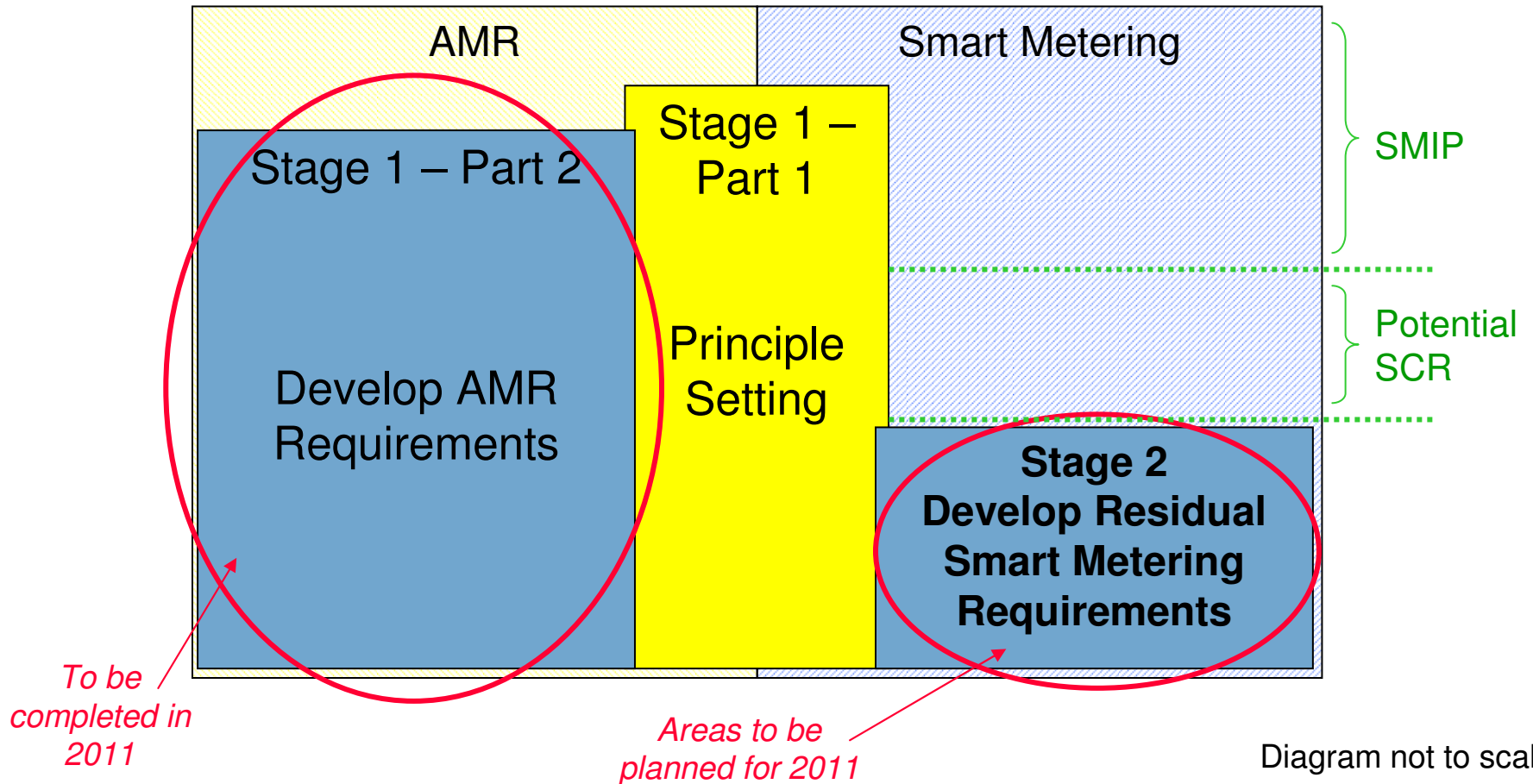


Project Nexus
Suggested Workplan for 2011
and Recap on High-Level Principles

10 December 2010

Project Nexus UNC Current Scope

Hybrid approach to Requirements Development



Assumptions supporting these Proposals

- Mods are raised by ICoSS for AMR changes and are referred back to PN UNC Workstream for development during 2011
- DCC Option 2c used for initial planning purposes – Go Live 2013, Event 1 in 2015
 - Impact of 3c also considered

