
Change Overview Board (COB) Minutes
Monday 07 September 2015
Elaxon, 350 Euston Road, London NW1 3AW

Attendees

Les Jenkins (Chair)	(LJ)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Andrew Green*	(AG)	Total
Andrew Jones	(AJ)	KPMG
Andy Sinclair	(AS)	PwC
Angela Love	(AL)	Scottish Power
Ben Haworth	(BH)	Electralink
Beth Brown	(BB)	Eectralink
Beverley Viney	(BV)	National Grid NTS
Edward Hunter	(EH)	RWE npower
Graham Wood*	(GW)	British Gas
Jayesh Parmar*	(JP)	Baringa
Jon Dixon	(JD)	Ofgem
Jonathan Blagrove	(JB)	Ofgem
Lorna Lewin	(LL)	DONG Energy
Mark Carlin	(MC)	SSE
Michael Houston*	(MH)	ScottishPower
Michael Spencer	(MS)	Experian
Nick Salter	(NS)	Xoserve
Paul Waite*	(PW)	EDF Energy
Phil Broom	(PB)	GDF Suez
Stephen Blann	(SB)	Citizens Advice
Steve Mulinganie	(SM)	Gazprom
Vicky Spiers	(VS)	ES Pipelines

**via teleconference*

Copies of meeting papers are available at: <http://www.gasgovernance.co.uk/COB/070915>

1. Introduction and Status Review

LJ welcomed all to the meeting.

1.1. Review of Minutes (03 August 2015)

The minutes were approved.

2. Policy Updates

2.1 GSoS - Reporting and Publication Arrangements

JB briefly described the background to GOSP reforms and GS performance reporting and publication, before moving on to set out plans for performance reporting requirements and consider the performance reporting options and issues.

It was envisaged that reporting spreadsheets would be submitted each quarter by all Suppliers, and would include data relating to any breaches of the standards and any exemptions. Exemptions would be monitored. It was suggested that exemptions might be aggregated (generic approach) and investigated further if necessary (Suppliers might be asked to provide a breakdown of the aggregated data).

Responding to questions on when Ofgem was likely to provide clarification to Suppliers on the reporting arrangements and what was required, JB confirmed that a spreadsheet was being produced and it was hoped to publish this and a letter this autumn.

AL was concerned that system changes might be required. SM had had similar concerns, but was now comfortable with the high level aggregate approach, the level of granularity expected will not be as onerous as first anticipated.

JB confirmed that reporting would be expected quarterly and in arrears, e.g. January - March quarter data would be submitted at the end of the first month following the quarter, (April).

Moving on to consider publication of data, JB explained that it was good for consumers to have visibility of data; this area was open to discussion and views were sought. Were there any barriers to publication? Was a consistent format possible across all parties, or should there be a micro-format(s)? Should there be exemption for small Suppliers, etc?

SM suggested that there should be a common methodology for comparison purposes. Noting that there were distinct differences between a party confirming say, 20 appointments, and another confirming 10,000, a discussion ensued as to how parties could be compared fairly, with banding being suggested as an approach.

Consistency of reporting was also considered to be important, so that is easy for readers to see what is/is not being reported on and what has been exempted and why. SB pointed out that what a consumer might 'infer' from a reading or comparison also needed to be considered, i.e. how any published data might be interpreted from a consumer's point of view. It should be unambiguous and convey clear meaning. There should be confidence in accuracy and consistency in how exemptions are applied. Small Suppliers should be treated fairly, and it should not be possible to 'hide' data. SB suggested that consumers would want to be able to establish a view on whether an organisation would be more likely than not to keep an appointment, and that promises are met. SM did not think it likely that this would influence I & C consumers in their decision making.

It was reiterated that differences should be recognised and that comparison should be made across peers/bands, rather than across the industry as a whole. Portfolio size should be disregarded, with the focus on number/volume of appointments as a truer comparator of activity.

It was questioned if non-publication of reports would cause a problem (if a party's business strategy changed and appointment volumes fell away). Scenarios were discussed; currently a large volume of appointments were being made because of the data cleansing focus, and in the future this would also be the case with the rollout of SMART metering. It was also questioned whether a party might need to more closely consider, review and plan its activities sufficiently well to deliver, rather than over commit.

