SCHEDULE 2.2A

PERFORMANCE LEVELS

VERSION CONTROL

VERSION NUMBER	DATE	COMMENT
1.0	27 June 2018	Executed by the Parties

CONTENTS

1	PURPOSE	1
2	PERFORMANCE LEVEL FRAMEWORK	1
3	CHANGES TO PERFORMANCE LEVELS	1
4	PERFORMANCE LEVEL FAILURE PREVENTION	2
6	REPEAT FAILURES	2
7	PERFORMANCE MANAGEMENT SYSTEM	3
8	PERFORMANCE REPORTING	3
9	PERFORMANCE RECORDS	3

APPENDIX 1 – SERVICE LEVELS

APPENDIX 2 – KEY PERFORMANCE INDICATORS

SCHEDULE 2.2A – PERFORMANCE LEVELS

1. PURPOSE

1.1 This Schedule sets out:

1.1.1 the Service Levels (in Appendix 1) and the Key Performance Indicators (in Appendix 2) which together are the Performance Levels; and

1.1.2 the treatment of Performance Level Failures.

1.2 In respect of the Service Levels the Supplier acknowledges that TTL expects to receive a level of performance that meets or exceeds the Service Level Targets in preference to receiving Service Credits where that level of performance is not achieved. Consequently, the Supplier shall in all cases seek to meet or exceed the Service Level Targets in preference to accepting a liability for Service Credits.

2. PERFORMANCE LEVEL FRAMEWORK

2.1 The Supplier shall perform its obligations under this Agreement so as to meet or exceed the Performance Level Targets. Over-achievement against one Performance Level Target shall not provide the Supplier with any form of relief against the under-achievement of another Performance Level Target.

2.2 Save as expressly stated otherwise in this Agreement, the Supplier's performance against the Performance Level Targets shall be measured and assessed in respect of each Support Period.

2.3 Service Credits shall be incurred by the Supplier as a consequence of Service Level Failures and shall be calculated in accordance with paragraph 9 of Schedule 7.1 (Charges and Invoicing). The Band information set out in Appendix 1 shall be used for this purpose.

2.4 If in accordance with Clause 30 of this Agreement the Supplier is entitled to relief in respect of a Performance Level Failure and/or Service Credits, such relief shall be applied to the measurement of the Supplier's performance against the relevant Performance Level and the calculation of any associated Service Credits as applicable.

3. CHANGES TO PERFORMANCE LEVELS

3.1 TTL may reclassify any KPI as a Service Level (being a "**Reclassified KPI**"), by written notice to the Supplier, if a KPI Failure occurs in respect of that KPI during two (2) or more consecutive Support Periods. Such notice shall be provided by TTL within five (5) Working Days following the RTO Service Delivery Group meeting at which the relevant KPI Failure was discussed. The reclassification shall be effective from the start of the next Support Period.

3.2 Any failure to meet the KPI Target for a Reclassified KPI shall be deemed to be a Service Level Failure in respect of which Service Credits shall be calculated in accordance with paragraph 9 of Schedule 7.1 (Charges and Invoicing) using the relevant Sevice Credit Percentage set out in Appendix 2.

3.3 TTL may, by written notice to the Supplier at TTL's sole discretion, reclassify the Reclassified KPI as a KPI if the Supplier meets or exceeds the KPI Target for the Reclassified KPI in any three (3) consecutive Support Periods. Following such reclassification Service Credits shall not apply in respect of the KPI (unless the KPI is reclassified in accordance with paragraph 3.1).

4. PERFORMANCE LEVEL FAILURE PREVENTION

The Supplier shall, in accordance with this Agreement, proactively monitor and resolve all issues relating to the performance of this Agreement so as to prevent Performance Level Failures from occurring.

5. CRITICAL SERVICE FAILURES

If a Critical Service Failure occurs the Supplier shall comply with the Rectification Plan Process in accordance with Clause 28 of this Agreement.

