
Change Overview Board (COB) Minutes
Monday 15 May 2017
Consort House, 6 Homer Road, Solihull B91 3QQ

Attendees

Les Jenkins (Chair)	(LJ)	Joint Office
Helen Cuin (Secretary)	(HCu)	Joint Office
Andy Baugh	(AB)	Npower
Colette Baldwin	(CB)	E.ON
Hilary Chapman	(HCh)	Scotia Gas Networks
Katie Halliday	(KH)	Scotia Gas Networks
Lorna Lewin	(LL)	DONG Energy
Mark Jones*	(MJ)	SSE
Martin Baker	(MB)	Xoserve
Phil Lucas*	(PL)	National Grid NTS
Raymond Elliot	(RE)	Ofgem
Rosella Jones	(RJ)	Electralink
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/150517>

1. Introduction

LJ welcomed all to the meeting.

2. Review of Minutes (22 February 2017)

The minutes of the meeting held on 22 February 2017 were approved.

3. Planning

3.1 Industry Forward Plan - Change Horizon Update (Xoserve - MB)

MB presented the Change Horizon Quarterly Review and provided an overview of the current landscape. The zone positions were considered on an individual basis.

Zone 3:

FGO Part 2

MB recommend that the FGO item could now be removed as the Central Data Service Provider (CDSP) Model was now live.

CB enquired about the lessons learnt, the enduring arrangements and planning cycle. MB explained that, if the lessons learnt assessment identified any evolutionary steps, these would be highlighted to the COB.

PCW Access to Data Enquiry Service

MB confirmed that the iGT and UNC Modifications are subject to further development and that the CMA are being engaged on potential alternatives. He explained that Ofgem recognised the pre-requisition for access to the data but they were not being

prescriptive. The submission from the UNC Workgroup is expected in the July Panel.

EU Reform

Capacity Allocation Incremental Changes are due to be implemented in August 2017.

Priority Services

Three options are being developed under SPAA governance with varying timeframes, for early 2019.

Performance Assurance

MB confirmed that the Performance Assurance Committee (PAC) had been established and the PAFA tender / appointment was in progress.

MB suggested the group review the requirement for ongoing inclusion within the Change Horizon. He asked the group to indicate what they would like included on the horizon. CB suggested that the PAFA appointment, risk model/methodology ought to be included. However, she suggested that it would be better to wait until the on-boarding of Project Nexus.

It was recognised that the Performance Assurance Framework (PAF) would evolve, with some stepped changes, and it would be advisable to keep a watching brief.

It was agreed that once the PAFA had been appointed, and a period of time had been allowed for Project Nexus reporting to run, the group would look again on whether to remove the item. The PAF on-board was scheduled for June 2017.

CB suggested there may be a years' soft landing and the group may wish to look at the output of the risk methodology, the PAF reporting, the incentives and targets. LJ confirmed that the PAF reporting is for advance warning/identification of changes, with a view that the industry may need to change the way it is operating.

SM suggested that this item is considered again in the future.

RAASP

MB confirmed that the Change Prioritisation and Release Scoping Approach proposal is available on Joint Office CDSP pages (www.gasgovernance.co.uk/DSC-Change/100517). He reported that the DSC Change Management Committee are looking at the future scope of releases, and understanding what is included within the release schedules.

MB explained that RAASP could potentially be subject to post Nexus cost/benefit assessment. It was recognised that there were differing views within the industry regarding RAASP. Some parties believed there was a need for a further UNC Modification, to consider reviewing a deferred implementation date and a cost assessment. Currently the Retrospective Data Update elements of Modification 0434 will be implemented on 01 October 2017.

An enquiry was made on whether this was being considered at the Steering Group. It was believed this would be out of scope for the Steering Group. It was acknowledged that discussions regarding RAASP continue at the Distribution Workgroup.

CB explained that the industry are aware that a modification has been approved with an approved delivery date of 01 October 2017 and discussions are being held at the DSC Change Management Committee about delivery. However, it is recognised RAASP would not be delivered for October 2017, and it was more likely to be delivered at PNID +12months.

CB explained that currently there is a firm deliverable set out in code. LL confirmed that there is no clear direction at the moment. Although it has been signed off for delivery there is a view that this should be reconsidered. If the delivery date does need

to change a UNC Modification would be required.

Zone 2:

Central Switching

MB confirmed that the High-Level Plan had been published by Ofgem (delivery of central switching). The Outline Business Case and design decision is expected in January 2018. The completion of the design baseline is anticipated in March 2018. The CSS contract award will be in Spring 2019.

