
Change Overview Board (COB) Minutes Monday 03 August 2015

Energy Networks Association, 52 Horseferry Road, London SW1P 2AF

Attendees

Les Jenkins (Chair)	(LJ)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Angela Love	(AL)	Scottish Power
Bhavika Mithani	(BM)	Ofgem
Colette Baldwin	(CB)	E.ON UK
Edward Hunter	(EH)	RWE npower
Gareth Evans	(GE)	Waters Wye Associates
Graham Wood*	(GW)	British Gas
Jayesh Parmar	(JP)	Baringa
Joanna Ferguson	(JF)	Northern Gas Networks
Jon Dixon	(JD)	Ofgem
Marcus Clements	(MC)	Ofgem
Mike Harding	(MH)	Brookfield Utilities
Nick Salter	(NS)	Xoserve
Paul Waite	(PW)	EDF Energy
Phil Broom*	(PB)	GDF Suez
Phil Sumner	(PS)	Ofgem
Sandra Simpson	(SS)	Xoserve
Sean McGoldrick	(SMc)	National Grid NTS
Steve Mulinganie	(SM)	Gazprom
Steve Simmons	(SSi)	Scotia Gas Networks

**via teleconference*

Copies of meeting papers are available at: <http://www.gasgovernance.co.uk/COB/030815>

1. Introduction and Status Review

LJ welcomed all to the meeting.

1.1. Review of Minutes (08 July 2015)

AL requested some changes and these were accepted; the minutes will be revised and republished. The minutes were then approved.

2. Planning

2.1. Change Horizon - Quarterly Review

The Change Horizon is reviewed quarterly. The next review will take place on Monday 05 October 2015.

3. In-flight Programme Overview

3.1. UK Link Programme Report

No report provided; deferred to next meeting.

3.2. Change Portfolio – Dashboards

SS gave a brief overview (recent achievements, priorities, risks and dependencies) updating the group on the various areas of change.

EU Programme Dashboard – RAG status remained at AMBER. There was to be a go/no go meeting today to decide whether to move to a 'dress rehearsal' phase. If there was a 'go' decision the target will remain 06 September 2015, otherwise it will be looking at the contingency weekend of 13 September 2015).

Smart Portfolio DCC Day 1 and DCC Gateway – The Redesign phase was completed and it had now moved into the Build phase. Attention was drawn to the notes in Risks and Dependencies and what this might mean going forward. RAG at GREEN.

SCR - Gas Deficit Emergency - This was moving from system testing into UAT phase. Set up was 90% complete. All was on track for next month. RAG at GREEN.

Gemini Consequential Change (GCC) – Industry Test Start date was confirmed as 01/02/16 nad Cutover and Implementation date as 01/10/16. Replanning for Market Trials. It ws still planned to implement the code for this in conjunction with the EU programme. RAG at GREEN.

GE confirmed that the newly convened Market Trials Working Group (MTWG) was focusing on Level 2 testing, and indicated that it would be good to see a Large Transporter representative at the MTWG. JF confirmed that a representative was being selected and would attend.

4. Policy Updates

4.1 Priority Services Register (PSR)

BM briefly outlined the aims of the Consumer Vulnerability Strategy (CVS), the background to the review of the PSR and what Ofgem believed was needed for improving the position across a number of facets. The gas industry will be expected to identify customers in vulnerable circumstances and to record and share relevant data about customers between themselves and with other utilities. Data flows existed from suppliers to networks, but there were none in the reverse direction, and this was to be remedied. An understanding was being sought as to how/whether a flow can be created and any associated timescales to achieve this. Ofgem had considered there would be scope to connect this in with Nexus implementation in 2016, but recognised this might be prove challenging.

SM pointed out that to all intents and purposes the scope of Nexus was locked down. There were concerns that this was a new piece of work that has impacts (potentially legacy impacts) and was looking to be accommodated in the middle of major project. SS qualified this, reiterating that nothing else was to be implemented in the six months after Nexus implementation to ensure the new system is robust, however if it turned out that all had progressed extremely well then other items of importance may possibly then be able to be accommodated. Observing that PSR had been sitting on the Change Horizon overview for a while, NS indicated it was necessary to know how delivery was envisaged, i.e. any system changes.

