

Extraordinary Change Overview Board

Industry Readiness Discussion Agenda

10:30am, Tuesday 17th March

at Elexon Ltd, 4th Floor, 320 Euston Road, London, NW1 3AW

Attendees:

Sandra Simpson (Xoserve)
Nick Salter (Xoserve)
Fiona Cottam (Xoserve)
Graham Wood (British Gas)
Jon Dixon (Ofgem)
Steve Simmons (SGN)
Chris Warner (NGD)
Gareth Evans (ICOS)
Lorna Lewin (DONG Energy)
Angela Love (Scottish Power)
Colette Baldwin (Eon)
Sean McGoldrick (NGT)
Adam Carden (SSE)
Hazel Ward (Npower)
Andy Sinclair (PWC)
Vicky Spiers (ESP Pipelines)
Paula Lowrie (EDF Energy) – by teleconference

Jon Dixon introduced Andy Sinclair from PWC who are the preferred bidder for the Project Nexus Industry Assurance role and will be key to driving the readiness framework and criteria forward.

Background to Industry Readiness

Sandra Simpson gave some background on the Industry Readiness criteria, setting out that the first presentation on a possible approach to measuring industry readiness was given to the Change Overview Board (COB) in November. For each

of the suggested criteria the COB agreed whether each of the criteria needed to be met “totally” or “partially”.

It was agreed that for future COB meetings the group would concentrate on one or two individual criteria to agree the appropriate readiness where “partially” ready had been recommended. The group concentrated on the “Shippers systems & processes ready” criteria and Xoserve took an action to table a straw man on readiness for this. At the February COB, Xoserve presented a possible combined criterion which considered number of organisations, meter point coverage and total throughput.

At the March COB meeting it was agreed that a separate session needed to be arranged to explore this further and agree what was critical for Shippers to be ready for on day one. It was acknowledged that GT and iGT readiness also needed to be considered as separate criteria and while the objective of this meeting was for Shipper readiness, it would be appropriate to highlight where GT or iGT readiness was also required.

Approach

It was proposed that the group work through the Level 1 and 2 industry processes which had been published previously. For each of these processes we should identify the consequence of shippers not being ready, who bears the risk and what mitigations are available.

The group debated the best way to approach this and agreed to consider the impacts of shippers not being ready considering the following risk areas:

- Health and Safety
- Customer impacts
- Shipper/Supplier impacts
- Reputation of the Market
- Impact on competition
- Accuracy/integrity of Settlement
- Transporter impacts
- Invoicing Accuracy

For the purposes of this exercise it was assumed that Xoserve would be ready with the central system delivery as planned on 1st October 2015. The impact of Xoserve

not being ready in each area was not considered in this meeting on Shipper readiness.

Shipper Readiness Risk Analysis

The attached spreadsheet captures the risks identified in each area. Published in a separate document with these minutes.



Shipper Critical
Process Analysis.xlsx

During the discussions, concern was raised that a workaround or mitigation may result in an associated cost impact to other stakeholders. It was agreed that a principle should be captured that if a workaround or mitigating action is required for an organisation who is not ready, this should be seamless to the rest of the market.

It was agreed that not enough information was known within the group on the changes to the Data Enquiry Service (DES) and Contact Management System (CMS) and these would be revisited at a future session. It was also agreed that, whilst the communication of the scale and nature of the planned change for these systems had not been finalised, there was no reason not to consider the impacts of non-readiness.

Conclusions

The group concluded that the critical processes which Shippers need to be ready for were:

1. Manage Supply Meter Point Registration (facilitation of supply meter point transfers)
2. Manage Supply Meter Point Register (the update of data held against a register supply meter point)

It was also acknowledged that it was critical for iGT's to be ready for:

1. Record Supply Meter Point (MPRN Creation)

These processes were considered to be critical in that they would be potential reasons for no go of the UNC mods and new systems on 1st October; other criteria were still acknowledged to be important for individual businesses.

Even for these critical criteria it was accepted that not every shipper would have to be ready with fully automated solutions – a level of non-readiness may be acceptable or shippers may be able to work processes ‘offline’ – the level of readiness and options for workarounds are to be developed under the facilitation of the PA role.

For all other processes it was concluded that it was not critical for Shippers to be ready for day one processing. It was acknowledged, and is documented in the spreadsheet, that other processes could be considered critical if a large number of shippers were not ready and that the period of time that they would not be ready was significant.

Next Steps

The identification of the critical processes for which Shippers need to be ready on day one is the first step in defining the industry wide readiness framework.

Work now needs to continue to develop a framework to define the appropriate level of readiness for critical processes and how this will be measured.

The group discussed that the expectation was that the Project Nexus Industry Assurance role would progress this work and this should be verified at the next Project Nexus Industry Steering Group.