Discussions at PNAG

- Project Nexus Advisory Group met November 26th
- Discussed current status of SMIP in relation to Project Nexus
- Attendees suggested that “Settlement” requirements can now be progressed for whole market
- Significant Code Review expected to draw on work which the market is already doing to define future requirements
- Proposal to be brought to PN UNC Workstream to progress requirements gathering for “settlement”
- PNAG’s view of scope of “settlement”
 - Determination of daily gas oftaken and interaction with subsequent reconciliation
 - Derivation of AQs

Assessment of Original Topic Areas (1)

<i>Will be covered in</i> <i>Topic Area</i>	Smart/DCC Arrangements	SCR	UNC/Project Nexus
1 Market Differentiation	✓	?	
2. Connections and Registration of MPRNs			✓
3. Supply Point Admin - Supplier Switching - SP Register	✓ -	? -	- ✓
4. Volume Capture	✓		
5. Meter Reading Use in Settlement	✓ -	- ?	- ✓

Assessment of Original Topic Areas (2)

<i>Will be covered in</i> Topic Area	Smart/DCC Arrangements	SCR	UNC/Project Nexus
6. Retrospective Updates - Sites/Assets - Financial Adjustments			✓ ✓
7. Derivation of AQ	Option 3c ✓		Option 2c ✓
8. Invoicing Rules			✓
9. Reconciliation			✓
10. Non-Functional Requirements			✓

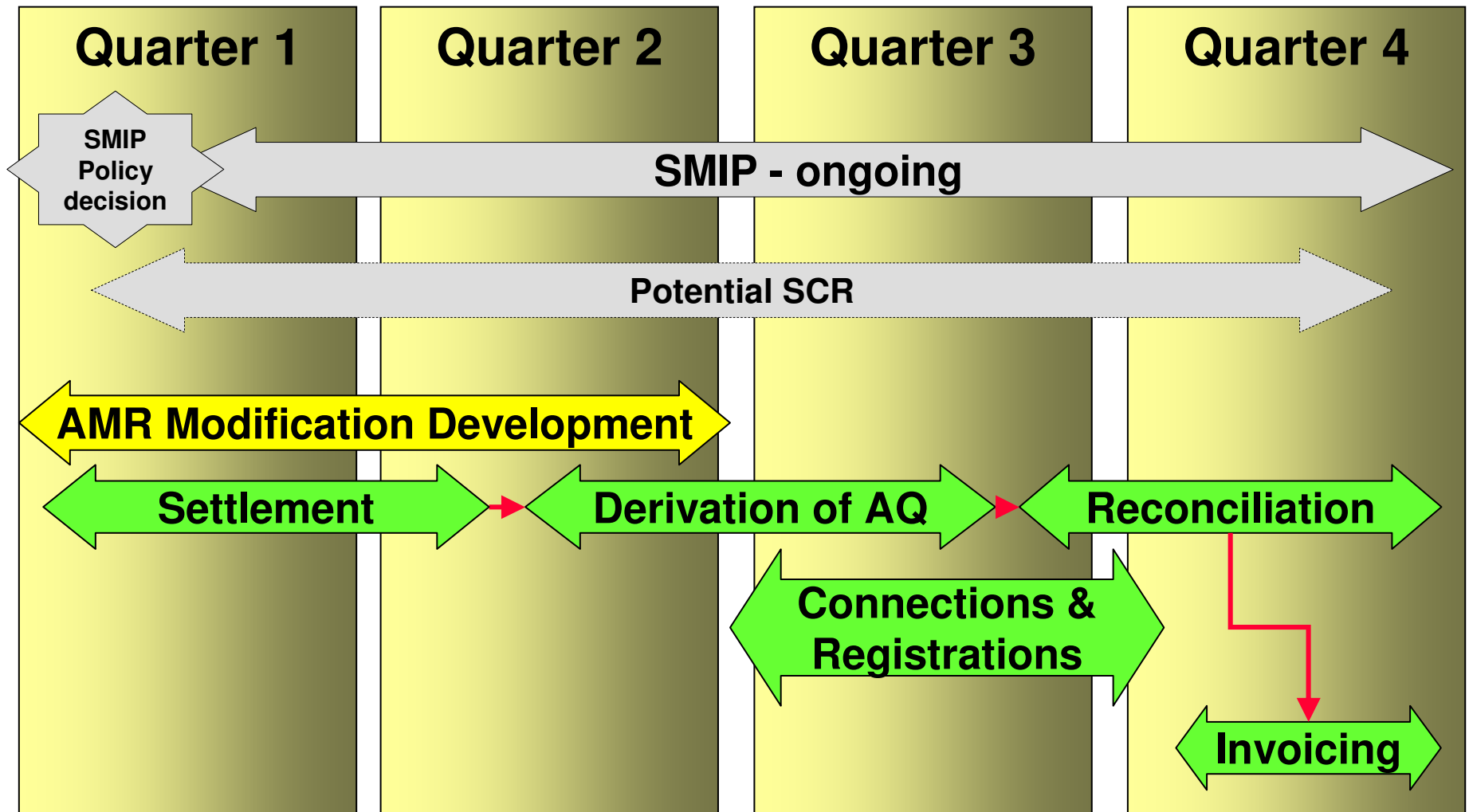
Residual Smart Metering Requirements Gathering – Planning Assumptions

