

Project Nexus Steering Group Minutes

Monday 03 August 2015

Ofgem's Offices, 9 Millbank, London SW1P 3GE

Attendees

Alex Travell	(AT)	E.ON
Angelita Bradney	(AB)	Ofgem
Gareth Evans	(GE)	Waters Wye Associates
James Beverley	(JB)	Baringa
Jeremy Adams-Strump*	(JAS)	Ofgem
Jeremy Guard	(JG)	First Utility
Joanna Ferguson	(JF)	Northern Gas Networks
Jon Dixon	(JD)	Ofgem
Les Jenkins (Chair)	(LJ)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Mike Harding	(MH)	Brookfield Utilities
Nick Salter	(NS)	Xoserve
Sandeep Bains	(SD)	PwC
Sandra Simpson	(SS)	Xoserve
Sean McGoldrick	(SM)	National Grid NTS
Stuart Cook	(SC)	PwC

*via teleconference

Copies of papers are available at: <http://www.gasgovernance.co.uk/NexusSG/030815>

Key Messages from this meeting:

Checkpoint Assessment for RAASP		
Conceptual design is feasible for delivery	<ul style="list-style-type: none"> RAASP can still be delivered on the proposed timeline providing Design phase starts Sept 15 <ul style="list-style-type: none"> SAP will validate this during design Longer design phase is desirable, at 12-16 weeks (currently 8). 	INFORMATION
Unique Sites		
Now part of Core delivery	<ul style="list-style-type: none"> US would not impact on the RAASP delivery and so will now be delivered as part of Core. 	INFORMATION
Market Trials Working Group		
Established	<ul style="list-style-type: none"> MTWG established with 2 reps from each constituency Large GTs reps expected to be named w/c 03 Aug 15. 	INFORMATION

Impact Assessment for decoupling RAASP from Core		
In progress	<ul style="list-style-type: none"> Paper expected by next SG meeting Any quantitative assessment from industry parties would be helpful (contact PwC) 	INFORMATION
Reporting Framework		
Format agreed	<ul style="list-style-type: none"> Will be populated fully over the coming weeks Future SG meetings will use it to understand progress against the Implementation Plan; each reporting pack will be published following SG meetings. 	INFORMATION

1.0 Introduction and Review of Minutes

‘Chatham House Rules’ apply to general discussion.

LJ welcomed all to the meeting.

UNC Modification 0548 (Urgent)

LJ reported that the consultation had closed and 14 representations had been received. The Final Modification Report had been published and will be considered by the UNC Modification Panel on 05 August 2015. Parties were encouraged to read this.

A decision from Ofgem is expected by 13 August 2015.

1.1 Note of Alternates

J Ferguson for C Warner.

1.2 Review of Minutes (13 July 2015)

The minutes of the previous meeting were approved.

2.0 Progress Update (Reporting Framework)

2.1 Plan/Milestones - The appearance of the milestones displayed in the plan was discussed, with members trying to understand how to get the best from the report. SC observed that the RAASP elements would be showing as ‘amber’ if included. There were a number of ‘grey’ milestones because it was a question of feeling the way at the moment, and these will be populated/coloured as they become known.

LJ commented that risks were not equal, and there may be a need to differentiate ones to monitor more closely - this might be done through the addition of a coloured boundary to a marker. SC agreed to apply colours to all displayed milestones ahead of the next meeting.

2.2 Overall Status - SC gave a brief explanation of the information included.

Observing that Xoserve had provided the MT Level 2 readiness figures to PwC, and recognising that they were probably too detailed for inclusion in the pack, SS had provided an additional presentation to give more context. Asked if there were any risks to the commencement of Market Trials, SS and JB indicated they were quite confident with this baseline set of formats.

An Xoserve Testing Plan Summary was then presented, and SS explained that UAT had been split into two spheres - target testing and end-to-end testing. In target testing it had been identified which needed completing (by 10 August), and then can move into end-to-end testing. Other testing will continue. End-to-end figures are long tests through invoice cycles. Regression testing will happen alongside Market Trials. Xoserve will be reporting on end-to-end scenarios to go into Level 3 and target testing.

3.0 Implementation Plan

3.1. Market Trials (MT) planning - update

It was commented that there seemed to be a good mix of nominees/expertise, which was encouraging. The Large Gas Transporters were in the process of selecting and providing a representative(s). SC reported that the Market Trials Working Group (MTWG) Terms of Reference will be signed off next week, and that seven strands of work had been identified. Members felt that the Terms of Reference should be referred to this group for approval (see 3.4 below). It was confirmed that the MTWG meetings would be minuted. At the first meeting parties seemed to be comfortable with the Level 2 and 3 targets.

3.2 Review of RAASP and Unique Sites (US) BRDs (Action 0705)

SC reported that the desktop RAASP and US requirements risk assessment had been completed. JB recapped on the context and approach and then presented the key findings.

