

# *Project Nexus*

## **Market Trials Level 3/4 Interim Progress Assessment**

Data and portal responses at 18 April 2016, presented to 25 April  
PNSG meeting

April 2016

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## 1. Executive Summary

**27 organisations (95% AQ)** made a self assessment submission. The assessment is based on information submitted on the PwC Portal as at **18 April 2016** and will not take into account the recent release of RGMA functionality.

Overall, **Market trial progress is behind where we expect it to be at this stage.** Based on a linear profile of test completion we would expect MT to be ~40% complete. Current progress is below this level primarily due to the previously reported blocking defects and outstanding functionality.

Only **two organisations** are reporting greater than **40% test plan completion** with the MT phase 40 % of the way through in terms of duration. **20 organisations** are **between 10 – 30% complete.**

Current progress reflects the **position prior to the availability of RGMA functionality for MT** from 18 April 2016. The release of **RGMA functionality removes** a key, reported **testing blocker.**

The **21 organisations** with between 10 – 32% test plan completion also **report the highest number of blocking defects.** Xoserve have now streamlined the defect resolution to address this issue.

Following the **delivery of RGMA functionality and enhancements to the defect resolution process,** we now expect **an acceleration in test execution.** The **extent of progress** over the next four weeks **will be critical to achieving the MT ‘Core’ exit milestone.**

## 2. Detailed response summary – response rate

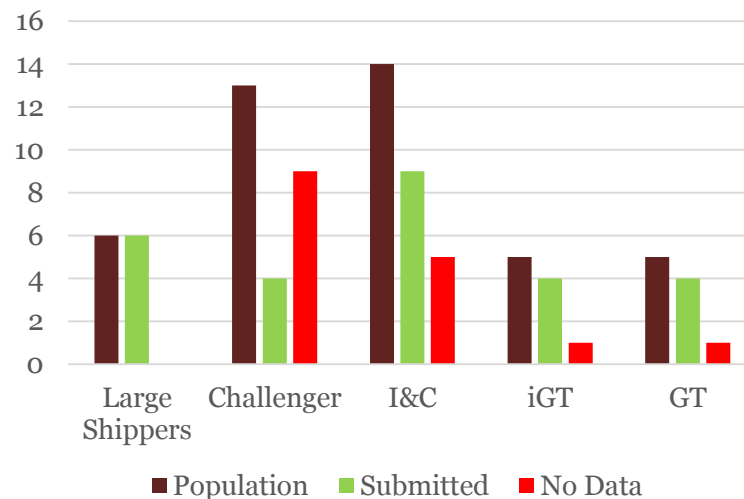
The interim submission requested participants to make a self assessment of their Market Trials progress against a defined set of metric based questions. The following slides summarise the participant positions directly as recorded. Our follow up work will seek to validate the completeness and accuracy of information provided to support fact based reporting on MT progress.

We contacted 43 organisations, representing **99% total market AQ and 98% of supply points**.\*

Of the 43 organisations contacted:

- **27 organisations** have made a self-assessment submission, through the portal (**96% of supply points and 95% of AQ**);
- 2 organisations who made a submission in the first assessment in March 2016, did not provide an update in this assessment. These organisations have been contacted directly and requested to update the Nexus Portal.
- 1 organisation experienced issues accessing the portal and therefore, responses have not been included in this report.
- **6 of the 27 organisations** provided a **partial submission**. Each organisation has been contacted to provide additional detail as applicable.
- We continue to received **no submission or contact from 13 organisations**, representing **4%** of overall market AQ. This is currently being followed-up and will be escalated to Ofgem as required.

