

**UNC DSC Contract Management Committee Minutes**  
**Wednesday 16 May 2018**  
**at Lansdowne Gate, 65 New Road, Solihull, B92 OED**

<b>Attendees</b>			
Chris Shanley (Chair)	(CS)	Joint Office	Non-Voting
Kully Jones (Secretary)	(KJ)	Joint Office	Non-Voting
<b>Shipper User Representatives</b>			
Kirsty Dudley*	(KD)	E.ON	Voting (2 Votes)
Lorna Lewin*	(LL)	Orsted	Voting
Steve Mulinganie*	(SM)	Gazprom	Voting
<b>Transporter Representatives</b>			
Hilary Chapman	(HCh)	SGN	DNO – Voting
Joanna Ferguson	(JF)	Northern Gas Networks	DNO – Voting
Beverley Viney	(BV)	National Grid NTS	NTS – Voting (2 Votes)
Victoria Parker*	(VP)	ESP	iGT – Voting (2 votes)
<b>CDSP Contract Management Representatives</b>			
Dave Turpin	(DT)	Xoserve	Non-Voting
Emma Smith	(ES)	Xoserve	Non-Voting
<b>Observers</b>			
Chris Warner	(CW)	Cadent	Non-Voting
David Stone	(DSt)	Xoserve	Non-Voting (item 2.0)
Dennis Reagan	(DR)	Xoserve	Non-Voting (item 9.3)
Emma Lyndon	(EL)	Xoserve	Non-Voting (item 9.3)
Helen Field	(HF)	Xoserve	Non-Voting (item 5.2 and 5.3)
Lee Foster	(LF)	Xoserve	Non-Voting (item 9.3)
Michele Downes	(MD)	Xoserve	Non-Voting (item 5.2 and 5.3)
Michael Orsler	(MO)	Xoserve	Non-Voting (item 5.1)
Richard Creswell	(RC)	Xoserve	Non-Voting (item 5.2)
Richard Pomroy	(RP)	Wales & West Utilities	Non-Voting
Sally Hardman	(SH)	SGN	Non-Voting
<b>Apologies</b>			
John Cooper	(JC)	BUUK	Voting
Robert Cameron Higgs	(RCH)	Flow energy	Voting (2 votes)
Phil Lucas	(PL)	National Grid NTS	Voting

Copies of all papers are available at <https://www.gasgovernance.co.uk/dsc-Contract/160518>

## 1. Introduction

### 1.1. Apologies for absence

See table above.

### 1.2. Alternates

Victoria Parker for John Cooper

Beverley Viney for Phil Lucas

No alternate for Robert Cameron Higgs.

CS confirmed that there were no items requiring a vote.

### **1.3. Approval of Minutes (18 April 2018)**

The minutes from the previous meeting were approved.

## **2. Business Continuity Plan**

David Stone (DSt) provided an update in advance of the meeting. No further comments or questions were received.

## **3. Information Security Arrangements**

This was covered as part of agenda item 5.5 Information Security arrangements – dashboard update.

## **4. Contract Assurance Audit**

DSt provided a brief update via a one-page slide presentation which gave an overview of the status/progress for each process to be audited in the period January to June 2018. Dave Turpin (DT) stated that more detail would be provided in the next quarterly update. In response to a question from Richard Pomroy (RP) as to whether the report includes a review of any exceptions, DT clarified that the outcomes of internal auditing and the handling of all breaches are fed through to the assurance team and that the business teams are not involved in the decision of what is included in this report.

## **5. Monthly Contract Management Report (KPIs)**

### **5.1. KPI reports**

Mike Orsler (MO) provided an overview of the April 2018 KPI Report. It was noted that following feedback at the last meeting, *Key Issues* were now included in the summary report.

### **5.2. Issue Management Update**

Michelle Downes (MD) and Helen Field (HF) joined the meeting to provide an update on the specific issues that had been highlighted in the summary report:

- Daily energy allocations
- AML/ASP invoicing update
- CMS (root cause update)
- Must reads
- AMT issues
  - Meter read processing
  - Daily read files (class 1).

In relation to the AML/ASP invoicing issue, HF explained that customers are not receiving the information in a timely manner and 3 specific areas are being investigated:

- BAU stabilisation
- Root cause analysis – consideration of the defects and what is causing the mismatch
- Future overhaul – face to face meetings planned for 6 June 2018.

