



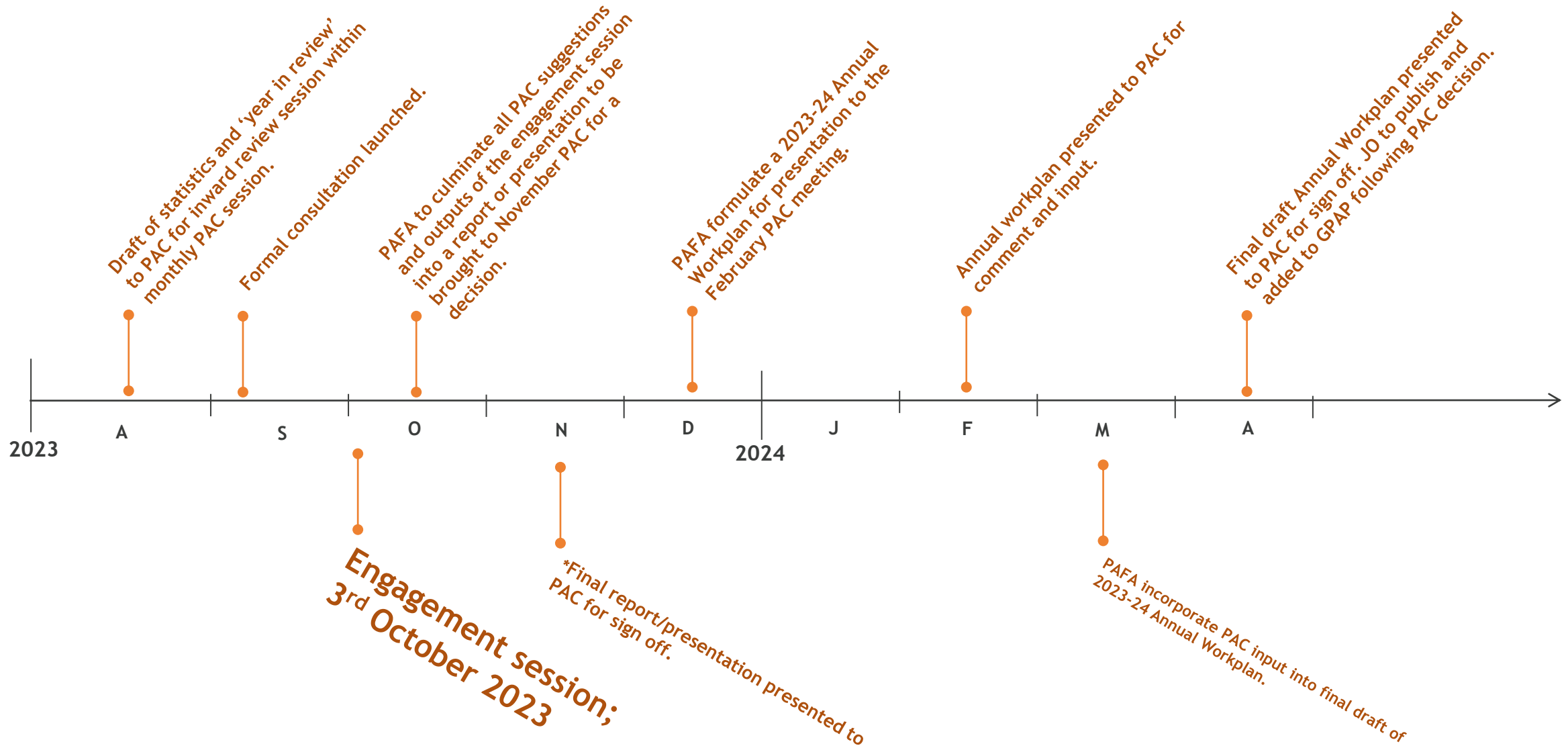
2023 ANNUAL REVIEW

THIS REVIEW IS SUBJECT TO A CONSULTATION

RESPONSES DUE BY 5PM ON 30TH OCTOBER 2023

RESPONSES CAN BE SUBMITTED VIA [SURVEY HERE](#)

ANNUAL REVIEW 2023 TIMELINE





2022/23 YEAR IN REVIEW

EXECUTIVE SUMMARY; KEY
STATISTICS AND PAC WORK

■ PERFORMANCE PLAN OVERVIEW

UNC0674V was implemented in November 2022 and as a result the PAC made a decision to close all active plans pre-0674V due to the nature of the change in regime and plan structure. There have been seven plan requests raised by PAC under the new regime. Many of these plans are still in the early stages of collaboration or establishment.

Following the introduction of a new way of targeting (Holistic Performance Matrix), Shippers' performance is being considered across a number of factors including; Meter read performance, transfer reads, AQ at risk and check reads. This has shifted the focus onto other areas of performance other than Meter reading which are important to the accuracy of settlement data. Parties are attributed a score and if this falls below an agreed threshold, those parties fall under the scrutiny of PAC for consideration of further action.

NOTABLE PAC ACHIEVEMENTS IN 2022/23



Completed the 'Line in the Sand' initiative in March 2023 with encouraging engagement from PAPs



Risk Register updated and risks brought to PAC on monthly basis. Mitigating action were necessary



Over 190 performance Assurance Techniques employed (Letter writing)



PAC information session held in September 2022 as part of the Annual Review process, with increased levels of industry participation and feedback



Overall Increase in Read Performance stats (PC1, 2 and 4 Annual)



Workshops carried out throughout the year on strategy and Holistic Performance Matrix



Implementation of the Holistic Performance Matrix, being used to inform PAC's decision to engage PAPs on improvement



Almost 300 GPAP users, with over 300 document downloads in the last 90 days

RISK MITIGATION WORK 2022/23



OFFTAKE ERRORS

In-depth analysis carried out;

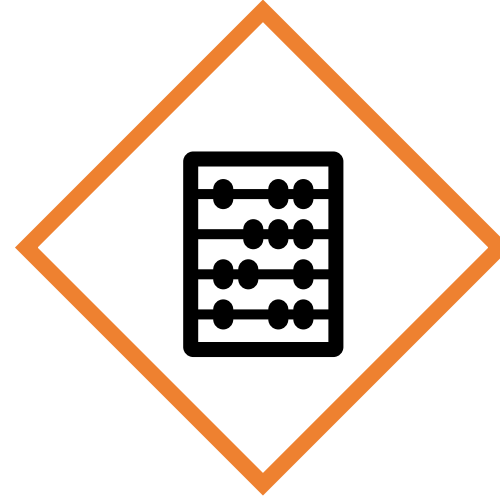
- One Transporter on improvement plan
- Improved data provided to industry
- Action plan in place to mitigate risk



NDM SAMPLING

Evidence of drop in submission over the past year;

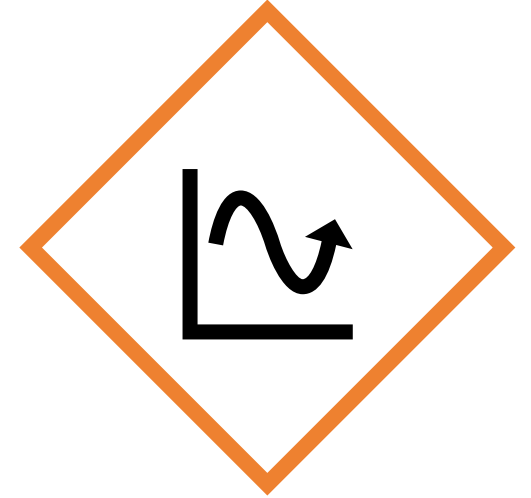
- Analysis of results
- Targeted comms
- Continued support to Shippers



HOLISTIC PERFORMANCE

Redesign of PAC approach Inc.;

- Pivot in PAC attention to cross area examination
- Established threshold for performance targeting



READ PERFORMANCE

Continuation of PAT application Inc.;

- PAFA management of plans
- Continued support
- PAC meeting for poor performance

OVERALL SHIPPER READ PERFORMANCE 2022/23

Although there have been many successes over the past twelve months, there is still a long way to go to ensure industry are moving towards and maintaining UNC requirements for meter reading and helping parties meet their UNC obligations. Table 1.2 below shows the current levels of parties meeting UNC requirements for meter reading across the industry by product class¹ as well as a year-on-year analysis of performance for comparison.

	PC1 (97.5%)	PC2 (97.5%)	PC3 (90%)	PC4 Monthly (90%)	PC4 Annual (90%)
2021	83.34%	72.34%%	60.90%	54.13%	72.90%
2022	91.95%	77.21%%	68.66%	57.57%	62.36%
Variation	+8.61%	+4.87%%	+7.76%	+3.43%	-10.54%
2022	91.95%	77.21%	68.66%	57.57%	62.36%
2023	95.03%	78.39%	66.01%	55.22%	65.13%
Variation	+3.09%	+1.18%	-2.66%	-2.35%	+2.77%

Table 1.2: The percentage (%) of Parties meeting UNC requirements for each meter reading class

¹ Percentage calculated year on year (across July 2021 – June 2023 for PC1, PC2 and PC3) (across May 2021 – June 2023 for PC4 Monthly and PC4 Annual)

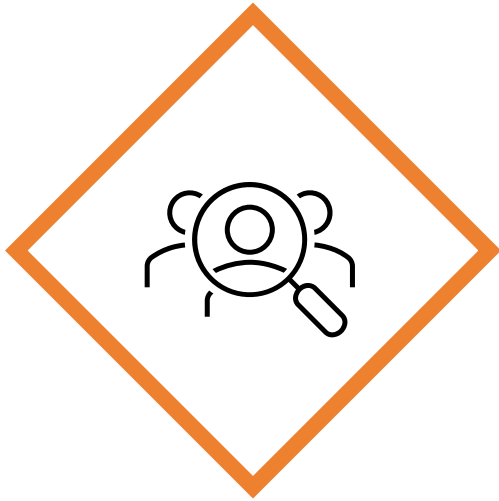
OVERALL SHIPPER READ PERFORMANCE 2022/23

There is evidence to show that meter reading performance is still being hampered by residual Covid measures and the PAFA has received this feedback through Requests for information. There is still a need for the PAC to maintain levels of pressure on the industry to ensure performance reaches a stage at which maintenance of required performance is achieved.

