
Change Overview Board (COB) Minutes
Monday 05 October 2015
Elaxon, 350 Euston Road, London NW1 3AW

Attendees

Les Jenkins (Chair)	(LJ)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Andy Sinclair*	(AS)	PwC
Angela Love	(AL)	Scottish Power
Anne Jackson*	(AJ)	SSE
Bhavika Mithani	(BM)	Ofgem
Gareth Evans*	(GE)	Waters Wye
Jayesh Parmar	(JP)	Baringa
Joanna Ferguson	(JF)	Northern Gas Networks
Jon Dixon	(JD)	Ofgem
Lorna Lewin	(LL)	DONG Energy
Martin Baker	(MB)	Xoserve
Naomi Nathanael	(NN)	Plus Shipping
Nick Salter	(NS)	Xoserve
Phil Sumner	(PS)	Ofgem
Richard Pomroy*	(RP)	Wales & West Utilities
Sean McGoldrick	(SMc)	National Grid NTS
Steve Mulinganie*	(SM)	Gazprom
Steve Simmons*	(SS)	Scotia Gas Networks
Vicki Spiers	(VS)	ES Pipelines

**via teleconference*

Copies of meeting papers are available at: <http://www.gasgovernance.co.uk/COB/051015>

1. Introduction and Status Review

LJ welcomed all to the meeting.

1.1. Review of Minutes (07 September 2015)

The minutes were approved.

2. Planning

2.1. Change Horizon - Quarterly Review

The schematic was displayed and MB presented an overview of the current landscape, drawing attention to progress made/changes to circumstances. The potential movement across zones/closure of a number of items was then considered on an individual basis.

Zone 3

It was suggested that *EU Reform Phase 1* and *SCR Gas Cashout* be closed, as implementation was now complete. This was agreed.

It was also proposed that *Theft Risk Assessment Service (TRAS)* be closed, as it was not impacting on Xoserve. This was discussed, with reference being made to the discussions at the previous meeting where it was questioned whether the Performance Assurance Framework should have sight of this and if there should be a check on whether figures tally up. It was noted that the Theft of Gas Reports (Shippers and Networks) were published on the JO website at: www.gasgovernance.co.uk/theft. There was a consensus by the end of the discussion that TRAS could be removed. Attendees were satisfied that there was little or no impact on Xoserve systems and services.

AL gave a brief update on *Performance Assurance Framework (PAF)* UNC Modifications; reports prior to and post Nexus were being developed. LJ added that soft landings might be appropriate in a phased approach. It was agreed to leave PAF in its existing position until there was further clarity on what implementation might look like.

MB gave an update on *Funding, Governance and Ownership (FGO)*; a transition plan had been agreed and there will be a two- part delivery.

In respect of *Tariffs Reform* MB believed achieving change for Q3 2017 was increasingly ambitious, and it could go out as far as 2019; more detail should be available at the next review and, depending on the clarity, there may be greater system impacts.

Zone 2

Following on from today's *Priority Services Register* update, MB commented that the assumption must be a delivery at least 6 months after Nexus go-live. SM believed this should be moved to a different position. MB observed that Ofgem's conclusions were still awaited regarding a central register for gas, and information in relation to the new data flows was also required. The position will be reviewed after the final proposals have been published.

Regarding *Next Day Switching and Central Registration*, it was expected that Ofgem would publish an update of the Target Model by the end of the year.

Zone 1

It was observed the timetable for *Energy Market Investigation* had drifted out a little. SM suggested it should be moved to the 'Policy Undefined' channel.

MB noted AL's suggestion of the addition of a further item, *Election 2020*.

Next Review

The Change Horizon is reviewed quarterly. The next review will take place at the meeting to be held on 11 January 2016.

3. Policy Updates

3.1 Priority Services Register (PSR)

BV recapped on the information provided at the August meeting and gave an update. New 'Needs Codes' were being developed. The sharing of customer data between parties was inconsistent and data flows were being developed across all parties, with the work being led by the ENA working group. Changes are expected to be in for Q2 2017; there have been internal policy discussions and Ofgem recognises the need to fit

in line with Nexus as holistically and efficiently as possible. PS added that Ofgem wanted to give the industry space to implement changes properly, but also to recognise that this evolution was also a priority, and that gas distributors and suppliers should look to implement the Needs Codes as early as possible.

