for 1,2,3,4 years (PC1 EUC08)



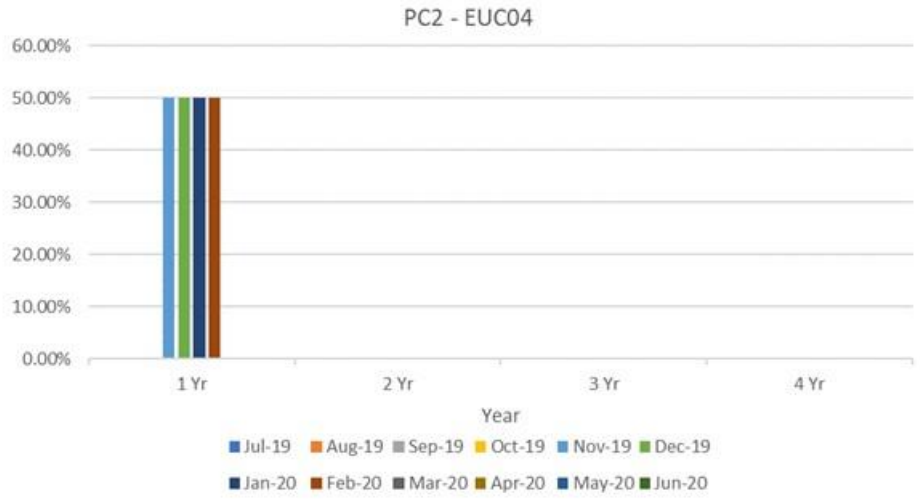
2A.7 No Reads Received for 1,2,3,4 years (PC1 EUC09)



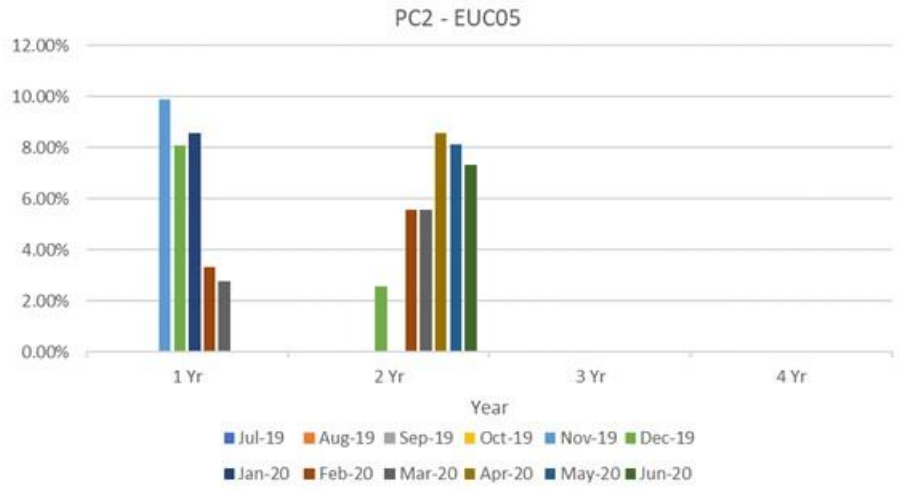
2A.7 No Reads Received for 1,2,3,4 years (PC2 EUC02)



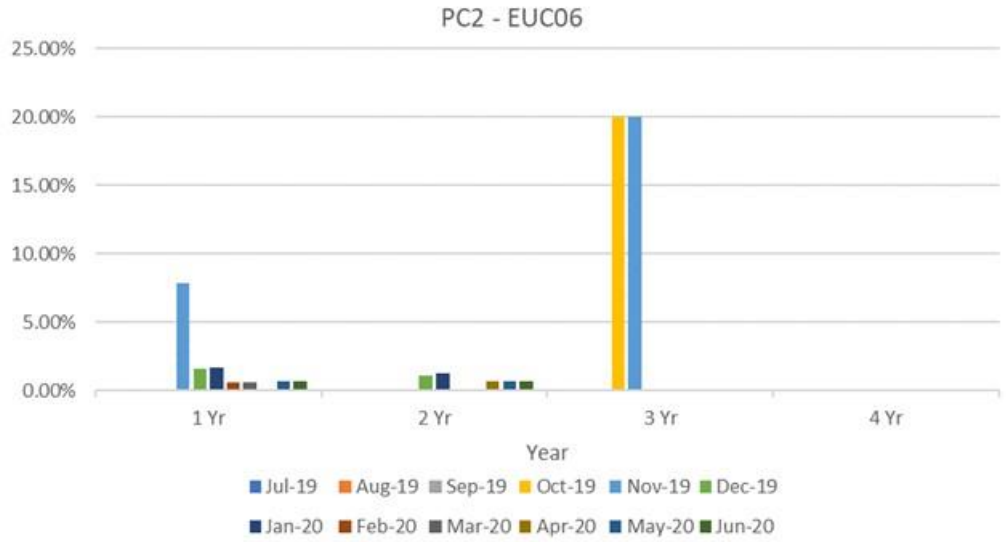
2A.7 No Reads Received for 1,2,3,4 years (PC2 EUC04)



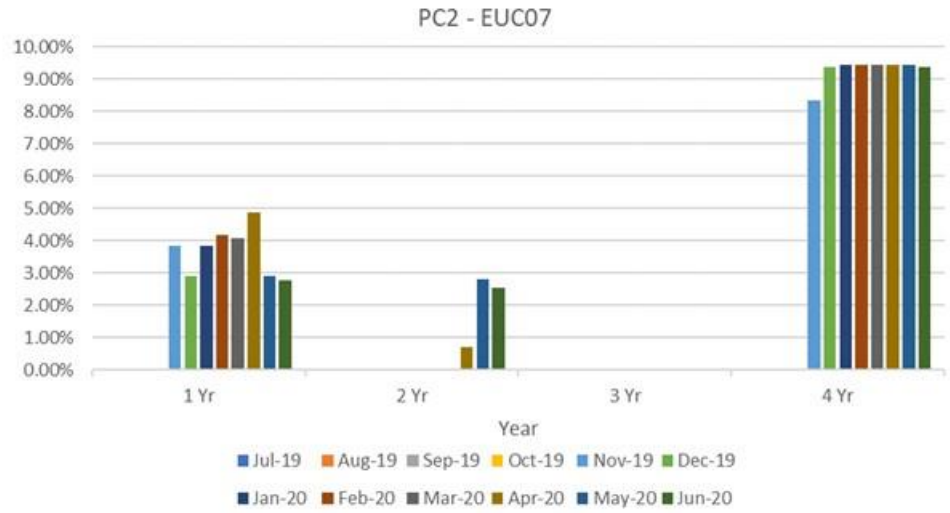
2A.7 No Reads Received for 1,2,3,4 years (PC2 EUC05)