As well as using the PAFD to improve gas settlement, there is work to be done on educating the industry on Settlement, meter read performance and UNC obligations. An engagement session will be held on **22nd September 2023** around the PARR reports, Holistic Matrix and how the PAC approach monitoring will aid industry in their understanding on the work needed. If you would like to attend the session, please contact the PAFA on PAFA@Gemserv.com.

The PAFA will also hold a separate session in early October around the Annual Review and recent Request for Information findings on what issues the industry were facing in meeting their UNC meter read requirements.

FOCUS FOR 2023/24



WAR BANDS

- Carry out agreed strategy
- Targeted engagement
- Clear expectations
- PAC meeting invitations



AUGE ISSUE REGISTER

- Consider pertinent issues on register
- Identify biggest areas of concern
- Initiate mitigating actions



HOLISTIC PERFORMANCE

- Identify areas of biggest concern
- Target based on holistic view
- Review thresholds and effectiveness
- Establish strategic intent



ENGAGEMENT

- Engagement sessions
- GPAP utilisation
- Industry Comms
- Transparency of processes

SEPTEMBER 23

UNC0674V & IGT138V

PERFORMANCE ASSURANCE TECHNIQUES & CONTROLS

HOW WILL THE REGIME CHANGE?

WHAT CAN PARTIES EXPECT?

HOW CAN PARTIES PREPARE?



BACKGROUND

- UNC0674V was raised in April 2019 in response to PAC identified weaknesses in the current regime.
- IGT138V was raised in February 2020 and replicates the UNC Performance Assurance Regime in the IGT UNC, giving the UNC PAC powers over the performance requirements of the IGT UNC.
- Both Modifications were varied during their development resulting in UNC0674V and IGT138V.
- The UNC Modification was in development for over three years and Ofgem directed that the two Modifications be made to their respective Codes on 29 July 2022.
- Both Modifications were implemented on Tuesday 1 November 2022.



UNC674V – PERFORMANCE ASSURANCE TECHNIQUES AND CONTROLS

- A new Performance Assurance Framework Document (PAFD) introduced to supplement the regime change.
- The PAC now have more Performance Assurance Techniques to use as appropriate to encourage improved performance in the industry. These include;
 - Monitoring;
 - Party Communication;
 - Relevant Third-Party Engagement;
 - Training
 - Request a Resolution Plan
 - Request attendance at a PAC meeting
 - Publication
 - Audit
 - Referral to the Authority
- The PAC are still establishing new ways of working and there will be a workshops held throughout the next year to understand their new direction for utilising these techniques and a new direction for the regime.

UNC0674V & IGT138V

CONTINUED IMPLEMENTATION IN 2023/24 OF UNC674V/IGT138

- Readying the regime for the fundamental change of UNC674V Inc.,
 - Project work to assess level of change;
 - Updating Performance Assurance Techniques to include those introduced;
 - Workshops to decide on approach;
 - Change to fundamental documents e.g. PAFD; and
 - Communication of changes with industry.





2022/23 YEAR IN REVIEW

PERFORMANCE ASSURANCE
COMMITTEE

PERFORMANCE ASSURANCE COMMITTEE

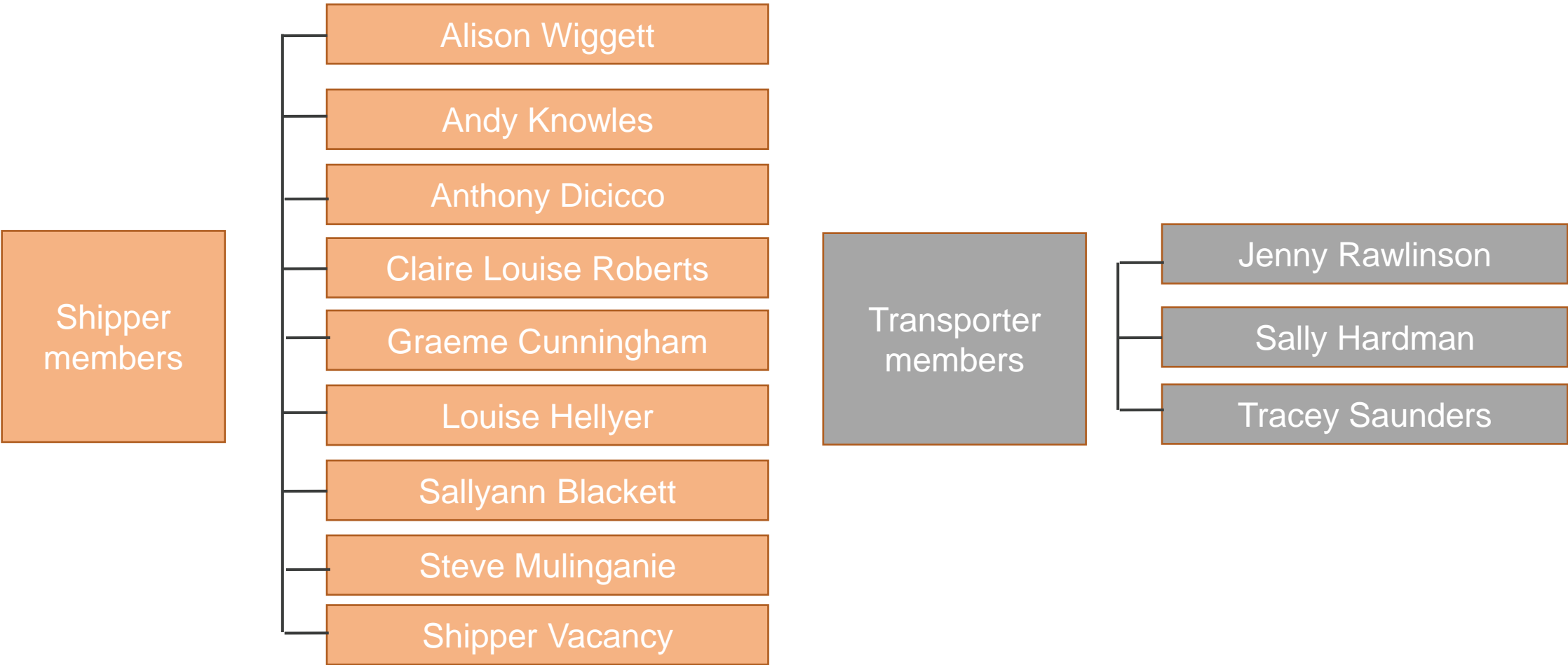


Figure 1.1: Performance Assurance Committee Member structure as at July 2023.

■ PERFORMANCE ASSURANCE COMMITTEE

- 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 has an optional non-voting seat on the committee and are able to attend PAC meetings. During 2022 – 2023 there has been one vacancy on the PAC.
- PAC elections take place every other year and a PAC members term is two years (as of 2022) and new PAC members are appointed on 1st October following an election process which is carried out by the Joint Office as the PAC Secretariat to ensure consistency.
- The PAC meetings are held on the second or third 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) and Correla also attend as an observer only.

