

UNC Workgroup 0531 Minutes Provision and Development of Industry Testing Prior to Nexus Go-live

**Tuesday 09 February 2016
31 Homer Road, Solihull B91 3LT**

Attendees

| | | |
|------------------------|-------|----------------------------|
| Bob Fletcher (Chair) | (BF) | Joint Office |
| Helen Cuin (Secretary) | (HCu) | Joint Office |
| Blanka Caen | (BC) | British Gas |
| Chris Warner | (CW) | National Grid Distribution |
| Colette Baldwin | (CB) | E.ON UK |
| David Addison | (DA) | Xoserve |
| David Mitchell | (DM) | SGN |
| Debbie Mulinganie* | (DMu) | BP |
| Ed Hunter | (EH) | RWE npower |
| Emma Lyndon | (EL) | Xoserve |
| Emma Smith | (ES) | Xoserve |
| Huw Comerford | (HCo) | Utilita |
| Jamie Simpson* | (JS) | RWE npower |
| Jon Dixon* | (JD) | Ofgem |
| Lorna Lewin | (LL) | DONG Energy |
| Mark Jones | (MJ) | SSE |
| Michele Downes | (MD) | Xoserve |
| Mike Fensome | (MF) | RWE npower |
| Naomi Nathanael | (NN) | Plus Shipping Services |
| Paul Carman* | (PC) | Scottish Power |
| Phil Lucas | (PL) | National Grid NTS |
| Rachel Duke* | (RD) | EDF Energy |
| Steve Mulinganie | (SM) | Gazprom |
| Sue Hillbourne | (SH) | SGN |
| Sue Cropper | (SC) | British Gas |

*via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0531/090216>

The Workgroup Report is due to be presented at the UNC Modification Panel by 19 May 2016.

1.0 Introduction and Status Review

1.1. Approval of Minutes (12 January 2016)

The minutes of the previous meeting were approved.

1.2. Actions

0101: Xoserve to clarify the plans for the existing test environment following L3/L4 implementation.

Update: DA confirmed that plans were in place to use the pre-production test environment to support the production system. He clarified that the L3/L4 environment would not be available following market trials completion. **Closed.**

2.0 Modification Amendments

MJ explained that the modification had been amended to allow system testing for Nexus system fixes and to ensure the test testing environment is not closed following completion of L3 and L4 market trials.

MF expressed concern that this modification development needs to be speeded up otherwise the industry are at risk of timing out on the ability for Xoserve to provide a suitable testing environment from July onwards.

DA explained that Xoserve have looked at the options for test environments, in terms of what is viable, however none of these would be available in advance of the Project Nexus implementation date. He clarified that if the aspiration of the modification is for Xoserve to continue testing and fixing after market trials, then Xoserve do not have anything available in the current stack. DA confirmed Xoserve are looking at the different options of environments that may become available from the stack and to make these external facing, at this however he re-emphasised at this point in time there is nothing in the existing stack. He also asked participants to note that staff currently assigned to support market trials would be needed to support implementation and therefore any testing requirements need to recognise these limitations.

DA reassured parties that Xoserve have looked at what environment could be made reasonably available, and there is a possibility that an environment will become available after Project Nexus go live. CB challenged if Xoserve have only looked at one option, could there be other options that could be adopted in the short term. DA explained differing options have been considered but he does not have all the details of these. He was aware at one point Xoserve had looked at developing a new full size test environment but this was considered to have high costs and would have diverted resources to develop it which would have impacted other project developments and possibly a risk to implementation.

SM emphasised that if Ofgem approve the modification, Xoserve would have to find a solution.

The Workgroup considered the Market Trials and the changes that are not in the current testing baseline. BC highlighted that there are baseline changes proposed and agreed by UK Link Committee (UKLC), were these changes to be tested or not, is the intention to implement and test in the live environment as without a test environment there is no scope to test the data loading approach, or process changes, or bug fixes. BC explained that the industry are going live with what was approved at the UKLC meeting in August 2015, not the August Change Pack, in essence there will be 6 months worth of UKLC approvals which would make the systems significantly different.

BC suggested there should be a cut off point where there is a freeze of changes and a full testing of processes is undertaken. CB expressed that the extent of changes is daunting. DA explained some changes are house keeping administrative changes and should not impact the systems.

BF asked for clarification if the modification would continue with a testing environment pre go-live and continue following implementation. MJ confirmed this was the proposal.

CB recognised that at this point in time, Xoserve do not have a solution to facilitate the implementation of the modification. Within this in mind BF explained that the Workgroup would need to assess the modification and consider the impact of delivery on Core systems, if a significant risk was identified it may prevent the implementation of a pre Nexus implementation option.

PL asked if there was any view of costs. DA confirmed Xoserve were considering the options, however the costs base on the current modification have not been assessed as it needs further work for them to be able to produce a high level cost estimate. The Workgroup considered whether the service would be User Pays or whether the costs would be considered as part of the Project Nexus costs. DA believed the modification and approach is a User Pays service, however in its current state is not ready for consultation, as there are still a significant number of outstanding questions such as the use of customer data and should it be live data.

BC challenged that the use of live customer data would not be required for a testing system, which overcomes any Data Protection issues. BC suggested test files could use dummy data as long as it conforms to the appropriate standard. DA believed that some parties wanted to use live customer data to ensure testing was done in a realistic environment.

SM expressed any further delays would time this modification out and the proposer/Workgroup urgently needs to progress the modification to allow time for a solution to be made available for July.