Graph 1 – Portal submissions by ‘constituency’

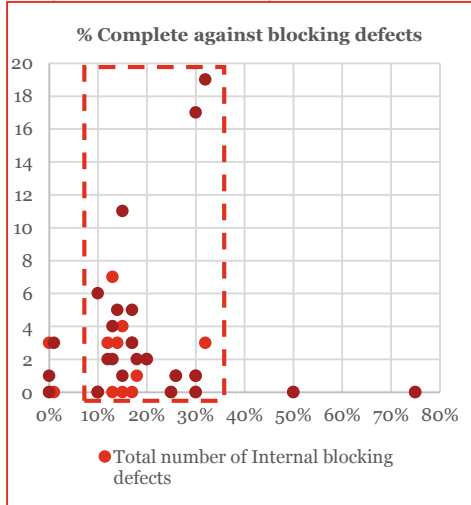
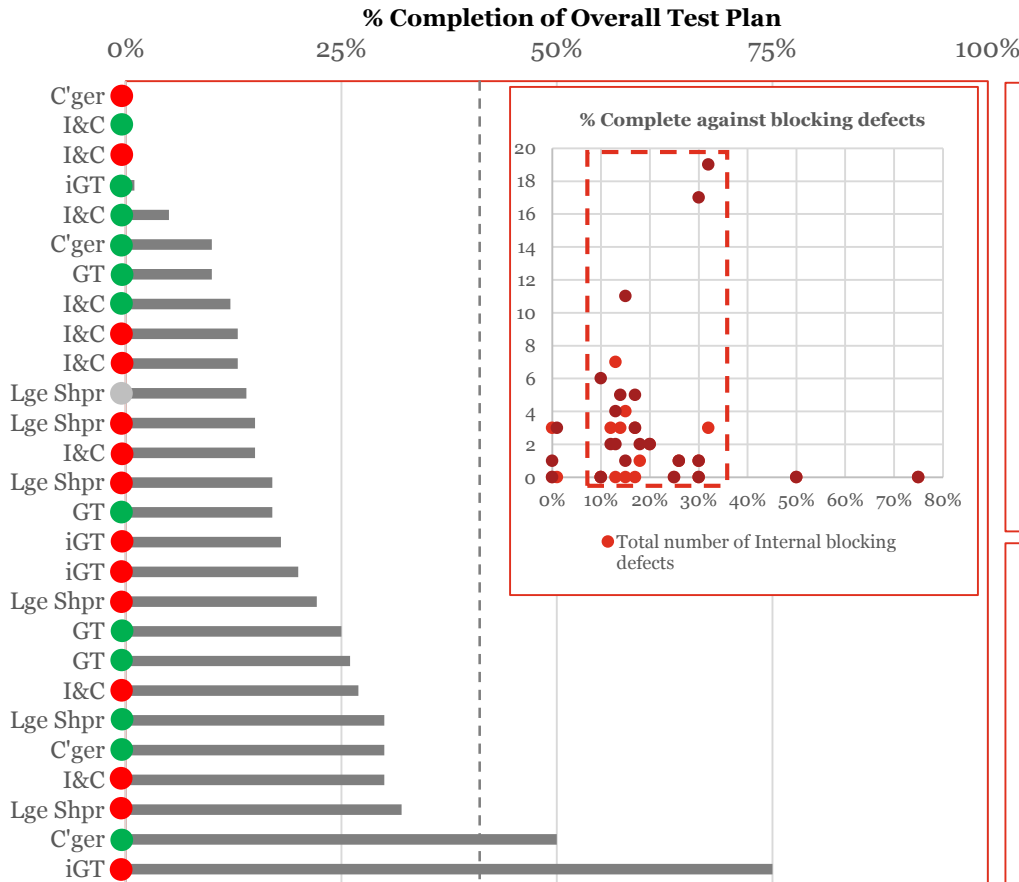


	Number of organisations	% Supply Points*	% Annual Quantity*
Responded	27	96%	95%
No data	16	2%	4%

\*Market share data accurate as at March 2015. The 43 organisations identified cover 98% of Supply Point and 99% of AQ.

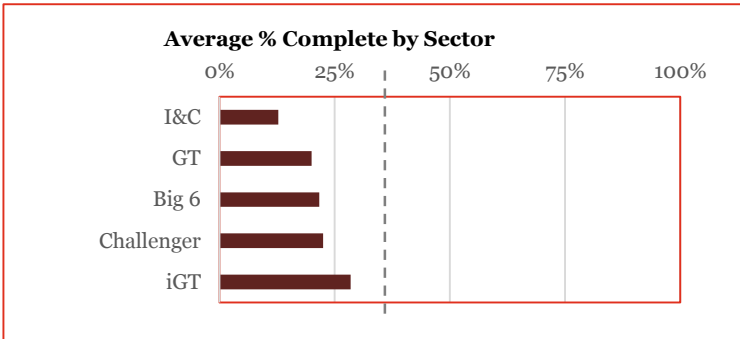
### 3. Percentage completion of overall test plans

Overall test plan completion is currently behind where we would expect it to be at this stage of Market Trials. After 7 weeks of 4 month 'Core' Market Trials phase (approximately 40% of the duration) only 2 organisations are more than 40% complete.