An update was provided on the *Must Reads* issue. It was noted that a communication from Richard Cresswell (RC) set out what actions Xoserve are taking in relation to this issue. Individual tele-conference discussions are also planned with the DNs.

RP suggested that it would be useful to know the timescales that Xoserve are working to resolve this issue as it has been on-going for some time.

RC provided a brief background explaining that the number of must-reads have increased post-Nexus and more analysis is being undertaken to find out why. Additional Xoserve resource should result in a reduction in the outstanding must-reads over the next few months.

In relation to MRA queries – some are not checking if the record in file has been accepted. If UKLink has not accepted the file, the read is not loaded so it stays with the MRA to investigate.

RP was interested to understand if service providers are submitting information correctly. RC confirmed that guidance has been provided to one MRA and this could be shared more widely with other MRAs. This information is also available in Xoserve's information library. Experience to date suggests that this is not a Nexus issue but due to rejections from UKLink so more work is needed on these rejections.

It was acknowledged that while increased learning within the MRAs, more analysis and more Xoserve resource will together help to resolve the must-reads issue there was a need for more regular reporting to make the issues more visible. A simple monthly performance summary report was requested for inclusion in the KPI reporting.

**New Action 0501: Xoserve (RC) to provide a monthly report to summarise must-read performance and MD to consider including this in the high-level issues KPI reporting.**

Meter-read processing – estimated that 3,000 MPRNs are affected, of these 1,700 have an impact on AQ/REC. In relation to Class 2 daily reads the amendment read or consumption adjustment is not recording the amended energy. As a result, incorrect energy is being recorded against Class 2. A communication is to be sent out by Xoserve on this matter in the near future.

It was noted that a spreadsheet was being developed for circulation by the end of the week to track all these key issues and indicate their RAG status.

**New Action 0502: All DSC Contract members to review the spreadsheet of issues and their RAG status.**

### 5.3. KVI Framework Update

Michelle Downes (MD) provided a presentation on the updated KV1 Framework. She reported that 3 individual customers have asked not to receive requests for feedback.

It was suggested that given that the KVI framework was still new that Xoserve communications should highlight the framework and its value. It was noted that contract managers could also promote the KVIs and the importance of providing feedback.

MD also reported that only 7-8% of responses were in the category "did not meet expectations" also suggesting that feedback is not being provided where Xoserve service is not considered to be good.

A brief discussion took place on the proposed rating for the change management KVI, now owned by Linda Whitcroft. The proposed ratings of either 'met' or 'did not meet' are under review with the intention to replace them with a set of wider engagement questions.

**New Action 0503: Xoserve (MD) to provide an update at the June meeting on the proposed/revised change management questions.**

### 5.4. Summary position of aggregate UIG flows

Emma Smith (ES) provided a presentation on UIG Resolution, focussing on slide 6 which provided an update on the latest UIG volatility. It was reported that the big spikes at the end of April/beginning of May were due to Gemini system errors. In the case of 2 May 2018, the majority of DM measurements for this gas day were not present in the Gemini system, in time for the first run of allocation. This resulted in erroneously high Unidentified Gas values across all LDZs.

In the case of 6 May 2018, the NDM Allocation failed to calculate on the first run of Allocation, affecting all LDZs. This also resulted in erroneously high Unidentified Gas values (c70%) across all LDZs.

Both issues were investigated and resolved in time for the second run of allocation.

SM asked what cross-checks have been put in place to avoid these situations in future.

Xoserve are undertaking root cause analysis to identify what controls are missing/needed and. Additional monitoring may be put in place once the investigations are complete.

## 5.5. Information Security Arrangements – Dashboard Update

ES informed the committee that 2 incidents had been reported in April. The first was in relation to an email received which reportedly had a voicemail within it but it actually contained a virus. The second was in relation to an MPRN Request form which was emailed to the wrong recipient.

**New Action 0504: Joint Office to remove agenda item 3.0 information security arrangements as this is now part of agenda item 5.5 information security arrangements-dashboard update.**

## 6. Financial Information

### 6.1. Cost allocation model and methodology

No update provided this month.

