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Modification 0565 Workgroup

Draft risks for discussion

18th April 2016

Fixed date

- There is a risk that.....
 - the fixed implementation date has been set as the FGO phase 2 go live has not been established with reference to the activities required meet it
- Leading to.....
 - limited time to develop robust products, including industry review and sign-off, which in turn will lead to a lack of confidence / acceptance of the final design, which in turn may lead to the modification not being approved
- Mitigating actions:
- Now that further information is available on the products required for implementation, a proper planning exercise should be undertaken to create an implementation date that is based upon realistic data and clarity regarding the criticality of all elements of the mod for FGO.
 - Action on [GTs]

Cost allocation and charging methodology

There is a risk that.....

The cost allocation and charging methodology outputs are not delivered in a sufficient time, or is of sufficient quality to enable legal text to be drafted from it

Leading to.....

Further review cycles, or the imposition of a cost allocation and charging methodology in order to meet the FGO timescales

Mitigating actions:

- The FGO group to present work done to date to the [date] 0565 workgroup
 - Action
- The 565 workgroup to set a date by when the cost allocation and charging methodology needs to be completed (note: this may be ineffective if the output requires material re-work)
 - Action 565 workgroup
- 0565 work group to inform charging group of UNC development thinking
 - Action NGD
- Consider making charging group a formal sub group of the mod work group
 - Action
- Timely Ofgem decision on form of GT price control arrangements
 - Action Ofgem

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Cost allocation and charging methodology

There is a risk that.....

the charging methodology is developed independently of the mod and contract and is therefore not consistent with the contractual arrangements envisaged – I.e there is an interdependency regarding the mod and charging

Leading to.....

Further review cycles, or the imposition of a cost allocation and charging methodology in order to meet the FGO timescales

Mitigating actions:

The FGO group to present work done to date to the [date] 0565 workgroup

The 565 workgroup to set a date by when the cost allocation and charging methodology needs to be completed (note: this may be ineffective if the output requires material re-work)

0565 work group to inform charging group of thinking

Consider making charging group a formal sub group of the mod work group

Timely Ofgem decision on form of GT price control arrangements

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Engagement

There is a risk that.....

Not all industry parties who are to be a party to the DSC are: (1) aware of the FGO initiative and the changes to be in place for 1st April 2017; or (2) are participating in the FGO initiative.

Leading to.....

These parties providing late comments leading to industry re-work and /or having to work very quickly to be ready for the new arrangements

Mitigating actions:

Ofgem to communicate to all relevant parties on the FGO initiative and the changes being proposed.

Action Ofgem

Xoserve to contact all relevant parties and advise on the changes being made to contractual arrangements and service provision

Action Xoserve

Timely response from Ofgem to the ICOSS letter and finalisation of the licence condition.

Action Ofgem

- ICOSS and Energy UK to brief members

Change management

There is a risk that.....

Industry consensus on a change management governance and supporting processes cannot be achieved

Leading to.....

The perceived imposition of arrangements on the industry

- Mitigating actions:

Establish criteria by which change management arrangements can be assessed in order to demonstrate its acceptability

Demonstrate how they relate to the contract arrangements and are consistent with parties' overarching obligations and funding arrangements

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