**Insights:**

- The MT 'Core' phase is approximately 40% through its planned 4 month duration. Assuming a linear profile of testing completion, only two organisations are 'on-track'.
- 21 organisations are between 10% and 32% complete. This correlates to participants with the most blocking defects.
- 6 participants are less than 10% complete. 4 report as 'on track'. This may reflect a late start to MT or long end-to-end scenarios. Further assurance validation is required.
- The progress reported reflects the position prior to the availability of RGMA functionality for MT from 18 April 2016. This removes a key reported testing blocker and should support increased progress.\*



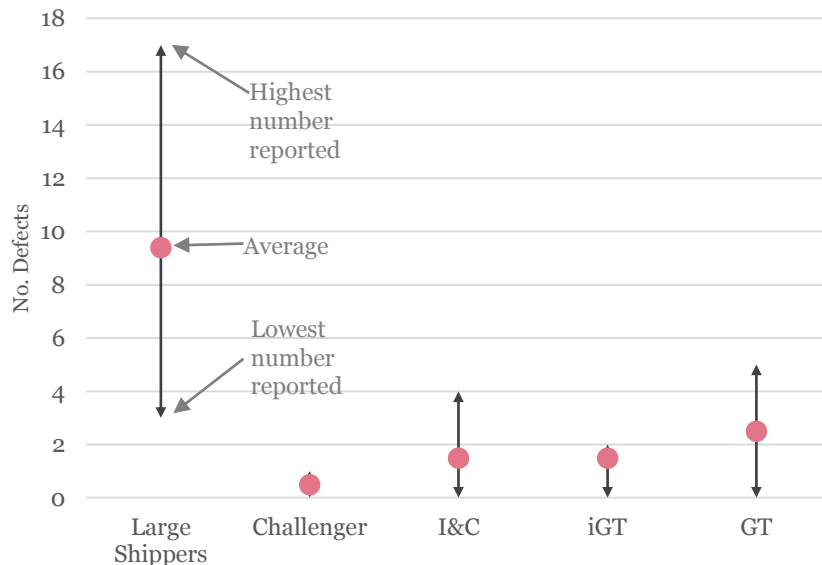
- Organisation self-assessment of 'off-track' against execution of detailed test plan.
- Organisation self-assessment as 'on-track' against execution of detailed test plan.
- No self assessment provided on status of current test plan.

\*Following the availability of RGMA functionality from 18 April 16, a P1 incident occurred in MT on 20 April, which is likely to have impacted the ramp up of RGMA testing during w/c 18 April.

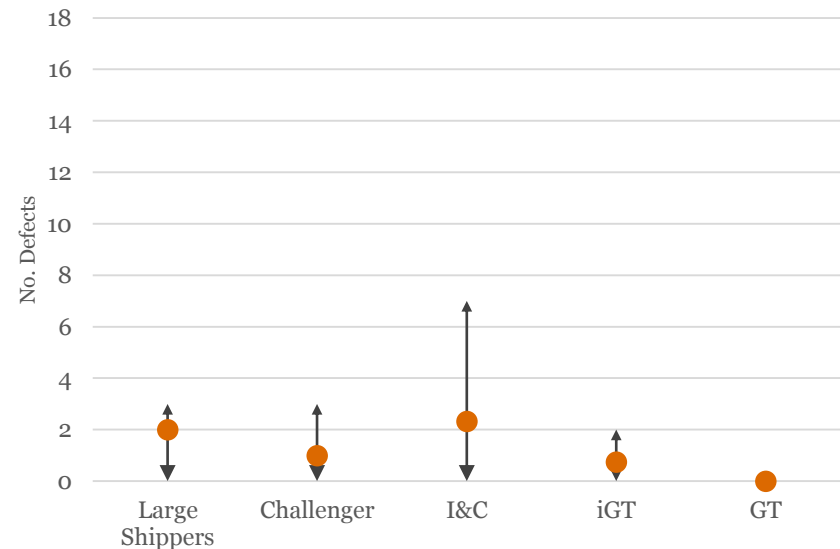
## 4. Number of defects blocking C1 Mandatory Processes

The Large Shippers are reporting a higher number of blocking defects, although overall progress does not appear to be behind other market sectors (see Page 4).

