

Project Nexus Steering Group Minutes
Monday 12 October 2015
Ofgem's Offices, 9 Millbank, London SW1P 3GE

Attendees

Andrew Sinclair	(AS)	PwC
Angelita Bradney	(AB)	Ofgem
Chris Warner	(CW)	National Grid Distribution
Gareth Evans	(GE)	Waters Wye Associates
Gill Williams	(GW)	PwC
Hazel Ward	(HW)	RWE npower
James Beverley	(JB)	Baringa
Jeremy Guard	(JG)	First Utility
Jon Dixon	(JD)	Ofgem
Les Jenkins (Chair)	(LJ)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Mike Harding	(MH)	Brookfield Utilities
Sandra Simpson	(SS)	Xoserve
Sean McGoldrick	(SMc)	National Grid NTS

Copies of papers are available at: <http://www.gasgovernance.co.uk/NexusSG/121015>

Key Messages from this meeting:

Market Trials - Data Issue		
Legal Opinion	<ul style="list-style-type: none"> • Legal opinion confirms the validity of the approach to data in Market Trials • Steering Group unanimously agreed to proceed with the approved Approach • Seeking permission to publish the opinion. 	INFORMATION
Market Trials L2		
Readiness	<ul style="list-style-type: none"> • Steering Group thanks participants for their contributions to the analysis • Xoserve are confident of achieving the start date; testing is almost complete <ul style="list-style-type: none"> ○ An agreed workaround is in place for ERR file, with a fix due on 10 December • Good indicators that market participants will be ready <ul style="list-style-type: none"> ○ 7 fully green (ready), none at red status • Provisional approval to proceed with MTL2 agreed <ul style="list-style-type: none"> ○ Further PNSG t-con on 26 October to confirm 	INFORMATION AND ACTION

	<p>readiness</p> <ul style="list-style-type: none"> ○ Parties requested to refresh their readiness self-assessment w/c 19 October. 	
Market Trials L3/L4		
Approach	<ul style="list-style-type: none"> • Milestone 'MT L3/L4 Approach Approved' deferred to 02 November to ensure MT Working Group have had a robust consultation cycle • No impact on the plan. 	INFORMATION
Market Trials Working Group (MTWG)		
Scope	<ul style="list-style-type: none"> • Steering Group confirmed that the MTWG scope is confined to the MT Approaches, under sole direction of the PNSG • Role during MT under consideration by the Steering Group. 	INFORMATION
Risks and Issues		
Register	<ul style="list-style-type: none"> • Risk and Issue registers have been approved and will be visible on the PwC portal • PwC will provide processes to enable parties to comment and/or raise further risks and issues. 	INFORMATION

1.0 Introduction and Review of Minutes

'Chatham House Rules' apply to general discussion.

LJ welcomed all to the meeting; quoracy was confirmed.

1.1 Note of Alternates

H Ward for A Travell.

1.2 Review of Minutes (28 September 2015)

The minutes of the previous meeting were approved.

2.0 Programme Report

The next report will be made at the meeting on 02 November 2015.

3.0 Matters for Consideration

3.1. Consider Legal Opinion in respect of Issue 1.06 and determine an appropriate way forward

Legal Opinion was provided by PwC and this was considered by the PNSG. The validity of the approach was confirmed and the PNSG agreed unanimously to proceed with the approach as planned.

PwC will confirm what information may be published.

4.0 Key Milestones Approval to Proceed

4.1 Industry/Xoserve testing complete for L2 MT (01 October 2015)

AS gave an update on the position, indicating that the majority of parties had made good progress towards readiness.

Two areas required further investigation/impact analysis (reversal of ERR file rejection functionality and uncertainty relating to delivery date of 10 iGT file formats not in the July 'baseline' for L2 MT) to ascertain any consequences for Market Trials.

SS reported that Xoserve was confident of being ready to commence L2 MT and gave an update on the various areas. The ERR files issue was discussed. SS explained the workaround agreed through the MTWG in respect of 'incorrect' ERR that is to be used until 10 December 2016, when the correct ERR file is expected to be available.

Responding to a question from a Shipper constituent representative, SS confirmed she was not aware of any issues relating to invoicing files (unless they are August changes that were not in the baseline). SS explained in more detail the technical issues surrounding the ERR file; the issue will not impact the start or end of L2 MT.

The iGT files issue was discussed; it was an issue for some iGTs but they are not in the baseline (August file formats). Options were being discussed at MTWG, but it was likely that they would be included in L3 MT rather than L2 MT, as Xoserve cannot deliver for L2 MT. The impacts on L3/L4 MTs were being assessed by MTWG and confirmation of the workarounds agreed together with a summary position of industry readiness will be provided to PNSG by PwC at least one week in advance of the start of L2 MT.

Action 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.

A Shipper constituent representative commented on the inclusion of Traders within the analysis, as these generally have no physical Supply Point portfolio. It was observed these parties may have a Shipper account, and might expect to be included if there was any intent for them to acquire a portfolio before Nexus go-live. AS would confirm whether any such parties should be excluded/included within the analysis data (and assigned to a constituency if appropriate).

