

UNC Project Nexus Workgroup Minutes
Tuesday 12 May 2015
31 Homer Road, Solihull B91 3LT

Attendees

Les Jenkins	(LJ)	Joint Office
Karen Visgarda	(KV)	Secretary
Aidan McLaughlin	(AMcL)	Xoserve
Alison Neild	(AN)	Gazprom
Andrea Bruce	(AB)	Scottish Power
Andy Miller	(AM)	Xoserve
Bobbie Gallacher	(BG)	Scottish Power
Carl Whitehouse	(CWh)	First Utility
Chris Warner	(CW)	National Grid Distribution
Colette Baldwin	(CB)	E.ON
David Addison	(DA)	Xoserve
Debbie Draycott	(DD)	BP
Derek Clark*	(DC)	CNG
Edward Hunter	(EH)	RWE npower
Emma Lyndon	(EL)	Xoserve
Fiona Cottam	(FC)	Xoserve
Glenn Nixon	(GN)	Utiligroup
Huw Comerford	(HC)	Utilita
James Hill*	(JH)	EDF Energy
Lorna Lewin	(LL)	DONG Energy
Mark Carlin	(MC)	SSE
Mark Jones	(MJ)	SSE
Mark Lyndon*	(ML)	National Grid NTS
Michele Downes	(MD)	Xoserve
Mike Fensome	(MF)	RWE npower
Naomi Nathanael	(NN)	Plus Shipping Services
Steve Mulinganie	(SM)	Gazprom
Steve Russell	(SR)	RWE npower
Sue Cropper	(SC)	British Gas

*via teleconference

Copies of all papers are available at: <http://www.gasgovernance.co.uk/nexus/120515>

1. Introduction and Status Review**1.1. Minutes (7 April 2015)**

Comments were received from the Workgroup with regard to minor changes, which were reviewed on screen and agreed by those present; a revised version has been published.

The minutes of the previous meeting were then approved.

1.2. Actions

0103: Xoserve (MD) to investigate and provide an update on how flows are prioritised, including prioritisation selection criteria.

Update: MD explained that she and AMcL had reviewed the list of processes and what files are prioritised over others. Subsequent discussion took place regarding the Read Information and File Processing together with the impact of Asset Updates from new meter exchanges. Xoserve was asked if a Capability Line was needed and what were the associated impacts. AMcL confirmed he would review the data and extract the assumptions to provide clarity, including the SLAs. AM confirmed there would be no issue for smaller Shippers, however, for the larger Shippers/volumes, this may present issues.

Carried forward

0104: Xoserve (MD) to provide a view on potential technical system volume requirements and solution v's cost to develop and deliver.

Update: AMcL gave an overview of the volumetric work he had been undertaking using the base case of 2017 assumptions. General discussions took place within the Workgroup regarding the UK Link system capability to scale up to cope with Metering Reads in Class 2. AMcL confirmed that this volume could not be addressed overnight and that they would work on a 40% 'head room' against the DECC table.

The Workgroup considered the possible impact of constraining the capacity at the start, based on the 2017 assumptions, and, if customers subsequently move, what would be the potential risk if industry take up differed from that that was expected. AMcL stated that he was currently looking into the data sets for customers in Class 2 and Class 3, and that the lead-time for the completion of this work would be relatively short. Responding to challenges about this apparent limitation, AM explained that Xoserve had to size the system on realistic assumptions, and in the event that all Shippers moved to Class 2; they would have to manage that accordingly. He also stated that a 'best fit' approach had been undertaken using data and information for the 2017 assumptions. **Carried forward**

0106: *Reference REQ32* – National Grid (CW) & Xoserve (MD) to consider what Primes & Subs information could be made available to users.

Update: MD confirmed this information had now been published and this action could be closed, and that this item should be placed on the agenda for further discussion in the next meeting to be held on 08 June 2015. **Closed**

0205: *AQ Corrections* - Xoserve (MD) to double check whether or not the 9 month AQ correction window delay trigger is parameterised or not and to also consider how current Code provisions might have an impact.