Noting these were fair points, BM explained that trying to find the 'right' time to bring changes in that suits both industry and Ofgem, and it had seemed appropriate to do this at the same time as Nexus. CB pointed out that the industry is already constrained because of the Nexus timeframe and had had to prioritise and limit itself to the things that it most particularly wanted, and it was concerning to now be asked to try and lever something else in. JF added that requirements would have to be clearly understood

(these can be very complex) and any arrangements relating to data flows would have to be fully trialled in what would be a substantial step change (data collection and brand new data flows). The 2016 date was a concern.

BM referred to the ENA-led Customer Safeguarding Working Group at which proposals were being discussed; a number of parties were unfamiliar with this group and asked for further information (see post-meeting note below).

Reference was also made to Central Registration; there might be some integration issues and impacts on Licensees who operate across more than one energy sphere. Nexus will have to integrate with the Central Register at some point.

Referring to the events captured on the Change Horizon illustration that will presumably have to be addressed and accommodated by the industry over the next 4 years, GE noted that while Ofgem most likely had designs for each area, and recognising that each will be considered to be important in its own way, the common factor to address will be the question of how can they be delivered in the most practical and appropriate manner and against what holistic background (constraints) this might have to happen. PS noted the 'push back' for 2016, and expressed disappointment that parties were unaware of the Customer Safeguarding Working Group. There may be a solution outside the current system; Ofgem wants a policy outcome for consumers with appropriate timescales but was not suggesting it will/must be shoehorned into Nexus. It was clear that a sensible time horizon needed to be agreed, with an understanding of what needs to be accommodated. GE wondered if this could have been done more efficiently through earlier engagement and broader dialogues (policy and delivery).

PS explained Ofgem's aspirations, noting there were interactions with other initiatives to be considered. It was understood that it was very difficult to include anything in addition to the core for Nexus, and that more and clearer articulation regarding what and when was required, together with appropriate routes for engagement with the other group. JD added that ideally COB should be liaised with to work out any appropriate dates. SM observed that prior sight of any proposals/working papers would be useful in advance of any consultation. MH suggested that perhaps an alternative might be a 'soft landing' that could feed into the period after Nexus implementation. JP commented that parties would need to have early sight of any proposed procedural/system changes to assess what might be required.

BM concluded with an overview of Ofgem's proposed next steps and timeline, which currently included further engagement, the publishing of final proposals, draft SLCs and an Impact Assessment, and a Statutory Consultation, culminating in a go live for Licence Conditions and a staggered implementation in Spring 2016. As Ofgem develops its final proposals over the next few months it would welcome further engagement with the COB, and BM indicated she would be happy to provide another update on progress at the October COB meeting. (A copy of BV's presentation has been published alongside these minutes.)

Post meeting note: Following the request for further information on the ENA-led Customer Safeguarding Working Group the following documents have been published alongside these minutes at www.gasgovernance.co.uk/COB/030815:

- ENA response to the PSR Condoc (June 2014), which contains the Terms of Reference for the working group;
- A list of attendees.

4.2 Guaranteed Standards of Service (GSOS)

Providing a handout (Supplier Guaranteed & Overall Standards of Performance reforms), MC gave a brief overview of the background to the review of GSOS and the subsequent consultation, leading up to the final decision reached in July 2015.

The revised regulations, covering four Guaranteed Standards, were illustrated, and it was noted that the OS mechanism and one GS (relating to PES customers) had been completely removed. Other changes made were briefly outlined. No new service areas had been introduced. The overall aims had been to reduce the regulatory burden and to maximise flexibility, while retaining appropriate protection for the consumer. MC explained that taking into account the prevailing circumstances at the time, the go-live date of 01 January 2016 had been confirmed. However circumstances had changed again, and it was recognised this might now present different challenges.