Action 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).

AS affirmed that PwC would be doing a 'sweep up' exercise to contact parties who had yet to provide assessment/evidence, and would contact constituency representatives if assistance was required to obtain the relevant information.

Attention was then drawn to the recommendation. PwC recommended that provisional approval be given to start L2 MT on 02 November 2015, subject to the completion of the two summary position papers (ERR and iGT files). This information would provide evidence for the final go/no go decision to enter L2 MT. After a brief discussion provisional approval to proceed was given unanimously, with a formal confirmation of approval anticipated (following assessment of evidence) at an interim teleconference meeting - 'a checkpoint call' - to be arranged for Monday 26 October 2015. PwC were requested to provide the necessary meeting papers by the afternoon of Thursday 22 October 2015 to give parties an opportunity to review in advance of the meeting.

AS encouraged the constituency representatives to remind their constituents to update their individual self-assessments for L2 MT, and also to respond to the L3/L4 questions on the PwC portal (a low response had been observed to date).

4.2 L3/L4 MT Approach Approved (14 October 2015)

AS reported this had been debated at MTWG; the document was now out for wider approval (to be provided by Monday 19 October 2015) and to be reviewed at the next MTWG on 21 October 2015.

PNSG unanimously agreed to move the milestone 'L3/L4 MT Approach Approved' to 02 November 2015 and reschedule consideration/approval to its meeting on 02 November 2015.

4.3 Data Cut Taken (12 October 2015)

SS affirmed that the data cut was on track to be taken by the end of today.

The milestone will be reviewed at the checkpoint meeting on 26 October 2015 to confirm that it has been passed successfully.

4.4 Industry Plan - next milestones

Looking at the Plan, LJ drew attention to the next set of milestones:

- 02 November 2015 - Start of L2 MT
- End November - SAP detailed design.

SS observed that SAP were already in and working through the design with Xoserve. It was suggested that the revised plan for developing RAASP could be reviewed at the November PNSG meeting.

5.0 Programme Risks and Issues

The Risks and Issues Register had been revised to reflect the comments and suggestions made at the previous meeting. The review of the Issues Register entries continued, with each item considered individually.

5.1 Issues

Issues I.04 - I.11 (Proximity and Impact Ratings, and Resolution Actions) were reviewed. Ratings were discussed and assessed and readjusted to reflect current circumstances. Appropriate Resolution Actions were considered in respect of each Issue, and a number of clarifications, revisions, refinements and additions were suggested.

Following discussion, Issue I.04 was converted to a Risk and Issues I.05 and I.10 were agreed closed. Issue I.11 appeared to be poorly formulated and required much more clarity before the PNSG could properly consider, and LJ reminded that any identified risks and issues should be closely scrutinised and properly defined before formal inclusion on the Register and consideration by the PNSG.

AS and GW noted the revisions required; the changes will be made and the Risks and Issues Register will be updated and published on the portal.

5.2 Next Review

It was suggested that the entries on the Risks and Issues Register be reviewed by exception (Red status) at the second meeting of each month (teleconference). Some

constituent representatives suggested that Issue I.09 might require reviewing on a more frequent basis.

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

6.0 Any Other Business

6.1 MTWG Terms of Reference (ToR)

A Shipper constituent representative had received questions from constituents that queried if there was to be an 'afterlife' for the MTWG following completion of the L3/L4 MT work, and should there be a group that was tasked to deal with any issues that subsequently arose from the MTs?

AS explained the MTWG's role under the current ToR, and a discussion ensued. LJ clarified it was the MTWG's role to set the Approach. Only if the Approach were subsequently proved to be ineffective would the MTWG then be reconvened by PNSG.

Post Meeting Note: *Draft ToR for the role of the MTWG during the Market Trials, originally tabled on 28 September but not considered due to time, has been circulated to PNSG members on 13 October for consideration/approval.*

6.2 Communication Gap - Programme Manager Level

Noting there were a number of different communication routes/levels, another Shipper constituent representative commented there seemed to be a gap between information delivered at the PNSG level and that delivered at a much lower and more technical level, and suggested there may be a need for a 'Programme Managers' forum/regular call to address this.

GW suggested that PwC could develop a short Engagement Survey (3 questions, self certifying), potentially for issue after the start of L2 MT.

Action 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.

7.0 Outstanding Actions

The outstanding actions were reviewed.

0909: Constituency representatives to remind their constituents of the deadline (02 October 2015) for the 'first pass' completion of MTL2 entry criteria self-assessment.

Update: Completed. **Closed**

0910: *Issue 1.06 Anonymisation of Data for Market Trials* - PwC to procure Legal Opinion to review and comment upon the Licences and UNC TPD Section V5, to establish if the current arrangements provide sufficient cover to negate any concerns, and if not, to clearly articulate the defect(s) and recommend the best and most appropriate course to provide swift remedy.

Update: See 3.1, above. **Closed**

0911: PwC (AS) to propose what the 'bar' should be and seek agreement (to be done by correspondence, in readiness for application at the next meeting on 12 October 2015).