**Xoserve Defects Blocking C1 Mandatory Process Testing**



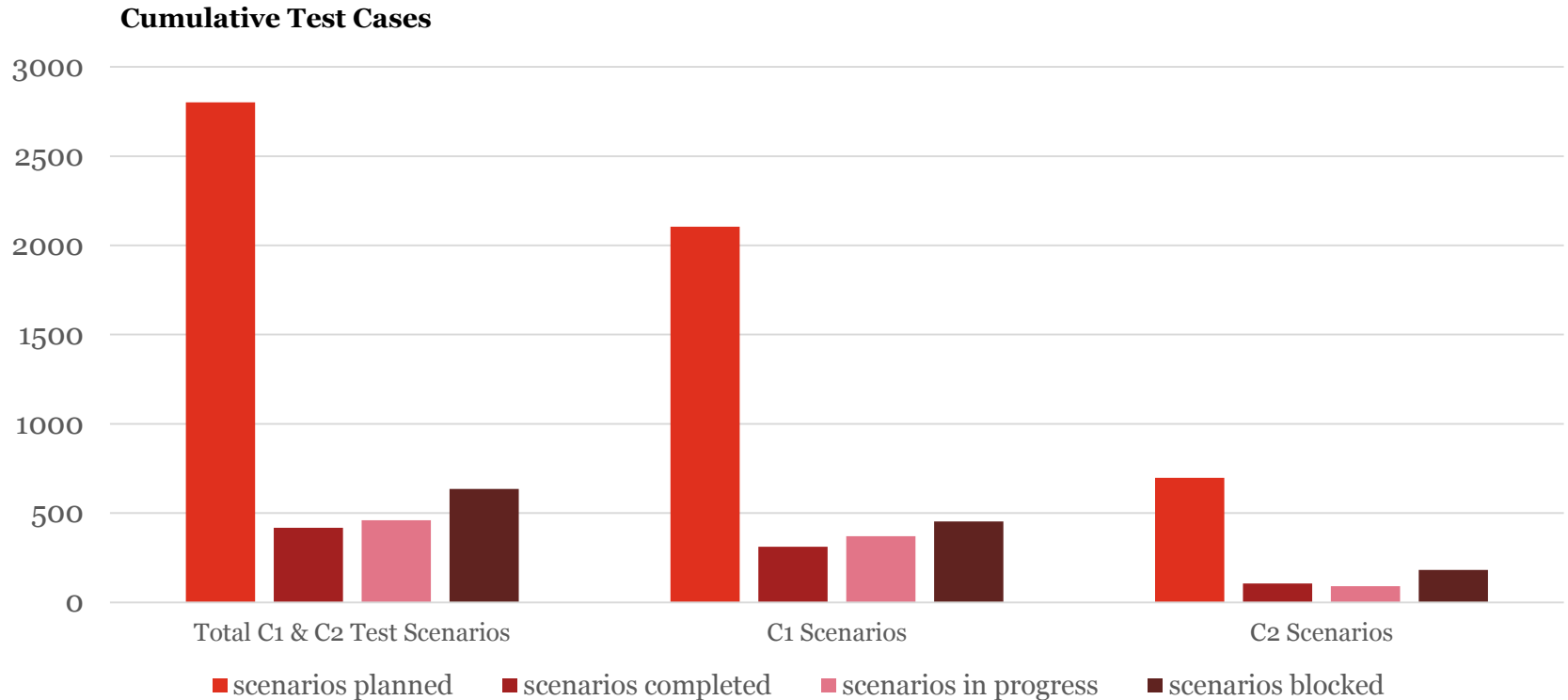
**Internal Defects Blocking C1 Mandatory Process testing**