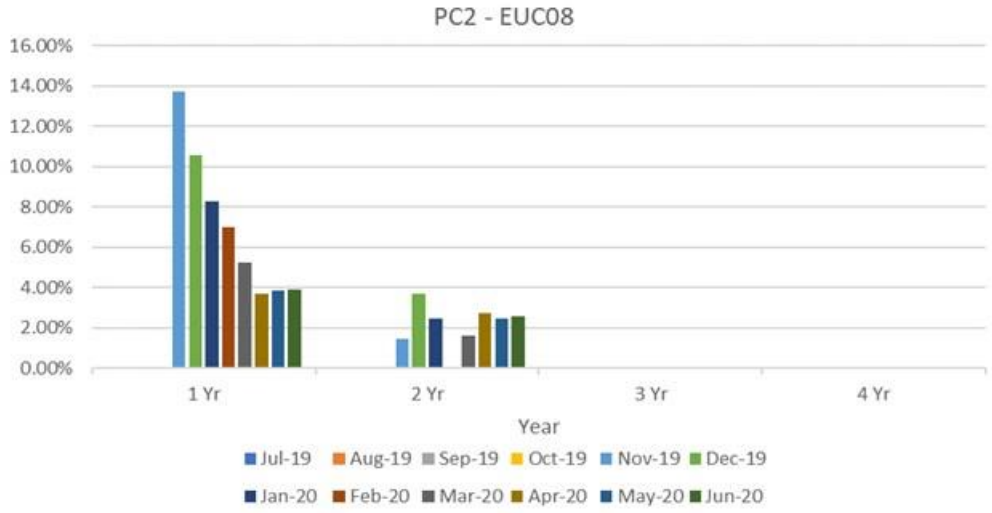
2A.7 No Reads Received for 1,2,3,4 years (PC2 EUC06)



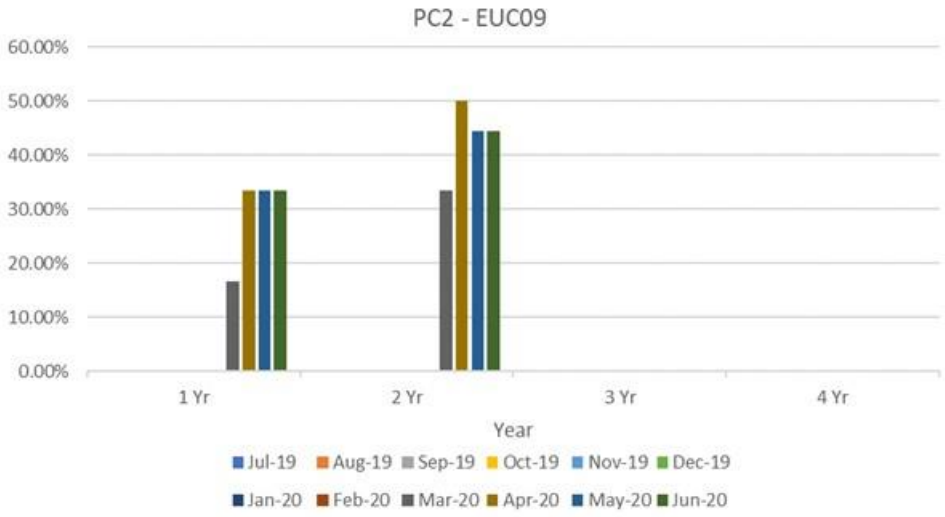
2A.7 No Reads Received for 1,2,3,4 years (PC2 EUC07)



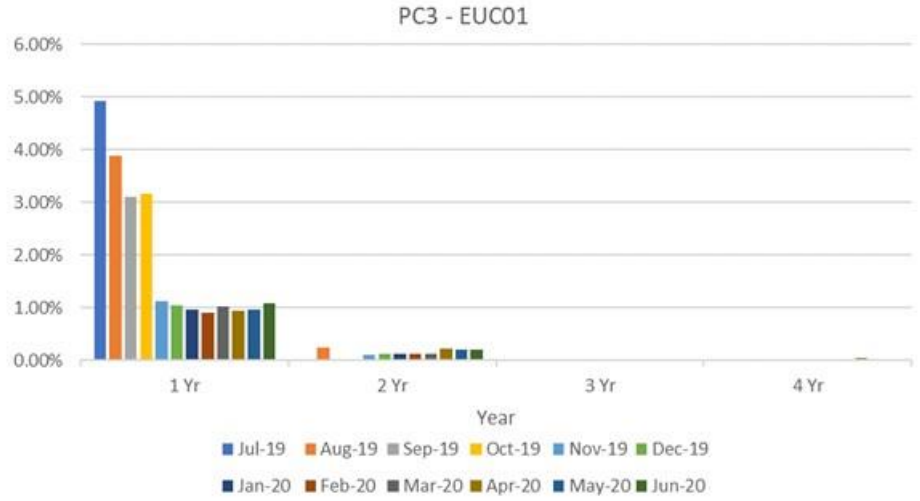
2A.7 No Reads Received for 1,2,3,4 years (PC2 EUC08)