The final proposals were to be delivered by November, with any changes in draft to Licences, MRA and UNC, etc. It was believed that any changes were likely to be fairly limited. The important point was that Ofgem want things to move as fast and as efficiently as possible.

Needs Codes were discussed. The aim was for consistency across electricity and gas. Some parties appeared not to have had sight of the list; perhaps communication (internal and external) should be improved.

AJ asked what Data Protection (DP) considerations had been reviewed, and PS explained. As part of the industry work there would be an Information Commissioner's Office (ICO) assessment; AJ was concerned this should already have been done, as later DP issues could disrupt progress. PS observed this should not stop the development of consistent Needs flags. In respect of data sharing there had been a strong steer to the industry that this should be with 'informed consent'. In discussions with the ICO there was no indication that this could not be done.

AJ gave some examples of where the indicating codes, for a customer's particular/varied needs and what a party might be realistically expected to devise as a response/support approach, were unclear and ambiguous. Concerns were expressed at the depth of medical detail that appeared to be required to be recorded - which could lead to perceptions of the inappropriate holding of personal data that was not necessarily needed. Legal opinion was that a much lower level of detail was required.

Parties were encouraged to participate in the industry led groups and articulate what they felt the concerns/risks to be and how they might be addressed. AL suggested that the minutes of the group(s) involved should also be published to give better visibility. LJ suggested that PS consider providing a communication that could be sent out to a wider audience (via the Joint Office) to raise the profile of the initiative and its progress, and how parties could contribute.

It was acknowledged that it was not a small piece of work to get to a set of stable requirements. The electricity side was progressing and its experience could be learnt from. Summarising his understanding of the position, NS believed the drivers/aspirations to remain valid, the requirements still carry some question marks, and that the delivery is no longer expected to be part of Nexus, but that there may be an early delivery for GDNs in respect of the Needs Codes. Xoserve needed to understand how this affects the Change Register; ahead of this the individual numbering systems need to be made consistent, and it was observed that it might be seen to be unfair if all changes are expected to happen on the gas side rather than being equitably shared with the electricity side. It was noted that a UNC modification might be required to reflect any agreed changes.

PS concluded that the final proposals will need to reflect the narrative and give a clear view of what implementation might look like for various parties, whilst affirming that the industry needs to assist in delivering 'the quickest wins' where possible.

3.2 Ofgem Overview

Pointing out that it will not always be known at an early stage whether or not a policy initiative will have an impact on systems and/or to what extent, JD gave an update on a number of different areas where systems implications are anticipated.

DCC (alignment of timeline, activities, and any potential impacts/risks)

The programme was still looking for a live interface in August; a whole raft of complementary changes will be required, but the timing of these is not necessarily prescribed. The focus is on interface testing. The requirement for a minimum gap between DCC go live and Project Nexus implementation has been raised as a risk in both programs – however, there is currently not a consensus on what the gap, if any, should be, or the scale of the risk. The awareness of a pinch point exists, but there is no clarity on approach yet.

Next Day Switching (NDS) and Central Registration

These will be taken forward together and Ofgem will launch a Significant Code Review (SCR) shortly. The SCR will set out the process to be followed, timelines, etc (aiming for 2019). There will be a consultation on business processes; high-level changes to Licence(s) etc next autumn. The extent of any system changes (and appropriate lead times ascertained) will need to be identified, together with the requirement for any Modifications. This will be a lengthy piece of work. In response to a question regarding in-flight modification proposals, JD confirmed that Ofgem will consider issuing criteria to clarify what type of changes might be permitted to proceed and which should be suspended pending conclusion of the SCR.

2 yearly Inspection

Ofgem has consulted on its proposal to lift the requirement on gas suppliers to inspect meters at least once every two years. The expectation is that suppliers will instead adopt a risk-based approach to inspections. It is in the Supplier's discretion to manage inspections as it sees fit. However, in order to facilitate the risk assessment, Ofgem considers that the obligations are on Suppliers and Shippers to pass information on any inspection carried out to the Transporters, and for that information to be recorded. Whereas GTs currently notify shipper/suppliers if a newly acquired site has an imminent inspection due date, they could instead notify all incoming Shipper/Suppliers of the last inspection date. Ofgem would welcome views on whether this suggestion should be incorporated into its proposals.