RJ suggested that this is likely to fall into a subset of SEC. There was a general theme that there would be a separate entity for ease of transition, likely code governance would be in SPAA and NAR.

AB explained that code modifications are expected next year. The industry are looking at dual fuel information flows and this will help feed into the CSS tender process, to understand what codes will need to be changed.

SS urged the end-to-end business flow to be considered to ensure parties are engaged and aware of the potential changes.

The modifications are expected in Spring 2018, following the design pack consideration which is due in October 2017, along with a view on the licence code changes.

RJ suggested that there is likely to be a focus on erroneous transfers. The forward work plan wants to focus on reliable processes with a big push on reliability of transfers. The quality of data, particularly address data was being considered and some analysis being undertaken. RJ confirmed that the Erroneous Transfer Group will be looking at the processes.

It was agreed that this is something the group would wish to keep a watching brief on.

Review Group 0594 – Meter Reading Submission for Advanced and Smart Metering

MB believed that the Workgroup Report was being considered by the UNC Panel on 18 May, however it has been recommended that the output from the RFI is waited for. Ofgem expect to progress the RFI within Q2 2017. It is possible that UNC and other Code modifications may be required following the RFI.

SM confirmed the obligation becomes effective from next year for meter readings, and a decision is required for September 2017. It was recognised that there is a need for Ofgem to consider.

Zone 1 and Code Governance Remedies (CGR):

Zone 1

MB confirmed that the General Election 2017 had been added, and the 2020 moved out to 2022 and the Gemini re-platforming which was looked at in February, would have a substantive update at the next meeting.

MB introduced a proposed new topic – Future Billing Methodology. He explained this item was about Cadent's long term options for future billing methodologies, with some possible structural changes in the way Transportation charges are made. He confirmed that Cadent provided a presentation at the Distribution Workgroup Meeting in April (<http://www.gasgovernance.co.uk/dist/270417>) and there is also a dedicated website for changes (<http://futurebillingmethodology.com>). Cadent are exploring three options and the group may wish to look at the output of the expected trials.

Code Governance Remedies

MB confirmed that the Strategic Direction – Ofgem 2017/18 Forward Work Programme,

provides a starting point; consultative board; the licencing and competitive tendering of code management / delivery body activities and strategic direction.

An updated letter was expected in Q2 2017 on the timelines for implementation. RE confirmed that Ofgem have published the consultation responses for the industry to see. Ofgem will continue to engage with the industry to plan the next steps.

It was anticipated that BREXIT may slow down licence changes. The update letter is expected in June, about the strategic direction and planning in Autumn.

4. Implementing CMA Remedies for the Retail Market

Agenda item deferred. For consideration at the next meeting.

5. Ofgem Updates

5.1. Overview

RE advised that:

EU Cam - "super mod" was expected in June 2017.

TAR - licence changes expected

PCR - current set of proposals expected.

SCR - intended for electricity settlement.

LJ encouraged Ofgem to invite their policy contacts to the September meeting.

5.2. Switching SCR

The Ofgem programme manager will provide an update at the next meeting

5.3. Gas Markets / BREXIT

Further updates will be provided after the general election.

5.4. Gas Future Insights (Raymond Elliot)

Further update to be provided at the next meeting

6. Issues for discussion

None raised.

7. Review of Action(s) Outstanding

None outstanding.

9. Any Other Business

None raised.

10. Diary Planning and Agenda for the next Meeting

Further details of planned meetings are available at: <http://www.gasgovernance.co.uk/Diary>

It is anticipated that the following items would be considered at the next meeting (11 September 2017):

- Change Horizon Update (Xoserve)
- Gemini Re-platforming Update (Xoserve)
- UK Link R2/RAASP Update (Xoserve)
- Strategic Direction & Consultative Board
- Implementing CMA Remedies for the Retail market
- Policy Updates and Future Insights (Ofgem)

- Overview (Raymond Elliot)
- Switching SCR (Arik Dondi)
- Gas Future Insights (Chris Brown)

Meeting papers and/or other items for discussion should be submitted by 31 August 2017 to the Joint Office at: enquiries@gasgovernance.co.uk.

Time/Date	Venue	Programme
10:30 Monday 11 September 2017	Elexon, 350 Euston Road, London, NW1 3AW	<ul style="list-style-type: none"> • See item 10
10:30, Monday 20 November 2017	Solihull (<i>venue to be confirmed</i>)	<ul style="list-style-type: none"> • <i>To be confirmed</i>

Action Table (as at 15 May 2017)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update