6. REPEAT FAILURES

6.1 If a Service Level Failure occurs in a Support Period ("**First Failure**") and then occurs again in respect of the same Service Level in one or more consecutive Support Periods, the failure in such one or more consecutive Support Periods shall be a "**Repeat Failure**".

6.2 The Service Credit Percentage for each Repeat Failure shall be the relevant Service Credit Percentage set out in Appendix 1 multiplied by the relevant Repeat Failure Multiplier set out in the table below.

REPEAT FAILURE NUMBER	REPEAT FAILURE MULTIPLIER	MULTIPLIER EXIT PERIOD
1 (i.e. the second of two consecutive Service Level Failures for the same Service Level)	1.25	1
2 (i.e. the third of three consecutive Service Level Failures for the same Service Level)	1.75	2
3 (i.e. the fourth of four consecutive Service Level Failures for the same Service Level)	2	3

Example: A Service Level Failure for the same Service Level occurs in four consecutive Support Periods. The Service Level Failures in the second, third and fourth Support Periods are Repeat Failures 1, 2 and 3 (respectively) and the Service Credit Percentage for the relevant Service Level Failure shall be multiplied by the corresponding Repeat Failure Multiplier set out in the table above.

6.3 If a Repeat Failure does not occur in one or more subsequent Support Periods, the next Service Level Failure that occurs in respect of the same Service Level that gave rise to the Repeat Failure shall be treated as a First Failure only if the number of such Support Periods is greater than or equal to the relevant Multiplier Exit Period. If the number of such Support Periods is less than the relevant Multiplier Exit Period, the Service Level Failure shall be treated as a Repeat Failure and the most recent Repeat Failure Multiplier shall apply.

Example: A Service Level Failure for the same Service Level occurs in three consecutive Support Periods and then:

- *The Supplier achieves the relevant Service Level Target in the next two consecutive Support Periods but fails to achieve the Service Level Target in the third Support Period – the Service Level Failure shall be treated as a First Failure and no Repeat Failure Multiplier shall apply in respect of the third Support Period.*

- *The Supplier achieves the relevant Service Level Target in the next Support Period but fails to achieve the Service Level Target in the second Support Period – the Service Level Failure shall be treated as a Repeat Failure and Repeat Failure Multiplier 2 (1.75) shall apply in respect of that second Support Period.*

7. PERFORMANCE MANAGEMENT SYSTEM

7.1 At least three (3) months prior to the Milestone Date for Milestone MS7A the Supplier shall provide to TTL for review a Performance Management System. The Performance Management System shall:

7.1.1 include the tools and methods the Supplier proposes to use to monitor and report on its performance against the Performance Levels and the calculation of Service Credits in accordance with this Agreement;

7.1.2 enable TTL to verify the Supplier's reporting on its performance against the Performance Levels and the calculation of Service Credits in accordance with this Agreement; and

7.1.3 enable the Service Credit regime to be implemented comprehensively and accurately.

7.2 The Supplier shall address any reasonable comments from TTL in respect of the Performance Management System as soon as practicable.

8. PERFORMANCE REPORTING

The Supplier shall report on its performance against the Performance Levels in accordance with paragraph 4.3 of Schedule 2.2B (Service Management).

9. PERFORMANCE RECORDS

9.1 The Supplier shall keep appropriate documents and records (including a record of all calls made to the Supplier Service Desk) in relation to its performance against the Performance Levels and shall make these available for inspection by TTL and/or its nominee at any time.

9.2 In addition to its specific reporting obligations set out in this Agreement, the Supplier shall provide to TTL such information and documentation as TTL may reasonably require from time to time in order to verify the level of the Supplier's performance under this Agreement.

