

Project Nexus Workgroup Minutes
Wednesday 04 December 2013
at Consort House, 6 Homer Road, Solihull B91 3QQ

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Helen Cuin (Secretary)	(HC)	Joint Office
Alan Raper	(AR)	National Grid Distribution
Andy Miller	(AM)	Xoserve
Angela Love	(AL)	Scottish Power
Anne Jackson	(AJ)	SSE
Chris Warner	(CW)	National Grid Distribution
Colette Baldwin	(CB)	E.ON UK
Gareth Evans*	(GE)	Waterswye
Huw Comerford	(HC)	Utilita
James Hill	(JH)	EDF Energy
Jon Dixon*	(JD)	Ofgem
Jonathan Kiddle	(JK)	EDF Energy
Julie Varney	(JV)	National Grid Transmission
Kathryn Allen	(KA)	RWE npower
Lorna Lewin	(LL)	DONG Energy
Michele Downes	(MD)	Xoserve
Robert Cameron-Higgs	(RCH)	first utility
Sandra Simpson	(SS)	Xoserve
Sarah Bridge	(SB)	Xoserve
Stephanie Shepherd	(SS)	npower
Steve Mullinganie	(SM)	Gazprom
Tabish Khan*	(TK)	Ofgem

* *via teleconference*

Copies of all papers are available at: www.gasgovernance.co.uk/nexus/041213

1. Introduction and Status Review

1.1. Review of Minutes

The minutes of the previous meeting were accepted.

1.2. Review of Actions

1001: With regard to UNC Validation Rules – a) Xoserve (AM/MD) to consider the perceived validation issue and produce scenarios; and b) all Shippers to review the document and report back with views/comments.

Update: To be reviewed 08 Jan 2014. **Carried Forward**

1002: With regard to Website - Data Cleansing Area – Xoserve (AM) to provide update on progress/location of new area set up.

Update: AM confirmed the location of the new area:

<http://www.xoserve.com/index.php/our-services/ie-data-cleansing>. **Complete**

1101: Xoserve to provide a copy of their (AQ's and read validation) scenario listing so that Shippers could add their own scenarios to this listing.

Update: Closure agreed; item covered by Action 1001. **Closed**

1102: All Shippers to examine the Xoserve (AQ's and read validation) scenario listing and to add their own scenarios where appropriate.

Update: Closure agreed; item covered by Action 1001. **Closed**

1103: Joint Office (MB) to add a new agenda item for further consideration of the Uniform Network Code Validation Rules at the 08 January 2014 meeting.

Update: Item deferred. **Carried Forward**

1104: Append a copy of the latest UNC Supplementary Documents table at the end of the 0432 Workgroup Report, and entitled Appendix B.

Update: Appendix added. **Complete**

1105: Look to set up a discussion between interested parties to ascertain what Gemini costs have, or have not been allowed for and to come back to the Workgroup with a view on any potential future incremental Gemini funding arrangements.

Update: Meeting to be organised; update expected 08 January 2014. **Carried Forward**

1106: Xoserve to compile an Issue/Risk Register and an associated management process for review.

Update: Published. **Complete**

2. Issues and topics for discussion

2.1. High Level Workgroup Issues

2.1.1. Outstanding Areas (Issues) Log and RAID Log

MD provided a presentation on the Risk Assumptions Issues Dependencies (RAID) log.

The Workgroup discussed the process for raising and considering industry issues, the RAID log template and the scoring mechanism. Some concern was expressed about the scoring mechanism, the subjectivity of the weighting and likely debates dependant on the relative size of the organisation and financial impacts. It was agreed to trial the scoring mechanism and refine it if necessary.

AM encouraged feedback from all parties on the proposed process and requested that parties submit items to test the scoring mechanism at the next meeting.

Action 1201: All to submit; comments on the RAID log spreadsheet and items to test the scoring mechanism.

MD provided the issue log and confirmed any outstanding issues will be transferred to the RAID log.

2.1.2. Project Plan

SS provided a timeline plan and explained the milestones that have been put in place, she advised that some dates would be subject to change. SS asked for feedback on the level of detail and any clarifications required. AM highlighted that the timeline represents the modification with a project cut over date on 01 October 2015.

SM enquired about the steering committee and if it was going to be organised along the lines of the committee used for RGMA. AM explained that it was anticipated that a project group would be established.

JD advised that Ofgem and Xoserve have met and that Ofgem expect to issue a letter within the next month, setting out their views on the establishment of a steering group and its expected role.

The Workgroup discussed the option of a phased implementation rather than a hard cutover date of 01 October 2015. There was some preference expressed for a phased cut over by some parties to realise any benefits early. However, other parties expressed this would cause issues with systems with the delivery of their systems and this is not consistent with the modification implementation timetables. It was clear to all that a steering group is required to resolve issues and develop the implementation plan. The Workgroup was concerned about the possible congestion with other industry projects. Transitional arrangements could be considered if this was deemed appropriate but the Workgroup recognised that this would require a modification to alter the current cut over date.

Action 1202: All to review the project timeline and provide any comments for Xoserve consideration before 08 January 2014.

2.1.3. BRD Updates

No further updates.

