

Xoserve FGO

Monthly update

26th May

FGO programme update – Executive summary

Following the implementation of Phase 1 of the programme on 1st April, the programme is moving on towards full implementation for 1st April 2017:

Overall: Progress has been made on this programme as a result of the effort put in by a range of stakeholders.

Corporate governance: Corporate governance principles to guide development of enduring Xoserve board arrangements under discussion. Shipper nominations process continues to progress as planned

CDS Governance/ Business Planning: Xoserve have shared business plan principles with industry. Change and Contract Steering Group arrangements continue to bed down with shipper attendance.

Ofgem: Due to publish 'minded to' position around GT funding arrangements by the end of May

UNC Workgroup: Workgroups continue to progress. Xoserve to prepare to present Plan of work, Principles and Invoicing Options for discussion at charging and cost allocation workgroup on 27th May.

FGO programme update – May 2016 activities

Work area	Update
POB meetings	<p>13th May meeting.</p> <ul style="list-style-type: none">• The PM presented a revised approach to progress reporting, whilst highlighting that the POB was now transitioning to focus more on tracking and oversight than facilitating detailed implementation.• Update from UNC 565 workgroup meeting on 4th May - It was noted that there were no immediate concerns with the process and the ability of the group to deliver within the timescales.• The PM presented a phase 2 programme plan and dependencies map, indicating that the programme plan would be used in order to track progress throughout phase 2 of the programme.• The group agreed that the POB should not issue a collective response to Ofgem’s decision letter.• Group discussions took place on the Xoserve draft Corporate Governance Principles, with feedback and revisions expected over the course of the month.• A Draft Invoicing paper which had been circulated was discussed and amendments proposed. It was noted that the intention was to submit the paper to the UNC work group. <p>Next POB meeting to be held on 3rd June– KPMG London office.</p>

FGO programme update – May 2016 activities

Work area	Update
Charging and cost allocation	<p>FGO UNC workgroup - Charging and Cost Allocation workgroup discussion held on 3rd May.</p> <ul style="list-style-type: none">• Group agreed on proposed next steps for the scope of work.• Xoserve agreed to develop principles for financial arrangements for the next workgroup.• Xoserve agreed to develop a post-Nexus service footprint for 2017 onwards and to provide an update on progress at the next workgroup meeting.• Group agreed set of further meeting dates, to take us to a target completion date of September 2016. <p>UNC0565 charging and cost allocation work group to be held on 27th May.</p> <ul style="list-style-type: none">• Xoserve to prepare to present Plan of work, Principles and Invoicing Options papers being tabled on Friday 27th May. Xoserve are also to Map Topics of Discussion and a future agenda for the upcoming workgroups.• The PM has also agreed to draw up some scenarios around potential cost allocation for consideration by the charging and cost allocation workgroup, with subsequent consideration from Ofgem. <p>Details of future UNC workgroups on Joint Office calendar</p>

FGO programme update – May 2016 activities

Work area	Update
CDS Governance	<p>Meetings of change and contract management groups were held on 12th and 13th May respectively.</p> <ul style="list-style-type: none">• Feedback from these meetings will allow for the development of enduring Terms of Reference under the UNC 565 workgroup, which will then be implemented through the modification proposal.• Good attendance was noted across both days <p>Next contract and change meetings on 9th and 10th June respectively. Please contact Xoserve to nominate your representatives to these meetings.</p>
Business Plan and Budget Setting	<p>Meetings of change and contract management groups were held on 12th and 13th May respectively.</p> <ul style="list-style-type: none">• Xoserve has shared its business plan principles with POB members and its industry contacts, and has requested comments by 3rd June• A revised version of the principles will be presented to the Xoserve board at its 21st July meeting <p>CDS groups will meet on a monthly basis and will act as the platform for users to provide feedback to Xoserve on the business plan and budget. Please contact Xoserve to nominate your representatives to these meetings.</p>

FGO programme update – May 2016 activities

Work area	Update
Corporate governance	<p>No workgroup held during May.</p> <ul style="list-style-type: none">• The Programme has delivered a set of revised constitutional documents and terms of reference for adoption for the transitional period, with further work needed in the introduction of the enduring arrangements for April 2017.• Xoserve have circulated a set of corporate governance principles for discussion at POB on 3rd June.• Shipper nominations process continues to progress with the purpose of appointing shipper nominees in time for July meeting of Xoserve board. <p>Date for next workgroup session to be confirmed following corporate governance principles discussion at 3rd June POB.</p>
Contracts and Obligations	<p>UNC 0565 workgroup held 18th May.</p> <ul style="list-style-type: none">• Draft UNC workplan presented• Further iterations of UNC drafting presented by National Grid lawyers and discussed.• Majority of UNC changes have now been identified and discussed in at least one workgroup• National Grid lawyers presented papers outlining transition to FGO arrangements , and how change to DSC could be facilitated- lack of consensus among shipper users around constitution of Contract/ Change UNC sub-committee identified.• Ofgem presence and input welcomed.• Minutes of UNC workgroup meeting are available on the Joint Office website at http://www.gasgovernance.co.uk/0565 . Details of future meetings are also available here. <p>Next UNC workgroup meeting 1st June.</p>

Further information

Meeting dates and locations are available on the Joint Office website as well as the FGO sharepoint site.

POB meeting dates have been circulated out to the end of March 2017.

All POB, workgroup and programme materials are available on the FGO SharePoint site

- Email FGOcentral@kpmg.co.uk to receive login details

Please contact FGOcentral@kpmg.co.uk for any queries or assistance

If you would like to attend a scheduled meeting, then please email FGOcentral@kpmg.co.uk to confirm your attendance

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