It was questioned how a risk assessment can be made for those who do not have asset management arms; what would be best practice? JD confirmed it is not Ofgem's intention to prescribe when and how risk assessments and inspections should be carried out.

SMART Billing

Ofgem recently issued a consultation, which closed on Friday 02 October 2015, on limiting to 6 months the period a customer with a smart meter can be back-billed. The consultation notes that systems changes may be required to achieve this, and suggests that these would be expected to be made within 6 months of Ofgem's decision. If COB members have specific views on the scheduling of these systems changes (beyond anything already submitted), they should inform Ofgem as soon as possible.

Debt Assignment Protocol (DAP)

As part of its work on objections, Ofgem is considering extending the DAP to credit customers. The thinking on this is at an early stage, and there is currently no firm timetable, but Ofgem would welcome early views on the extent that this may impact

upon parties' billing systems, and any preferred timeline, etc. JD emphasised that no decisions has been made on this yet, and parties' views can be factored in Ofgem's thinking.

Settlements

CMA discussions have progressed; JD understands that the idea of monthly AQ will not be progressed. However, alternative remedies to ensure settlement accuracy are being considered. One proposal is that Shippers may be required to submit a valid read to Xoserve at least once every 12 months. Suppliers already have a licence obligation to obtain a read at least every 12 months, but are not currently obligated to enter it into settlements. As existing, and certainly post-Nexus, systems can accommodate this, the impact on systems is thought to be minimal.

Policy Areas to cover at future meetings

Following a brief discussion, it was suggested that these areas be covered in more detail and that JD invite colleagues as appropriate:

- *Next Day Switching (NDS) and Central Registration) SCR*
- *Debt Assignment Protocol*
- *Must Inspect.*

JD encouraged parties to bring any other areas to his attention, along with any preferred dates, etc.

4. In-flight Programme Overview

4.1. UK Link Programme Report

Referring to the Reporting information provided at the Project Nexus Steering Group (PNSG) meeting, AS gave an overview of the current status of the programme (amber) and progress made to date.

Market Trials L2 Entry - AS was pleased to report that 89% of the market had responded through the PwC portal set up for Users to provide readiness assessment information, and thanked parties for their participation. The other 11% were being followed up. An 'amber' focus is becoming quite strong based on the evidence provided to date. Parties will soon be asked to update their assessments of their testing execution.

Data Protection Issue - AS explained this was in progress with the PwC legal team (following instruction by the PNSG); Legal Opinion was expected to be provided to the next PNSG meeting on 12 October 2016.

4.2. Change Portfolio – Dashboards

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

EU Programme Dashboard – Implementation was successful. This would be superseded at some point by the EU Phase 3 programme.

Smart Portfolio - DCC Day 1 and DCC Gateway – This was all on course for implementation on 17 October 2015. NS was aware of discussions going on in DECC and that there might be potential resource conflicts in testing. He would be going to the next IMF to share information on Nexus and will identify any concerns. If interdependencies are identified then timelines may need to be reassessed. NS noted the suggestion that ‘bedding in’ periods should also be considered and discussed at that meeting, and also the view that the justification for any separation, and who gives way to whom, would need to be very clear.

SCR - Gas Deficit Emergency - System implementation and ‘go live’ were successful. The functionality is now in place ready to be used if such an event should occur. This will now be removed from the Dashboard.

Gemini Consequential Change (GCC) – Code is deployed and dormant, ready to be activated when needed.

5. Issues for discussion

None raised.

6. Any Other Business

None raised.

7. Review of Outstanding Actions

The following actions were reviewed.

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: MB confirmed that Xoserve was satisfied that iGMS replacement has no broader impact on gas central systems or Shippers. **Closed**

COB0801: *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 October meeting.

Update: See 3.2, above. **Closed**

COB0802: *Change Horizon Document* - GE to liaise with Xoserve to consider how to transform this into an industry owned document.

Update: GE summarised his discussions with Xoserve regarding the purpose and parameters of the document. NS observed it is currently a Gas Central Services (GCS) overview but could potentially evolve into whatever was required; for example TRAS had been considered and though it was concluded not to have an impact on GCS, it was still useful to retain sight of and recognise that these changes are still happening in the background; they may exert an indirect effect e.g. on the consumption of resource. The value is in the monitoring.

MB believed that the current perspective fits the objectives of the COB. GE suggested that it was important to understand why a particular topic was included or excluded/closed.

