

Project Nexus Steering Group Minutes

Tuesday 18 August 2015

via teleconference

Attendees

Alison Russell	(AR)	Utilita
Andy Sinclair	(AS)	PwC
Angelita Bradney	(AB)	Ofgem
Chris Warner	(CW)	National Grid Distribution
Gareth Evans	(GE)	Waters Wye Associates
Hazel Ward	(HW)	RWE npower
Jeremy Adams-Strump	(JAS)	Ofgem
Les Jenkins (Chair)	(LJ)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Matthew Adams	(MA)	Baringa
Sandra Simpson	(SS)	Xoserve
Sean McGoldrick	(SM)	National Grid NTS

Copies of papers are available at: <http://www.gasgovernance.co.uk/NexusSG/180815>

Key Messages from this meeting:

Modification 0548 Project Nexus – deferral of implementation date		
Modification has been approved	<ul style="list-style-type: none"> Nexus implementation date is now 01 October 2016 Implemented on 14 August 2015 	INFORMATION
Engagement with programme mechanisms		
All parties are encouraged to actively participate	<ul style="list-style-type: none"> PNSG has previously noted wide engagement with the PwC portal Equally important for all parties to engage with their constituency representative to ensure accurate information flows to and from the PNSG 	ACTION
Baseline for L2 Market Trials		
Baseline set	<ul style="list-style-type: none"> Baseline is the File Formats approved at the July UK Link Committee See: http://www.gasgovernance.co.uk/uklc/090715 	INFORMATION
RAASP Design Phase		
Design phase re-planned	<ul style="list-style-type: none"> Working assumption that RAASP Design phase will be brought forward to commence on 01 September 2015 Will be confirmed at the next PNSG meeting, also on 01 September. 	INFORMATION

	<ul style="list-style-type: none"> Some additional risk with this approach – monthly updates will be provided to PNSG Duration will be assessed early in the design 	
Unique Sites – Market Trials		
MT for US remains as before	<ul style="list-style-type: none"> Last meeting noted that US now considered as part of Core delivery MT for US remains on the original timeline – i.e. commencing June 2016 	CLARIFICATION
Change Requests		
Expected routes confirmed	<ul style="list-style-type: none"> Any Change Requests are expected to use existing UNC governance: <ul style="list-style-type: none"> File Formats to UK Link Committee Nexus Requirements initially to UNC Nexus Workgroup Implementation Plan milestones to PNSG via PwC 	INFORMATION
Market Trials Work Group		
Terms of Reference approved	<ul style="list-style-type: none"> See http://www.gasgovernance.co.uk/NexusSG 	INFORMATION

1.0 Introduction and Review of Minutes

'Chatham House Rules' apply to general discussion.

LJ welcomed all to the meeting.

1.1 Note of Alternates

H Ward for A Travell; A Russell for J Guard.

It was noted that some members had not notified of their intended absence from this meeting and that the ability to maintain quoracy was compromised. Those members present expressed their disappointment at this situation.

Members are reminded to contact the Joint Office in advance to notify of their intended absence and to confirm the attendance of their alternate.

1.2 Review of Minutes (03 August 2015)

The minutes of the previous meeting were approved.

2.0 Programme Report

AS confirmed the status as AMBER, and drew attention to the four milestones.

Milestone 1

A Shipper member had received feedback from constituents regarding the Market Trials Working Group. Discussion was deferred to item 3.2 on the Agenda.

Milestone 2

File Format Testing - Xoserve had no further update on statistics to provide other than what was indicated on the slide (5). AS asked if any defects had been identified; SS referred to the two already open which had arisen from UAT where it was found an issue *using* these file formats, not the file formats testing. SS will include for the report to give visibility.

A Shipper member had received constituents' comments indicating concerns regarding some delays, particularly where there were file formats delays, there seemed to be assumptions that all Shippers will be ready once Xoserve has finished testing, but that may not be so. HW agreed that there were concerns as to when it will be baselined - Shippers cannot confirm where it is not baselined. SS confirmed that MTL2 baseline is the changes that have been approved at the July UKLC meeting - the approved file formats would go into MTL2. There was a risk that defects will continue to be found that will result in file format changes - Xoserve would categorise these into 'Must Do' and 'Could Do', and would be trying to minimise external impacts as far as possible.