US was considered as low risk for delivery, and was proposed to be withdrawn from scope deferral considerations. Delivery plans have included contingency for data migration risks. Members understood that delivering the US functionality presented no additional risk to the Core delivery and agreed that US should be removed from the scope of this analysis; it would now be considered as part of the Core scope.

The conceptual solution design for RAASP is considered to be 'elegant' (i.e. modular, flexible, capable of readjustment), and feasible for delivery. It was confirmed that during the design phase SAP would be involved and that implementation would be validated. The RAASP design phase was considered to be currently underestimated (at 8 weeks), and that 12-16 weeks will be required. JB explained this view in more detail. It was noted that reducing the complexity of the requirements within the design (e.g. reduced number of scenarios/data) would only reduce testing and implementation timelines. It was still possible to deliver RAASP within the current single release timelines (with increased parallelism), providing that the design phase starts in September. More certainty on this would be established at the checkpoint being made at the end of August. Significant industry involvement will be required September - December.

It was questioned whether the degree of confidence in 'feasibility' could be quantified. JB explained the validations that had taken place and confirmed that the reviewers had found nothing to identify there would be any 'showstopper' in respect of the current requirements. SC added that the view on 'feasibility' was linked to the recommendation that Design starts in September and that sufficient resources are freed up to support this.

It was observed that the 8 additional weeks comes from Core - did it jeopardise Core to any greater level than currently? Xoserve needed to look at the implications for starting in September, e.g. for UAT and the freeing up of resources to support this. A view on whether mobilisation will go ahead in September may be established in time for the teleconference on 18 August.

It was asked when it would be decided if an 'elegant' approach would be adopted. JB indicated that the physical design phase had to be reached to understand if a component based approach could be adopted, and to establish/confirm when 'the point of no return' might be. More would be known at the end of August in terms of availability of UAT personnel.

It was noted that the key milestones remained unaltered and on track.

LJ summarised that an update will be given at the next meeting (18 August) to inform scope, and then it may be possible, depending on the level of information then available, to make any decisions required at the following meeting (01 September). There seem to be three choices: it can be done and is manageable; it can be done, but with the acknowledgement/acceptance of a number of associated risks; and, it cannot be done (the risks are unacceptable).

Next Steps

Baringa will give an update and continue engagement with SAP.

3.3 Decoupling RAASP and Unique Sites (US) from Core (Action 0704)

SC reported that PwC was looking at what was already published and discussing with industry, but were struggling to quantify benefits. SB confirmed that the information would be ready in the next 7 - 10 days and would be circulated in advance, but it was light on quantification - any evidence that parties could provide would be very welcome. JD suggested looking at it 'in reverse' might help. LJ suggested that Utilita be contacted as it had expressed specific views regarding the potential implications to which it might be exposed. If there were any alternatives, then cost/benefits would also have to be established.

3.4 Market Trials Working Group (MTWG) - Draft Terms of Reference

SC reported that these would be brought to the next meeting for Steering Group approval.

4.0 Steering Group's Terms of Reference (ToR) - suggested addition (Action 0709)

SC reported that this would be addressed at the next meeting. Action 0709 was carried forward.

5.0 Overview of Governance Interactions

SB advised this would be provided in advance of the next PNSG meeting.

6.0 Outstanding Actions

The outstanding actions were reviewed.

0704: PwC to start on impact assessments (including potential mitigation) for decoupling (from Core) RAASP and ~~US~~ (*removed 03 August*), should this later be required.

Update: See 3.3, above. **Carried forward**

0705: PwC, Xoserve and partners to co-ordinate in conducting a desktop risk assessment checkpoint of the high level requirements in the Business Requirements Documents for RAASP and US.

Update: See 3.2, above. **Closed**

0708: *Market Trials Working Group (MTWG)* - Nominations (maximum of two representatives per constituency) to be sent to PwC (AS) by 17 July 2015.

Update: SC reported that, notwithstanding the large GTs, nominations had been received and confirmed for all constituencies. **Closed**

0709: *PNSG Terms of Reference* - SC to review section 'Deliverables: PA/M' and provide appropriate revisions for approval at the next meeting.

Update: Deferred to next meeting. **Carried forward**

7.0 Key Messages

These were agreed and will be circulated.

8.0 Next Agenda and Diary Planning

Further details of planned meetings are available at: www.gasgovernance.co.uk/Diary

Next Meeting

At the next meeting (18 August 2015) the expectation will be to receive any action updates and the Market Trials Working Group update, consider the information provided relating to the Governance Structure for Nexus meetings, and agree the format for the Reporting Framework.

It is assumed that all members will attend/participate unless the Chair is notified otherwise and any meeting papers for publication should be provided to the Joint Office as soon as possible and in advance of each meeting.

Future Meeting Dates

LJ had provided a programme of dates (August 2015 - September 2016) agreed with Ofgem. These are reproduced below and will be confirmed on the JO Events Calendar (www.gasgovernance.co.uk/Diary).

