Deferral of RAASP

PN UNC
29th January 2016

Background

- Decision made at Project Nexus Steering Group (PNSG) on 8th January 2016 to defer the delivery of RAASP to a future date.

- RAASP central system development will cease

- For October 2016, PN UNC have been asked to consider how best to deliver the requirements of Modification 0434.

  - There is an expectation that any amending Modification is raised by the end of February 2016.

- UNC 0529 (Transitional Modification) to be reviewed.

- For the enduring RAASP system solution an aspiration for a provisional plan to be considered by PNSG by end of March 2016.

Project Nexus Steering Group (PNSG) Guidelines for PN UNC

- At the PNSG meeting on 18th January 2016 it was agreed to provide guidance to PN UNC as to the central plan based limitations

- Guiding principles were agreed as;

  - *Any interim solution must not impact, or increase risk to, the delivery of Core Functionality*

  - *It must also protect against material commercial risk*

- The following are extracts from the minutes of the meeting:

  - *PN UNC need to focus on what could be done without adversely affecting core delivery, the compromising of which wound not be countenanced*

  - *Xoserve need to clarify the options available, taking into account that any interim solution devised must not impact, or increase risk to, the delivery of the Core Functionality*

Modification 0434 Requirements
Gap Analysis for Core Delivery

	Modification 0434 Requirements	Core Functionality Delivery
1	Ability for current & previous Users to amend any periodic Meter Reading for their period of Registration	Delivered for Go Live.
2	Automatic re-reconciliations where a Meter Reading is amended	Delivered for Go Live.
3	Facility for current User to amend meter information ('meter asset data')	Updates are possible for effective date post last read recorded.
4	Automatic financial adjustment for amended Meter Information	Financial adjustment can be delivered but not fully automated
5	Facility for current User to update Meter Point / Supply Point data	Updates are possible for effective date post last read recorded.
6	Automatic re-reconciliations where relevant updates are made	Financial adjustment can be delivered but not fully automated

Option 1: Manual Update into SAP by Xoserve (Submission of Retro File)

- Manual processing of files & data. Meets requirements of Mod 0434
  - Shipper submits request via the retro updates file (RTO)
  - Xoserve intercepts the file and manually validates the request
  - Manually remove all relevant read, charge, billing and transfer of ownership history
  - Calculate consumption adjustment offline and enter into SAP
  - Re-enter all relevant historic read, charge, billing and transfer of ownership history
  - Financial adjustment issued from SAP
- Implications:
  - Highly complex and manually intensive with high risk of errors
  - Requires development to Market Flow as the retro update files (RTO & RTR) have not yet been developed
  - Retro files & rejection codes have not been approved
  - Full impact analysis required to understand the implications to SAP and downstream processes
  - Unable to deliver offline processes, systems, training and appropriate audit controls within the timescales
  - Requires resources to be diverted from core UKLP delivery programme
  - Would have a significant impact on Core delivery

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Option 2: Shipper Submits Retro Update File & Update Held until Functionality Implemented

- All retro files submitted are held from go-live to implementation of retro updates functionality.
  - Shipper submits request via the retro updates file (RTO)
  - Xoserve intercepts the file and stores until the functionality is delivered
  - Files processed in order of receipt
  - Supply point register and financial adjustment delivered once RAASP system functionality is implemented
- Implications
  - Development required in Market Flow to accept and store the files (RTO)
  - Line in the sand principles would apply from the date of processing not the date of submission
  - File could be rejected at record level following system delivery of RAASP
  - Reads may still be rejected until the update is processed therefore AQ and Reconciliation will not be processed
  - Data between shipper and Xoserve systems may be out of sync by the time RAASP is delivered
  - Unable to quantify catch up timescales until volumes were understood

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Option 3: Existing Asset Update and Consumption Adjustment Process

- This process is an existing one for the current LSP market and could be extended to include the SSP market (volume dependent)

- Shipper submits RGMA flows with an effective date after the last read recorded

- Shipper submits the consumption adjustment for the relevant period via CMS

- Xoserve validate the request and manually input consumption adjustment into SAP

