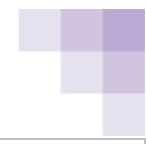




Escalation process document for Performance Improvement plans

Process Step		Role	Process Step Description	Interface
1	PARR reports are continually monitored by the PAFA	PAFA	PAFA receive monthly PARR data from the CDSP. Report dashboards are updated and analysed.	
2	Issue identified by PAFA	PAFA	PAFA recognise deterioration in Market Participant performance from the PARR reports. Data and analysis will be highlighted to the PAC and the CDSP at the next scheduled PAC meeting.	PARR dashboard
3	PAFA raises poor performance with Market Participant and begin engagement.	PAFA	PAFA engages with Market Participant for support. PAFA to signpost Market Participant to CDSP CAM for further education needs.	Email Phone
5	PAFA continue to monitor behaviour for 3 months	PAFA	PAFA will (in addition to the provision of regular PARR reporting) monitor the behaviour of relevant Market Participant for a period of 3 months.	PARR dashboard
6	PAFA analyses PARR reports and dashboards and presents findings to PAC	PAFA	PAFA provides the PAC with findings from PARR reports and dashboards on a monthly basis with recommendations on next steps.	Written/Verbal update at PAC meeting
7	PAC discuss the performance of Market Participants and determine whether further action is necessary	PAC	PAC will discuss the PARR reports and analysis provided by the PAFA and determine the relevant next step. To be done during each relevant PAC meeting.	PAC meeting minutes PAC meeting actions
7A	PAC determine that additional areas of analysis are required	PAC	PAC determines if additional areas of analysis are required before further action can be taken and update the PAFA and CDSP.	PAC meeting minutes PAC meeting actions



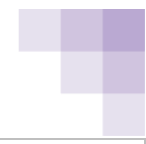
			<p>PAC will provide details of the additional information required, agreeing with the PAFA and CDSP a timescale for data provision and period of additional monitoring.</p> <p>To be done during each relevant PAC meeting.</p> <ul style="list-style-type: none"> • Additional areas of analysis required - Step 7B • Determine next step - Step 8 	
7B	PAFA will produce reports on additional areas of analysis	PAFA	<p>PAFA will present the additional areas of analysis to the PAC for consideration of next steps.</p> <p>Within the agreed timescales set by the PAC.</p>	Written/Verbal analysis provided at PAC meeting
8	PAC to determine appropriate next steps	PAC	<p>The PAC discuss and decide the next steps.</p> <p>To be done during each relevant PAC meeting.</p> <ul style="list-style-type: none"> • No action required - Step 9 • Further action required - Step 10 	<p>PAC meeting minutes</p> <p>PAC meeting actions</p>
9	PAC determine that no further action is required and continue to monitor performance at agreed frequency	PAC	<p>Market Participant behaviour has either improved to a level sufficient that no further actions are required or does not meet the agreed PAC strategy.</p> <ul style="list-style-type: none"> • Go to Step 1 	<p>PAC meeting minutes</p> <p>PAC meeting actions</p>
10	PAC determine that further action is required	PAC	<p>PAC consider the appropriate next steps to incentivise an improvement in performance.</p> <p>To be done during each relevant PAC meeting.</p>	<p>PAC meeting minutes</p> <p>PAC meeting actions</p>



			<ul style="list-style-type: none"> Resolution plan requested – Step 11 	
11	PAC decide to activate a resolution plan request	PAC	<p>PAC decide to activate resolution plan request to incentivise improved performance.</p> <p>To be done during each relevant PAC meeting.</p> <ul style="list-style-type: none"> Go to Step 15 	<p>PAC meeting minutes</p> <p>PAC meeting actions</p>
12	PAC request PAFA to write to Market Participant confirming decision made	PAC	<p>PAC request PAFA to write to Market Participant advising that escalation process has begun.</p> <p>To be done during each relevant PAC meeting.</p> <ul style="list-style-type: none"> Go to Step 13 	<p>PAC meeting minutes</p> <p>PAC meeting actions</p>
13	PAFA receive Market Participant resolution plan and review for feedback process	PAFA	<p>PAFA review resolution plan and engage with the Market Participant on any questioned points of the plan with an aim to resolve these in 14 working days.</p> <ul style="list-style-type: none"> Go to Step 14 	<p>Call</p> <p>Email</p>
14	PAFA to continue to monitor performance over agreed period	PAFA	<p>PAFA continue to monitor performance over the agreed period to ensure that improvement plan is met, and targets adhered to.</p>	<p>Call</p> <p>Email</p>
15	PAFA to report back to the PAC on Market Participant performance	PAFA	<p>PAFA report to the PAC on the Market Participants adherence to the agreed plan and highlight any further concerns.</p> <p>To be presented at the next available PAC meeting following publication of notification letter from PAFA.</p> <ul style="list-style-type: none"> Go to Step 7 if further data is requested from PAC 	<p>Written/Verbal analysis provided at PAC meeting</p>



