

Project Nexus Steering Group Minutes

Monday 02 November 2015

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

Attendees

Alex Travell	(AT)	E.ON UK
Andy Sinclair	(AS)	PwC
Angelita Bradney	(AB)	Ofgem
Chris Warner	(CW)	National Grid Distribution
Gareth Evans	(GE)	Waters Wye Associates
Jeremy Adams-Strump	(JAS)	Ofgem
Jeremy Guard	(JG)	First Utility
Jon Dixon	(JD)	Ofgem
Les Jenkins (Chair)	(LJ)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Matt Adams	(MA)	Baringa
Mike Harding	(MH)	Brookfield Utilities
Phil Lucas	(PL)	National Grid NTS
Sandi Bains	(SB)	PwC
Sandra Simpson	(SS)	Xoserve

Copies of papers are available at: <http://www.gasgovernance.co.uk/NexusSG/021115>

Key Messages from this meeting:

Monthly Nexus Status Update		
	<ul style="list-style-type: none"> Addresses earlier concerns about a need for a single view of progress Will be published as soon as practicable after the first PNSG each month Future versions will include a Release Plan to encompass defect resolution and the change pipeline. 	INFORMATION
Outstanding MT L2 Readiness Assessments		
	<ul style="list-style-type: none"> Two are confirmed as Suppliers (only) Four others have been engaged and are completing assessments One new entrant is in discussion with PwC Of the two 'red' status shippers highlighted at the last meeting, one now progressed to amber and one remains red – PwC are monitoring closely but this is not material at this stage. 	INFORMATION

Milestones		
	<ul style="list-style-type: none"> • L3/L4 MT Approach approved – majority approval • PNSG recognise that some non-material updating of the Approach document is in progress. 	INFORMATION
MT L3/L4 Readiness		
	<ul style="list-style-type: none"> • Last assessment was amber as at 02 October • Parties asked to be prepared for a further assessment in the last week of November. 	INFORMATION AND ACTION
RAASP Design Process		
	<ul style="list-style-type: none"> • Design activities are progressing to schedule • Draft milestones have been identified and will be assessed against the plan – PwC will ask parties via the portal. 	INFORMATION AND ACTION
Volumetrics		
	<ul style="list-style-type: none"> • PNSG support Xoserve’s desire to validate the previous design assumptions for anticipated transaction and usage volumes • Parties will be asked via the PwC portal for better information on volumetrics. 	INFORMATION AND ACTION

1.0 Introduction and Review of Minutes

‘Chatham House Rules’ apply to general discussion.

LJ welcomed all to the meeting; quoracy was confirmed.

Reporting that the Joint Office had been advised that there had been a change to the constituency representative for ‘gas transporter - transmission’, the Chair introduced the new representative.

1.1 Note of Alternates

None advised.

1.2 Review of Minutes (26 October 2015)

The minutes of the previous meeting were approved.

2.0 Programme Report - Monthly Nexus Status Update

AS gave an overview of the current position of a number of areas.

Level 2 Market Trials (L2 MT)

The trials had started today; noting that to efficiently resource various delivery streams that will be running in parallel during this time, it will be critical to manage/resolve identified problems as early as possible within the trials period, and to achieve the L2 MT Trials exit milestone on 18 December 2015.

'Pipe Cleaning' Exercise

SS reported that while Shipper files had progressed through 'pipe cleaning' exercise Xoserve had been able to provide a significant level of support, but would not be able to do this to the same degree going forward. This exercise had produced a handful of issues, resulting in one defect. RGMA files were briefly discussed; these are quite complex and will be validated in SAP (not L2 MT). SS explained the validation process in more detail. Defects will be communicated to primary and secondary MT contacts via email, there will be daily calls, and information will also be published on the Xoserve website. There will be a log so that parties can check there first to confirm if an issue encountered has already been raised. Significant defects may materialise as Change Requests.

Information Publication

The information clarifying governance routes had been published and had been well received. PwC will also ask for feedback through the portal regarding the monthly status update pack.

MTWG - L3/4 MT Approach

A Shipper constituency representative had received feedback that amendments were still expected. Another Shipper constituency representative who attended the MTWG gave a brief update regarding the position reached in respect of the L3/4 Approach; no fundamental changes to the Approach were required, only a few minor non-material amendments. This was AS' understanding also.