INDUSTRY STRUCTURE

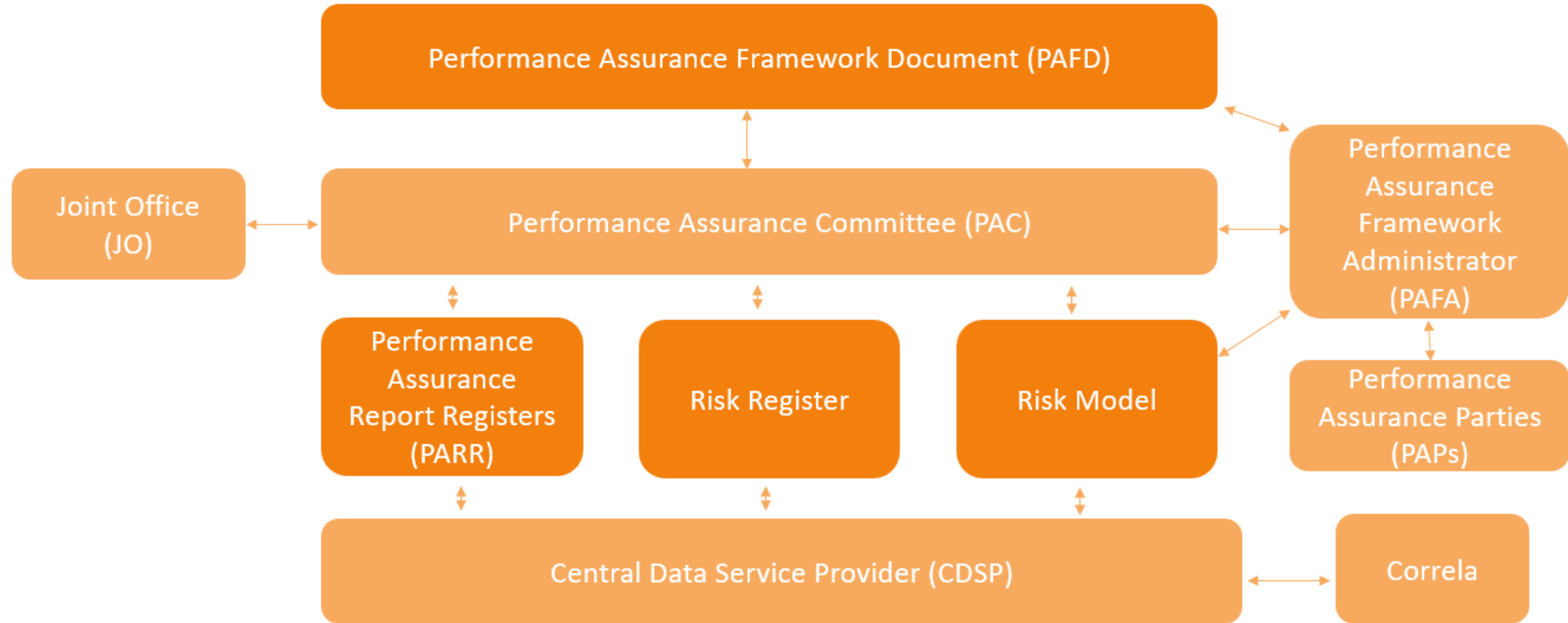


Figure 1.2: PAC industry structure.

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>.

Please note that the role of the CDSP within this structure is to provide data to the PAFA which aid the production of the PARR, Risk register & Risk Model.

MISSION STATEMENT

- **“To be instrumental in driving, supporting and encouraging industry’s continued improvement for gas Settlement performance and risk management.”**

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.



2022/23 YEAR IN REVIEW

PERFORMANCE ASSURANCE
REPORTS AND THE DATA
DELIVERY PLATFORM

PARR REPORTS

The PARR reports are separated into two report versions:

- Anonymised (marked as “A” reports); and
- Non-anonymised (marked as “B” reports).

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.



PARR SUITE

Both A and B reports are published via the GPAP, with a separate location for the non-anonymised reporting which is closely monitored by the PAFA in order to ensure the GPAP is being used appropriately

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
2A.11	Sites above the Class 1 threshold which are not in Class 1
2A.12	Class 4 read submission performance as a percentage of portfolio AQ
2A.13	Breakdown of AQ overdue for a Meter Reading

The PAFA also receive Winter Annual Ratio (WAR) band updates and NDM sample data updates throughout the year and ensure this data is fed into PAC discussions.

The PARR suite is under review in 2023 with the PAFA carrying out a comprehensive review of each report to ensure their continued effectiveness.

Figure 2: PARR report structure – anonymised reports

DATA DISCOVERY PLATFORM (DDP)

The Data Delivery Platform (DDP), developed by the CDSP enables the PAFA (and Shippers through their own dashboards), 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 22 PARR reports are available on the DDP for PAFA to access, with the remaining three reports to be delivered as soon as possible.

The PAFA, alongside Xoserve carried out sub-groups to scope and spec out the user stories which would be later added into the DDP for both PAFA and Shipper views. PAFA have also carried out testing for all stages of implementation of the platform, ensuring that all user stories implemented met the specifications and identified any anomalies.



2022/23 YEAR IN REVIEW

PERFORMANCE ASSURANCE
TECHNIQUES

PERFORMANCE ASSURANCE TECHNIQUES (PATs)



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 CDSP is used by the PAFA to identify areas for industry performance improvement and PAC engage specific Shippers exhibiting poor performance for performance improvement action through the Holistic Performance Matrix.

Where areas for performance improvement are identified the PAC have deployed several Performance Assurance Techniques to encourage Shippers to work towards meeting the requirements of the UNC. Now UNC0674V has been implemented the range of techniques have increased, however, the PAC have yet to use further techniques over requesting plans and letter writing.

Over the course of the year, the PAC have worked to deploy these techniques across the PARR, focusing on areas of concern as seen through the PARR data and led by the HPM which has been implemented at the beginning of 2023.

Figure 3: Performance Assurance Techniques 2023

PERFORMANCE ASSURANCE TECHNIQUES OVERVIEW



Seven 674V plans were established – ongoing monitoring of these plans with Shippers.



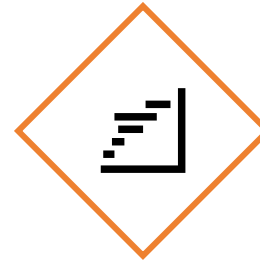
Two Request for Information issued to the industry with good engagement levels.



Line in the Sand 'value at risk' reduced. PC3 and 4 saw 10% reduction in meters rolling over attributed to PAC project.



Targeted communications used throughout the year to highlight PAC concerns on various areas of performance.



All Pre-674V plans were closed via PAC decision (Nov 2022).



31 Shipper meetings across the year with Shippers on active plans.



Bi-Monthly meetings held with Xoserve 'Life cycle' team to share intelligence.



Targeted communications with seven Shippers on NDM sampling initiatives.

PERFORMANCE IMPROVEMENT PLAN OBSERVATIONS

This year UNC674V was implemented, and the PAC made the decision to close all pre-674 plans as the new regime took over. This resulted in all 38 active plans being closed.

The PAC observed over the past two years that the difference in acceptable levels of detail in plans created by Shippers is varied, therefore, introduced more rigour around the plan templates. This has become even more detailed with the new regime, whereby the performance Improvement plan template is mandated in the PAFD. If you are a Shipper on a Performance Improvement Plan and are struggling with the template, please contact the PAFA on PAFA@Gemserv.com

Following the establishment of the Holistic Performance Matrix, seven Shippers have been issued with Plan requests and these are either still in discussion with the PAFA or in the early stages of commencement.

■ HOLISTIC PERFORMANCE MATRIX (HPM)

In 2022 the PAC attended two Strategic Workshops which covered various areas of discussion. One of which was adopting a new approach to applying Performance Assurance Techniques, and determining who should be considered by the PAC for engagement activities.

The Holistic Performance Matrix was created and has been established since early 2023. This new approach looks at ranking Shippers across a broad range of areas including meter read performance, transfer reads, check reads, AQ at risk and more. The new approach looks to address Shipper performance on all obligations across the UNC rather than product class meter read performance requirements only.

The new approach in engagement is still in its infancy and will require some time to show its effectiveness. The PAFA will be hosting an information session in September 2023 on the PARR workbooks, the HPM and the new approach PAC have taken to monitoring performance for the industry.



2022/23 YEAR IN REVIEW

INDUSTRY PERFORMANCE

PC1 READ PERFORMANCE

2A.5- Read performance 12 month comparison (PC1)

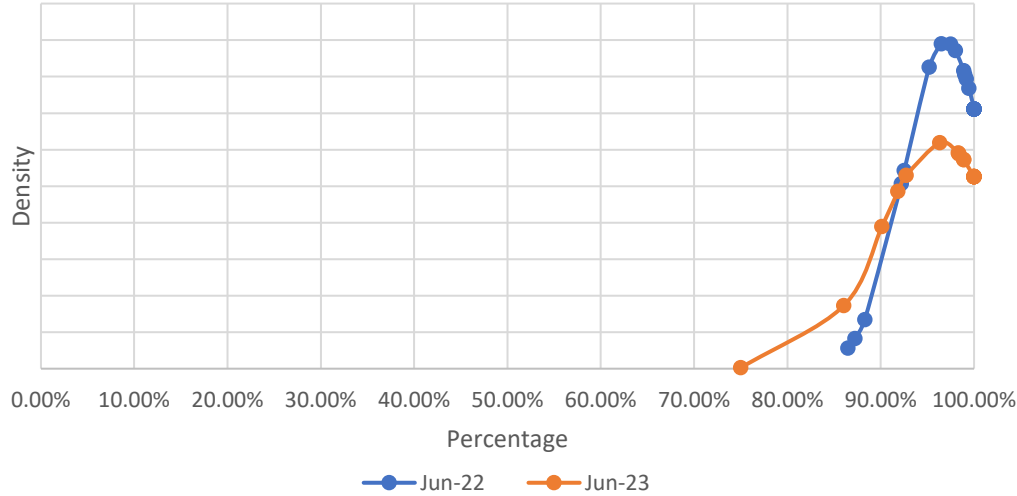


Figure 5.1: Read Performance for PC1 Market – June 2022 vs June 2023

	June 2022	June 2023	Variance
Industry Average	93.05%	96.33%	+3.28%

- Industry average has increased over the past 12 months, coming in just below the UNC requirement of 97.5% at 96.33%.
- There has been an improvement of +3.28% observed over this period.
- It is pertinent to note that the CDSP took on the responsibility for the provision of Class 1 meter readings from the 1st April 2023 following the implementation of UNC MOD0710S (CDSP provision of Class 1 read service).