The finalising of reporting arrangements was briefly discussed. Parties would welcome clarity on what Ofgem expected in the way of structure and requirements for the transition period between January and October 2016. MC indicated there would be discussions at the end of the month/next month and these could take place wherever required. LJ suggested that Ofgem might like to consider hosting a Reporting Requirements session at the end of the next COB meeting in September.

There was a general discussion on how engagement and agreement on future policy decisions/implementations might be improved, and it was recognised that the earlier the discussions could be entered into the better would be very much welcomed by industry so that various implementation mechanisms could be assessed if necessary to agree the most pragmatic and efficient approach for all concerned. Advance dialogues - the sooner the better - on Ofgem's 'emerging thinking' (in whatever area) would also be much appreciated, and MC indicated that Supplier Objections might be coming next.

Considering the Change Horizon schematic, NS drew attention to COSEG and Next Day Switching (NDS) - these could have potential dependencies, and he questioned whether these should be tracked separately or considered under NDS.

4.3 Discussion re LJ Letter

Ofgem's response to the letter is published at www.gasgovernance.co.uk/COB/030815.

AL and CB reiterated their concerns regarding in what capacity this had been put forward. JD explained what had been discussed with LJ, and the rationale/action taken to address the issues that had been raised at the previous meeting. NS also considered it to have been a reasonable approach and had quite clearly had the positive effect of moving things forward in a constructive manner. SM observed that individuals have the right to express an opinion, and there should not be an imposition of a constraint.

The concept and process of communications that were made as individuals and/or on behalf of the wider group were briefly discussed. Various views were put forward as to how these might be interpreted/agreed. It was agreed that it would be unreasonable to impose constraints on individuals from expressing and communicating their viewpoint, and that it should be clear in what capacity any communications were made.

5. Issues for discussion

None raised.

6. Any Other Business

6.1 Terms of Reference - frequency of COB meetings

NS drew attention to the frequency of COB meetings and asked if this was still relevant or should be reduced. A brief discussion of various options ensued; a number of parties believed the monthly face-to-face meetings had value and benefit, and it was concluded that these should continue for the present.

7. Review of Outstanding Actions

The following actions were reviewed.

COB0502: *Baringa Report Recommendations* - SS to provide a table to illustrate/clarify what is being addressed by Xoserve.

Update: SS provided a set of slides indicating how Xoserve was addressing the CSA Quarter 1 Report recommendations. Parties were encouraged to read these. It was noted that the extended timeline has allowed some activities to be replanned to ease the pressure points. Referring to the line 'Industry Governance' SM suggested further clarity was required. SS agreed to amend and republish. JP confirmed that Xoserve had addressed Baringa's concerns/recommendations raised in this report. **Closed**

COB0701: Invite CMA representative to the next COB meeting.

Update: An invitation has been sent; a response has yet to be received. **Closed**

COB0702: *Change Horizon potential addition* - Xoserve to liaise with National Grid to assess what iGMS work involves and whether it merits inclusion as a topic.

Update: Work ongoing. **Carried forward**

COB0703: *Ofgem Representatives* - Invite Jonathan Blagrove and/or Angelita Bradney to the next COB meeting.

Update: Completed; Ofgem representatives in attendance. **Closed**

8. Diary Planning and Agenda for the Next Meeting

8.1 Agenda for next meeting

Policy Updates

NS suggested there was a need to continue with the Ofgem Policy Updates and that this would also be conducive to Ofgem. JD agreed that the earlier policy communications/engagements could be made the better and that Ofgem would much prefer industry to assess/recommend appropriate implementation dates rather than Ofgem.

Change Horizon

It was suggested the Change Horizon Events/zones should be reviewed, with a view to establishing the current position on each. GE suggested a second page offering a more detailed view of the coming 24 months might be useful; NS noted this for consideration, confirming there will be the next Quarterly review in October. It was also suggested that 'Must Inspect' could be added. JD agreed review the Change Horizon events and compare to events that are Ofgem-driven, and create a list of items that might be missing ready for discussion at the next meeting.