2.1.4. Funding Arrangements

To be considered in the future.

2.1.5. Transitional Arrangements

AM explained the development of and proposed use of a Transition Topics register by Xoserve. The Workgroup considered the clarity required and the necessity for a set of defined terms for example; the implementation date, for the different rules that will be in place on 01 October 2015 and those that may need to be in place prior to this date to enable the new regime to function.

AM asked parties to consider what Transition Topics should be included to ensure there is a comprehensive list of topics and to ensure all areas are considered along with the impacts and consequences. The Workgroup were keen to establish a transition topics register to ensure all areas were reviewed and risk and issues identified.

Action 1203: All to submit items for the Transitional Topics Register.

AM agreed to consider the document further and populate the topics register.

The Workgroup considered rolling AQs and the need to pre-populate data. AM encouraged Shippers to start submitting reads that they may have available for sites where the AQ has not calculated, this may require reviewing systems to check why the AQ has not calculated and rectifying this as soon as possible. The Workgroup considered the system capability to manage an influx of data changes.

Action 1204: Xoserve to consider increasing the read submission capacity to facilitate the pre-population of read data.

2.1.6. Performance Assurance

AL provided an update on the proposed Performance Assurance regime on behalf of the Performance Assurance Workgroup and the progress made to date.

AL explained that Ofgem would be writing to the 3 main industry trade associations advising that it is their intention to procure an independent study of settlement risk post Nexus – this will determine variables impacting settlement accuracy and a model which can be managed by industry for performance assurance. The aim is to undertake the study in April 2014.

AL agreed to provide further updates as progress was made in the development of the regime.

AM asked participants to note that Xoserve consider that they can undertake the PAFA role and ring fence this activity away from its core activity.

2.2. New Issues

None.

3. Any Other Business

3.1. Winter Annual Ratio Bands

MD provided a presentation summarising the use of WAR Bands. Xoserve proposed to use the same principle as the AQ review process for the WAR Bands.

The Workgroup requested that Xoserve provide some statistical data on historical WAR Band changes. The workgroup discussed the use of reads not submitted but used to justify changes in AQ or WAR Bands and whether an item can be considered for the Performance Assurance mechanism.

Action 1205: Xoserve to provide WAR Band statistics for further consideration.

3.2. Legal Text commentary

CW highlighted some legal text commentary should be issued shortly to assist consultation process.

4. Diary Planning

The following meetings are scheduled to take place during 2013/14:

Time / Date	Venue	Workgroup Programme
10:30 Wednesday 08 January	Consort House, Princes Gate Buildings, 6 Homer Road, Solihull B91 3QQ.	Ongoing consideration of transitional requirements.
10:30 Wednesday 05 February	Consort House, Princes Gate Buildings, 6 Homer Road, Solihull B91 3QQ.	Ongoing consideration of transitional requirements.

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
NEX10/01	30/10/13	3.2.1	<i>UNC Validation Rules</i> – a) Xoserve to consider the perceived validation issue and produce scenarios; and b) Shippers to review the document and report back with views/comments.	Xoserve (AM/MD) ALL Shippers	Carried Forward
NEX10/02	30/10/13	4.2	<i>Website - Data Cleansing Area</i> – Provide update on progress/location of new area set up.	Xoserve (AM)	Complete

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
NEX11/01	07/11/13	3.1.3	Xoserve to provide a copy of their (AQ's and read validation) scenario listing so that Shippers could add their own scenarios to this listing.	Xoserve (MD)	Closed
NEX11/02	07/11/13	3.1.3	Linked to action NEX11/01 - To examine the Xoserve (AQ's and read validation) scenario listing and to add their own scenarios where appropriate.	All Shippers	Closed
NEX11/03	07/11/13	3.1.3	Add a new agenda item for further consideration of the Uniform Network Code Validation Rules at the 08 January 2014 meeting.	Joint Office (MB)	Carried Forward
NEX11/04	07/11/13	3.1.3	To append a copy of the latest UNC Supplementary Documents table at the end of the 0432 Workgroup Report, and entitled Appendix B.	Joint Office (MB)	Complete
NEX11/05	07/11/13	2.1	To look to set up a discussion between interested parties to ascertain what Gemini costs have, or have not been allowed for and to come back to the Workgroup with a view on any potential future incremental Gemini funding arrangements.	Ofgem (JD)	Carried Forward
NEX11/06	07/11/13	1.2	Xoserve to compile an Issue/Risk Register and an associated management process for review.	Xoserve (AM/MD)	Complete
NEX12/01	04/12/13	2.1.1	All to submit; comments on the RAID log spreadsheet and items to test the scoring mechanism.	All	Pending
NEX1202	04/12/13	2.1.3	All to review the project timeline and provide any comments for Xoserve consideration before 08 January 2014.	All	Pending

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
NEX1203	04/12/13	2.1.6	All to submit items for the Transitional Topics Register.	All	Pending
NEX1204	04/12/13	2.1.6	Xoserve to consider increasing the read submission capacity to facilitate the pre-population of read data.	Xoserve (AM)	Pending
NEX1205	04/12/13	3.1	Xoserve to provide WAR Band statistics for further consideration.	Xoserve (AM)	Pending