Unless otherwise notified, Project Nexus Steering Group meetings will take place as follows:

2015

Time/Date	Venue	Workgroup Programme
10:00 - 12:00, Tuesday 18 August 2015	Teleconference - 0207 950 1251, access code 84534777#	<ul style="list-style-type: none"> • <i>Impact assessments (including potential mitigation) for decoupling from RAASP from Core delivery - update (Action 0704)</i> • <i>Review/approval of PNSG ToR (Action 0709)</i> • <i>Reporting pack - agree format</i> • <i>Market Trials Group and ToR update</i> • <i>Governance Structure for Nexus meetings</i>
10:00 - 12:00, Tuesday 01 September 2015	Ofgem, 9 Millbank, London SWIP 3GE	<i>To be confirmed</i>
10:00 - 12:00, Monday 14 September 2015	Teleconference	<i>To be confirmed</i>
10:00 - 13:00, Monday 28 September 2015	Ofgem, 9 Millbank, London SWIP 3GE	<i>To be confirmed</i>
10:00 - 13:00, Monday 12 October 2015	Ofgem, 9 Millbank, London SWIP 3GE.	<i>Formal checkpoint meeting</i>
13:00 - 16:00, Monday 02 November 2015	Ofgem, 9 Millbank, London SWIP 3GE. Approximate start time no earlier than 13:00 (following Change Overview Board meeting)	<i>To be confirmed</i>
10:00 - 12:00, Monday 16 November 2015	Teleconference	<i>To be confirmed</i>
13:00 - 16:00, Monday 07 December 2015	Ofgem, 9 Millbank, London SWIP 3GE. Approximate start time no earlier than 13:00 (following Change Overview Board meeting)	<i>To be confirmed</i>
10:00 - 13:00, Friday 18 December 2015	Ofgem, 9 Millbank, London SWIP 3GE.	<i>Formal checkpoint meeting</i>

2016

Time/Date	Venue	Workgroup Programme
10:00 - 11:00, Friday 08 January 2016	Teleconference	<i>To be confirmed</i>
10:00 - 13:00, Monday 18 January 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>Formal checkpoint meeting</i>
13:00 - 16:00, Monday 08 February 2016	Ofgem, 9 Millbank, London SWIP 3GE. Approximate start time no earlier than 13:00 (following Change Overview Board meeting)	<i>To be confirmed</i>
10:00 - 12:00, Monday 22 February 2016	Teleconference	<i>To be confirmed</i>
10:00 - 13:00, Monday 14 March 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>Formal checkpoint meeting</i>
10:00 - 12:00, Monday 28 March 2016	Teleconference	<i>To be confirmed</i>
10:00 - 13:00, Monday 11 April 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>To be confirmed</i>
10:00 - 12:00, Monday 25 April 2016	Teleconference	<i>To be confirmed</i>
10:00 - 13:00, Monday 16 May 2016	Ofgem, 9 Millbank, London SWIP 3GE.	<i>Formal checkpoint meeting</i>
10:00 - 13:00, Friday 27 May 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>Formal checkpoint meeting</i>
10:00 - 13:00, Monday 13 June 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>To be confirmed</i>
10:00 - 12:00, Monday 27 June 2016	Teleconference	<i>To be confirmed</i>
10:00 - 13:00, Monday 11 July 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>To be confirmed</i>
10:00 - 13:00, Wednesday 27	Ofgem, 9 Millbank, London SWIP 3GE	<i>Formal checkpoint meeting</i>

July 2016		
10:00 - 13:00, Monday 08 August 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>To be confirmed</i>
10:00 - 12:00, Monday 22 August 2016	Teleconference	<i>To be confirmed</i>
10:00 - 13:00, Monday 05 September 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>To be confirmed</i>
10:00 - 13:00, Monday 19 September 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>Formal checkpoint meeting</i>

Action Table (03 August 2015)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0704	01/07/15 (amended 03/08/15)	3.0	PwC to start on impact assessments (including potential mitigation) for decoupling (from Core) RAASP and US should this later be required.	PwC (AS)	<i>Update due 18 August meeting</i> Carried forward
0705	01/07/15	3.0	PwC, Xoserve and partners to co-ordinate in conducting a desktop risk assessment checkpoint of the high level requirements in the Business Requirements Documents for RAASP and US.	PwC (AS) and Xoserve (SS)	Closed
0708	13/07/15	2.1	<i>Market Trials Working Group (MTWG)</i> - Nominations (maximum of two representatives per constituency) to be sent to PwC (AS) by 17 July 2015.	PNSG Members	Closed
0709	13/07/15	4.0	<i>PNSG Terms of Reference</i> - SC to review section 'Deliverables: PA/M' and provide appropriate revisions for approval at the next meeting.	PwC (SC)	<i>Update due 18 August meeting</i> Carried forward