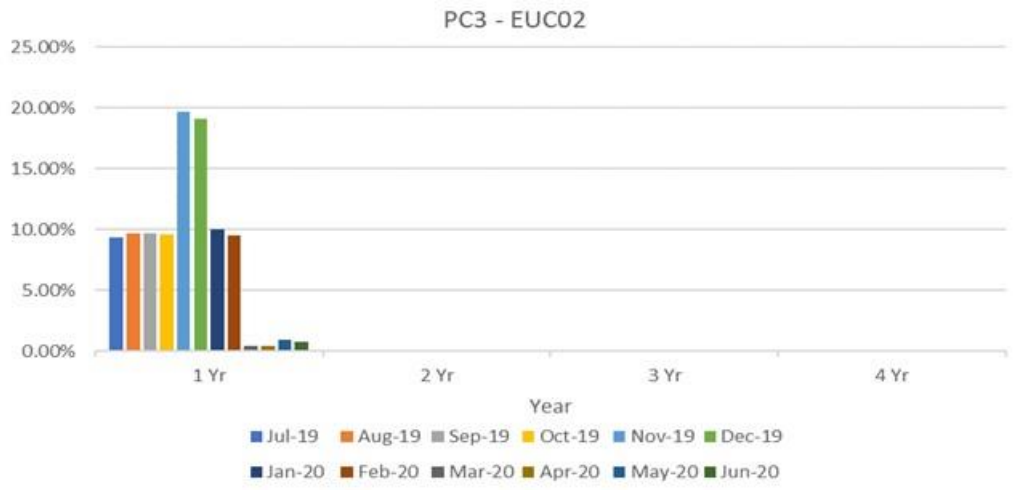
2A.7 No Reads Received for 1,2,3,4 years (PC2 EUC09)



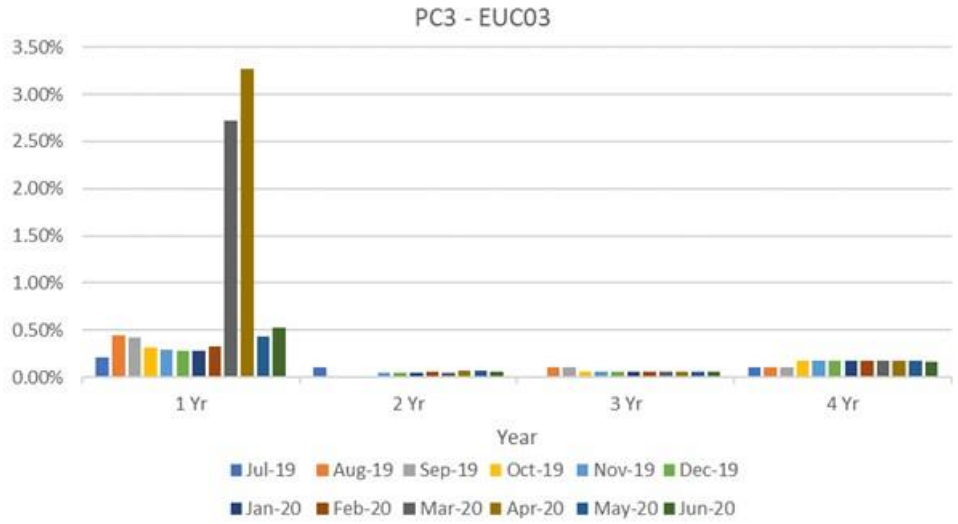
2A.7 No Reads Received for 1,2,3,4 years (PC3 EUC01)



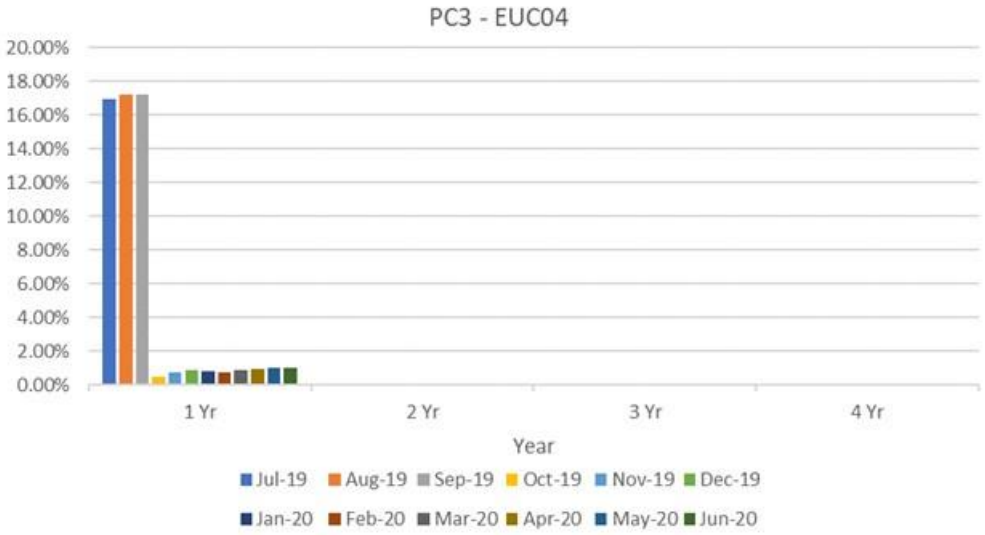
2A.7 No Reads Received for 1,2,3,4 years (PC3 EUC02)



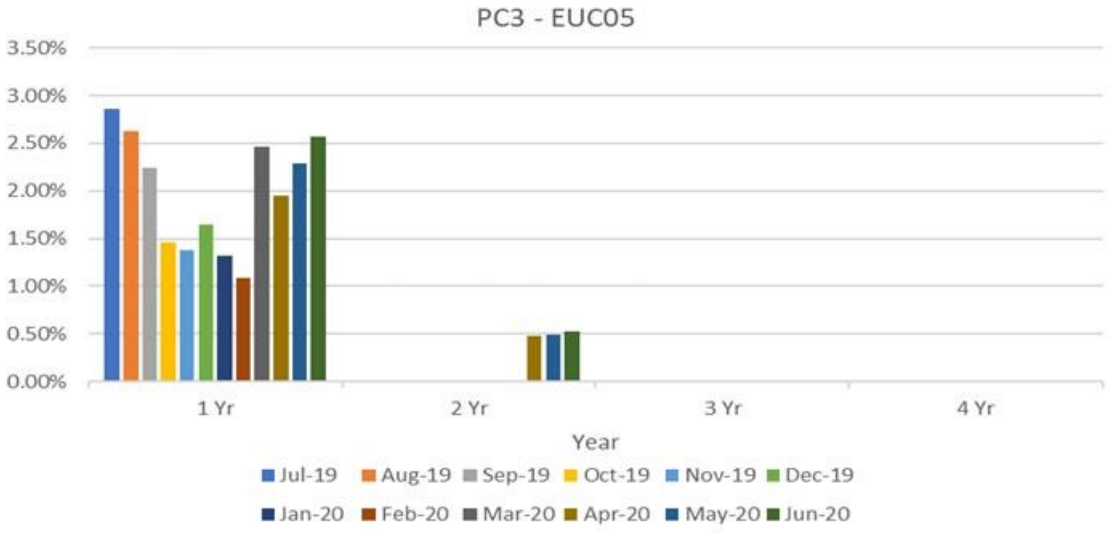
2A.7 No Reads Received for 1,2,3,4 years (PC3 EUC03)