### 6.2. CDSP Budget

MO confirmed there is no update provided this month. The committee reviewed the DSC Change Budget Utilisation pie chart in the change report summary tab of the KPI report. Clarification was sought on the segments titled 'potential additional spend' (£350K) and 'budget remaining' (£527.7K). It was reported that the £350K was earmarked for future releases (release 4) which are not yet scoped. It was queried if the 'budget remaining' pot was for CSS or the UIG Modifications?

**New Action 0505: Xoserve (ES) to confirm the potential additional spend (£350K) and 'budget remaining' pots and to provide a commentary section on the slide to detail the spend for tracking purposes.**

### 6.3. Annual Charging Statement

No update provided this month.

### 6.4. Invoicing

Invoicing values were included in the KPI reporting and no specific update was provided.

## 7. Review of Outstanding Action(s)

**0401:** MO to include details of the recent invoicing failures within the KPI report.

**Update:** These have been added to the KPI report so this action was closed. **Closed.**

**0402:** E.ON (KD) to work with Xoserve (MO/ER) and the SPAA representatives on the framework for the SPAA, to agree what information would be released to Siemens and any changes required to the SPAA schedules going forward.

**Update:** ES confirmed that meetings had been held and this work is on-going so it was agreed to keep this action open to receive future updates. **Carried Forward.**

## 8. Key Committee Updates

### 8.1. DSC Change Management Committee

ES provided an update from the DSC Change Management Committee held on 09 May 2018.

- It was noted that 2 new change proposals had been raised and approved.
- Release 2 is on track for delivery. The implementation approach and plan have been approved.
- Release 3 – an extraordinary meeting was held on 2 May 2018 to approve the implementation plan. The build phase has now started.
- Engagement with DSG and the Change Management Committee has started on the scope of future releases (June and November 2019).

## 8.2. PAC/PAFA

ES provided a verbal update from the Performance Assurance Committee (PAC) meeting held on 8 May 2018. A summary of the key points was provided in advance of the meeting and ES highlighted the following key messages from the PAC meeting:

- The PAC discussed the draft modification wording for transfer of sites with low read submission performance from Classes 2 and 3 into Class 4
- Xoserve presented a draft letter to be sent to all Daily Metered (DM) Shippers still with outstanding actions relating to Pot 1 consumption adjustments for PAC consideration
- Xoserve provided an update on industry performance on lack of transfer read submission and resulting issue of AQs of 1

## 8.3. General Data Protection Regulation (GDPR)

ES provided an update from the GDPR Steering Meeting held on 16 April 2018. She indicated that there is likely to be one more meeting in June which is expected to be the last meeting. She confirmed that all business readiness activities are tracking as green. In terms of industry readiness good feedback has been received from the Workgroup. In addition, she confirmed that:

- In accordance to the project plan, Xoserve are reviewing the privacy policies for employees and the website.
- The Terms & Conditions for the website are being reviewed.
- HR are formalising the employee policies.
- The data breach policies are being reviewed.
- Practical guidance on potential breaches is being developed.
- Contract variations have been sent out to customers
- Training for the business has officially gone out and a follow up workshop is being held on 22 May 2018.
- Xoserve will be sending out industry policies to the working group for them to review and return by 25 May 2018.

A FAQ document is being produced, which will be hosted on the Ofgem website. It will also be distributed to organisations such as the CAB.

Joanna Ferguson (JF) asked about reporting and if reports are suitable and protected in the context of GDPR. RP asked if there are any reports that contain personal data that are provided as part of reports but not actually needed. DT confirmed that personal data is not normally held. MPRN level data is provided in the reports and the arrangements for sharing are considered to be suitable and protected.

## 9. Any Other Business

### 9.1. Draft BP19 Customer Engagement Timeline

DT provided a one-page side presentation showing the draft timetable for customer engagement from April 2018 to February 2019. He sought confirmation from DSC contract managers if this forum is the most appropriate, what frequency of meetings are appropriate and how widely Xoserve should consult?

The following comments were made during discussion of this item:

- JF asked about the format of the material to be provided, requesting that any material is provided in a timely manner to enable any consideration/consultation in advance of meetings.
- Timing of DSC Contract Management Committee meetings and Xoserve Board meetings planned for July, September, November and January are consecutive so do not allow for any feedback before the Board meetings.

- KD suggested a consultation process is needed for internal consultation and that this should be in September.
- JF asked for an Opex and Capex split as early as possible.