It was envisaged that Suppliers might publish the information on their own websites

with links to the appropriate location on Ofgem's website for further information. SM suggested this should be the other way round, with Ofgem calculating and displaying, so there could be no doubt about a party's interpretation of its data. JB observed that Ofgem was aiming for more of a voluntary approach, and it was hoped to conclude the arrangements by the end of the year, with the first quarter's data being ready for publication end April/beginning May 2016.

2.2 Theft Risk Assessment Service (TRAS)

MS gave a presentation, briefly outlining the estimated scale of the energy theft problem across electricity and gas, the drivers for the solution, and progress made so far in establishing the TRAS.

Data collected from energy Suppliers would be analysed; the process to identify and recognise instances of potential theft (both individuals and areas) and to pass back to the Supplier for potential investigation was illustrated and described in more detail. MS explained what other available/relevant information could be fed into a profile; eventually pictures of post code areas and potential 'hot spots' could be built up.

TRAS implementation timescales were displayed and MS confirmed the progress made to date. TRAS was in possession of sufficient residential data to start the process, but there were some remaining gaps in the commercial data; this would not impact the launch date. Noting that a party would only see data relating to its own portfolio, it was anticipated that investigation leads might be expected from around April.

There would be reporting on performance success (or otherwise) on an anonymised basis and there will be provision of information to assist in setting targets (DCUSA, SPAA, Ofgem), but TRAS would not be benchmarking.

Change of Supplier scenarios were considered. Instances where a Supplier A had provided data and subsequently the site had transferred to another Supplier B were discussed. MS described how this would be dealt with, indicating that analysis would be made on the provided data from Supplier A and returned to Supplier A for investigation, notwithstanding that the site had transferred to Supplier B in the interim. Data would not be passed by TRAS from one Supplier to another. It was assumed that Supplier A might consider passing on the information to Supplier B. Observing that the whole point of TRAS was to use the oversight position to give Suppliers an early warning of any potential problem, SM was of the view that such result data should be provided to both Suppliers to give the earliest opportunity to investigate. MS reiterated that TRAS does not have permission to share this data across Suppliers, and the design does not permit flagging, etc. SM believed this to be inconsistent with the intent of the TRAS, and indicated he would raise this at the next Steering Group meeting. MS indicated he would follow up on SM's concerns and raise these with the Programme.

Concerns were expressed at the potential for post code 'hotspots'; MS confirmed that scoring was done at a personal level.

Continuing with the presentation, BH described Electralink's approach to Phase 4 of the project, and outlined the work of the different workstreams. The TRAS Working Group was open to all Suppliers. The Steering Group represented SPAA and DCUSA. Not all parties were users of TRAS and there may be a problem of quoracy when gas issues arise. SM pointed out it was not a constituency-based representation, and that parties represented their own individual positions.

AL asked if there should be reporting back to Xoserve and cross codes, to address

energy reconciliation. This was briefly discussed and BH indicated he would follow up on AL's questions.

2.3 Policy updates for next meeting

Noting that the COB was appreciative of the updates given so far and that these had provided a valuable overview, LJ asked if there were suggestions for any other policy areas regarding which COB would like to receive further information.

The following areas were then suggested for consideration:

- DCC (alignment of timeline, activities, and any potential impacts/risks)
- Must Inspect
- Priority Services Register
- Central Registration
- Next Day Switching.

JD referred to his outstanding Action 0801, and indicated he would address this together with the suggestions made above, and provide updates at the next meeting.

3. Planning

3.1. Change Horizon - Quarterly Review

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

4. In-flight Programme Overview

4.1. UK Link Programme Report

Referring to the Reporting information provided at the Project Nexus Steering Group meeting, AS gave an overview of the current status of the programme (amber) and progress made to date. The status is anticipated to become green potentially towards the end of December, as confidence increases. The Market Trials Working Group (MTWG) was starting to operate quite effectively and was looking at Levels 3 and 4; views were being sought on various aspects.

