

**User Pays User Group Minutes**  
**Monday 12 October 2009**  
**(via teleconference)**

**Attendees**

Tim Davis (Chair)	TD	Joint Office
Lorna Dupont (Secretary)	LD	Joint Office
Danielle King	DK	E.ON UK
Graham Frankland	GF	xoserve
Graham Wood	GW	British Gas
Jemma Woolston	JW	Shell
Lorna Gibb	LG	Scottish Power
Mark Cockayne	MC	xoserve
Rosie McGlynn	RM	EDF Energy
Sandra Dworkin	SD	xoserve
Sharon Cole	SC	SSE

**1.0 Introduction**

TD welcomed attendees to the meeting and confirmed that, as the meeting was not quorate, it would be deemed to be an informal meeting of the User Pays User Group.

**1.1. Minutes of last meeting**

These were accepted by those present.

**1.2. Actions**

**Action UPUG09/01:** Provide a timeline to clarify progress of Change Order 0001 and the anticipated voting periods.

**Update:** This would be covered as part of the presentation. It was the intention to colour code the activities. **Action closed.**

**Action UPUG09/02:** Consider the level of detail that could be included in the EQR to aid assessment and clarity.

**Update:** MC reported that what should be included was clear in the contract, however it may be possible to share some high level figures. **Action closed.**

**Action UPUG09/03:** Issue a marked up version of the LSO/DLSDO Request Form for comparison.

**Update:** It was recognised that this was effectively a new Form. **Action closed.**

**2.0 Agency Charging Statement (ACS) Update**

MC reported that the revised ACS took effect on 01 October 2009.

### 3.0 Change Management

#### 3.1 Change Orders

All associated documentation will be available to view on the xoserve website at: [http://www.xoserve.com/UPS\\_Changes.asp#1](http://www.xoserve.com/UPS_Changes.asp#1) for the following Change Orders:

UPCO001 – IAD Transactional Charging

UPCO002 – IAD Last Access Report.

Evaluation Quotation Reports (EQRs) had been developed for both Change Orders and had been issued on Friday 09 October 2009. TD asked whether those present had received these, and DK asked to be added to the circulation list, in addition to Colette Baldwin.

**Action UPUG10/01: Add DK to circulation list for future Change Order documentation.**

##### 3.1.1 UPCO001 – IAD Transactional Charging

MC reviewed the Evaluation Quotation Report (EQR), which was based on assessment of 4 factors, in line with the contract. There were two options, one being to implement the change within the existing system, and the second being to delay implementation and wait until the development of the new replacement IAD services, into which any new changes could be incorporated quite readily.

There were concerns as to what constituted a valid 'hit', and whether leaving a screen and going back to it would generate a further charge to revisit the same information. Would this be charged as a 'new' search? MC agreed to ascertain more details and provide example screenshots to clarify the position and indicate which items would be chargeable.

**Action UPUG10/02: UPCO001 - Clarify and define what constitutes a valid "hit" for the purposes of IAD Transactional charging.**

MC pointed out that if the number of live accounts increased as a result of implementation, degradation in service might be experienced because of concurrency issues (affected by the number of users that may be logged on at any one time). Support costs (set up and maintenance) were also likely to increase in proportion to the number of users on the system. A hybrid charging structure may be more appropriate and merit further consideration. External development costs will also be incurred to pull together a consolidated report for users to enable validation of invoices. There may also be costs associated with internal changes. Around £4,300, recoverable by the change budget, would cover all the internal/external costs associated with further investigation. LG questioned what would be billed to the community, and believed these figures should be highlighted.

MC stated that changes to the contract would be required, and development costs outside of the ASA services would be charged for eventually. Service Schedule Part 3 would need to be updated, and also Appendix 1 Service Item 1. The Transporters will also need to be engaged to see if they are comfortable with the ACS changes proposed.

MC proposed to issue a communication to all User Pays parties notifying them that the voting period (10 days) had now commenced. TD asked for attendees' view on this course of action.