PC2 READ PERFORMANCE

2A.5- Read performance 12 month comparison (PC2)

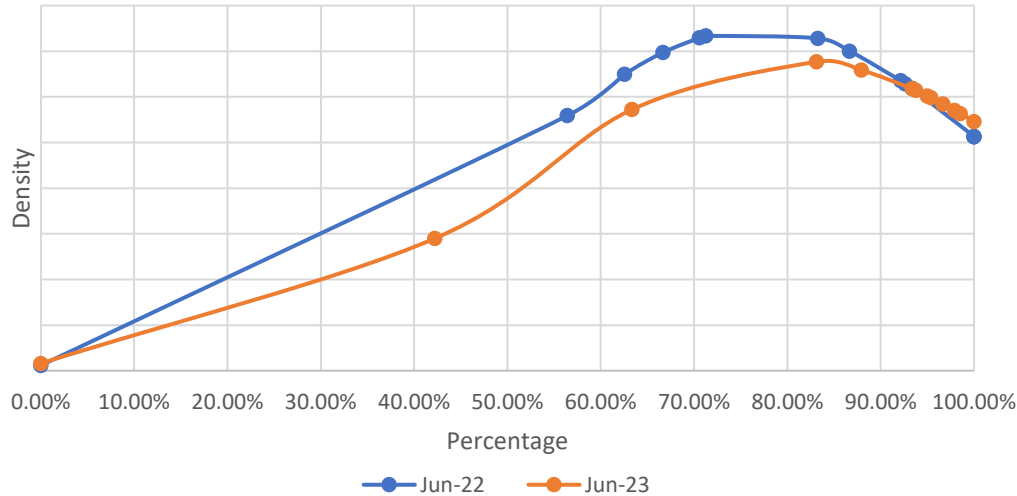


Figure 5.2: Read Performance for PC2 Market – June 2022 vs June 2023

	June 2022	June 2023	Variance
Industry Average	76.82%	80.55%	+3.73%

- Industry average has increased over the past 12 months by +3.73% to 80.55%, this is still some way off the UNC requirement of 97.5%.
- Request for Information (RFI) requests were sent in May 2023 to 5 particular Shipper parties whereby rolling 3 month and 12 month performance levels were below the expected UNC requirement.
- The purpose of the RFI was to understand the challenges faced by these Shipper parties in meeting the UNC requirement level.
- PAFA is intending to present RFI response data at a future PAC meeting (TBC).

PC3 READ PERFORMANCE

2A.5- Read performance 12 month comparison (PC3)

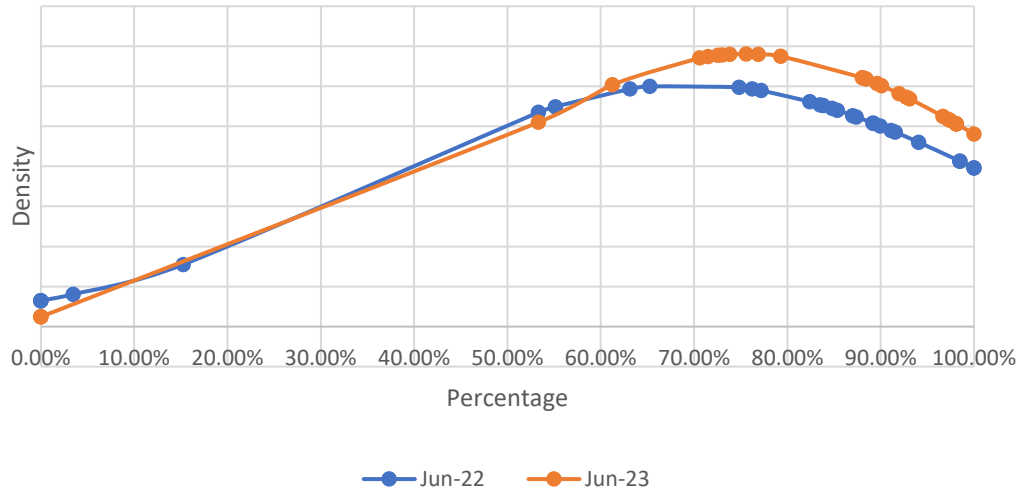


Figure 5.3: Read Performance for PC3 Market – June 2022 vs June 2023

	June 2022	June 2023	Variance
Industry Average	77.80%	75.56%	-2.24%

- Industry average has decreased over the past 12 months by -2.24%.
- Request for Information (RFI) requests were sent in April 2023 to 18 Bracket 2 (Mid Level) Shipper parties whereby performance levels although not deemed to be necessarily poor were below the expected UNC requirement.
- The purpose of the RFI was to understand the challenges faced by these Shipper parties in meeting the UNC requirement level.
- PAFA presented RFI Analysis Summary data at the August 2023 PAC meeting whereby it was agreed a sub-group would be formed to determine the necessary next steps.

PC4M READ PERFORMANCE

2A.5- Read performance 12 month comparison (PC4 Monthly)

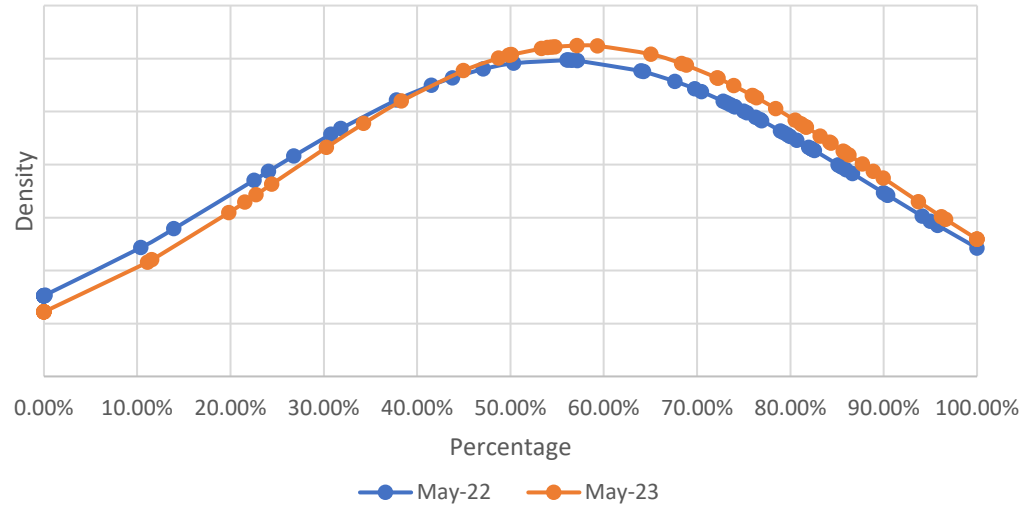


Figure 5.4: Read Performance for PC4M Market – May 2022 vs May 2023

	May 2022	May 2023	Variance
Industry Average	72.27%	57.67%	-14.60%

- Industry average has decreased over the past 12 months by -14.60%.
- Request for Information (RFI) requests were sent in April 2023 to 57 Bracket 2 (Mid Level) Shipper parties whereby performance levels although not deemed to be necessarily poor were below the expected UNC requirement.
- The purpose of the RFI was to understand the challenges faced by these Shipper parties in meeting the UNC requirement level.
- PAFA presented RFI Analysis Summary data at the August 2023 PAC meeting whereby it was agreed a sub-group would be formed to determine the necessary next steps.

PC4A READ PERFORMANCE

2A.5- Read performance 12 month comparison (PC4 Annual)