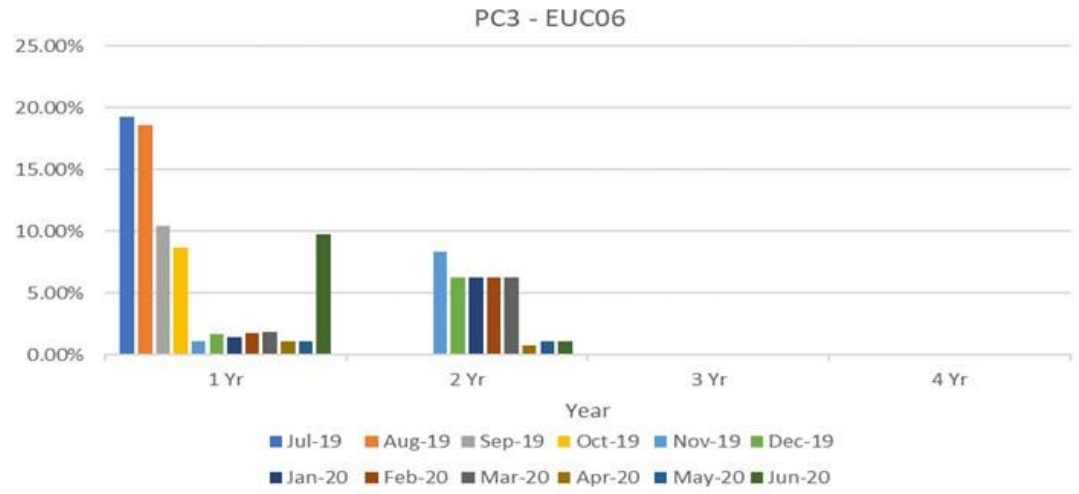
2A.7 No Reads Received for 1,2,3,4 years (PC3 EUC04)



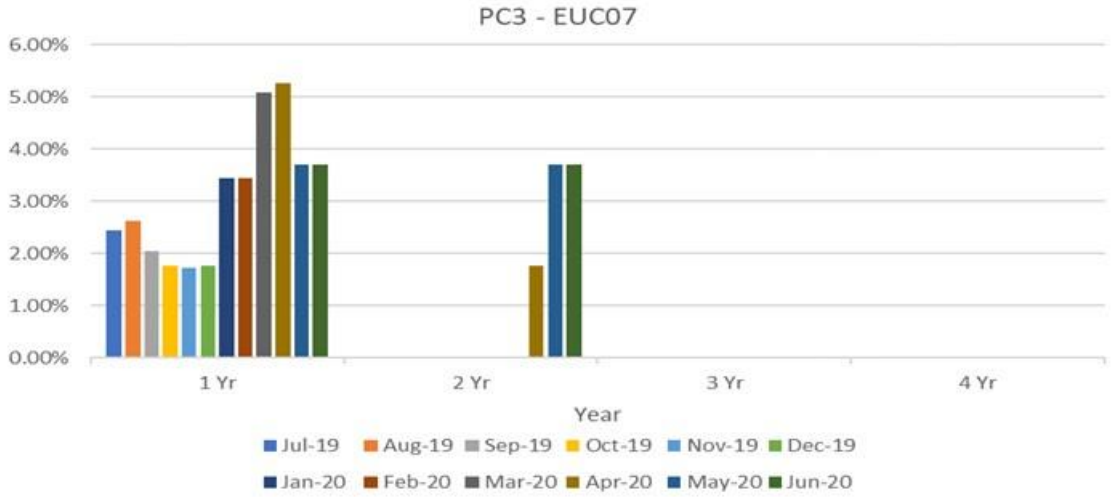
2A.7 No Reads Received for 1,2,3,4 years (PC3 EUC05)



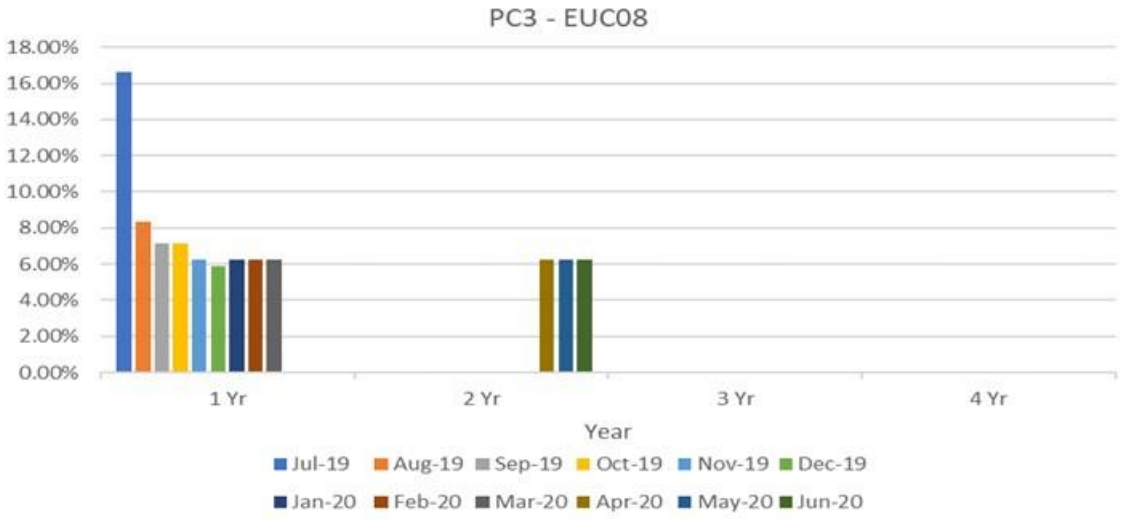
2A.7 No Reads Received for 1,2,3,4 years (PC3 EUC06)