Action COB 0801: *Change Horizon Events* - JD to review the Change Horizon events and compare to events that are Ofgem-driven, and create a list of items that might be missing ready for discussion at the September meeting.

It was also suggested that the Change Horizon needed to be an industry-owned document rather than the sole responsibility of Xoserve. GE agreed to liaise with Xoserve to take this forward.

Action COB 0802: *Change Horizon Document* - GE to liaise with Xoserve to consider how to transform this into an industry owned document.

Theft Risk Assessment Service (TRAS) Session

It was suggested a session on TRAS be arranged for the September meeting. JD agreed to invite Electralink and/or Experian to attend.

Action COB 0803: *TRAS session* - JD to invite Electralink and/or Experian to attend the September meeting.

Xoserve Funding, Governance and Ownership (FGO)

LJ agreed to invite N Cocks (KPMG) to the next meeting to provide an update.

Action COB 0804: *Xoserve Funding, Governance and Ownership (FGO)* - LJ to invite N Cocks (KPMG) to attend the September meeting.

8.2 Date of Next Meeting

LJ drew attention to the venue for the next meeting - it will be held in the Pink Room at Elexon.

Unless otherwise notified Change Overview Board (COB) meetings will take place as follows:

2015

Time/Date	Venue	Programme
10:30, Monday 07 September 2015	Pink Room, ELEXON, 4th Floor, 350 Euston Road, London NW1 3AW	<ul style="list-style-type: none"> • <i>UKLP Report</i> • <i>Change Portfolio Dashboards</i> • <i>Policy Updates</i>
10:30, Monday 05 October 2015	Pink Room, ELEXON, 4 th Floor, 350 Euston Road, London NW1 3AW	<i>To be confirmed</i>
10:30, Monday 02 November 2015	Rooms 3 and 4, Energy Networks Association, 6 th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	<i>To be confirmed</i>

10:30, Monday 07 December 2015	Pink Room, ELEXON, 4 th Floor, 350 Euston Road, London NW1 3AW	<i>To be confirmed</i>
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Action Table – Change Overview Board (03 August 2015)					
Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
COB 0502	11/05/15 <i>(amended 08/07/15)</i>	4.1	<i>Baringa Report Recommendations</i> - The recommendations to be reviewed and assessed in light of the new plan - SS to provide a table to illustrate/clarify what is being addressed by Xoserve.	Xoserve (SS)	Closed
COB 0701	08/07/15	2.1	Invite CMA representative to the next COB meeting.	Chair (LJ)	Closed
COB 0702	08/07/15	2.1	<i>Change Horizon potential addition</i> - Xoserve to liaise with National Grid to assess what iGMS work involves and whether it merits inclusion as a topic.	Xoserve (NS/MB)	Carried forward
COB 0703	08/07/15	5.1	<i>Ofgem Representatives</i> - Invite Jonathan Blagrove and/or Angelita Bradney to the next COB meeting.	Chair (LJ)	Closed
COB 0801	03/08/15	8.0	<i>Change Horizon Events</i> - JD to review the Change Horizon events and compare to events that are Ofgem-driven, and create a list of items that might be missing ready for discussion at the September meeting.	Ofgem (JD)	<i>Due 07 Sept meeting</i> Pending
COB 0802	03/08/15	8.0	<i>Change Horizon Document</i> - GE to liaise with Xoserve to consider how to transform this into an industry owned document.	Waters Wye (GE) and Xoserve (NS)	<i>Due 07 Sept meeting</i> Pending
COB 0803	03/08/15	8.0	<i>TRAS session</i> - JD to invite Electralink and/or Experian to attend the September meeting.	Ofgem (JD)	<i>Due 07 Sept meeting</i> Pending

Action Table – Change Overview Board (03 August 2015)					
Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
COB 0804	03/08/15	8.0	<i>Xoserve Funding, Governance and Ownership (FGO - LJ to invite N Cocks (KPMG) to attend the September meeting.</i>	Chair (LJ)	<i>Due 07 Sept meeting</i> Pending