### Next steps:

- A **workshop** was held **between Large Shippers, Xoserve and PwC** on 20 April to **evaluate the current defect management process** and identify elements that could be improved. The workshop focused on improving the prioritisation process and identifying commonality in defects that are blocking participants. Proposed changes will be presented to the MTWG on 28 April 2016 to agree and determine how to roll out across the other Market Sectors.
- Xoserve have **revised** the 'bundling' **approach to defect resolution**. This has seen an improvement in defect resolution rates. In the week commencing 1 April Xoserve managed to resolve over 60 open defects.
- PwC will **closely monitor the defect situation** and support Xoserve and the Market in ensuring that defects are being progressed and the appropriate level of information is available.

## 5. Cumulative totals for C1 and C2 scenarios across Market Trials



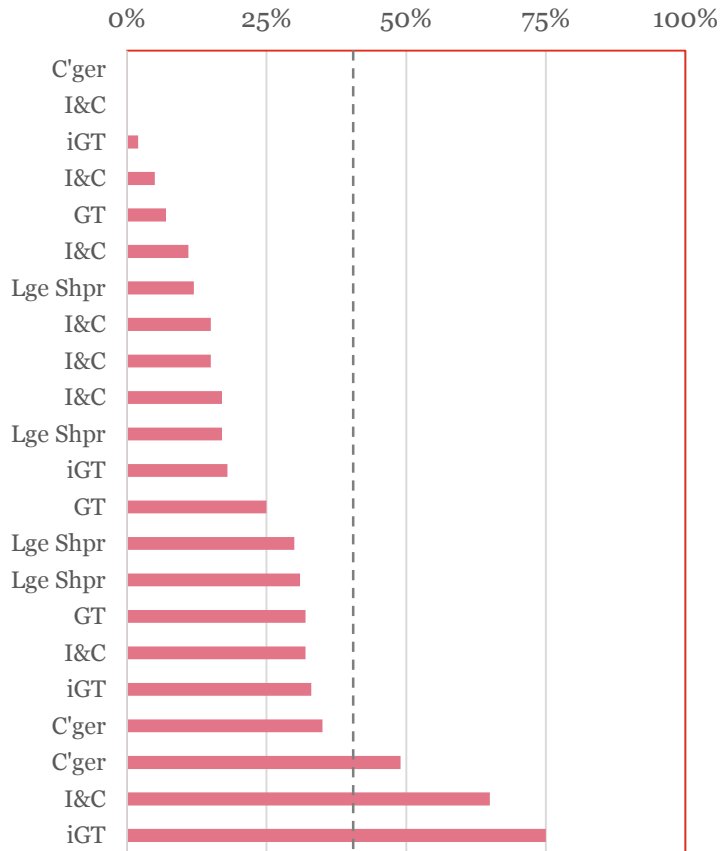
### Observations:

- Over **2800 C1 and C2 test scenarios** are **planned** across the market with, over 2000 relating to C1 Mandatory Scenarios. Further analysis of the evidence submitted will determine the full coverage across all of the agreed mandatory processes.
- **417 scenarios** (20% of total C1 scenarios) have been **completed** with a further **460 in progress** at the time of the submission on 18 April 2016.
- **635 C1 and C2 scenarios** are indicated as being **blocked by defects** (23% of total C1 and C2 Scenarios). This shows that even with a relatively low total number of blocking defects being reported (see Page 5) the impact of an individual defect can be quite significant. As a result, PwC are currently working with Xoserve and the Large Shippers to identify any improvements in the defect management process (See Page 5)