Update: MD confirmed this action could now be closed, and this topic would be added to the agenda for discussion in the next meeting to be held on 08 June 2015. **Closed**

0206: *AQ Corrections* - Xoserve (AM) to consider provision of an 'interim' workaround (manual) process relating to running a report to highlight anomalous reads (including supporting telephone calls), plus look to provide some draft business rules around what parameters any trigger criteria would/could be based on.

Update: MD confirmed that this action could be closed and the subject should to be added to the agenda for the next meeting to be held on 08 June 2015, for further discussion by the Workgroup. **Closed**

0310: Xoserve to confirm the management of drift calculations for AMR equipment.

Update: MD confirmed this action could be closed and the item added to the agenda for discussion at the next meeting to be held on 08 June 2015. **Closed**

0401: Xoserve (DA) to discuss with the DNs about the confirmation process for Green and Brown field sites.

Update: DA requested this action be carried forward until the next meeting. **Carried forward**

0402: *Reference the view on non effective days* - Xoserve (DA) to investigate whether or not an 'electronic handshake' would be available to look to avoid losing files awaiting transaction at the time of switch over.

Update: DA stated that an 'electronic handshake' would not be available, however investigations were currently taking place regarding a potential manual system for Nexus non effective days. **Carried forward**

0403: *Reference the view on non effective days* - DA to highlight the potential realignment to a 6:6 non effective day position (i.e. UNC to iGT).

Update: DA recognised the request for consistency from the Workgroup in the previous Workgroup and confirmed that, further to discussion in Workgroup 0532 re-evaluation of non-effective days would be required. Once a revised Implementation Date was defined this principle would be considered. **Closed.**

1.3. Pre-Modification discussions

SM identified some concerns about the interaction between Modification 0428 and the delay to Nexus Go-Live, one remedy they were considering was to raise a modification to also defer 0428.

LJ reported that Jon Dixon had talked about Ofgem's minded-to position at the Change Overview Board – that 0428 was independent of Nexus and remained valid on its original timeline - and is intending to issue a letter this week to explain Ofgem's position. CW believed that 0428 was still valid with regard to being implemented in October and that it does not need a new Modification. DA confirmed that this topic had been discussed in the Distribution Workgroup previously regarding the date. The general feeling was that participants would wait until the letter from Ofgem was circulated to determine whether any further action was appropriate.

1.4. Initial impact assessment on any delay to the PN Implementation date

LJ provided an overview of the role of the Project Nexus Steering Group (PNSG), the initial objectives set for the Project Assurance Manager (PwC) and the timeline. He explained that PwC reported that there was significant risk to a successful Market Trials phase from what it had observed in industry plans. The PNSG had unanimously agreed that the industry should maintain momentum and deliver core build and (user-acceptance) testing for 01 October 2015 and that further work was needed to understand how Retrospective Adjustments could be delivered (by Xoserve) and how an optimal Market Trials phase should be run (by PwC, in conjunction with industry parties). LJ explained that both PwC and Xoserve are to provide reports at the next PNSG meeting on 02 June 2015 to allow a recommendation to be reached.

Concerns were raised about the short window for PNSG members to consult with their constituents ahead of the 02 June meeting and LJ stressed that the best opportunity came from engagement with PwC prior to the Steering Group meeting. LJ later explained to the Workgroup that he had managed to get an email to Andy Sinclair at PwC during the course of the meeting, with the result that there will be approximately two weeks for informal consultation between 02 and 15 June, when a PNSG recommendation will be sought. SM stated he would be engaging directly with PwC on this matter.