It was commented that it was not clear that the file formats approved by the July UKLC are the baselines to work to. SS believed that the MTWG was discussing MTL2 baselines and this would be in the document. LJ will include this in the Key Messages communication.

It was commented that where changes are identified it should be recognised that there needs to be a reactive time for Shippers acknowledged in the reports. SS agreed, adding that a release based approach is being adopted to give early sight of any potential requirements and to agree next steps.

Milestone 3

Referring to the proposal to bring forward the entry to design milestone, SS confirmed that Xoserve would commence activities on RAASP at the beginning of September; experts had been released from UAT to work on the design activities. Some risk will remain on UAT - end to end testing is planned to finish in November; the risk is containable within the period to the end of December. UAT is being closely monitored and if resources need to be redeployed the PNSG will be kept informed of risk(s); there will be monthly checkpoints and early discussion sought if required.

AB observed that the milestones might need reviewing and the plan adjusting to reflect the new position.

In response to a question SS recapped on and clarified the position in relation to US - it had been brought into Core delivery and will continue on the existing timelines, meaning that the US testing would be during the RAASP testing phase.

The extension to RAASP design phase was being reviewed and whether the extension could be made would be known probably early September. SS observed that parties had been asked if they would be able to provide expert resources to assist in testing. Shipper members had not received any feedback to this request, but would be happy to seek views/participation if it could be confirmed what exactly was required/needed to be done. SS observed to AS that Xoserve would need sight of the entry criteria for the next Stage Gate, i.e. a clear view of what industry involvement was required and when. AS believed a plan needed to be set first to ascertain the level of resources/when needed; such a plan was likely to be iterative (internal/external).

Action 0801: PwC (AS) to confirm the Stage Gate criteria to measure entry into RAASP design 01 September 2015.

Action 0802a: Xoserve (SS) to provide a high level plan for RAASP design activities where industry needs to be included.

Action 0802b: Shipper representatives to canvass interest and engage constituents in participation.

The next Stage Gate was approval for Xoserve/industry representatives to move into detailed design for RAASP and meter assets. MA added that this should also consider qualifying the risk associated with moving forwards. AS indicated that completion of the process/detailed design would be monitored, and questioned if Xoserve experts have to address more identified defects should UAT be tracked in more detail.

A Shipper member commented that constituents appeared to be confused regarding the actual GONG decision on RAASP. SS reiterated the approach. At all the milestones in the plan there was the opportunity to decide to continue or to take an alternative course of action, inevitably at some time reaching a 'point of no return' (it is not yet confirmed what this point might be). AS observed that continual assessment should help to build confidence; more milestones can be added as progression/circumstances dictate. Milestones help to reduce risk, and any one can result in a No Go decision being made. AS reaffirmed that the project should not reach 01 August 2016 and receive a surprise No Go.

At this point in the discussions, LJ pointed out that the moving of a milestone could not be approved at this juncture because the meeting was not quorate. The working assumption must be that the key milestone of 01 October should move to 01 September, and this will need to be approved (assuming quoracy) at the 01 September 2015 meeting.

Shipper Members - Requests and Comments

Responding to a request for the inclusion in the report of a section relating to File Format Change Requests (so that these could be tracked), LJ observed this should be facilitated by another route and he would only expect to see a formal change request for a change in the plan included in the report.

There had also been a request to see all of the risks ranked and not just the top three. It was advised these were available through UKLIEF (published monthly).

Concerns were expressed that different information appeared to come from different sources/forums - a 'Chinese Whispers' effect - that was not helpful. The central provision and communication of a reliable single version of facts/statement of position to be used across all forums would be welcomed. AS agreed, explaining that PwC had arrived at a similar conclusion from their work on Governance Interactions (see 3.4 below).

A Shipper member pointed out that an individual risk should be raised in relation to the availability of Xoserve expert resources. It was believed this was a very particular and material, much bigger risk relating to Xoserve and that this should be separated out from the 'blanket' industry risk. This was briefly discussed and agreed it should be separated, with appropriate mitigations put in place.

Action 0803: PwC to consider the risks that are reported and to agree with Xoserve appropriate wording for an Xoserve resourcing risk.

A Shipper member also commented that 'post meeting' calls for constituents were not always that well attended, but that this might improve once the summer holiday season was over. It was suggested that Shipper members monitor the situation and if necessary bring any further concerns to the attention of the PNSG.