DT confirmed that a more detailed plan including the approach and timeline would be provided in June with the committee being asked to sign-off the plan in July.

SM suggested that a Xoserve presentation to ICoSS, Energy UK and AIGT members would be helpful.

## **9.2. XRN4527 - New Service Line for Reporting Services to Performance Assurance Committee (PAC)**

ES explained that was a closure notice to add an additional service line for reporting services to PAC. This was agreed and closed.

## **9.3. Ofgem Switching Programme Update**

Lee Foster (LF) and Dennis Reagan (DR) attended the meeting to provide the committee with an overview of the Ofgem switching programme which started in 2015. LF provided a walk-through of the presentation provided for the meeting.

A RFI response was provided on the consequential changes to UKLink in March 2017 and in February 2018 the design had been baselined. An initial analysis to understand the impacts, and a flash assessment to understand what this may mean to customers had been undertaken and Xoserve wanted to share this with DSC Contract Management Committee.

The committee were reminded that Modification 0630R *Review of the consequential changes required in UNC as a result of the Ofgem Switching Programme* was considering additional, elective consequential changes but there has been limited cross-industry input. DSC Contract Management Committee were asked to consider more fuller representation to provide support for this review group.

LF provided a walkthrough of slide 3 which set out a Level 1 Impact Assessment / Heat Map, drawing attention to the amber/red areas which have the most impact. He confirmed that UKLink is expected to see a reasonable amount of change, and Xoserve will need to change existing file flows and disable some elements of the process. He explained the CSS will undertake some of the file flows going forward. There will, therefore, be a need to add new data items and new interfaces with a new service provider (CSS). Gemini's biggest change will be a move from processing at D-2 days to a circa D-22 hours, which needs further analysis. Batch schedule changes and impacts to nominations also need to be understood.

LF reported that data cleansing for the new services will be a key component. This is not expected to be at the same scale of Project Nexus but there is still a degree of uncertainty of the ownership of data and what this may mean to systems.

Slide 4 - LF provided an Analysis Plan to indicate what Xoserve may be dealing with, noting the Ofgem timeline and delivering the changes to the market. The degree to which Xoserve will need to support the bid process and support to DCC interactions was also noted.

It was noted that the Solution Agnostic Design doesn't enable an early start but this could be mitigated by more understanding and commencement of 'no regrets' work. Check points in plan indicate when additional expenditure is needed and DSC Contract Management Committee will be asked to take a view of any spend needed to mitigate identified risks.

LF provided a brief summary of an informal perspective provided by Sian Baldwin at the DSC Change Management meeting held on 9 May 2108. SB reported that consequential costs had increased and raised a concern that if a third-party is successful in bidding for the CSS delivery, they will be looking to manage their own risks. This may result in knock-on risks for Xoserve so consideration is being given to Xoserve making a bid for the work in order to maintain control and reduce costs overall. An update will be provided at the next meeting.

In addition, it was reported that Xoserve will need to provide support to the bid process for the CSS in terms of explaining how data is exchanged with UKLink and depending on which CSS technology is selected and the design of the interfaces. Support for bidders to understand how to integrate with Xoserve as the incumbent will be needed.

The committee wanted a better indication of the likely costs both in relation to the bid but also for delivery of the interface work. They also wanted time to consult with stakeholders before any decisions are made on funding.

LF confirmed that more information will be provided next month including requests for more funding to commence more detailed work. SM asked if board/executive papers will include a view on who should fund the work moving forward. Transporters suggested that they did not expect to be liable for the costs. SM suggested that if Transporters were not providing any funding they do not have any say in the solution.

In response to a question from SM about the spend needed for the 'no regrets work' and the decision-making process, LF reiterated that Xoserve will continue to consult on costs and that both DSC Change and Contract Management Committees would be kept informed. The importance of advance notification was re-iterated and SM suggested that he would also like to consult with ICoSS at their meeting on 14 June 2018.

#### **9.4. Amendment for DSC Change Management Procedures to support process changes**

A verbal update was provided by ES on how best to move forward and improve the process for amendments for the DSC Change Management procedures to support process changes. She explained that considerable changes have been made to the process which will need to be reflected in the DSC contract.

The committee wanted to see all changes and the justification for the change(s). They suggested that changes are recommended at the DSC Change Management Committee before being endorsed by the DSC Contract Management Committee, as the latter is best placed to advise on change matters.