The Workgroup considered the changes to the modification. CW emphasised that to produce the required legal text the Business Rules need to provide enough clarity on the service to be provided.

The Workgroup considered the definition of the existing arrangements. CB challenged that if the Transporters do not currently define the testing environments and these arrangements are being carried forward, whether it was necessary to define something that is already being done. SM clarified that at the moment Transporters are not obligated in the UNC to provide a test environment and the requirements will need to be explained, as this is a new service in the UNC. MF suggested that the L3/L4 requirements document could be used to define the requirements. The Workgroup considered the use of an Ancillary Document to define the testing arrangements, describe the size of the testing environment and data requirements. BC suggested that the existing Market Trials approach document published on Xoserve's website could be amended for this purpose - <http://www.xoserve.com/wp-content/uploads/Market-Trials-Data-Approach-260215.pdf>

The Workgroup considered whether testing data would need to be deleted by the Shipper after the completion of tests, however CW enquired how this would be enforced through UNC. SM suggested a warrant would suffice. DA explained if a text flow is undertaken Shippers will get a view of live data, which could relate to production data. CW believed the modification needs to be clear on information confidentiality and the issues surrounding its use are fully satisfied.

SM challenged from the discussions whether there was a risk what is currently done on a voluntary basis may have legal implications. He suggested that the Transporters were inferring that there are legal implications when current informal practice suggests there isn't a problem using this data. PL explained that the Transporters needed to make sure that appropriate wording is used to ensure it is clear on the requirements for information confidentiality. CB confirmed that the confidentiality issues are covered in the approach document.

BC enquired about a change freeze and when the final code is set to test and ensure systems function as expected as a whole, adding that it did not feel realistic to expect that there would be no issues resulting from market trials that would not require an extension to the testing period.

The Workgroup considered it might be necessary to request a shortened consultation period and additional Panel meetings to progress the modification in time.

CW asked if Xoserve would be able to provide a high level cost estimate. It was agreed that an additional meeting would be required to progress the assessment and ensure the Business Rules were finalised to allow the production of legal text and the high-level cost estimate, although it was noted that these might not be available in time for the Workgroup Report to be provided to the March UNC Panel.

The Workgroup considered the availability of a testing environment from August 2016 and the capability of Xoserve to create and provide a test environment without impacting core delivery. CB challenged that if the current market trials goes horribly wrong, Xoserve must have some contingency plans. It was suggested that if parties were not able to exit Market Trials a go/no go decision would need to be taken on whether to proceed with the intended implementation.

The development of the FGO and impacts to UNC going forward was briefly considered. It was acknowledged there was a need for the industry to ensure that the FGO development picks up inflight UNC changes however, it was anticipated that this modification would be completed before that time.

It was agreed that the modification needed to be amended, the business rules clearly defined and an ancillary document prepared for a further meeting on the 23 February 2016. MJ agreed to consider and amend the modification and business rules to make this an enduring solution post Nexus go-live, and include the requirement of the service to be defined within an ancillary document. DA confirmed that MJ would also need to consider defining the enduring environment and the governance of the requirements. DA suggested that the requirements would need to be ultimately approved by the UNCC, however in practice this would probably be discharged to the UK Link committee to consider. It was clarified the scope of testing would exclude Gemini, DES and the portal. The aspiration would be to include CMS but if this would result in the inability to provide the environment CMS could be excluded.

The Workgroup considered the resource support required and contingency arrangements for Market Trail testing and post L3/L4 testing and the support required by Xoserve. It was considered whether the UK link Committee would need to sanction the step down of resources from Market Trail Testing and the new environment would not be resourced until the Market Trial test environment is closed. The Workgroup also considered resourcing the new test environment, which it felt wasn't needed on a full time basis and should be made available when specifically requested through an approach by an industry participant(s).

DA asked about any required reporting particularly if there was only one or a small number of participants testing. It was suggested if any major issues were identified Xoserve would have to make parties aware, particularly on the lead up to Nexus implementation.

DA confirmed the modification would need to consider the enduring requirement and whether the UK Link committee should approve a step up or step down when necessary and whether this should be classified as a User Pays. There was a general agreement that this modification would have to be a User Pays modification, as it would be used on a call off basis. DA confirmed Xoserve would try to provide a high level cost indication to provide a range of likely costs based on the information it has available.

3.0 Next Steps

It was agreed that the modification and business rules needed to be amended and an ancillary document created for further consideration on the 23 February 2016, with a view to concluding the Workgroup Report on 08 March 2016.

4.0 Any Other Business

None.

5.0 Diary Planning

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

Workgroup meetings will take place as follows:

| Time/Date | Venue | Workgroup Programme |
|--------------------------------|-----------------------------------|--|
| 13:00 Tuesday 23 February 2016 | 31 Homer Road, Solihull. B91 3LT. | Consideration of Amended Business Rules, Ancillary Document, High level cost estimate and User Pays Development of Workgroup Report |
| Tuesday 08 March 2016 | 31 Homer Road, Solihull. B91 3LT. | Legal Text Review Conclusion of Workgroup Report |

Action Table

| Action Ref | Meeting Date | Minute Ref | Action | Owner | Status Update |
|-------------------|---------------------|-------------------|--|--------------|----------------------|
| 0101 | 12/01/16 | 2.0 | Xoserve to clarify the plans for the existing test environment following L3/L4 implementation. | Xoserve (DA) | Closed |