3.0 Matters for Consideration

3.1. Decoupling RAASP from Core (Action 0704)

AS gave an update. Meter asset data was awaited to perform additional analysis to better quantify benefits and substantiate proposed options.

A Shipper member referred to concerns regarding Smart Metering rollout and potential issues/errors, and that assumptions based on historical information may not translate into the future. AS observed that if manual adjustments were required, an assessment of the amount of effort would need to be made; some assumptions could be built to help map this out. AB added it was the Shippers' responsibility to provide data so an impact assessment could be made; the Shipper member would see what could be provided.

AS confirmed that US would be removed from the Impact Assessment following the decision taken last meeting.

3.2. Market Trials Working Group (MTWG) Update and Terms of Reference (ToR) Approval

MTWG Update

AS confirmed that the group was broadly on track to draft an appropriate MTL2 approach.

A Shipper member commented that constituent perceptions appeared to be at odds with the PwC view; it had been reported that progress was not good, and this update does not reflect those perceptions. AS and SS were aware of constructive feedback provided to improve the leadership and administration of the meetings and this had been acted upon.

Whilst noting that there might be some issues with lack of preparation in advance of the meeting on the part of some participants (this might in part be due to the meeting frequency, and alternates standing in for members because of holidays, etc), a second Shipper member expressed surprise at the negative perceptions and felt in fact that progress was being made as MTSG settles into its role.

MTWG ToR Approval

AS asked members for any comments; a Shipper member had been asked what constituted MTs, as there was a perception that MTL2 seems to be "dummy mock ups" rather than 'actuals'. SS reiterated that this was the chance to test file structure and validation to make sure these have been built in the correct way (validated with a positive/negative response). The previous version of the MT approach set out what was to be expected.

Members then ratified the Market Trials Working Group Terms of Reference. AS confirmed that the document will be finalised and provided to the Joint Office for publication.

3.3 Review/approval of Project Nexus Steering Group Terms of Reference (ToR) (Action 0709)

AS outlined the proposed revisions to the section 'Deliverables: PA/M'; these were reviewed and discussed. A Shipper member commented on the language used, the tone seemed very reactive and it presented an administration role, whereas the perceptions were that PwC should be taking a more active role. Reference was made to the existing

ToR which included PwC's production of a plan, the Shipper member was not sure this had actually been seen - could this be provided to give more assurance? LJ checked and agreed, observing that PwC seemed to have 'lost' ownership of the plan and suggesting the ToR needed revisiting/rewording.

Clarity was sought on what sort of plan was envisaged. By way of comparison, SS referred to the Joint Industry Plan for SMART - was that what was required? In discussion it was believed the plan needed more definition and should include Xoserve's 'full plan', however there were commercially sensitive areas to that which could not be included. It was suggested that what was required was a Joint Industry plan across all parties with the dependencies drawn on. LJ thought that the current 'Plan on a Page' just about met that, but did require more detail and suggested that PwC return to the group with thoughts as to how it might be expanded.

Action 0804: PNSG ToR - Xoserve/Baringa to ascertain whether a plan along the lines of the Joint Industry Plan for SMART could be provided.

Action 0805: PNSG ToR - PwC to reconsider the PA/M Deliverables based on feedback.

A Shipper member noted the expectation that PwC dial into/participate in the industry-wide weekly calls.

Another Shipper member asked for clarification regarding the publication of assurance reports (who by, where, when, etc.). AS confirmed these were published on the Joint Office website; LJ reiterated what was done/published immediately following this meeting. Assurance reporting is included the reporting pack (they are not provided like the Baringa reports).

3.4 Overview of Governance Interactions

AS drew attention to the draft document provided the previous day and briefly outlined the key messages, suggesting that members take time to read it through and send any comments to PwC. The document will be updated for the next meeting on 01 September 2015.

From a brief review, members identified there were 'gaps', e.g. around 'Overall Design Authority'. SS explained how everything has had to fit in with existing UNC protocol and governance. A Shipper member was concerned that an 'Overall Design Authority' could overwrite/undermine previous agreements, and this would need a route back into the PNUNC. LJ commented this would have to have a very clear scope setting out powers, parameters, escalation route, etc. It would be helpful to have a vision of a 'fast track' process. SS gave an example of a process to enact swift decisions, and noted that the concept of a Design Authority was brought up at MTWG. AS agreed that there needed to be a clear understanding as to how identified defects could/would be dealt with very quickly.