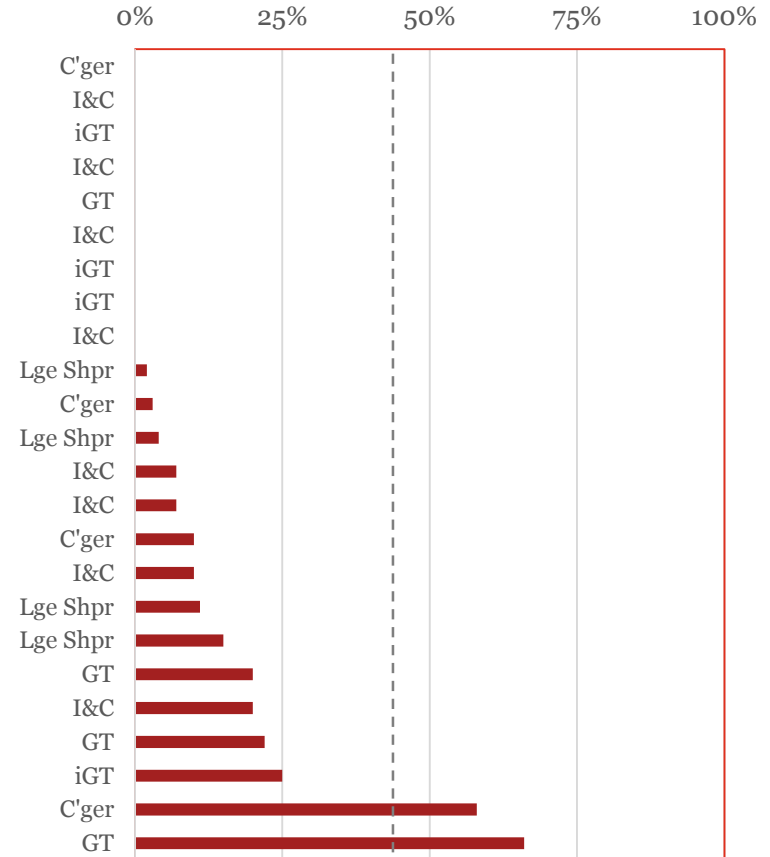
## 6. Percentage completion of mandatory process testing

Completion of C1 and C2 Mandatory Process testing shows a similar profile to overall test completion, as would be expected. Both are behind where we would expect it to be at this stage of Market Trials with C2 further behind than C1.

**Completion of C1 Mandatory Process Testing**



**Completion of C2 Mandatory Process Testing**



## 7. *Follow-up on prior Assurance Activity*

Since the first submission on 21 March 2016, we have conducted calls with 12 participants to review progress against their Market Trial plans. This covered further review of the self-assessment and artefacts submitted as part of the first interim assessment. The table below outlines the key themes from these discussions.

Key Challenges identified by follow up assurance work	Next steps / mitigating actions
<p><b>Longer defect resolution times</b></p> <ul style="list-style-type: none"> <li>The majority reported that defects were taking longer to resolve than the agreed service levels.</li> <li>This was impacting the ability to move forward due to blocking defects and also causing scenarios to ‘time out’ and need to be re-started.</li> </ul>	<ul style="list-style-type: none"> <li>Xoserve have revised their defect resolution process, now releasing fixes as they ready rather than waiting and packaging them into larger release ‘bundles’.</li> <li>21 April meeting between Xoserve, Large Shippers and PwC identified improvements around defect information and resolution.</li> </ul>
<p><b>Response files not received as expected</b></p> <ul style="list-style-type: none"> <li>For 6 of 12 participants, response files are not always being received when expected.</li> </ul>	<ul style="list-style-type: none"> <li>Xoserve believe this is occurring on a case-by-case basis.</li> </ul>
<p><b>Outstanding functionality</b></p> <ul style="list-style-type: none"> <li><b>RGMA:</b> This was raised by 11 from 12 participants as a key blocker to their testing progress.</li> <li><b>Portfolio reports:</b> Other areas of missing functionality discussed related to the Portfolio Reports and the EWS file.</li> <li><b>DUC:</b> The ‘Date Update Code’ (DUC) was proposed for de-scoping by Xoserve, but this was not supported by the industry.</li> <li><b>File Format Changes:</b> A number of file format changes are due to be released on 30 June 2016, which means they will not be available for testing during MT ‘Core’.</li> </ul>	<ul style="list-style-type: none"> <li>RGMA functionality was available for MT from 18 April 2016 – participants should trial this functionality.</li> <li>Portfolio reports and EWS are now expected to be released into MT on 1 May 2016.</li> <li>The DUC solution is currently under discussion within the Solution Development Group.</li> <li>The impact of the file format changes is currently being worked through by the MTWG.</li> </ul>



## 8. *Recommended next steps*

1

**Follow-up with the 13 organisations** that have **not submitted** a portal response at either interim assessments to date. Understand the key reasons for the lack of submission and MT progress to date. Escalate to Ofgem as required.