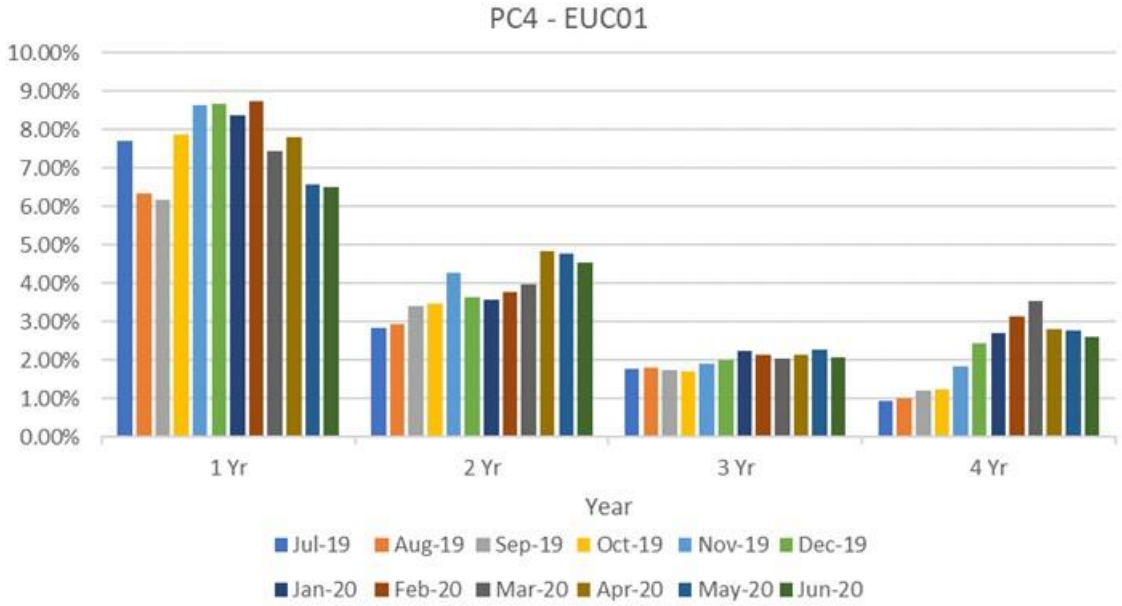
2A.7 No Reads Received for 1,2,3,4 years (PC3 EUC07)



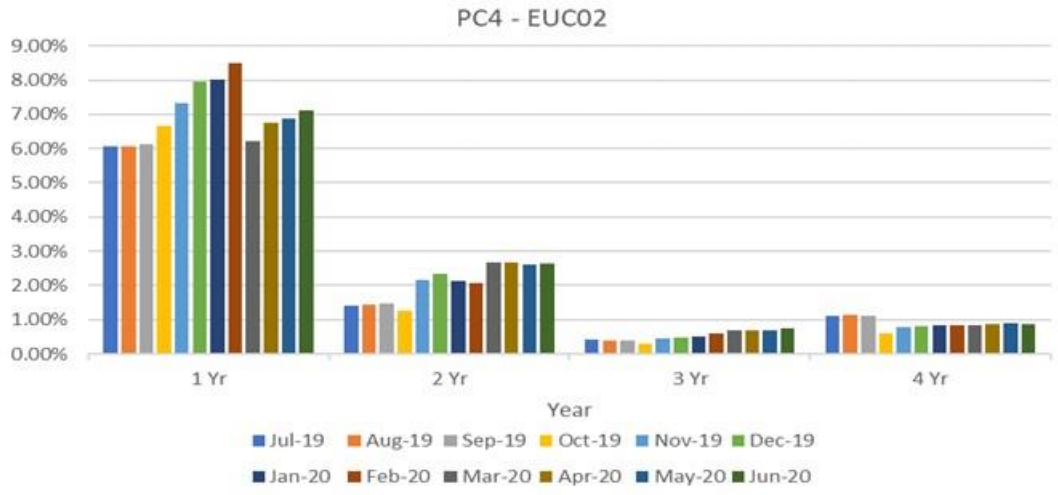
2A.7 No Reads Received for 1,2,3,4 years (PC3 EUC08)



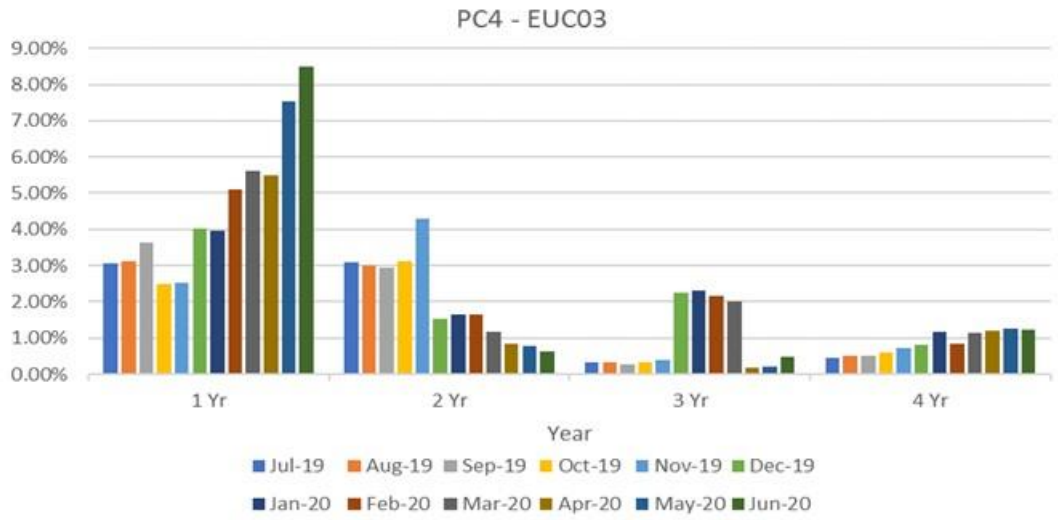
2A.7 No Reads Received for 1,2,3,4 years (PC4 EUC01)