Xoserve was keeping parties informed in respect of RAASP; there were clear assumptions now and the plan is considered sensible. A pilot was running on one of the RAASP processes and this will be reported on at the Project Nexus Steering Group. Responding to questions relating to the options, LJ reiterated that the timeline is being followed as published, and the risks were being prudently monitored. Plan B was being addressed within the PwC paper "Retrospective adjustments for assets and supply points ('RAASP') - options analysis". There should be clarity on the market trials tests over the next few weeks.

SM observed that parties were looking for some certainty. LJ pointed out that parties had been requested to provide hard data but nothing had been received to date, so it was difficult to substantiate the benefits of having RAASP functionality if it was later found to be putting implementation at risk. AS added that it was to be hoped that the paper would not be needed, but it was prudent and good project management to have it in place.

Referring to potential manual workarounds, AL thought these might impact performance assurance monitoring. AS explained the implications for the various options, noting that Xoserve was not planning to do the workarounds but they may be

potentially be needed end at the end of the day; it was recognised that this may need a lot of work to clarify what was required and how it could be delivered. Some scenarios were discussed.

The Project Management basics and the replanning were now all in place, and next week's PNSG would be looking at the strawman to include a more detailed Plan, signing off L2 MT enhancements, and reviewing the whole Risk Log.

Xoserve staff movements

NS reported that Sandra Simpson had been appointed the UK Link Programme Director. The Solution Architect had now moved on. NS did not believe this was critical to the Programme at this stage, but expected to confirm if there was to be a replacement.

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. The changes were now deployed in readiness for the commencement of the new EU Regime, with some processes effective immediately. Other key dates were 30 September 2015 - 23 hour Gas Day; 01 October 2015 - New Gas Day and Balancing Regime Go Live; and 01 November 2015 - Capacity Changes/CAM Regime Go Live. There were further smaller deployments planned during September and October to complete full integration and readiness for EU.

LJ drew attention to the EIC codes, for which Xoserve was now the service provider and not National Grid NTS. Parties were strongly encouraged to make sure that all was in place if they were active at an Interconnection Point (IP). Further information could be found at the following link: <http://www.xoserve.com/index.php/our-services/customer-life-cycle/local-issuing-office/>.

Smart Portfolio DCC Day 1 and DCC Gateway – This was all on course.

SCR - Gas Deficit Emergency - This was on course for implementation on 19 September 2015, following which the functionality will sit there ready to be used if such an event should occur.

Gemini Consequential Change (GCC) – The code is in and will remain dormant until needed.

5. Issues for discussion

None raised.

6. Any Other Business

6.1 Xoserve Funding, Governance and Ownership (FGO) - KPMG

AJ gave a presentation, outlining the current arrangements, the background to the review, its objectives and scope, and the programme of work. All the information was available on the KPMG Sharepoint site (parties can register to access). AJ then described and summarised each area of work in more detail.

UNC obligations

Noting there would be changes to governance structures, this had implications for the allocation of UNC obligations and may require amendments to the text within UNC TPD Section V 6.5, to reflect the new arrangements. The Transporters were currently drafting UNC modifications, which they intend to submit to the October UNC

Modification Panel. The aim was to have *proposed* these modifications by April 2016. LJ affirmed it was anticipated that the UNC Governance Workgroup would develop these.

CDS and industry governance

SM believed that there should be more clarity on the Board's purpose and powers. NS observed that neither the Change Management Steering Group nor the Contract Management Steering Group were to be substitutes for UNC governance. It was questioned where technology issues might be discussed in the future, and would there still be a need for the UK Link Committee (UKLC). LJ drew AJ's attention to the UKLC Terms of Reference for information. SM suggested keeping both running until the industry was satisfied that one or other was not needed.

Xoserve corporate governance

SM queried why Xoserve should be derisked from the failure of Nexus, given that the rest of the industry had not been involved in the decisions made by the present Board. He was concerned that this might be a way of passing on responsibility for poor decision making; the point at which liability was waived could be critical. NS observed that shareholders have limited liability to the extent of their shareholdings, and this was more related to the Price Control. SM believed there should not be any association to any risks arising from the existing Board's decisions nor any liability for any costs, mistakes or failures of the existing Board. A new Board should not be held accountable for any previous failures. AJ noted these concerns for clarification.