Members believed that the 'single version of the truth' communication route was a sound principle that would address several concerns.

Action 0806: Nexus Governance Interactions - All to read pack provided and provide comments to PwC (AS) by Friday 20 August 2015.

4.0 Outstanding Actions

The outstanding actions were reviewed.

0704: PwC to start on impact assessments (including potential mitigation) for decoupling RAASP (from Core) should this later be required.

Update: See 3.1, above. **Carried forward**

0709: *PNSG Terms of Reference* - SC to review section 'Deliverables: PA/M' and provide appropriate revisions for approval at the next meeting.

Update: See 3.3, above. **Carried forward**

5.0 Key Messages

These 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 page1, above).

Noting that this format/approach had been followed for some weeks now, LJ sought informal feedback on the Key Messages.

6.0 Any Other Business

UNC Modification 0550 - Incentivising Central Project Delivery

CW drew attention to this new modification, and LJ gave a brief summary of its intent.

7.0 Next Agenda and Diary Planning

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

Next Meeting

At the next meeting (01 September 2015) the expectation will be to:

- Review any action updates
- Receive the Market Trials Working Group update
- Review revisions to the PNSG Terms of Reference and approve
- Consider the information provided in the updated pack 'Nexus Governance Interactions'.

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
10:00 - 12:00, Tuesday 01 September 2015	Ofgem, 9 Millbank, London SWIP 3GE	<ul style="list-style-type: none"> • <i>Impact assessments (including potential mitigation) for decoupling from RAASP from Core delivery - update (Action 0704)</i> • <i>Review/approval of PNSG ToR (Action 0709)</i> • <i>Market Trials Group update</i>

		<ul style="list-style-type: none"> • <i>Governance Structure for Nexus meetings</i>
10:00 - 12:00, Monday 14 September 2015	Teleconference	<i>To be confirmed</i>
10:00 - 13:00, Monday 28 September 2015	Ofgem, 9 Millbank, London SWIP 3GE	<i>To be confirmed</i>
10:00 - 13:00, Monday 12 October 2015	Ofgem, 9 Millbank, London SWIP 3GE.	<i>Formal checkpoint meeting</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 February 2016	Teleconference	<i>To be confirmed</i>
10:00 - 13:00, Monday 14 March 2016	Ofgem, 9 Millbank, London SWIP 3GE	<i>Formal checkpoint meeting</i>

10:00 - 12:00, Monday 28 March 2016	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 (18 August 2015)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0704	01/07/15 <i>(amended 03/08/15)</i>	3.0	PwC to start on impact assessments (including potential mitigation) for decoupling RAASP (from Core) should this later be required.	PwC (AS)	Update due 01 September meeting Carried forward
0709	13/07/15	4.0	<i>PNSG Terms of Reference</i> - SC to review section 'Deliverables: PA/M' and provide appropriate revisions for approval at the next meeting.	PwC (SC)	Update due 01 September meeting Carried forward
0801	18/08/15	2.0	PwC (AS) to confirm the Stage Gate criteria to measure entry into RAASP design 01 September 2015.	PwC (AS)	Pending
0802a	18/08/15	2.0	a) Xoserve (SS) to provide a high level plan for RAASP design activities where industry needs to be included.	Xoserve (SS)	Pending
0802b			b) Shipper members to canvas interest and engage constituents in participation.	Shipper members	
0803	18/08/15	2.0	PwC to consider the risks that are reported and to agree with Xoserve appropriate wording for an Xoserve resourcing risk.	PwC (AS)	Pending
0804	18/08/15	3.3	<i>PNSG ToR</i> - Xoserve/Baringa to ascertain whether a plan along the lines of the Joint Industry Plan for SMART could be provided.	Xoserve (SS) and Baringa (MA)	Pending
0805	18/08/15	3.3	<i>PNSG ToR</i> - PwC to reconsider the PA/M Deliverables based on feedback.	PwC (AS)	Pending
0806	18/08/15	3.4	<i>Nexus Governance Interactions</i> - All to read pack provided and provide	ALL Parties	Comments to PwC (AS) by Friday 20

Action Table (18 August 2015)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
			comments to PwC (AS) by Friday 20 August 2015.		<i>August 2015.</i> Pending