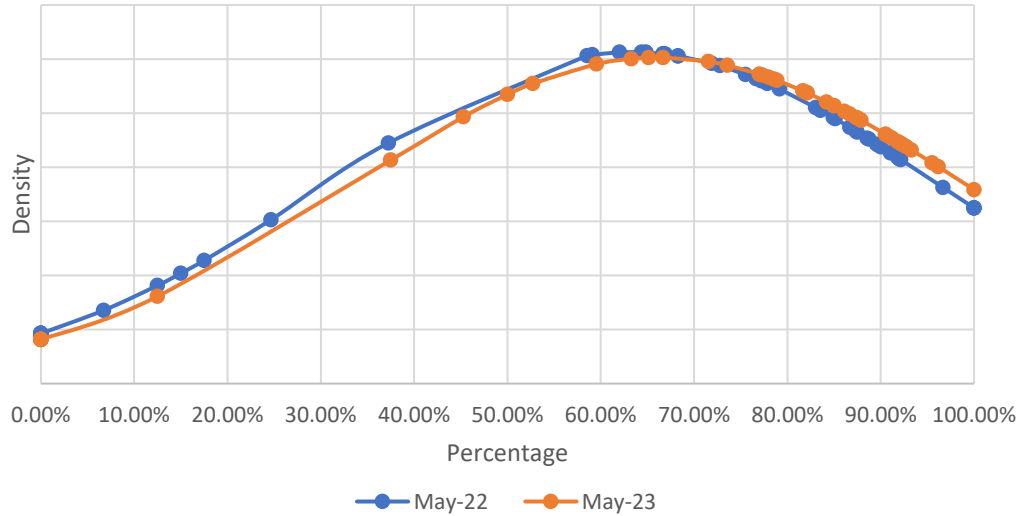
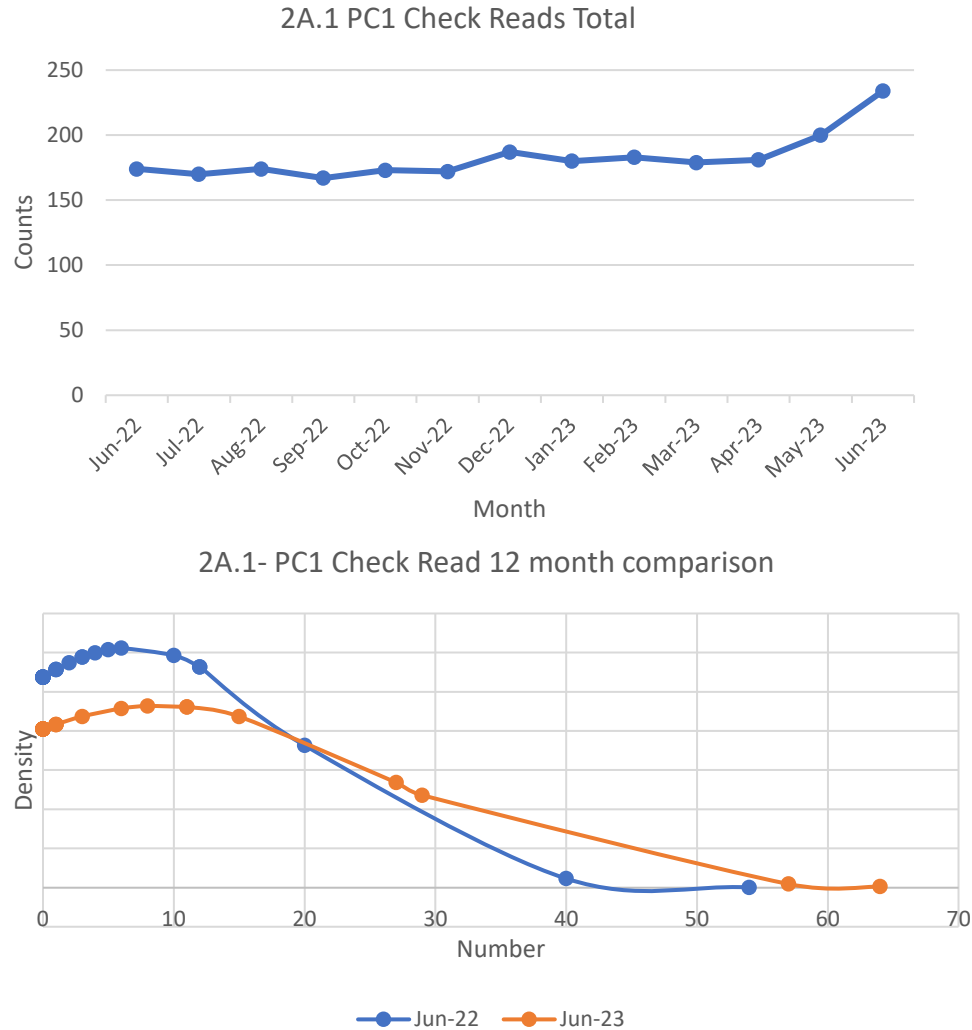


Figure 5.5: Read Performance for PC4A Market – May 2022 vs May 2023

	May 2022	May 2023	Variance
Industry Average	87.59%	66.26%	-21.34%

- Industry average has decreased over the past 12 months by -21.34%.
- Request for Information (RFI) requests were sent in April 2023 to 57 Bracket 2 (Mid Level) Shipper parties whereby performance levels although not deemed to be necessarily poor were below the expected UNC requirement.
- The purpose of the RFI was to understand the challenges faced by these Shipper parties in meeting the UNC requirement level.
- PAFA presented RFI Analysis Summary data at the August 2023 PAC meeting whereby it was agreed a sub-group would be formed to determine the necessary next steps.

OUTSTANDING CHECK READS (PC1)



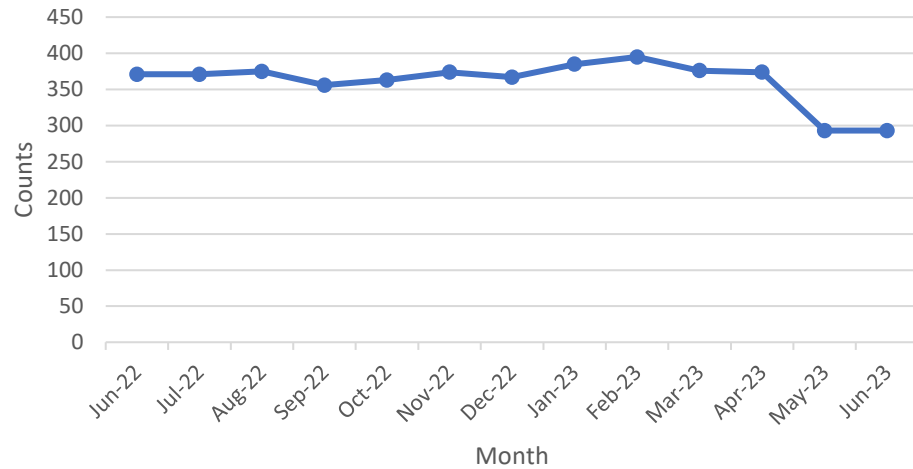
- Outstanding check read volumes for PC1 SPs has increased over the past 12 months.
- There has been a noticeable increase in outstanding SP volume in the month of June 2023, this aligns with a correction to the methodology implemented by the CDSP, to ensure that reports reflect the UNC obligations.
- The figures are also impacted by 2 Shipper parties in particular whereby volumes have increased over the reporting period.

Figure 5.6: Outstanding Check Reads for PC1 Market – June 2022 vs June 2023

	June 2022	June 2023	Variance
Industry Average	174	234	+60

OUTSTANDING CHECK READS (PC2)

2A.1 PC2 Check Read Totals



- Outstanding check read volumes for PC2 SPs has decreased over the past 12 months.
- There has been a noticeable decrease in SP volume in the months of May & June 2023.
- The figures are primarily impacted by 1 Shipper party of which has clearly pro-actively ascertained check reads for its PC2 SPs portfolio and reduced its overall outstanding volume markedly.

2A.1- PC2 Check Read 12 month comparison

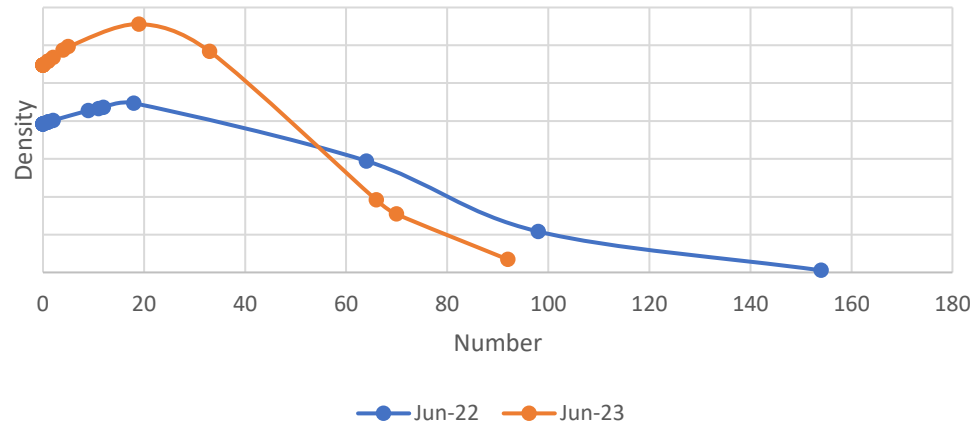
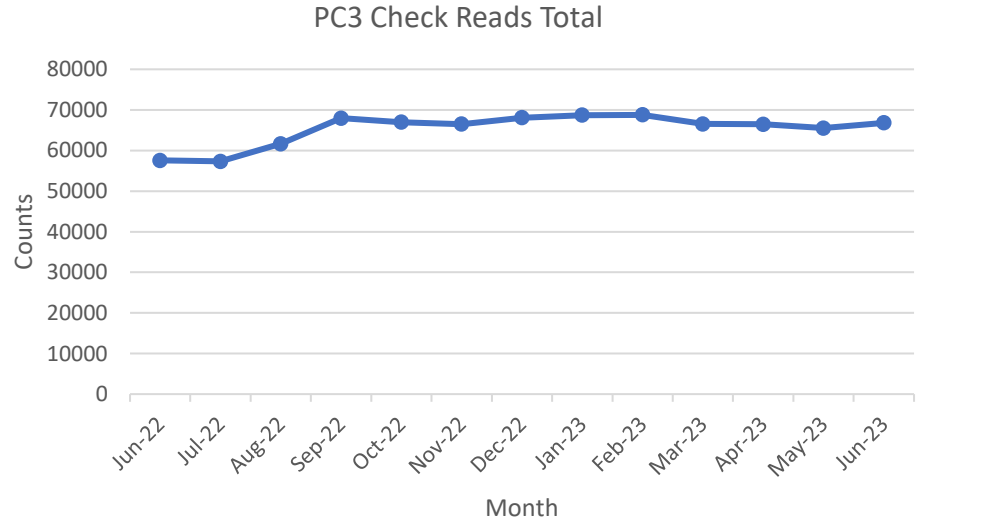


Figure 5.7: Outstanding Check Reads for PC2 Market – June 2022 vs June 2023

	June 2022	June 2023	Variance
Industry Average	371	293	-78

OUTSTANDING CHECK READS (PC3)



- Outstanding check read volumes for PC3 SPs has increased over the past 12 months.
- The figures are primarily impacted by a number of Shipper parties of which each party has seen a month upon month increase since June 2022.