Participation

AS reported that PwC had engaged with the six Shipper organisations, and had established that two were Suppliers only; the other four were providing assessments.

Of the two I&C Shippers previously noted as 'red' status, one remained at 'red' and the other had been moved to 'amber'. Additionally, one new entrant had been identified and engaged with.

At this time there is no necessity for Ofgem to take action.

Key Milestones

Noting that the overall programme status remained at 'amber', AS believed that the L2 MT outcomes would give a really good view as progress is made. An update was then given on status of the individual milestones and attention drawn to points of note.

M1.1 - It was agreed this should be designated as 'blue/complete'.

M1.2 - This was complete.

M2.1 - Following Approval today this would be designated as 'blue/complete'.

M2.2 - This was now complete.

M1.3 - This was at 'amber', following industry feedback. SS explained it was now anticipated that UAT would be extended to the end of January and there was a risk of overlapping areas - she has asked for more clarity regarding this and appropriate mitigation, e.g. to keep functionality separate, will be considered. It was noted that in testing recently a data migration issue had surfaced, and this had necessitated the

pausing of testing for 10 days. This had since restarted, and re-planning was ongoing to accelerate/make up lost time. There were positive aspects to the data area (timing and migration), but SS was aware of the short space of time in which to discover any issues/defects and then load to the MT environment.

SS explained how and by whom data correction would be carried out; some data needs to be ready for Day 1, while others can be fixed afterwards. Any transformation rules required would be discussed with industry. Data issues will be shared in detail through the Data Cleansing Forum and UKLIEF. A brief discussion of data issues (migration and quality/accuracy - for MT and for 'go live') followed. It was recognised that data migration from the current system to the new system may cause issues, and that transformation rules may need to be agreed. MTs are more imminent and it was critical to have appropriate 'ready state' data for these.

AS added that at the end of 2016 -2017 the expectation might be to be doing 12-18 months of 'clean up' and the addressing of exceptions. There will need to be a clear framework and an agreed way forward to manage this following 'go live'. This might fall under the remit of the proposed Performance Assurance Committee. L3/4 MTs will need to start with as good a data set as possible and AS and SS will be clarifying the risk for discussion at the next PNSG meeting on 16 November 2015.

LJ observed that, having identified the issue (Xoserve UAT is expected to extend to 31 January 2016 with 'amber' status being reported for pre-requisite testing) a Change Request might be the expectation, identifying any impacts, for PNSG then to consider.

Action 1101: Milestone M1.3 Industry/Xoserve UAT complete for MT Core - SS and AS to raise a Change Request regarding proposed extension from 31 December 2015 to 31 January 2016.

Level 3/4 Market Trials Readiness

AS observed that the current picture was as expected. The exit criteria for L2 MT will be posted on the PwC portal on 16 November 2015; parties will be asked to provide a L2 MT assessment by 30 November 2015 (with a final cut on 08 December 2015). Level 3/4 MT reassessment will occur at the end of November/beginning of December.

SS gave an update on Xoserve's readiness, drawing attention to an issue raised by the industry on the approach for provision of data for L3/4 MT. There has been a request for the "clean" data to be provided post the MT data load. This would elongate the timescales for the data provision and impact the start of L3/4 MT. PwC have been informed of this as a potential impact on the agreed timelines. SS indicated that the MT data load would be made, any 'fall out' assessed, and parties informed together with any rules agreed/cautionary notes. Work was ongoing to establish the best approach for providing rules.

UKLP Q & A Process

SS gave a brief update on progress made in responding to queries (93% are now closed). Query topics were reviewed, noting that most seemed to centre on File Formats. It was suggested it would be helpful to understand if, when and where (e.g. phase) any changes were going to be delivered so that parties can address more efficiently.

It was also suggested that a Release plan (including defect resolution and change pipeline) could be included in this information pack. This was agreed for future editions.

Next Programme Report

The next full report will be made at the meeting on 07 December 2015.

3.0 Key Milestones Approval to Proceed

3.1 Level 3/4 MT Approach Approved

It was approved by majority vote (6 possible votes: 4 in favour, 2 not in favour) that the milestone relating to Level 3/4 MT Approach (02 November 2015) had been passed successfully.

4.0 Matters for Consideration

4.1. Update on the RAASP delivery process

PwC will be attending the industry workshops in November and had requested that Xoserve arrange a workshop with all parties (SAP, Wipro and Baringa).