2

**Follow-up with the 2 organisations** who have not submitted a portal response for this checkpoint but did provide a response for the previous checkpoint. Understand the key reasons for the lack of submission and MT progress to date.

3

Perform **on-site visits** for a sample of organisations to **validate** the information provided and **deep dive into MT progress**.

4

Continue to **support the defect management process enhancement** work with Xoserve and the Market.

5

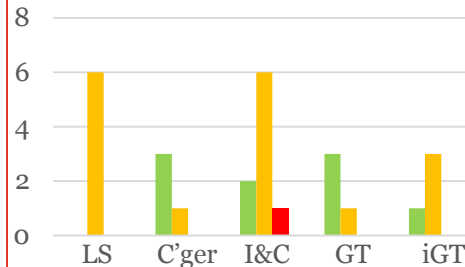
**Close monitoring of RGMA MT progress** over the next 4 weeks and **delivery of remaining Xoserve functionality to MT**.

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# *Appendix*

## A1. Detailed response summary – C1 and C2 MT Progress

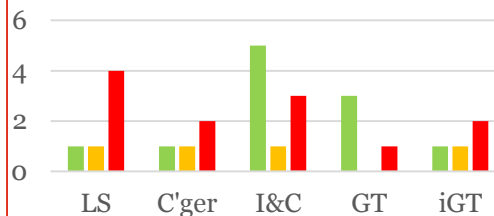
### RAG status against C1 test plan progress



#### Insights:

- The RAG descriptions were updated from the first assessment in order to make them more applicable to interim assessments:
  - Red - Off track with test plan and unlikely to complete;
  - Amber - Off track with test plan but remediation activities will support completion within in the current time line; and
  - Green - On track with test plan.
- As a result there has been a shift from the majority reporting as 'Red' (12) in March to 'Amber (17) or 'Green' (9).

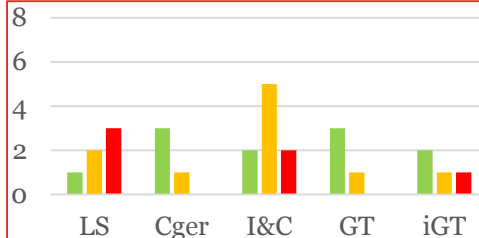
### Number of unresolved critical and high impact defects relating to C1 scenarios



#### Insights:

- The defect position relating to C1 Mandatory Scenarios marginally improved from the first assessment where 17 organisations reported as having 1 or more blocking defect with no workaround in March compared to 12 in April.
- It is expected this may improve as Xoserve have stopped the 'bundling' approach to defect resolution.

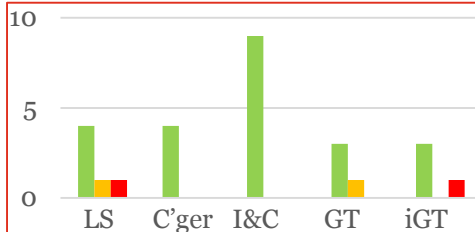
### RAG status against C2 test plan progress



#### Insights:

- As with C1 Mandatory Scenario testing there has been a shift from 'Red' (22) in March to 'Amber' (10) and 'Green' (11) in April.
- This is again due to having RAG descriptions more aligned to an interim assessment.

### Number of unresolved critical and high impact defects relating to C2 scenarios

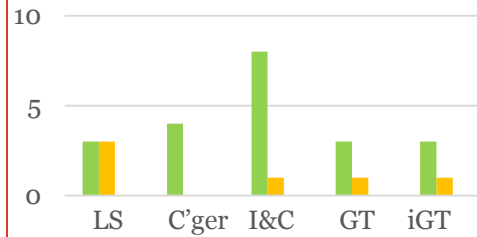


#### Insights:

- The majority (23) organisations are reporting as not having any blocking defects on C2 Mandatory Processes.
- This position may be reflective of the relatively limited progression of C2 testing to date.

## A1. Detailed response summary – C1 and C2 MT Progress

Number and extent of workarounds identified during test phase



### Insights:

- Minimal level of workarounds being required all of which are being reported as manageable.