

UNC Workgroup 0549 Minutes
Improving Arrangements for Managing Major Industry Changes
Friday 04 September 2015
31 Homer Road, Solihull, B91 3LT

Attendees

Adam Carden	(AC)	SSE
Alex Ross Shaw	(ARS)	Northern Gas Networks
Andrew Margan	(AM)	Centrica
Andy Miller	(AM)	Xoserve
Angela Love	(AL)	Scottish Power
Bob Fletcher (Chair)	(BF)	Joint Office
Carl Whitehouse	(CW)	First Utility
Chris Warner	(CW)	National Grid Distribution
Colette Baldwin	(CB)	E.ON UK
Colin Blair	(CB)	Scottish Power
Edward Hunter	(EH)	RWE npower
Erika Melen	(EM)	Scotia Gas Networks
Hilary Chapman	(HC)	Xoserve
Karen Visgarda (Secretary)	(KV)	Joint Office
Kiran Samra	(KS)	RWE npower
Robert Wigginton	(RW)	Wales & West Utilities
Roberta Fernie*	(RF)	Ofgem
Sean McGoldrick	(SMcG)	National Grid Transmission
Steve Mullinganie	(SM)	Gazprom

**via teleconference*

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0549/040915>

The Workgroup Report is due to be presented at the UNC Modification Panel by 17 March 2016.

1.0 Outline of Modification

SM introduced the modification and explained that Modification 0549 had been presented to the panel and it was agreed that this modification should be developed over a period of time, as there were no critical timeline factors. SM stated that this modification was raised as a need for a post 'Lessons Learnt' procedure following large complex projects, such as RGMA. He explained that during the RGMA project many issues had to be overcome and a 'Lessons Learnt' and post project delivery template would have been invaluable when addressing future large projects, such as; Nexus and Smart Metering. He suggested that this proposal could be used as a template for future major project deliveries.

General discussion took place and AL asked if the format would be the form of UNC committees. SM said the format and content were all to be discussed and that this was an evolving process and he was fully flexible and open to a 'shared learning approach'. RF proposed a 'principals' based approach to allow greater flexibility and a more fluid format. SM agreed this could be looked at and again reiterated that he was fully open to any ideas and suggestions that could be made from all parties. General discussion took place and it was proposed that looking at the FGO Model templates could provide an insight into a possible workable format. Discussion took place as to what would be the 'trigger' for these

principal documents to be used; e.g. a project that exceeded £10mil, across multiple systems. RF proposed that if a principals based format was used, then would this have to be in the form of a modification and SM felt that the Panel Members would have to determine what the criteria would be. General discussion took place concerning what the specific 'trigger' might be and analogies were drawn between the Change Overview Board (COB), the Project Nexus Steering Board (PNSG) and the Performance Assurance Workgroup (PAWG). SM stated the Change Overview Board could be the right conduit to launch the initial proposal as it was looking at the horizon from a change perspective. AC stated that in other Codes, the required resources are brought in as when needed, and then budgeted for accordingly.

SM felt it would be beneficial to consider a 3 phased approach:

Phase 1 - High level view of future change;

Phase 2 - Change development and modification process;

Phase 3 - Implementation approach.

Action 0101: SM to amend Modification 0549 and adapt a 'principals' based approach document and explore the 3 phased approach for industry project management.

AL and RF both stated that they had a concern with Ofgem being required to chair such groups and AM stated he disagreed and wanted this particular topic kept open, as he felt that Ofgem being an independent party was invaluable, as had been proved previously when Ofgem chaired the RGMA. SM said he would amend the current proposal to have a more robust structure and an active regulatory format, although he noted that Ofgem could not be mandated through a modification.

BF explained that Energy UK had raised the following questions with regards to Modification 0549.

Q1. Will this be limited to shippers / suppliers or could trade associations such as Energy UK have a role?

Q2. Also in respect of individuals representing constituencies, the nature of shipping and supply is becoming increasingly diverse so defining constituencies becomes more challenging and would need very careful consideration.

General discussion took place concerning these questions and RF asked how would it work if there were a change across more than one Code. SM stated these changes could be facilitated by 'cross code impacts' and AMa suggested that Ofgem would provide a more structured approach, as they were now doing with Nexus for example.

SMcG proposed that these proposals if sufficiently developed could be used in the FGO arena as this project was gathering momentum and would require significant change. EM agreed and offered to propose this to the FGO on SM's behalf, at the next FGO meeting on 21 September 2015. General discussion took place as to which workgroup the proposal would sit within, and BF confirmed it would be included in the Governance Workgroup area. Both SMcG and SM agreed if these proposals were included in the FGO area then the modification would need to be developed quickly or may no longer be required, however, SM also stated that this would not be confirmed until the principals document had been signed off.

2.0 Initial Discussion

2.1. Initial Representations

None received.

2.2. Issues and Questions from Panel

None raised.

3.0 Next Steps

BF confirmed that the next meeting would be on 20 October 2015, when the 'principals' based approach document would be reviewed.

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
10:30 Tuesday 20 October 2015	31 Homer Road, Solihull, B91 3LT	Detail planned agenda items. <ul style="list-style-type: none"> • Amended Modification • Review of Principals Approach document • Consideration of Business Rules • Consideration of User Pays • Review of Impacts and Costs • Review of Relevant Objectives • Consideration of Wider Industry Impacts • Consideration of Legal Text • Development of Workgroup Report

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0101	04/09/15	1.0	Gazprom (SM) to amend Modification 0549 and adapt a 'principals' based approach document and explore the 3 phased approach for industry project management.	Gazprom (SM)	Pending