SS gave a short update, reporting that Xoserve's internal workshops were nearing conclusion and the focus was now on completing design documentation. Attention was then drawn to areas of risk (CORE delivery, potential baselined file format (RTO and RTR) changes, and requirements in baselined BRDs), which SS explained in more detail. The BRDs will not be changed at this stage; the Design phase is closed, and any subsequently required changes will need to be addressed after the event through the UNC Modification process.

It was suggested that the mitigation status of Risk R.05 (relating to Xoserve resource constraints) might require reconsideration.

Milestones - proposed changes

Xoserve had proposed some changes to milestone dates, and these were discussed. LJ observed the proposed dates did not appear to fit with the other items on the Plan - if industry needed to realign would this give cause for concern? Were the proposals the only options available or were there opportunities to consider alternatives, e.g. could something be done earlier, and to de-risk? What does this mean in terms of test cycles for a participant? What would be the regression testing effort needed? It was suggested that Xoserve consider providing additional data at the next meeting. AS suggested that PwC could ask for individual views through the portal.

It was also suggested that it would be useful to develop an Approach document for MT for RAASP, to be ready when needed.

Action 1102: RAASP milestones - SS and AS to provide a Change Request regarding proposed changes to milestone dates, including assessment of the impacts.

4.2 Review draft 'Single Version of the Truth' document

This will be redesignated as 'Monthly Nexus Status Update'. Members agreed that this pack represented a positive step that should improve communication across the industry and thanked PwC and Xoserve for their contributions. It was agreed that this should be published on a monthly basis following the first PNSG each month.

4.3 Consider any outstanding Data related concerns

SS commented, as did a Shipper constituency representative, that some market participants were continuing to raise issues with Xoserve on the data protection issue. SS affirmed that Xoserve was continuing with the current plan for release of data.

The persistence of the issue was briefly discussed. As far as Ofgem and PNSG were

concerned the conclusions of the Legal Opinion had been accepted, and the onus was now on individual parties, if they did not agree with the outcome, to internally manage any individually perceived risk(s) and put in place their own mitigation(s). JD reiterated that the legal advice was as clear it could possibly be, and the exercise was not going to be repeated. The issue will not be revisited.

JD confirmed that the Legal Opinion had been published to the wider audience at the end of October 2015, via three separate emails (to the PNSG, to the MTWG, and to the contacts list (portal users) held by PwC) with the caveat that it was not to be shared. Any other parties requiring a copy should make a formal request to Ofgem.

4.4 Volumetrics

SS drew attention to a presentation provided to the PNSG for information purposes. Xoserve had been discussing volumetrics with industry participants and had shared (in July) the assumptions upon which the new UK Link system has been designed, requesting feedback and input to these assumptions to provide assurance in respect of a number of areas. PNUNC has requested the assistance of PNSG in seeking further feedback.

It was suggested that PwC could include a question on the PwC portal, and that Shipper constituency representatives could engage with their constituents to encourage feedback to enable better ratification of the assumptions (e.g. sizing). JD referred to data quality - would there be more frequent switching and what effect might that have.

Action 1103: Volumetrics - PwC to include a question on the PwC portal seeking further information and Shipper constituency representatives to draw attention to the need for information.

5.0 Programme Risks and Issues for consideration (by exception)

The next review of risks and issues (any changes/new escalated) will take place at the teleconference on Monday 16 November 2015 (10:00 - 12:00).

It was reiterated that all new identified Issues and Risks, and any suggested amendments, can be raised through the PwC portal. PwC will then assess and clarify and if found to be appropriate will add to the Register, escalating as necessary to PNSG.

6.0 Any Other Business

None raised.

7.0 Outstanding Actions

1001: PwC to provide to PNSG, at least one week in advance of the start of L2 MT, confirmation of the workarounds agreed for the ERR and iGT issues together with a summary position of industry readiness.

Update: Provided. **Closed**

1002: PwC to ascertain the identities of Trader organisations currently included in the data analysis, whether they have intention having an active Supply Point portfolio prior to Nexus go-live, and establish whether they should continue to be included or excluded from these assessments (and assigned to a constituency).

Update: Covered in reporting pack. **Closed**

1003: PwC to develop a short Engagement Survey (3 questions, self certifying), for PNSG to consider, potentially for issue after the start of L2 MT.