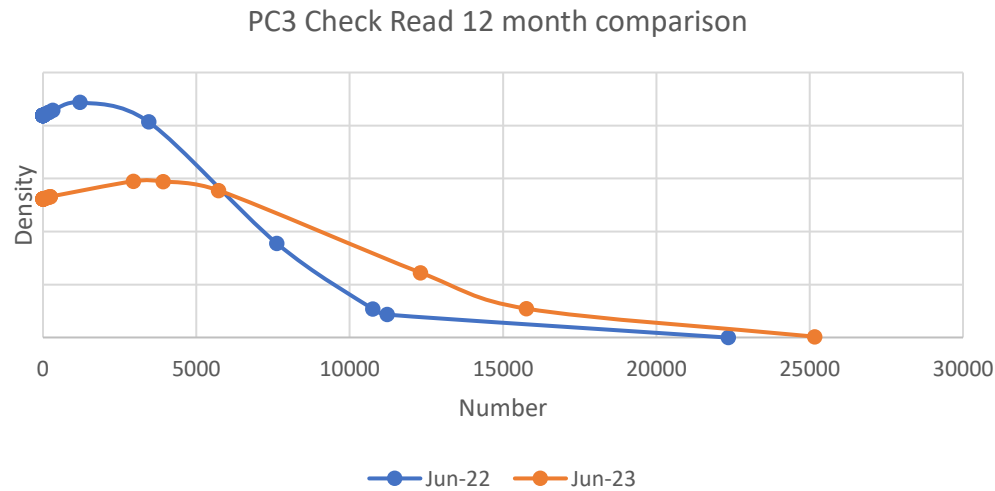
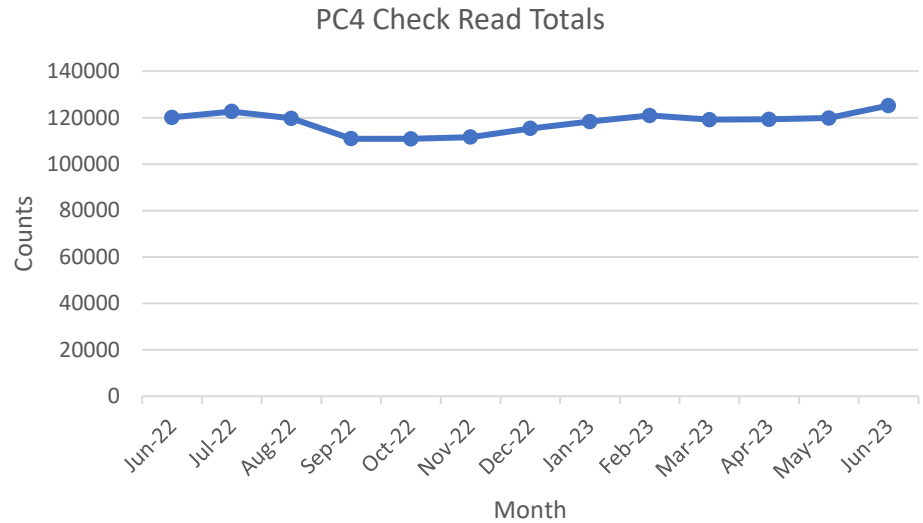


Figure 5.8: Outstanding Check Reads for PC3 Market – June 2022 vs June 2023

	June 2022	June 2023	Variance
Industry Average	57,542	66,781	+9,239

OUTSTANDING CHECK READS (PC4)



- Outstanding check read volumes for PC4 SPs has increased over the past 12 months.
- Akin to PC3, PC4 figures are also primarily impacted by a number of Shipper parties of which each party has seen a month upon month increase since June 2022.

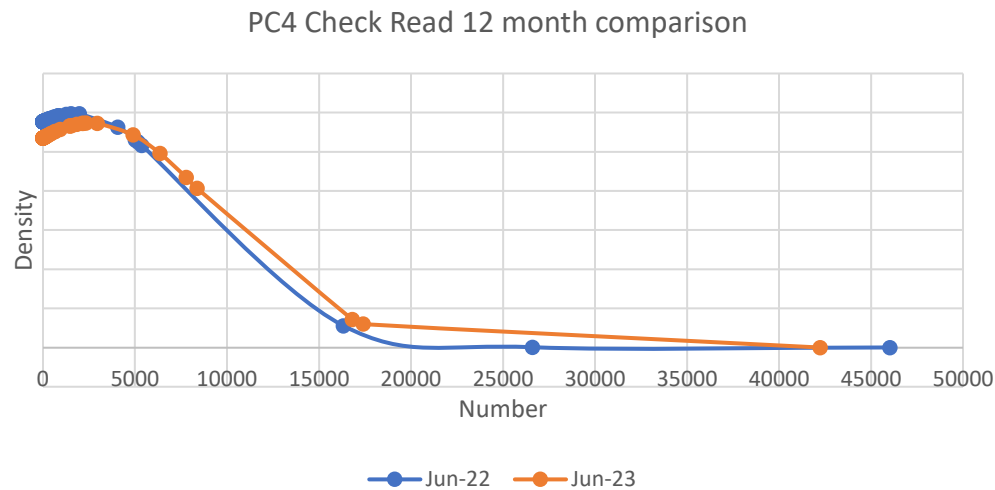


Figure 5.9: Outstanding Check Reads for PC4 Market – June 2022 vs June 2023

	June 2022	June 2023	Variance
Industry Average	120,098	125,224	+5,126

NO READS RECEIVED (PC3)

Industry average of No Reads received for PC3

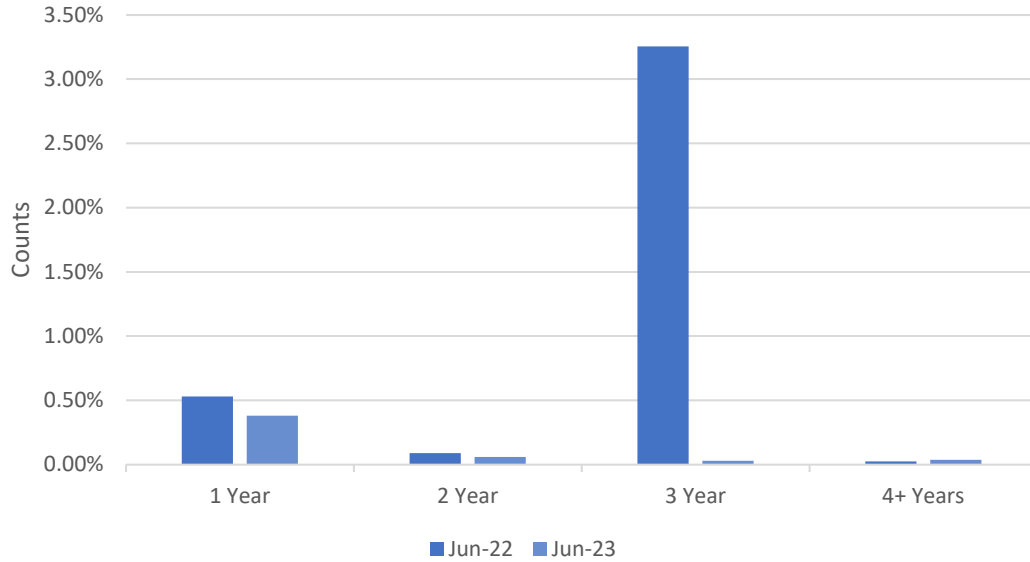


Figure 6: % Industry Level average for PC3 Market – June 2022 vs June 2023

	June 2022	June 2023	Variance
Industry Average (1yr)	0.53%	0.38%	-0.15%
Industry Average (2yr)	0.09%	0.06%	-0.03%
Industry Average (3yr)	3.26%	0.03%	-3.23%
Industry Average (4+yr)	0.02%	0.04%	+0.02%

- Across the 12 month reporting period for PC3:
 - **1yr:** There has been a marginal decrease in average (0.15%)
 - **2yr:** There has been a marginal decrease in average (0.03%)
 - **3yr:** There has been a more notable decrease in average (3.23%)
 - **4+yr:** There has been a marginal increase in average (0.02%)
- The figures provided are an indication of the average percentage of a Shipper party portfolio in each category whereby no read has been received.