Charging and cost allocation

It was questioned if there would be a separate consultation on any new charging methodology. JD thought there might potentially be, but would need to clarify that. Parties were encouraged to provide any questions to JD, which he would then try to answer or provide an update. NS believed there were some charges to Transporters and some to Shippers; Ofgem would decide whether Transporter charges should be passed through or funded through allowed revenue. SM thought that the collection method was not necessarily relevant and suggested that an update from JD would be useful.

Noting that there was ongoing work in each of these areas, AJ affirmed that all were welcome to attend the Programme Overview Board (POB) meetings. A stakeholder meeting was planned for 25 September 2015, and NS added that it would be good to see as wide an audience as possible at this event.

LJ then queried that the (approved) modifications would not be in place before these arrangements are put in place - how will this work? Anything deemed to be UNC essential would need to have been approved - it needs to be clear how everything will work together. NS referred to the appointment of Directors and how this might occur if not under UNC. To give effect to the changes there may need to be changes to Licences.

AJ noted the points raised in these discussions for further consideration.

6.2 SMART Metering

SM drew attention to potential implications in respect of the meter exchange programme (in the region of 30k - 40k exchanges per week) that would continue to be run concurrently with the implementation of Project Nexus, and asked should the industry be continuing with this across the period that Nexus goes live? Was

there any rationale as to why it should/should not continue for that critical period?

JD considered that it might be left to Supplier discretion, and queried whether any reduction of exchanges over this period, assuming there were problems with Nexus go-live, would just be deferral of the recognition that something did not work. He did not believe any deferral would be agreed to, and suggested that parties take a view on the number they are comfortable with handling and can readily recover from should something happen, and then catch up in the following period. It was prudent to consider the day-to-day business targets, and parties may need to be pragmatic and be aware that they may have to focus attention on the 'wrong' priorities at some point.

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: Work ongoing. **Carried forward**

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 ~~September~~ October meeting.

Update: Work ongoing. **Carried forward**

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

Update: Work ongoing. **Carried forward**

COB0803: *TRAS session* - JD to invite Electralink and/or Experian to attend the September meeting.

Update: Both parties in attendance. **Closed**

COB0804: *Xoserve Funding, Governance and Ownership (FGO)* - LJ to invite N Cocks (KPMG) to attend the September meeting.

Update: A Jones in attendance. **Closed**

7. Issues for discussion

None raised.

8. Diary Planning and Agenda for the next Meeting

8.1 Agenda for next meeting

Policy Updates

See 2.3, above.

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.

Meeting arrangements for 2016 have been confirmed - please see table below. Unless otherwise notified Change Overview Board (COB) meetings will take place as follows:

2015

Time/Date	Venue	Programme
10:30, Monday 05 October 2015	Pink Room, ELEXON, 4th Floor, 350 Euston Road, London NW1 3AW	<ul style="list-style-type: none"> • UKLP Report • Change Portfolio Dashboards • Change Horizon - Quarterly Update • Policy Updates
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, 4th Floor, 350 Euston Road, London NW1 3AW	<i>To be confirmed</i>

2016

Time/Date	Venue	Programme
10:30, Monday 11 January 2016	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 08 February 2016	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 March 2016	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 04 April 2016	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	Rooms 3 and 4, Energy Networks Association, 6 th Floor, Dean Bradley	<i>To be confirmed</i>

09 May 2016	House, 52 Horseferry Road, London SW1P 2AF	
10:30, Monday 06 June 2016	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 04 July 2016	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 01 August 2016	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 12 September 2016	Rooms 3 and 4, Energy Networks Association, 6 th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	<i>To be confirmed</i>

Action Table – Change Overview Board (07 September 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)	<i>Due 05 Oct meeting</i> Carried forward
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 05 Oct meeting</i> Carried forward
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 05 Oct meeting</i> Carried forward
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)	Closed

Action Table – Change Overview Board (07 September 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)	Closed