LG and GW believed that more detail on the validity of a 'hit' was required, together with examples of the screenshots. RM queried the need for the

change, which seemed to be an unnecessary expenditure at present in view of a SPAA or SCOGES option. However, GW referred to the current uncertainty of these options, and felt that progress should be made now. RM questioned, given that xoserve wanted to get a replacement IAD service in place for summer 2010, was it right to incur expense now. MC confirmed that implementation depended on the voting and subsequent processes envisaged in the Contract, which were likely to be completed around the end of 23 March 2010. GW pointed out that the same fixed costs will not be applied in the new system, and that cost allocation would be changing, but whatever charging mechanism was implemented, it should target as closely as possible the users of the service. JW agreed with RM's view, and was not convinced that the argument was good enough to gain agreement to go ahead with this change, given that other similar changes would be implemented by the end of next year.

MC offered to publish a revised EQR on the website by the end of the week. Implementation costs were estimated at £13,000 - £23,000, which would be utilising the whole of the change budget to accommodate this one change. However, costs associated with UPCO002 EQR were quite low and, from an IS perspective, UPCO002 could be implemented at zero marginal cost.

TD asked those present for their views, and whether they felt the EQR was sufficiently clear and should go forward. LG pointed out that there was also the option of 'doing nothing' and asked if the Group should first consider narrowing down the choices. RM appreciated the fact that xoserve had looked at the options in a holistic way. However, it was pointed out that pertinent information had been provided late in the day and it was not felt to be right to make a decision on the EQR at this stage. It was suggested that following the receipt of the further information from xoserve (definition of a 'hit', screenshot examples, any further breakdown of costs that may be available) by the end of the week, a decision might be reached at a further teleconference, to be held in a further week's time. This would give sufficient time for users to consult internally.

GW questioned what would happen if the next meeting was also deemed inquorate; TD responded that xoserve could issue a communication requesting a vote. TD also pointed out that it might be prudent to obtain legal clarity regarding the definition of a 'hit'. The suggestion of a further teleconference was then accepted and arranged for 09:30 on Monday 26 October 2009.

### **3.1.2 UPCO002 – IAD Last Access Report**

The Evaluation Quotation Report (EQR) was briefly discussed. MC said that internal analysis costs will be incurred, and changes would be needed to Service Schedule Part 3, and also ACS Appendix 1 Service Item 1. Costs of around £1,600 had been put forward.

It was noted that this change could run alongside UPCO001. Reports could be created at no extra charge if the two proposals were developed together; all costs would then be allocated to UPCO001. However, if implemented separately there would be a cost involved related to changes to internal systems (chargeable service and changes to frequency of reports). MC said that reports were currently provided on an ad hoc basis and not charged for; some users require the reports more frequently than other users. It would not be more difficult to deal with, but charges would have to be made because additional validation would be required for invoicing, UAT, and auditing requirements, and the necessary changes to operational processes would incur costs, although these were not likely to be significant. RM had not expected UP charges to be associated with UAT and operational support because these

would be standard and have to be in place anyway. MC responded that alterations to the business operations would have to be made as a result of these changes and therefore the costs should be allocated to User Pays.

TD confirmed that those present required no additional information, and that this item should also be added to the agenda for the meeting on 26 October 2009.

#### **4.0 Modification Update**

MC briefly ran through the Live UNC Modification Proposals that were identified as being User Pays Proposals (0209, 0224, 0231, 0245, 0246B, 0248, 0253, 0255, 0260, and 0264).

#### **5.0 Operational Updates**

##### **5.1 Performance**

MC presented for xoserve. All but one of the indicators were green, with all performance targets being achieved apart from a slight drop in September's performance in respect of the Email Report Service Line. MC confirmed that one report had been issued a day late. To prevent this happening in the future, additional validation controls had been put in place.

#### **6.0 IAD/SCOGES Replacement Project**

GF presented for xoserve, and informed the meeting that the presentation would be made available on the Joint Office website, but minus the pricing information due to its sensitivity at this stage.