APPENDIX 1 – SERVICE LEVELS

Ref.	Service Level	Calculation and Measurement	Service Level Target	Band Category / Service Credit Percentage	Band 1	Band 2	Band 3
SL 01	RTO System Availability	This Service Level measures the Availability of the RTO System during both Peak Hours and Off-Peak Hours. If TTL has approved an Operational Change in accordance with Schedule 2.2B (Service Management) which explicitly permits a planned outage for a defined duration and impact, such planned outage (for the defined duration) shall not count towards Unavailability unless specified otherwise in the relevant Operational Change Form. Any outage exceeding the duration and impact in the agreed Operational Change Form shall be treated as Unavailability for the purpose of this Service Level. **Calculation for Peak Hours:** 100 x (number of Available minutes during Peak Hours / (number of Peak Hours in minutes x number of days in Support Period)) **Calculation for Off-Peak Hours:** 100 x (number of Available minutes during Off-Peak Hours / (number of Off-Peak Hours in minutes x number of days in Support Period)) **Measurement:**	99.90%	Peak Hours	<99.9%	<99.8%	<99.7%
			N/A	Peak Service Credit Percentage	1.00%	3.00%	5.00%

Ref.	Service Level	Calculation and Measurement	Service Level Target	Band Category / Service Credit Percentage	Band 1	Band 2	Band 3
		Industry standard automated system measurement and reporting.	99.80%	Off-Peak Hours	<99.8%	<99.7%	<99.6%
			N/A	Off-Peak Service Credit Percentage	1.00%	2.00%	3.00%

Ref.	Service Level	Calculation and Measurement	Service Level Target	Band Category / Service Credit Percentage	Band 1	Band 2	Band 3
SL 02	RTO System Transaction Time	This Service Level measures the extent to which the RTO System completes the RTO System Transactions initiated by Users within the Expected Response Times (defined below), during both Peak Hours and Off-Peak Hours. The Expected Response Times relate to the time taken by the RTO System to complete the RTO System Transactions and this is the time that shall be measured under this Service Level (noting that an RTO System Transaction may form part of a wider end to end transaction which is not measured under this Service Level). **Calculation:** 100 x (number of RTO System Transactions completed within the Expected Response Times / total number of RTO System Transactions) **Measurement:** Industry standard automated system measurement and reporting. The "**RTO System Transactions**" and the "**Expected Response Times**" are as follows: User login to RTO System – 2.00 sec RTO System setting change – 1.00 sec On Street equipment configuration change – 10.00 sec User initiated Signal Timing change – 0.50 sec User request to view data – 1.00 sec	99.90%	Peak Hours	<99.90%	<99.40%	<99.00%
			N/A	Service Credit Percentage (Peak Hours)	1.00%	3.00%	5.00%
			99.80%	Off-Peak Hours	<99.80%	<99.00%	<98.50%
			N/A	Service Credit Percentage (Off-Peak Hours)	1.00%	2.00%	3.00%

Ref.	Service Level	Calculation and Measurement	Service Level Target	Band Category / Service Credit Percentage	Band 1	Band 2	Band 3
SL 03	Resolution of Problems relating to Severity 1 and 2 Incidents	This Service Level measures the extent to which Problem Tickets relating to Severity 1 and Severity 2 Incidents are closed with the agreed timescale. For the purpose of this Service Level the "**agreed timescale**" shall be thirty (30) days unless agreed otherwise with TTL in writing. **Calculation:** Number of Problem Tickets for Severity 1 and Severity 2 Incidents open beyond the agreed timescale. **Measurement:** Data on relevant Problem Tickets from the relevant Toolset.	All Problem Tickets for Severity 1 and Severity 2 Incidents are closed within the agreed timescale	Number of Problem Tickets not closed within the agreed timescale	>0	>2	>3
				Service Credit Percentage	1.00%	2.00%	3.00%
SL 04	Successful Operational Changes	This Service Level measures the extent to which Operational Changes (Normal Changes only) are successfully implemented. For the purpose of this Service Level an Operational Change is "**successfully implemented**" if it is implemented in accordance with the agreed Operational Change Form (including in relation to timescale). **Calculation:**	All Normal Changes are successfully implemented	Number of Normal Changes not successfully implemented	>0	>5	>10