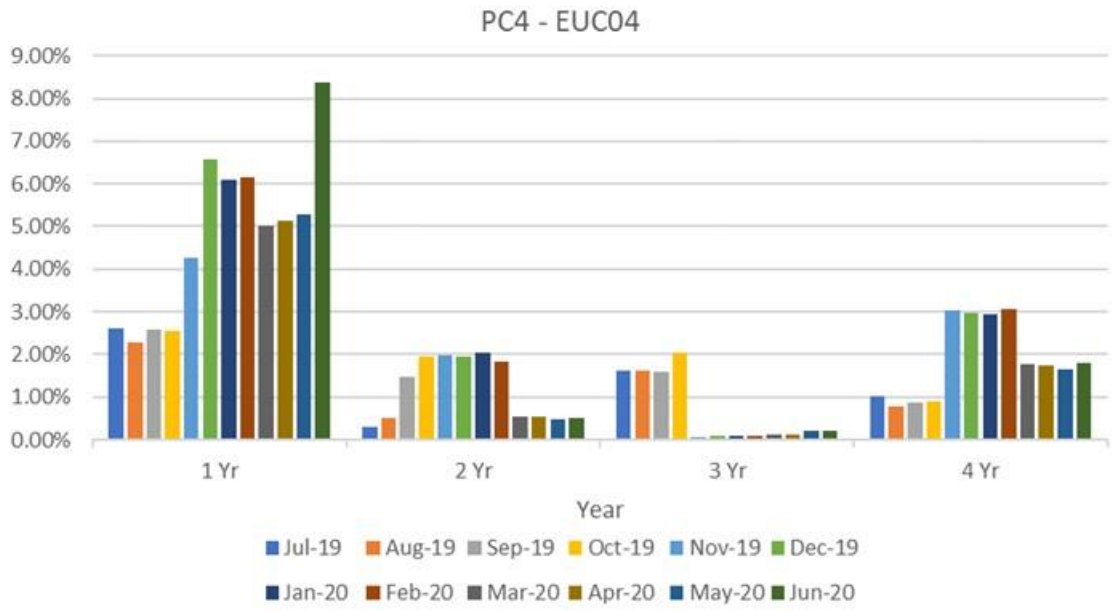
2A.7 No Reads Received for 1,2,3,4 years (PC4 EUC02)



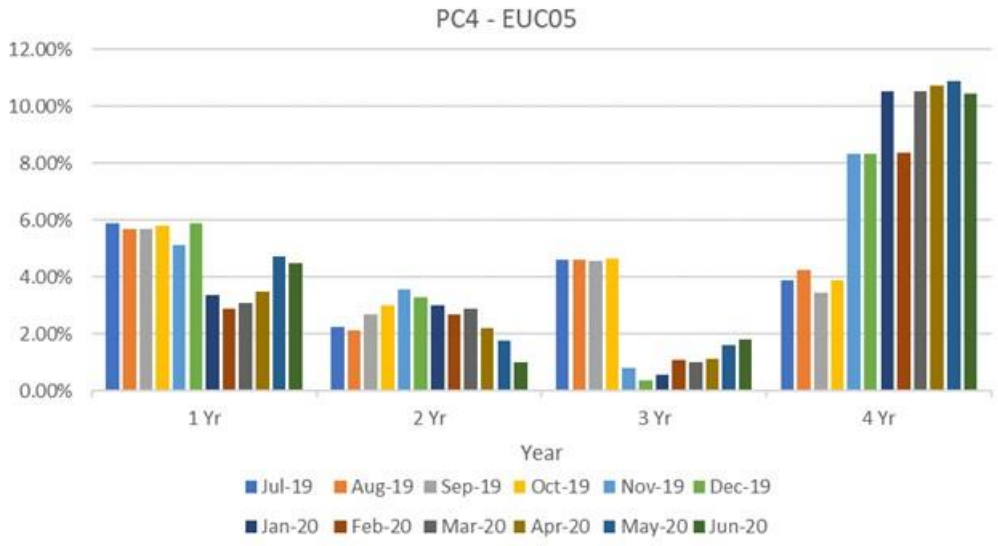
2A.7 No Reads Received for 1,2,3,4 years (PC4 EUC03)



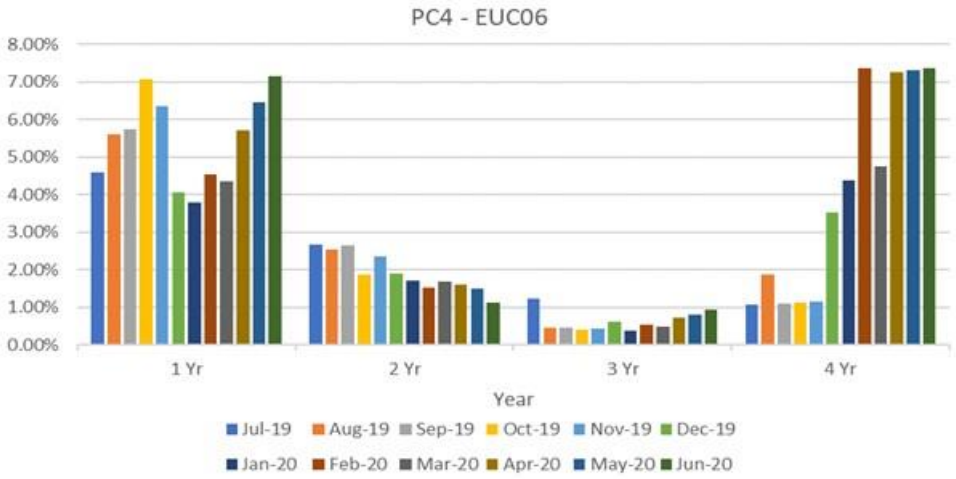
2A.7 No Reads Received for 1,2,3,4 years (PC4 EUC04)