Update: To be reviewed at the meeting on 16 November 2015. **Carried forward**

1004: *Release Management - management/handling of late changes when in testing - SS* to clarify process/expectations.

Update: Post meeting note provided. **Closed**

8.0 Key Messages and Items for Publication

The Key Messages were discussed and agreed and will be circulated. The table including the information, circulated by email following this meeting, is provided at the head of these minutes (see page 1, above).

Publication of meeting papers was agreed.

9.0 Next Agenda and Diary Planning

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

Next Meeting

The next meeting will be held on Monday 16 November 2015 via teleconference, starting at 10:00.

At this meeting the expectation will be to:

- *Review action updates*
- *Review Level 3/4 MT data readiness (potential risk and/or Change Request)*
- *Review the Risks and Issues Register (changes and any new escalated risks/issues).*

Attendance

It is assumed that all members will attend/participate unless the Chair is notified otherwise and any meeting papers for publication should be provided to the Joint Office as soon as possible and in advance of each meeting.

Members are reminded they must formally notify the Joint Office of any absence and the attendance of their Alternate.

Unless otherwise notified, Project Nexus Steering Group meetings will take place as follows:

2015/16

Time/Date	Venue	Workgroup Programme
10:00 - 12:00, Monday 16 November 2015	Teleconference 0207 950 1251, access code 21870295#	<ul style="list-style-type: none"> • <i>Review action updates</i> • <i>Review Level 3/L MT data readiness (potential risk and/or Change Request)</i> • <i>Review the Risks and Issues</i>

		<i>Register (changes and any new escalated risks/issues).</i>
13:00 - 16:00, Monday 07 December 2015	Ofgem, 9 Millbank, London SWIP 3GE. Approximate start time no earlier than 13:00 (following <i>Change Overview Board meeting</i>)	<i>To be confirmed</i>
10:00 - 13:00, Friday 18 December 2015	Ofgem, 9 Millbank, London SWIP 3GE	<i>Formal checkpoint meeting</i>
10:00 - 11:00, Friday 08 January 2016	Teleconference	<i>To be confirmed</i>
10:00 - 13:00, Monday 18 January 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>Formal checkpoint meeting</i>
13:00 - 16:00, Monday 08 February 2016	Ofgem, 9 Millbank, London SWIP 3GE. Approximate start time no earlier than 13:00 (following <i>Change Overview Board meeting</i>)	<i>To be confirmed</i>

Action Table (02 November 2015)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
1001	12/10/15	4.1	PwC to provide to PNSG, at least one week in advance of the start of L2 MT, confirmation of the workarounds agreed for the ERR and iGT issues together with a summary position of industry readiness.	PwC (AS/GW)	Closed
1002	12/10/15	4.1	PwC to ascertain the identities of Trader organisations currently included in the data analysis, whether they have intention of acquiring a Supply Point portfolio prior to Nexus go-live, and establish whether they should continue to be included or excluded from these assessments (and assigned to a constituency if appropriate).	PwC (AS/GW)	Closed

Action Table (02 November 2015)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
1003	12/10/15	6.2	PwC to develop a short Engagement Survey (3 questions, self certifying), for PNSG to consider, potentially for issue after the start of L2 MT.	PwC (GW)	<i>Update due 16 November meeting</i> Carried forward
1004	26/10/15	6.1	<i>Release Management - management/handling of late changes when in testing</i> - SS to clarify process/ expectations.	Xoserve (SS)	Closed
1101	02/11/15	2.0	<i>Milestone M1.3 Industry/Xoserve UAT complete for MT Core</i> - SS and AS to raise a Change Request regarding proposed extension from 31 December 2015 to 31 January 2016.	Xoserve (SS) and PwC (AS)	<i>Update due 16 November meeting</i> Pending
1102	02/11/15	4.1	<i>RAASP milestones</i> - SS and AS to provide a Change Request regarding proposed changes to milestone dates, including assessment of the impacts.	Xoserve (SS) and PwC (AS)	<i>Update due 16 November meeting</i> Pending
1103	02/11/15	4.4	<i>Volumetrics</i> - PwC to include a question on the PwC portal seeking further information and Shipper constituency representatives to draw attention to the need for information.	PwC and Shipper constituency representatives	<i>Update due 16 November meeting</i> Pending