In response to a question from CS about what document would be the best vehicle to communicate this change, ES suggested that it would be an embedded slide within the CP process. The slide would set out the reason for the change; a description of the change; which documents would need to be changed to support the change and whether a Modification is needed to support the change.

#### **9.5. DSC Contract Management Committee Membership**

The chair raised membership of the committee as an additional item. CS reminded the committee that following the resignation of Graham Wood there is a Shipper Class A vacancy. As a result, Kirsty Dudley will hold 2 votes until the vacancy is filled.

SM asked if the recent change in ownership for Flow Energy changed the Shipper Class C representation. DT clarified that there was nothing in the rules to suggest that Robert Cameron-Higgs from Flow Energy could not continue to be the representative for Shipper Class C. It was highlighted that Robert currently holds 2 votes but like the position for the Shipper Class A, other Shippers could look to fill the vacancy and he would only have 1 vote as a result.

SM raised a concern about the vacancies given that important decisions in relation to funding for the Ofgem switching programme may be sought at the next meeting.

**New Action 0506: Joint Office to check that the website accurately reflects the current membership. In addition, CS to review the rules and flag areas where there are membership gaps in relation to all DSC committees and highlight these as part of the 2018/19 election process.**

#### 9.6. Xoserve Statement of Assurance for 2018

Chris Warner (CW) raised a point in relation to the Joint Office communication sent out on 15 May on behalf of Xoserve. He sought clarification on the purpose of the statement, queried whether it should have been sent to all DSC Contract Committee members and expressed surprise that it was not a signed communication from Xoserve to a named person.

#### Post-meeting update provided by Xoserve

Xoserve have confirmed that the Statement of Assurance for 2018 sent out by Joint Office on their behalf on 15 May 2018 should not have been issued via this route. DSC Contract Managers are therefore asked to ignore this communication. Xoserve will contact appropriate recipients directly to follow-up on the assurance letter.

## 10. Diary Planning

Further details of planned meetings are available at: <https://www.gasgovernance.co.uk/events-calendar/month>

Meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
11:00, Wednesday 20 June 2018	Lansdowne Gate, 65 New Road, Solihull B91 3DL	Standard Agenda items, and any other matters arising.
11:00, Wednesday 18 July 2018	Lansdowne Gate, 65 New Road, Solihull B91 3DL	Standard Agenda items, and any other matters arising.
11:00, Wednesday 18 August 2018	Lansdowne Gate, 65 New Road, Solihull B91 3DL	Standard Agenda items, and any other matters arising.

#### Action Table (as at 16 May 2018)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0401	18/04/18	5.1	MO to include details of the recent invoicing failures within the KPI report.	Xoserve (MO)	Closed
0402	18/04/18	9.1	E.ON (KD) to work with Xoserve (MO/ER) and the SPAA representatives on the framework for the SPAA, to agree what information would be released to Siemens and any changes required to the SPAA schedules going forward.	E.ON (KD) & Xoserve (MO/ER)	Carried Forward



<b>0501</b>	16/05/18	5.2	Xoserve (RC) to provide a monthly report to summarise must-read performance and MD to consider including this in the high-level issues KPI reporting.	Xoserve (RC)	<b>Pending</b>
<b>0502</b>	16/05/18	5.2	All DSC Contract members to review the spreadsheet of issues and their RAG status.	ALL committee members	<b>Pending</b>
<b>0503</b>	16/05/18	5.3	Xoserve (MD) to provide an update at the June meeting on the proposed/revised change management questions.	Xoserve (MD)	<b>Pending</b>
<b>0504</b>	16/05/18	5.5	Joint Office to remove agenda item 3.0 information security arrangements as this is now part of agenda item 5.5 information security arrangements-dashboard update.	Joint Office	<b>Pending</b>
<b>0505</b>	16/05/18	6.2	Xoserve (ES) to confirm the potential additional spend (£350K) and Budget remaining pots and to provide a commentary section on the slide to detail the spend for tracking purposes.	Xoserve (ES)	<b>Pending</b>
<b>0506</b>	16/05/18	9.5	Joint Office to check that the website accurately reflects the current membership. In addition, CS to review the rules and flag areas where there are membership gaps in relation to all DSC committees and highlight these as part of the 2018/19 election process.	Joint Office	<b>Pending</b>