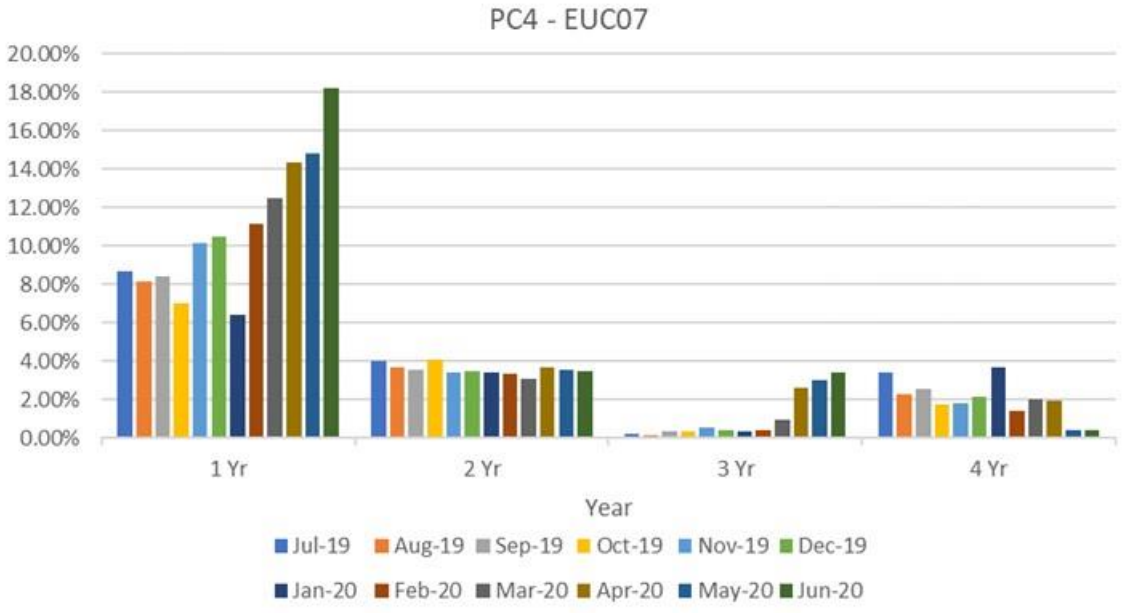
2A.7 No Reads Received for 1,2,3,4 years (PC4 EUC05)



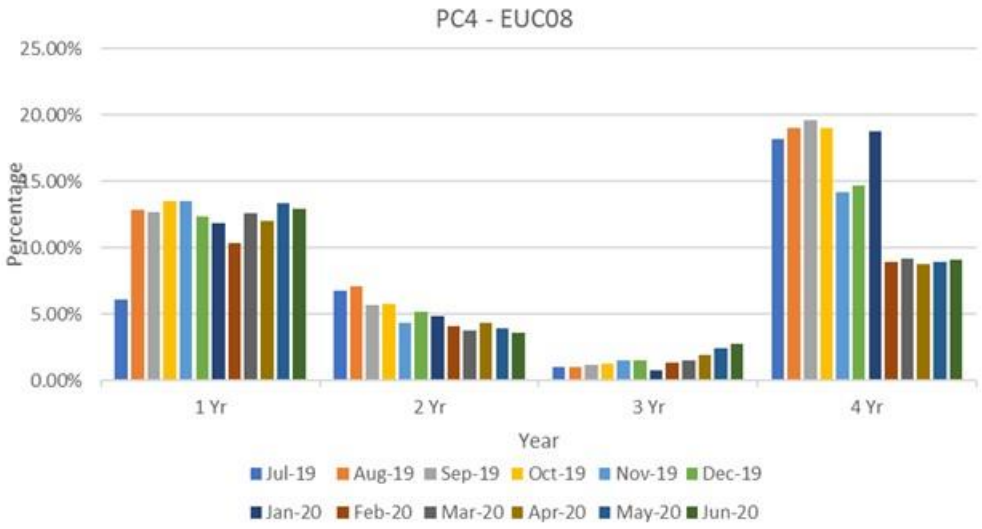
2A.7 No Reads Received for 1,2,3,4 years (PC4 EUC06)



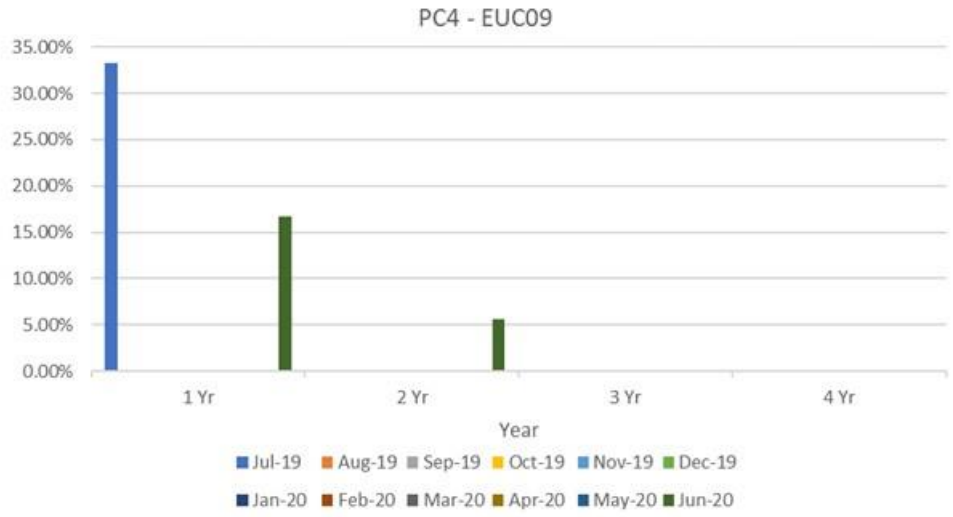
2A.7 No Reads Received for 1,2,3,4 years (PC4 EUC07)