AM provided an on screen overview of Xoserve's initial impact assessment. The Workgroup stated it would be very helpful if AM could add more detail into the table, so that it could be used more widely by their colleagues. SM requested that the Read Validation Rules were included in the table. The impacts of Modifications 0514, 0451AV and 0445 were discussed for potential inclusion. AM understood that Modification 0445 needs to go live with Modifications 0432 and 0434 since the functionality was embedded within the core Nexus build. AM agreed to add more detail regarding Modification 0441 as requested by the Workgroup.

Moving on to AUGES, FC explained that the UNCC had previously agreed that it would be inefficient to start a new AUGS process for 2016/17. This then raised the question within Workgroup with regard to the AUGES table as it is currently in Kilowatt hours and needs to be stated in factors going forwards. FC explained a new table would not be available until April 2017 at the earliest, but that the existing table would continue regardless of when Nexus goes live. AM stated he would add Modification 0473 detail into the table, together with detail regarding USRVs, however, he reminded participants that this table is not a 'Design Document' and should not be treated as one. The Workgroup discussed how Charges might be derived from AQS and LJ agreed to include this on the agenda at the next DN Charging Forum meeting for clarification.

Post Meeting Note from Joanne Parker, Scotia Gas Networks (SGN): The significant impact on transportation charging of a delayed Nexus Go-Live date is the impact on the SOQ not the AQ. As she understands it, with an October 2015 Go-Live date a fixed SOQ will be derived in December 2015 and applied to charges for the period April 2016 - March 2017. This will eliminate over/under recoveries due to SOQ movements in the year, improving the predictability of charges.

As you are aware SGN's final charge notices for 2016/17 are required to be published on 01 February 2016. If the Nexus-Go live date is delayed after the aforementioned date, the impact will be that the industry will have to retain the current levels of uncertainty as GDNs will have to reflect an SOQ assumption in the 2016/17 charge levels.

Workgroups

1.5. 0529 – Implementation of Retrospective Adjustment arrangements (Project Nexus transitional modification)

Minutes are available at <http://www.gasgovernance.co.uk/0529/120515>

1.6. 0531 – Provision and Development of Industry Testing Prior to Nexus Go-live

Minutes are available at <http://www.gasgovernance.co.uk/0531/120515>

1.7. 0532 – Implementation of Non-Effective Days (Project Nexus transitional modification)

Minutes are available at <http://www.gasgovernance.co.uk/0532/120515>

1.8. 0535 - Implementation of Non-Effective Days to enable Annual AQ Review (independent of Nexus transition)

Minutes are available at <http://www.gasgovernance.co.uk/0535/120515>

2. AQ Validation (AQ Tolerance Check)

FC provided the Workgroup with a presentation about the Options for addressing AQ Tolerances, describing the various scenarios and data analysis together with the LSP and SSP tolerances. FC explained that 36 months had been used for tolerance, which is irrespective of when Nexus becomes live, and that the analysis was focused on providing a 'soft landing' for the industry with regard to providing protection for huge increases or decreases. The Workgroup then debated at length the AQ tolerances and what was in scope and out of scope, together with the data for LSP and SSP. FC confirmed she would review LSP in more detail with regard to the tolerances, overall numbers and monetary approach, and that this analysis would take a couple of weeks to complete. Due to the lengthy and complex debate this subject generated, it was proposed that the topic be taken offline and worked through in a subgroup, to then report back to the larger Workgroup at the next meeting.

New Action NEX0501: Reference AQ Validation (AQ Tolerance Check) - MD to coordinate the 'off line' meeting and send invitations to the Nexus Workgroup members, and feedback details of the 'off line' meetings discussions at the next Project Nexus Workgroup meeting on 08 June 2015.

3. AQ Correction Scenarios (AQ Correction Clarification) Deferred to the next meeting on 08 June 2015

4. Xoserve Meter Read Type Mapping

MD explained that the table showed the current Meter Read types as submitted by Shippers along with their related response codes. MD described how, going forward, response files would be returned with the same code as submitted. The Workgroup agreed that this was a satisfactory position.