As part of xoserve's investment plan, IAD replacement had been considered, funding for which was available through the PCR process. xoserve had carried out an industry wide customer requirements survey and GF had made a presentation to the SPAA Executive on what a replacement system might look like, together with some indicative prices.

Replacement was being considered as capacity issues had become apparent and technology had advanced and it was now possible to look at ensuring that resilient back up arrangements could be put in place, which was not the case currently. It was therefore xoserve's intention to provide a cheaper and more flexible service than the current offering, which would contain more data, be more user friendly, and which had taken into account customer feedback.

GF then gave an overview of the new service proposal, indicative prices, and potential service enhancements (subject to further industry discussion). Assuming there was enough customer support then it was hoped to have the new system in place for next summer.

The costings had been based on current usage of around 18,200 customers and would be expected to deliver up to a 30% reduction in operational costs. This was partly driven by higher user demand and partly by xoserve's quest for greater efficiency. More systematisation would help to keep costs to a minimum.

The proposed service enhancements were subject to industry discussions on data flows and how it will operate, and agreement as to governance. Further discussions may enable the extraction of more value and costs may potentially decrease a little more.

GF then summarised the service, and detailed the information sources and quality, security and access. He added that the raising of a Modification Proposal may be necessary to enable MAMs to access the system.

GF will also be sharing this presentation with the large Transporters.

As xoserve engages with the wider customer base it believed that the proposed replacement service would be recognised as providing good value for money and a great improvement on the current service. If customers are in support, the next step will be to set up a project to deliver the benefits as soon as possible. It would be the intention to make regular reports on progress to the SPAA Executive and to the UPUC.

TD questioned why this had been added to the UPUC meeting and asked if this would require a change to the Service Schedules. GF responded that those present were IAD users and it was a good way to help to keep the customers updated with proposed developments in this area. TD pointed out that, while helpful, this was outside the Committee's Terms of Reference. GF suggested that, if necessary, perhaps it could be added on to the UPUC meetings as a separate meeting. All present were happy to receive updates within future UPUC meetings.

## **7.0 Any Other Business**

### **7.1 Incorrect release by Shippers of inappropriate telephone number**

LG referred to an email recently received that advised that a specific telephone number was to be deactivated. She was surprised that Shippers had not been notified that they were causing problems for xoserve through the incorrect release of a telephone number.

MC confirmed that the particular telephone line in question was not part of the UP service and therefore had not been brought to the attention of this meeting. The difficulties caused to xoserve had been discussed with the parties concerned (all Shippers' websites had been checked to ascertain if the information they carried was incorrect), and an email notification was sent out to advise of the deactivation of the line.

## **8.0 Next Meeting**

As discussed at this meeting, a teleconference to review the EQRs and agree a way forward on UPCO001 and UPCO002 will be held at 09:30 on Monday 26 October 2009. The conference contact numbers will be made available on the agenda.

The next regular meeting is scheduled for 10:30 on Monday 09 November 2009, and will take place via teleconference. The conference contact numbers will be made available on the agenda.

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**Action Table: User Pays User Group – 12 October 2009**

<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
<b>UPUG09/01</b>	14/09/09	3.1.1	Provide a timeline to clarify progress of Change Order 0001 and the anticipated voting periods.	xoserve (MC)	<b>Closed</b>
<b>UPUG09/02</b>	14/09/09	3.1.1	Consider the level of detail that could be included in the EQR to aid assessment and clarity.	xoserve (MC)	<b>Closed</b>
<b>UPUG09/03</b>	14/09/09	3.2	Issue a marked up version of the LSO/DLSDO Request Form for comparison.	xoserve (MC)	<b>Closed</b>
<b>UPUG10/01</b>	12/10/09	3.1	Add DK to the circulation list for future Change Order documentation.	xoserve (MC)	
<b>UPUG10/02</b>	12/10/09	3.1.1	UPCO001: Clarify and define what constitutes a valid "hit" for the purposes of IAD Transactional charging.	xoserve (MC)	