- SAP will process the consumption adjustment and financial adjustment released on next available Amendment invoice

- No changes or development required to Market Flow or SAP

- Implications
  - Does not fully meet the requirements of Mod 0434 with respect to asset and Supply Point updates
    - Read replacement functionality is included in core delivery
  - Risk of volumes being unknown
  - Volumes would need to be considered
  - Xoserve will consider additional support and mitigations to aid current known data issues (i.e. RGMA rejections)

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Summary

Option	Meets Requirements of Mod 0434	Meets Guidelines Set by PNSG
Option 1: RTO file, manual update into SAP by Xoserve	Yes	No, requires Market Flow development & approval of Retro files
Option 2: Updates held until functionality implemented	Yes	No, requires Market Flow development
Option 3: Existing Asset Update & Consumption Adjustment process	No	Yes

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System Development Required & Level of Manual Intervention

Option	Market Flow	SAP	Offline Tools	Manual Intervention
Option 1: RTO file, manual update into SAP by Xoserve	Yes	*Yes	Yes	High
Option 2: Updates held until functionality implemented	Yes	No	No	*Medium
Option 3: Existing Asset Update & Consumption Adjustment process	No	No	No	N/A

*Full system impact assessment required to define all system implications.
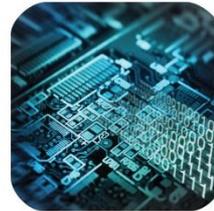
Next Steps

- Discuss and agree appropriate options in PN UNC:
  - Consider options against PNSG criteria
    - *Any interim solution must not impact, or increase risk to, the delivery of Core Functionality*
    - *It must also protect against material commercial risk*

- Consider implications on UNC modifications
- Feedback to PNSG

Appendix

Modification 0434 Requirements: *Current* Protection & Control Processes for Non-Delivered Requirements

1. Update data where shipper is aware of incorrect asset data held using existing processes (e.g. RGMA flows; CMS contacts).

- Utilise existing report for shippers that contains asset and 3 years read history.
- Utilise industry data cleansing reporting to identify data that is key to settlement processes is corrected via agreed processes.

2. AQ Review 2016 provides opportunity for shippers to ensure AQ's are correct:

- Identifies threshold crossers (meter points moving from SSP to LSP as a result of the AQ calculation). These sites are identified & notified to Shippers.
- "Trial Calc" – identifies potential discrepancies' and opportunity to correct data before AQ calculation.
- Amendments / Appeals process identifies potential data issue & so provides opportunity for Shippers to investigate & correct.

3. File rejections identified, notified and actioned.

- Number of rejections per rejection reason provided for processes e.g. RMGA, Meter Readings).

4. Settlement position protected

- USRV (Filter Failure) process signals that there may be an issue with the reconciliation value driven by erroneous reads or assets.
- Action required via CMS before a reconciliation *value is applied to the invoice.*

Modification 0434 Requirements: *Future* Protection & Control Processes for Non-Delivered Requirements

1. Update data where shipper is aware of incorrect asset data held using existing processes (e.g. RGMA flows; CMS contacts).
   - Utilise existing report for shippers that contains asset and 3 years read history.
   - Utilise industry data cleansing reporting to identify data that is key to settlement processes is corrected via agreed processes.
   - Ability to provide correct data going forwards via existing RGMA flows (including retrospectively back to point of last read).
2. AQ processes protections:
   - From Go Live AQ's calculated against meter reads loaded pre Go Live will undergo validation against new tolerances – this reduces the risk of incorrect AQs going live post Go Live.
   - Backstop Date will me migrated: any meter points that have an AQ Backstop applied during AQ review process will be migrated to ensure any reads pre this Back Stop date will not be used in future AQ reviews from go live.
3. File processing
   - From Go Live all reads will be subject to read validation tolerances - this reduces the risk of incorrect reads loading; or valid reads where the asset is wrong & these reads being used for AQ and reconciliation processes.
4. Settlement position protected
   - For Small Supply Meter Points, following a meter point reconciliation the energy for the period pre-go live will not be used (RbD process).