- Topic Areas and Relative Sizes
 - Connections and Registration of MPRNs
 - Recording of new meter points – not supplier switching
 - Medium sized topic
 - Supply Point Register
 - Meter asset records and updates – not supplier switching
 - Small topic – but may need to revisit at end of process
 - Settlement (determination of daily gas offtaken)
 - Medium sized topic
 - Retrospective Updates
 - Changes to transactional and standing data – medium sized topic
 - Derivation of AQ – medium
 - Invoicing Rules – small
 - Reconciliation – medium
 - Non-Functional Requirements – small

Planning Assumptions (2)

- Estimated number of meetings required, including business rule development, process and data models, UNC Mods
 - Medium topics – 8 meetings
 - Small topics – 4 meetings
- Fortnightly meetings, no more than two topics running in parallel at any one time
- Follow a process-aligned order to minimise re-work

Suggested 2011 PN UNC Workstream Plan



Topics not on Plan

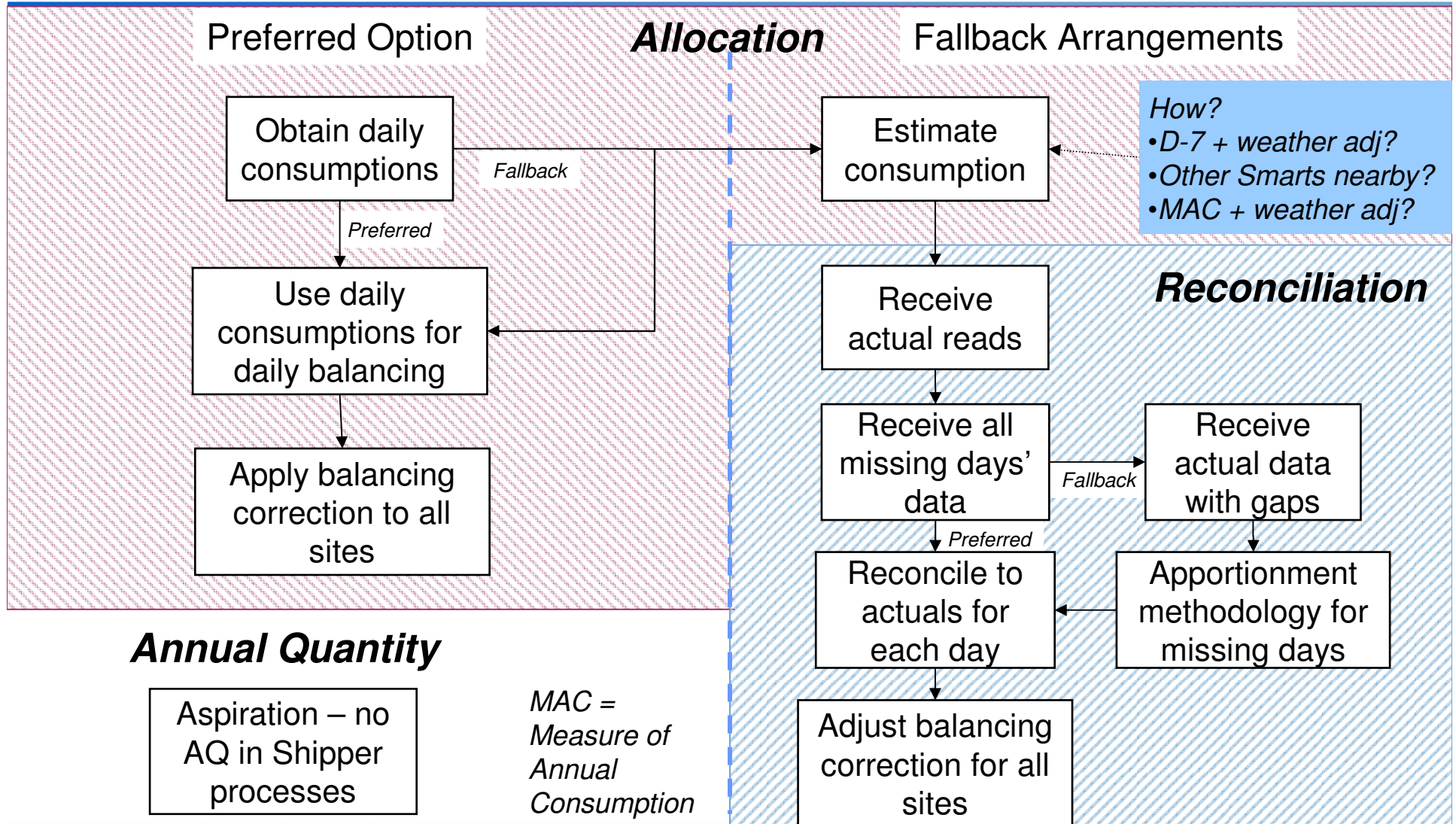
- Topics to carry over to 2011 (not on proposed plan)
 - Supply Point Register
 - Market Differentiation (re-visit)
 - Non-Functional Requirements

Project Nexus

Recap on High Level Principles

Extract from Overview Presentation
delivered at May 2010 PN UNC
Workstream

Allocation Preferred Option



Alternative Option

- Alternative option requested by one party in case the SMIP operating model does not support daily consumption submission
- Daily estimation would feature for all/most Smart meters
- Reconciliation would be a regular occurrence for all sites when actual consumptions are received
- AQ would still be required and preferred mechanism is Rolling AQ

Energy Nominations

- Shippers will submit their own Energy Nominations before the day
- Current GT calculation for NDM sites will cease
- Energy Nominations will be subject to the same balancing “smear” to ensure that sufficient energy is delivered to meet forecast demand

Retrospective Updates

- Preference for an ability to change any consumption data or standing data
- Some parties expressed desire for ability for other Shippers or GTs to amend data – to be explored further
- Discussions were not concluded, due to dependencies on the future industry model
- Area for further consideration
 - Validation of data updates to prevent/detect errors
 - Direct linkage to financial adjustments or to other data items, such as AQ
 - Ability of Shippers to amend data for periods outside of their ownership
 - Ability of Gas Transporters to amend data