NO READS RECEIVED (PC4)

Industry average of No Reads received for PC4

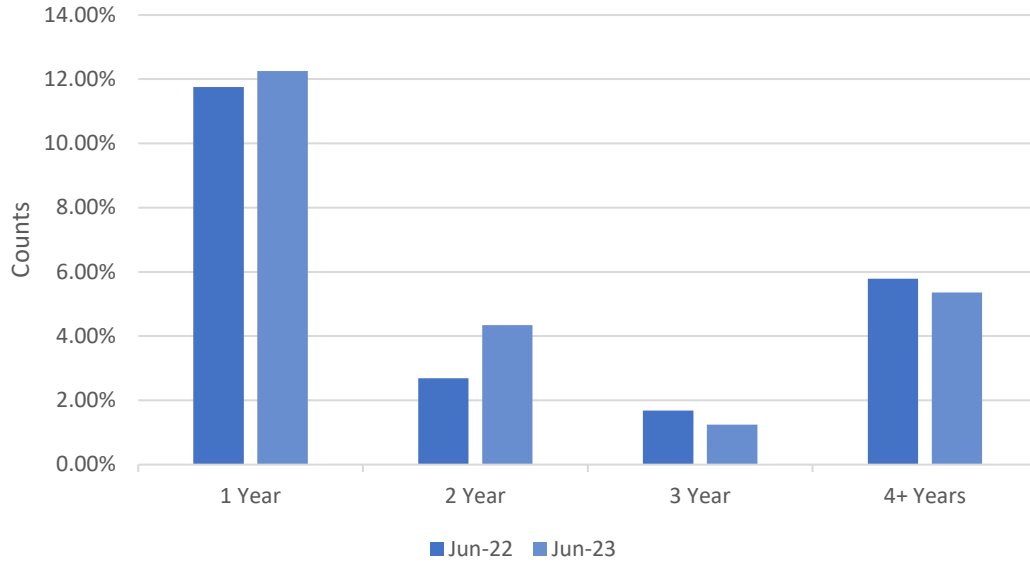


Figure 6.1: % Industry Level average for PC4 Market – June 2022 vs June 2023

	June 2022	June 2023	Variance
Industry Average (1yr)	11.76%	12.25%	+0.49%
Industry Average (2yr)	2.68%	4.34%	+1.65%
Industry Average (3yr)	1.68%	1.24%	-0.44%
Industry Average (4+yr)	5.78%	5.36%	-0.42%

- Across the 12 month reporting period for PC4:
- **1yr:** There has been a marginal increase in average (0.49%)
- **2yr:** There has been a marginal increase in average (1.65%)
- **3yr:** There has been a marginal decrease in average (0.44%)
- **4+yr:** There has been a marginal decrease in average (0.42%)
- The figures provided are an indication of the average percentage of a Shipper party portfolio in each category whereby no read has been received.

AQ READ PERFORMANCE (MOD 672) PC4(M) NO SMART

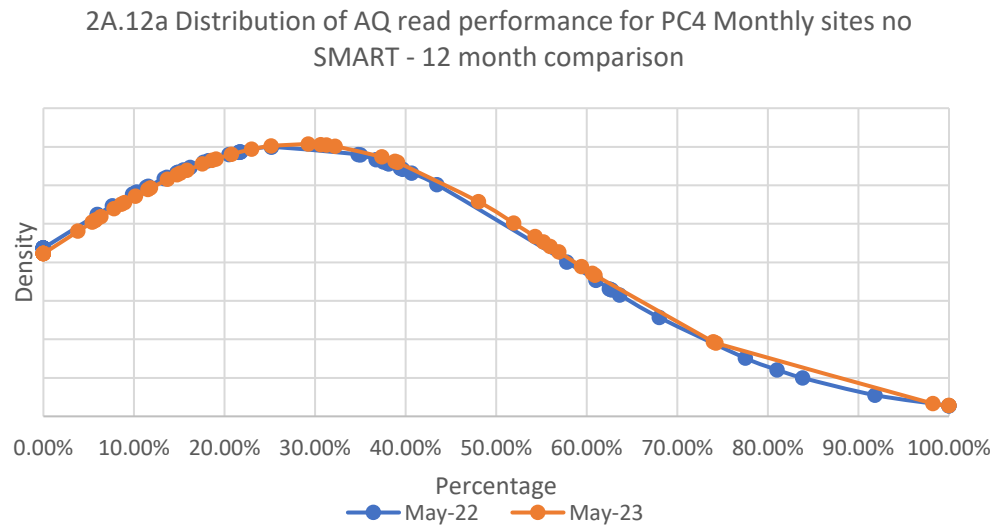
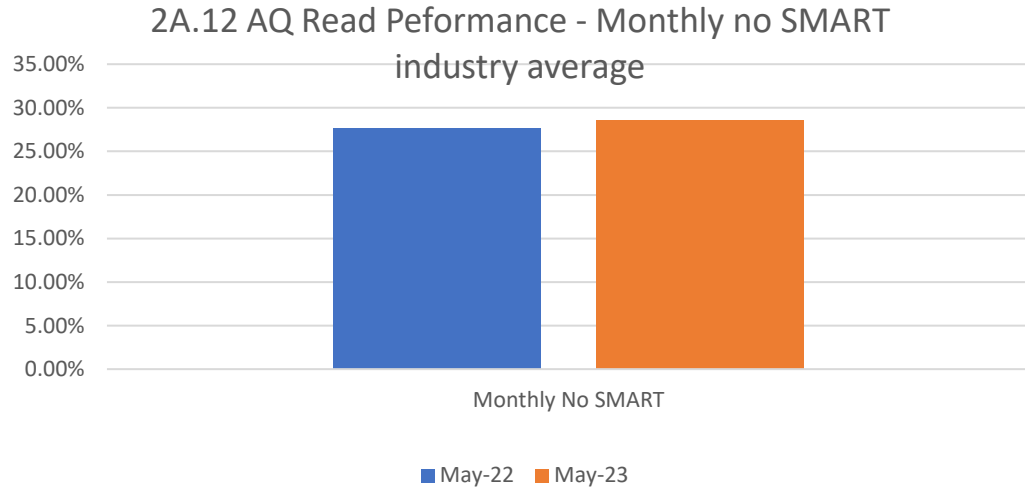


Figure 6.2: AQ Read Performance - PC4(M) No Smart – May 2022 vs May 2023

	May 2022	May 2023	Variance
Industry Average	27.68%	28.59%	+0.91%

- This report measures the percentage of monthly read AQ for sites $\geq 293,000$.
- There has been a marginal improvement in AQ read performance for this category over the past 12 months.
- The May 2023 industry average figure of 28.59% is however clearly below the UNC requirement of 90%.
- It is apparent that certain Shipper parties with particularly poor read performance i.e. between 0% - 25% is dragging the overall industry average down.
- Only 2 Shipper parties had a % value of above 90% in May 2023 both of which have portfolio volumes of under 500 SPs.



2022/23 YEAR IN REVIEW

RISK REGISTER

■ RISK REGISTER UPDATE

The redesigned risk register has now been in situ since June 2021. The redesign simplified the way risks were measured and grouped risks into topics to enable the PAC to focus on specific areas of industry performance rather than individual risks in isolation.

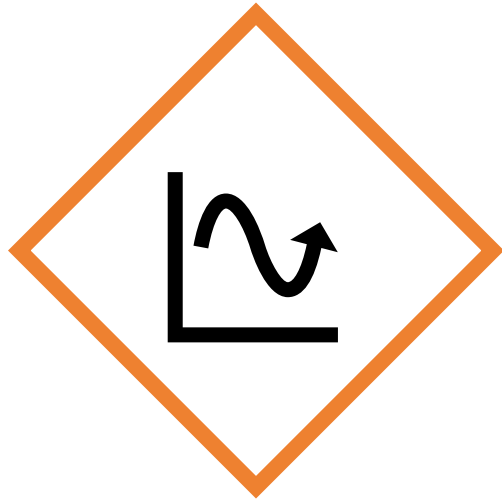
Risks can be raised by any UNC Party through a risk reporting function in the GPAP, and then presented to the PAC to reach agreement for inclusion in the register. PAFA then work to provide evidence to support the risk and define possible target measures and mitigating actions.

The PAFA have observed that the risks to Gas settlement are largely enduring and not dynamic in their 'Value at Risk'. This has shaped the PAC approach to mitigating initiatives, endorsing longer projects to tackle risk levels.

There are currently **24 live risks on the register**, with three live issues and five closed items.

One risk was added to the register this year; Isolated Supply Points with progressive reads (November 2022).

■ CURRENT RISK AREAS



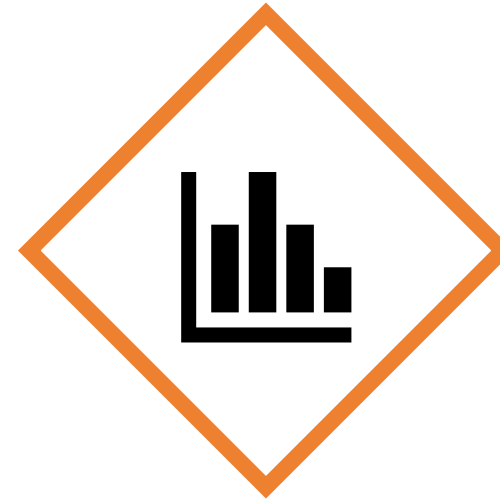
METER READS

Risks that directly affect meter reading activities or areas that are directly affected by data going into central systems. These include WAR bands, no read 'line in the sand' and meter read classes.



METER ASSETS

This includes those risks that are concerned with physical meter assets and includes missing or incorrect asset data.



DATA/VOLUME

This included both Data Corrections and Volume Corrections and includes areas such as Correction factors and use of the AQ correction process.



UNATTRIBUTED

Risk areas that have a level of unquantifiable gas attributed to them. This includes Theft of Gas, LDZ offtake and Shipperless sites. These areas can have high fluctuations and therefore do not sit in another category.