			<ul style="list-style-type: none"> Go to Step 17 for resolution <p>If concerns are raised on performance, communication or data, PAFA to raise these with PAC for further escalation.</p> <ul style="list-style-type: none"> Go to Step 16 	
16	PAFA to write to Market Participant advising of PAC decision to escalate further.	PAFA	<p>PAFA write to Market Participant, advising of PAC decision to escalate to further.</p> <p>To be done within 7 days of each relevant PAC meeting.</p> <ul style="list-style-type: none"> Go to Step 21 	Letter via email
17	Market Participant completed resolution plan	Market Participant	<p>Market Participant completes all steps of their resolution plan to the PACs satisfaction and sustains UNC target for a minimum of 3 months.</p>	Resolution Plan Call Email
18	PAFA recommend Market Participants plan be closed and active monitoring to cease	PAFA	<p>PAFA to put forward recommendations to the PAC, with evidence of sustained performance to close the plan and cease active monitoring of Market Participant.</p> <p>To be done during each relevant PAC meeting.</p>	PAC meeting minutes PAC meeting actions
19	PAC make a decision on PAFA recommendations to close plan of Market Participant	PAC	<p>PAC to review evidence submitted regarding closure of Market Participants resolution plan.</p> <ul style="list-style-type: none"> Go to Step 14 if PAC do not agree to close plan Go to Step 20 for resolution 	PAC meeting minutes PAC meeting actions



20	PAFA write to Market Participant to advise of PAC decision	PAFA	PAFA write to Market Participant to advise them of PAC decision on plan closure and to thank them for their efforts in achieving improved performance levels. <ul style="list-style-type: none"> • End of process. 	Letter via email
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FURTHER ESCALATION PROCESS – REQUEST ATTENDANCE AT PAC MEETINGS, REFER TO OFGEM.

21	PAC decide to escalate further.	PAC	PAC decide to escalate further by requesting the Market Participant attend the next available PAC meeting to discuss their case. To be done during each relevant PAC meeting. <ul style="list-style-type: none"> • Go to Step 22 	PAC meeting minutes PAC meeting actions
22	PAC request PAFA to write to Market Participant confirming decision made.	PAC	PAC request PAFA to write to Market Participant advising that further escalation has commenced and requesting their attendance at the next available PAC meeting. To be done during each relevant PAC meeting. <ul style="list-style-type: none"> • Go to Step 23 	PAC meeting minutes PAC meeting actions
23	PAFA to write to Market Participant advising that escalation process has begun	PAFA	PAFA will write to Market Participant, advising that the escalation route that the PAC has determined and the options available to them for resolution. (In the case of escalation to Authority the right of appeal). To be done within 7 days of each relevant PAC meeting.	Letter via email



24	Market Participant receives notification of PAC decisions	Market Participant	<p>Market Participant receives notification of sanctions and can appeal sanctions (in case of escalation to the Authority) to the PAFA within 10 days of receiving letter from PAFA</p> <p>In the case of an Authority Referral;</p> <ul style="list-style-type: none"> • Appeal submitted within 10 days - Step 25 • No appeal submitted within 10 days - Step 26 	
25	Market Participant appeals sanction and is successful	Market Participant	<p>Market Participant appeals sanction within 10 days to the PAFA and is successful</p> <ul style="list-style-type: none"> • Go to Step 9 	Letter via email
26	Market Participant appeals escalation and is unsuccessful or sanctions are accepted	Market Participant	Market Participant either accepts sanctions or fails in appeals process	
27	Market Participant sends receipt and acknowledgement of further escalation	Market Participant	<p>Market Participant sends receipt and acknowledgement of further escalation to PAFA.</p> <p>To be done within 14 days of receiving letter from PAFA.</p>	Letter via email
28	PAFA receives Market Participants response to escalation route chosen by the PAC	PAFA	PAFA receives receipt of sanctions and provide detail to the PAC	Written/Verbal analysis provided at PAC meeting