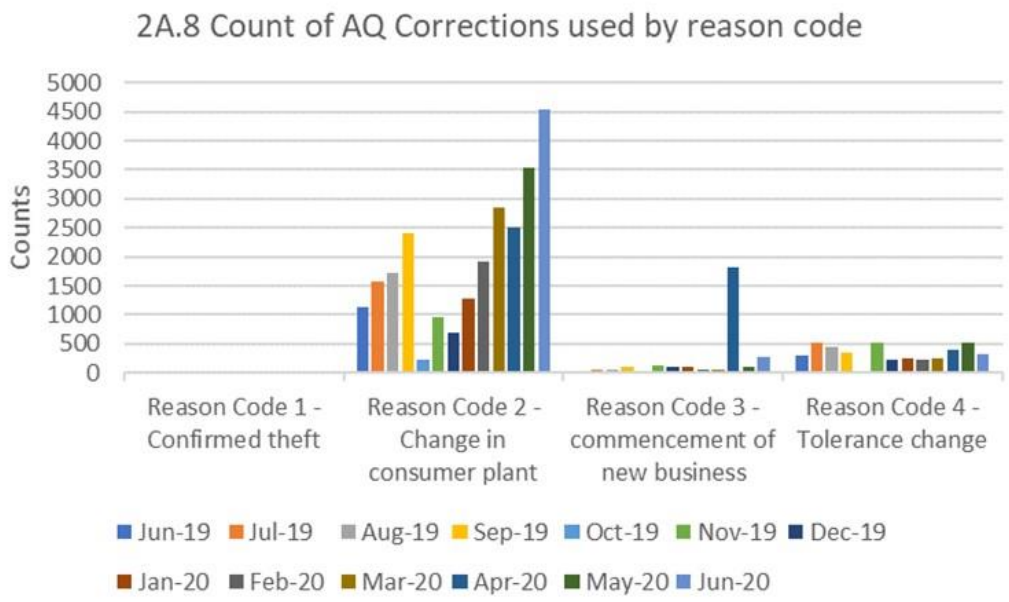
2A.7 No Reads Received for 1,2,3,4 years (PC4 EUC08)



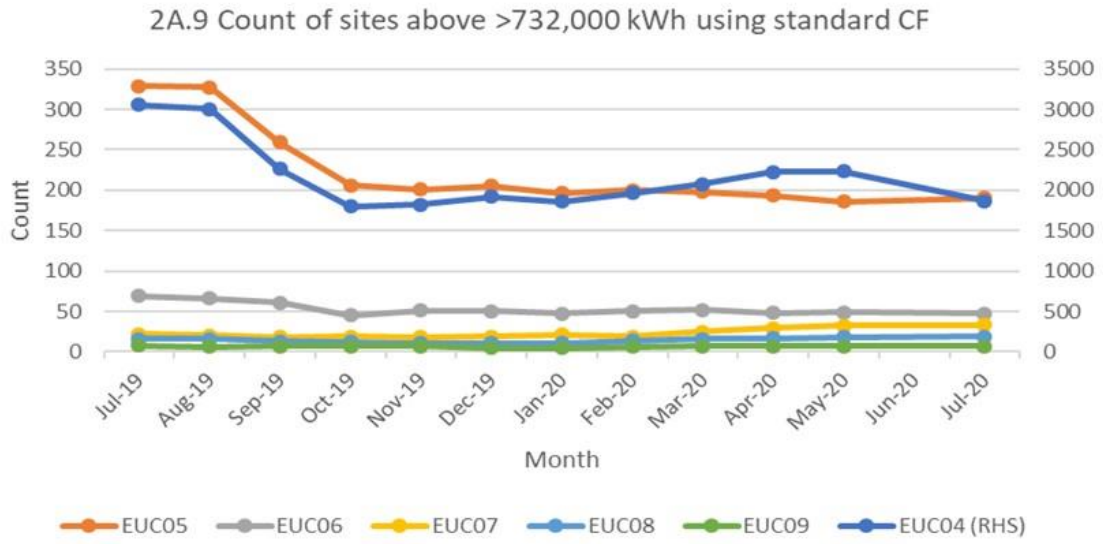
2A.7 No Reads Received for 1,2,3,4 years (PC4 EUC09)



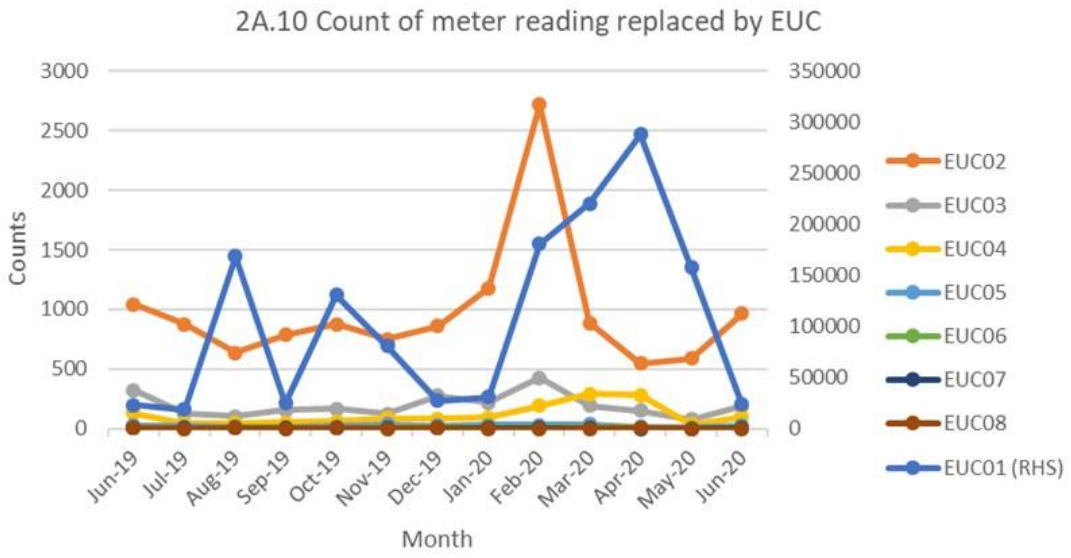
2A.8 AQ Correction by Reason Code



2A.9 Standard CF >732,000 kWh



2A.10 Replaced Meter Reads



To find out more please contact:

Shelley Rouse

T: 020 7091 1527

E: PAFA@Gemserv.com

W: www.gemserv.com

London Office:

8 Fenchurch Place

London