Ref.	Service Level	Calculation and Measurement	Service Level Target	Band Category / Service Credit Percentage	Band 1	Band 2	Band 3
		Number of Operational Changes not successfully implemented as described above. **Measurement:** Data on relevant Operational Changes from the relevant Toolset.		Service Credit Percentage	1.00%	2.00%	3.00%
SL 05	Restoration of Severity 1 Incidents	This Service Level measures the extent to which Severity 1 Incidents are Restored within the Incident Restore Time. **Calculation:** Number of Severity 1 Incidents not Restored within the Incident Restore Time. **Measurement:** Data on relevant Incidents from the relevant Toolset.	No more than one (1) Severity 1 Incident not Restored within the Incident Restore Time	Number of Severity 1 Incidents not Restored within the Incident Restore Time	>1	>5	>10
				Service Credit Percentage	2.00%	3.00%	4.00%
SL 06	Restoration of Severity 2 Incidents	This Service Level measures the extent to which Severity 2 Incidents are Restored within the Incident Restore Time. **Calculation:** Number of Severity 2 Incidents not Restored within the Incident Restore Time.	No more than two (2) Severity 2 Incidents not Restored within the Incident Restore	Number of Severity 2 Incidents not Restored within the Incident Restore Time	>2	>5	>10

Ref.	Service Level	Calculation and Measurement	Service Level Target	Band Category / Service Credit Percentage	Band 1	Band 2	Band 3
		Measurement: Data on relevant Incidents from the relevant Toolset.	Time	Service Credit Percentage	1.00%	2.00%	4.00%

APPENDIX 2 – KEY PERFORMANCE INDICATORS

The measurement period for the KPIs shall be each Support Period except for KPI 02 which shall be every three (3) Support Periods.

Ref.	KPI	Description	Calculation and Measurement	KPI Target	KPI Failure Threshold	Service Credit Percentage (if KPI is re-classified as a Service Level)
KPI 01	Timely delivery of Major Incident Reports	Percentage of Major Incident reports delivered within the agreed timescale	For the purpose of this KPI the "**agreed timescale**" means the timescale specified or determined in accordance with paragraph 6.3.19 of Schedule 2.2B (Service Management). **Calculation:** 100 x (total number of Major Incident Reports delivered within the agreed timescales / total number of Major Incidents Reports) **Measurement:** Data on the receipt of Major Incident Reports by TTL from the relevant Toolset.	100%	99%	1.00%

Ref.	KPI	Description	Calculation and Measurement	KPI Target	KPI Failure Threshold	Service Credit Percentage (if KPI is re-classified as a Service Level)
KPI 02	Security Incidents	Extent to which Severity 1 and 2 Security Incidents are not Restored within the Incident Restore Time	This KPI measures the extent to which Severity 1 and Severity 2 Security Incidents are Restored within the Incident Restore Time. **Calculation:** Number of Severity 1 and Severity 2 Security Incidents not Restored within the Incident Restore Time. **Measurement:** Data on relevant Security Incidents from the relevant Toolset.	0	1	2.00%

Ref.	KPI	Description	Calculation and Measurement	KPI Target	KPI Failure Threshold	Service Credit Percentage (if KPI is re-classified as a Service Level)
KPI03	Restoration of Severity 3 Incidents	Extent to which Severity 3 Incidents are Restored within the Incident Restore Time	This KPI measures the extent to which Severity 3 Incidents are Restored within the Incident Restore Time. **Calculation:** Number of Severity 3 Incidents not Restored within the Incident Restore Time. **Measurement:** Data on relevant Incidents from the relevant Toolset.	≤5	10	2.00%

Ref.	KPI	Description	Calculation and Measurement	KPI Target	KPI Failure Threshold	Service Credit Percentage (if KPI is re-classified as a Service Level)
KPI04	Restoration of Severity 4 Incidents	Extent to which Severity 4 Incidents are Restored within the Incident Restore Time	This KPI measures the extent to which Severity 4 Incidents are Restored within the Incident Restore Time. **Calculation:** Number of Severity 4 Incidents not Restored within the Incident Restore Time. **Measurement:** Data on relevant Incidents from the relevant Toolset.	≤10	25	1.00%