Update: See 4.1 or 4.2, above. **Closed**

0912: *Risks and Issues Register* - PwC and Xoserve to review/refine Issues I.04 - I.11, revise the Risks and Issues entries and circulate an updated, change tracked Register.

Update: See 5.2, above. **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

It was agreed that an interim checkpoint meeting be held at 09:00 on Monday 26 October 2015 via teleconference. At this meeting the expectation will be to:

- *Approve the passing of the key milestones 'Data Cut Taken' and L2 MT entry.*

The next 'face-to-face meeting' will be held on Monday 02 November 2015 at Ofgem's Offices, 9 Millbank, London SW1P 3GE, **with an approximate start time of no earlier than 13:00** (following the Change Overview Board meeting being held at ENA).

At this meeting the expectation will be to:

- *Receive the PwC Programme Report (to include a view on the status/gravity/'burn down' rate of any UAT defects)*
- *Confirm a summary position relating to ERR*
- *Approve L3/L4 MT Approach*
- *Receive an update on RAASP*
- *Receive 'Single Version of Truth'*
- *Review any action updates*
- *Review the Industry Implementation Plan*
- *Review Key Milestones.*

Change of Date

The PNSG were asked to note a change of date in the 2016 Meeting Programme. The teleconference meeting previously planned for Monday 28 March 2016 has now been rescheduled to Tuesday 29 March 2016. All other details remain the same.

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

Time/Date	Venue	Workgroup Programme
09:00 - 10:00, Monday 26 October 2015	Teleconference	<i>Interim checkpoint meeting to approve the passing of the key milestones: 'Data Cut Taken' and L2 MT entry.</i>
13:00 - 16:00, Monday 02 November 2015	Ofgem, 9 Millbank, London SWIP 3GE. Approximate start time no earlier than 13:00 (following Change Overview Board meeting)	<i>To be confirmed</i>
10:00 - 12:00, Monday 16 November 2015	Teleconference	<i>To be confirmed</i>
13:00 - 16:00, Monday 07 December 2015	Ofgem, 9 Millbank, London SWIP 3GE. Approximate start time no earlier than 13:00 (following Change Overview Board meeting)	<i>To be confirmed</i>
10:00 - 13:00, Friday 18 December 2015	Ofgem, 9 Millbank, London SWIP 3GE	<i>Formal checkpoint meeting</i>

2016

Time/Date	Venue	Workgroup Programme
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 Change Overview Board meeting)	<i>To be confirmed</i>
10:00 - 12:00, Monday 22	Teleconference	<i>To be confirmed</i>

February 2016		
10:00 - 13:00, Monday 14 March 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>Formal checkpoint meeting</i>
10:00 - 12:00, Tuesday 29 March 2016 (<i>Please note date change</i>)	Teleconference	<i>To be confirmed</i>
10:00 - 13:00, Monday 11 April 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>To be confirmed</i>
10:00 - 12:00, Monday 25 April 2016	Teleconference	<i>To be confirmed</i>
10:00 - 13:00, Monday 16 May 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>Formal checkpoint meeting</i>
10:00 - 13:00, Friday 27 May 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>Formal checkpoint meeting</i>
10:00 - 13:00, Monday 13 June 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>To be confirmed</i>
10:00 - 12:00, Monday 27 June 2016	Teleconference	<i>To be confirmed</i>
10:00 - 13:00, Monday 11 July 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>To be confirmed</i>
10:00 - 13:00, Wednesday 27 July 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>Formal checkpoint meeting</i>
10:00 - 13:00, Monday 08 August 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>To be confirmed</i>
10:00 - 12:00, Monday 22 August 2016	Teleconference	<i>To be confirmed</i>
10:00 - 13:00, Monday 05 September 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>To be confirmed</i>
10:00 - 13:00, Monday 19 September 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>Formal checkpoint meeting</i>

Action Table (12 October 2015)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0909	28/09/15	2.0	Constituency representatives to remind their constituents of the deadline (02 October 2015) for the 'first pass' completion of MTL2 entry criteria self-assessment.	Constituency Representatives	Closed
0910	28/09/15	2.0	Issue 1.06 <i>Anonymisation of Data for Market Trials</i> - PwC to procure Legal Opinion to review and comment upon the Licences and UNC TPD Section V5, to establish if the current arrangements provide sufficient cover to negate any concerns, and if not, to clearly articulate the defect(s) and recommend the best and most appropriate course to provide swift remedy.	PwC (GW/AS)	Closed
0911	28/09/15	4.2.2	PwC (AS) to propose what the 'bar' should be and seek agreement (to be done by correspondence, in readiness for application at the next meeting on 12 October 2015).	PwC (AS)	Closed
0912	28/09/15	5.2	<i>Risks and Issues Register</i> - PwC and Xoserve to review/refine Issues I.04 - I.11, revise the Risks and Issues entries and circulate an updated, change tracked Register.	PwC (AS/GW)	Closed
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)	Update due by 23 October at latest Pending
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	PwC (AS/GW)	Update due 02 November meeting Pending

Action Table (12 October 2015)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
			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).		
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 02 November meeting</i> Pending