5. UNC Validation Rules (Xoserve Updates required as a result of Project Nexus Modification 0432 & 0434) Deferred to the next meeting on 08 June 2015.

6. Xoserve Prime and Sub Stats. Deferred to next meeting on 08 June 2015.

7. Xoserve Nexus Requirements Clarification Log – Open Requirements. Deferred to the next meeting on 08 June 2015.

8. Xoserve Check Reads and Re-Synch Calculation. Deferred to the next meeting on 08 June 2015.

9. Business Requirements Definitions (BRDs)

MD stated that the latest version of the BRDs is published on the Joint Office Website, under the Baselined BRDs folder (ADD LINK).

11. Issues

None raised.

10. 12. Any Other Business

None raised.

11. 13. Diary Planning

LJ explained that the next Project Nexus Workgroup meeting clashed with the Change Overview Board (COB), which was scheduled in London and had been difficult to arrange, and that many individuals had indicated that they wanted to attend both.

It was decided the next meeting would now be held on Monday 08 June 2015 at 10:30 at 31 Homer Road, Solihull B91 3LT.

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
10:30 Monday 08 June 2015 - Please note change of date	31 Homer Road, Solihull B91 3LT.	Workgroups 0531 and 0532 AQ Validation (AQ Tolerance Check) AQ Correction Clarification Prime and Sun Statistics UNC Supplementary Documents Check Reads and Re-Synch Calculation Nexus Requirement Clarification Log
10:30 Tuesday 14 July 2015	31 Homer Road, Solihull. B91 3LT.	To be confirmed

Action Table (12 May 2015)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0103	20/01/15	3.2	To investigate and provide an update on how flows are prioritised, including prioritisation selection criteria. Provide clarity of assumptions and SLAs.	Xoserve (MD/AMcL)	Carried forward
0104	20/01/15	3.2	To provide a view on potential technical system volume requirements and solution v's cost to develop and deliver.	Xoserve (MD)	Carried forward
0106	20/01/15	3.5	<i>Reference REQ32</i> – To consider what Primes & Subs information could be made available to users.	NGD (CW) and Xoserve (MD)	Closed
0205	10/02/15	3.2	<i>Reference AQ Corrections</i> - Xoserve (MD) to double check whether or not the 9 month AQ correction window delay trigger is parameterised or not and to also consider how current Code provisions might have an impact.	Xoserve (MD)	Closed
0206	10/02/15	3.2	<i>Reference AQ Corrections</i> - Xoserve (AM) to consider provision of an 'interim'	Xoserve (AM)	Closed

Action Table (12 May 2015)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
			workaround (manual) process relating to running a report to highlight anomalous reads (including supporting telephone calls), plus look to provide some draft business rules around what parameters any trigger criteria would/could be based on.		
0310	10/03/15	5.3	<i>Requirements Log</i> - Xoserve to confirm the management of drift calculations for AMR equipment.	Xoserve (MD)	Closed
0401	07/04/15	1.2	To discuss with the DNs about the confirmation process for Green and Brown field sites.	Xoserve (DA)	Carried forward
0402	07/04/15	3.	<i>Reference the view on non effective days</i> - Xoserve (DA) to investigate whether or not an 'electronic handshake' would be available to look to avoid losing files awaiting transaction at the time of switch over.	Xoserve (DA)	Carried forward
0403	07/04/15	3.	<i>Reference the view on non-effective days. DA to highlight the potential realignment to a 6.6 non-effective day position (i.e. UNC to iGT)</i>	Xoserve (DA)	Closed
0501	12/05/15	3.	<i>Reference AQ Validation (AQ Tolerance Check)</i> - MD to coordinate the 'off line' meeting and send invitations to the Nexus Workgroup members, and feedback details of the 'off line' meetings discussions at the next Project Nexus Workgroup meeting on 08 June 2015.	Xoserve (MD)	Pending