Category	Description	Risk Names
Unattributed	Risks can be considered as 'unattributed' - that is, they are essentially missing from settlements as they are not being calculated. Each risk covers a slightly different area, but essentially each is trying to assess the missing amount of energy in settlements, whether it is a whole value or a partial amount of energy.	Undetected theft Theft into settlements Theft AQ Corrections Unregistered Supply Points Shipperless Supply Points LDZ Offtake Meter bypass Isolated Supply Points with progressive reads
Meter reads	Risks can be considered as meter read related risks - that is, there is a risk to settlement error either from meter reads not being submitted, or reads being rejected, or certain types of reads not being submitted as expected.	Drift / Check Reads Line in the sand Transfer Reads Replaced Reads PC1 Reads PC2 Reads PC3 Reads PC4 Monthly Reads PC4 Annual Reads Rejected PC 4 Monthly Reads Rejected PC 4 Annual Reads AMR Monthly Reads AMR Annual Reads WAR Bands
Volume and data corrections	Risks can be considered as 'volume & data correction' risks - that is, there is a risk to settlement error either from the correction factors used to correct settlement volume to energy, or a data correction process has an inherent risk in the process.	Correction Factors >732,000 Correction Factors <732,000 Standard Correction AQ Corrections
Meter asset	Risks can be considered as meter asset risks - that is, there is a risk to settlement error from the data being held on central systems not reflecting the correct meter attributes.	Incorrect Meter Asset NDM Sites at DM Threshold Smart Meter Exchanges

RISK MITIGATION WORK 2022/23



OFFTAKE ERRORS

In-depth analysis carried out;

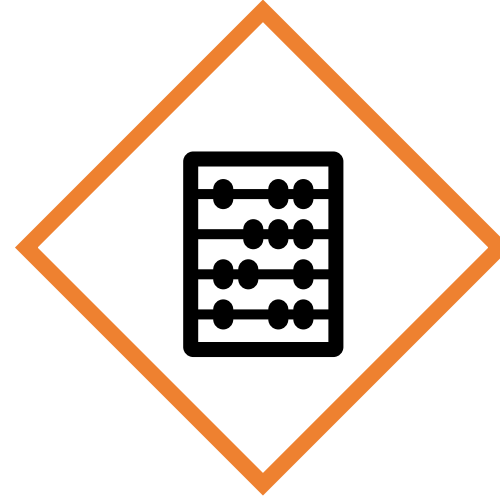
- One Transporter on PIP
- Improved data provided to industry
- Action plan in place to mitigate risk



NDM SAMPLING

Evidence of drop in submission over the past year;

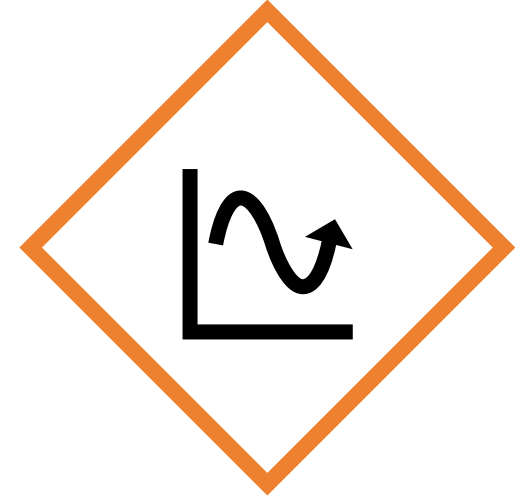
- Analysis of results
- Targeted comms
- Continued support to Shippers



HOLISTIC PERFORMANCE

Redesign of PAC approach Inc.;

- Pivot in PAC attention to cross area examination
- Established threshold for performance targeting



READ PERFORMANCE

Continuation of PAT application Inc.;

- PAFA management of plans
- Continued support
- PAC meeting for poor performance



2022/23 YEAR IN REVIEW

GAS PERFORMANCE ASSURANCE
PORTAL (GPAP)

GAS PERFORMANCE ASSURANCE PORTAL

In 2022 the PAFA launched the GPAP, which is the first in its kind for dedicated gas performance assurance information.



[Meetings](#) ▾ [Resources](#) ▾ [News](#) [FAQs](#) [Contact Us](#)

[Secure Access](#)



Resource Library

We want to make as much information clear and readily available to the industry as possible. This is why we have added a resource library to the GPAP. This page will include relevant information for all Performance Assurance Parties (PAPs) in a one-stop shop. Click the link below.

[Access Our Resources](#)

■ GAS PERFORMANCE ASSURANCE PORTAL

At the same time the regime moved away from Huddle as its secure file sharing platform to a bespoke platform hosted through the GPAP.

The aim of the portal is to be a transparent education tool to ensure that industry has a dedicated space to tap into performance assurance information.

The PAC are working towards greater industry engagement and are aware that taking industry on the journey is a valuable tool to improving settlement accuracy.

Should you require information that is not available on the GPAP, please reach out to PAFA (PAFA@Gemserv.com) and we can point you in the right direction (for example towards useful Xoserve resources).

■ GAS PERFORMANCE ASSURANCE PORTAL

The GPAP includes:

- FAQs;
- Submission of risks for Risk Register;
- Performance Assurance Techniques;
- Information pages, training and guidance materials;
- Information for parties on Performance Improvement Plans;
- Signposts to Xoserve training;
- Contact facilities;
- Performance Assurance calendar;
- Meeting information/key messages;

More information is to be added in time and we would welcome feedback on the content and our next priorities.

GPAP STATISTICS



OVER 250 USERS

295 Users since the launch of the secure file sharing area of GPAP. 85% of users are industry users, 9% CDSP and 6% PAFA.



>300 DOWNLOADS

319 digital downloads over the last 90 day period.



MOST DOWNLOADED

Anonymous PARR report is the most downloaded document month-on-month.





2022/23 YEAR IN REVIEW

INDUSTRY CHANGE -
MODIFICATIONS

INDUSTRY MODIFICATIONS IMPACTING PERFORMANCE ASSURANCE

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 and although it was envisioned that UNC674 (Performance Assurance Techniques and Controls) would address this, it was not included in the final Modification.



MODIFICATIONS WITH PAC IMPLICATIONS

- **UNC 0811S – Shipper Agreed Read (SAR) exceptions process**
 - To provide a remedy for SARs that have failed to be progressed (exceptions) within a reasonable period to be proactively managed by the Central Data Services Provider (CDSP).
 - Modification has been passed for implementation, although a date not yet designated.
- **UNC 0816S:Update to AQ Correction Processes**
 - This Modification proposes to add two further ‘eligible causes’ to the Annual Quantity (AQ) amendment process within TPD G2.3.21 and to prevent AQ amendments being processed where there is no change in value to the AQ.

MODIFICATIONS WITH PAC IMPLICATIONS CONT.

- **UNC 0819: Establishing/Amending a Gas Vacant Site Process**
 - This Modification seeks to provide Shippers with the ability to effectively manage their Settlement Performance Obligations and Transportation Costs for Vacant sites.
- **UNC 0831 – Allocation of LDZ UIG to Shippers Based on a Straight Throughput Method**
 - The purpose of this Modification is to change the method by which unidentified gas (UIG) is allocated to Shippers from the current AUGE table of weighting factors to a throughput or universal allocation model.
 - This Modification does not intend to change the overall amount of UIG, however the share of UIG across the industry will change.
- **UNC 0831A – Allocation of LDZ UIG to Shippers (Class 2, 3 and 4) Based on a Straight Throughput Method**
 - The purpose of this Modification is to remove the current AUGE process and create a permanent weighting table that encourages movement to Daily metering, reduces levels of UIG and discourages risk premiums for customers.
 - This Modification does not intend to change the overall amount of UIG, however the share of UIG across the industry will change.
- **UNC 0840 (Urgent) – Equalisation of prepayment and non-prepayment AUG factors**
 - This Urgent Modification proposes to remove the differential treatment of prepayment meters and non-prepayment meters in the allocation of Unidentified Gas. This proposal is to amend the process prior to the finalisation of the AUG Table for Gas Year 2023/2024.
 - This Modification does not intend to change the overall amount of UIG, however the share of UIG across the industry will change.
 - Modification has been passed for implementation on 1st October 2023.

MODIFICATIONS WITH PAC IMPLICATIONS CONT.

- **UNC 0843 – Establishing the Independent Shrinkage Charge and the Independent Shrinkage Expert**
 - To incentivise the reduction of greenhouse gas emissions and lower customer bills, this Modification introduces the role of the Independent Shrinkage Expert (ISE) who will establish:
 - the Independent Shrinkage Model (ISM),
 - the Independent Shrinkage Model Methodology (ISMM), and
 - the Independent Shrinkage Charge (ISC).
- **UNC 0851R - Extending the Annually Read PC4 Supply Meter Point (SMP) read submission window.**
 - Under UNC TPD, M, 5.9.4, Shippers have 25 Supply Point Systems Business Days (SPSBD) after the read date to submit a read for settlement. Where there's an issue preventing the read from being validated, and that issue is not resolvable within the 25 SPSBD timeframe, the read becomes unusable. This is highly problematic for meter reads that are hard to retrieve. It needs addressing because enabling valid reads to be entered into settlement decreases settlement imbalance, unbilled, Unidentified Gas (No reads at Line in the Sand is a UIG contributor), manual AQ fixes, repeated costs for additional site visits, and time and money spent on must-reads.
- **IGT159V – Amendments to the Must Read process**
 - To update the Must Read process to include timescales for a site to enter the process, and to introduce timeframes for procuring and returning a read that align with Central Data Service Provider (CDSP) validation criteria.
 - Modification has been passed for implementation, although a date not yet designated.



WE LOOK FORWARD TO YOUR FEEDBACK!

THIS REVIEW IS SUBJECT TO A CONSULTATION
RESPONSES DUE BY 5PM ON 30TH OCTOBER 2023
RESPONSES CAN BE SUBMITTED VIA SURVEY [HERE](#)