JD observed that the document was Xoserve centric. If it were going to cover a broader spectrum then parameters would have to be agreed. If it was a catalyst for starting discussions then it should be open to subsequent additions. It may lose its

value if it is only a Central Systems document because there are much wider changes happening in the industry.

Remarking that much more complex document would result in a high maintenance task, SM reported said that he had compiled a similar vehicle for his own use in monitoring changes, and that it currently charted over 30 topics across gas and power (a number of which were not currently included in the Gas Central Services Change Horizon). JD commented that different versions of the Change Horizon might be developed to reflect a wider perspective. It was questioned who should then be the custodian of a Change Horizon document if it did not involve Xoserve?

SM agreed to share his own change compilation (appropriately modified for commercial sensitivities) with GE and MB and work together to produce a hybrid for review at the January COB meeting. (Action COB 0802 was then closed.) **Closed**

NEW ACTION COB1001: *Change Horizon document (hybrid)* - SM to share his own change compilation (appropriately modified) with GE and MB and work together to produce a 'hybrid' for review at the January COB meeting.

8. Diary Planning and Agenda for the next Meeting

8.1 Agenda for next meeting

The following items will be addressed at the next meeting:

- Policy updates (*Ofgem*)
 - *Next Day Switching (NDS) and Central Registration SCR*
 - *Debt Assignment Protocol*
 - *Must Inspect*
- Change Portfolio - Dashboards (*Xoserve*).

8.2 Date of Next Meeting

LJ drew attention to the venue for the November meeting - it will be held in **Rooms 3 and 4 at the Energy Networks Association (ENA)**, on Monday 02 November 2015. Meeting papers should be submitted, by Thursday by 22 October 2015, to the Joint Office at: enquiries@gasgovernance.co.uk.

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

2015

Time/Date	Venue	Programme
10:30, Monday 02 November 2015	Rooms 3 and 4 combined, Energy Networks Association, 6th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	<ul style="list-style-type: none"> • Policy updates (<i>Ofgem</i>) • UK Link Programme Overview (<i>PwC</i>) • Change Portfolio - Dashboards (<i>Xoserve</i>)

10:30, Monday 07 December 2015	Rooms 3 and 4 combined, Energy Networks Association, 6 th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	<i>To be confirmed</i>
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2016

Time/Date	Venue	Programme
10:30, Monday 11 January 2016	Rooms 3 and 4 combined, Energy Networks Association, 6 th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	<i>To be confirmed</i> <ul style="list-style-type: none"> • <i>Change Horizon Quarterly Review</i> • <i>Action COB1001 - Change Horizon document (hybrid)</i>
10:30, Monday 08 February 2016	Rooms 3 and 4 combined, Energy Networks Association, 6 th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	<i>To be confirmed</i>
10:30, Monday 07 March 2016	Rooms 3 and 4 combined, Energy Networks Association, 6 th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	<i>To be confirmed</i>
10:30, Monday 04 April 2016	Rooms 3 and 4 combined, Energy Networks Association, 6 th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	<i>To be confirmed</i> <ul style="list-style-type: none"> • <i>Change Horizon Quarterly Review</i>
10:30, Monday 09 May 2016	Rooms 3 and 4 combined, Energy Networks Association, 6 th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	<i>To be confirmed</i>
10:30, Monday 06 June 2016	Rooms 3 and 4 combined, Energy Networks Association, 6 th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	<i>To be confirmed</i>
10:30, Monday 04 July 2016	Rooms 3 and 4 combined, Energy Networks Association, 6 th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	<i>To be confirmed</i> <ul style="list-style-type: none"> • <i>Change Horizon Quarterly Review</i>
10:30, Monday 01 August 2016	Rooms 3 and 4 combined, Energy Networks Association, 6 th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	<i>To be confirmed</i>

10:30, Monday 12 September 2016	Rooms 3 and 4 combined, Energy Networks Association, 6 th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	<i>To be confirmed</i>
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Action Table – Change Overview Board (05 October 2015)					
Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
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)	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)	Closed
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)	Closed
COB 1001	05/10/15	7.0	<i>Change Horizon document (hybrid)</i> - SM to share his own change compilation (appropriately modified) with GE and MB and work together to produce a 'hybrid' for review at the January COB meeting.	Gazprom (SM), Waters Wye (GE) and Xoserve (MB)	Due 11 January 2016 meeting Pending