

**Project Nexus Steering Group Minutes**  
**Monday 28 September 2015**  
**Ofgem’s Offices, 9 Millbank, London SW1P 3GE**

**Attendees**

Alex Travell	(AT)	E.ON UK
Andrew Sinclair	(AS)	PwC
Angelita Bradney	(AB)	Ofgem
Gareth Evans	(GE)	Waters Wye Associates
Gill Williams	(GW)	PwC
James Beverley	(JB)	Baringa
Jeremy Adams-Strump	(JAS)	Ofgem
Jeremy Guard	(JG)	First Utility
Joanna Ferguson	(JF)	Northern Gas Networks
Jon Dixon	(JD)	Ofgem
Les Jenkins (Chair)	(LJ)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Sandra Simpson	(SS)	Xoserve
Sean McGoldrick	(SMc)	National Grid NTS
Vicki Spiers	(VS)	ES Pipelines

Copies of papers are available at: <http://www.gasgovernance.co.uk/NexusSG/280915>

**Key Messages from this meeting:**

<b>Market Trials L2</b>		
Entry Criteria	<ul style="list-style-type: none"> <li>First pass of readiness assessment due for completion by parties by Friday 02 October</li> <li>Parties requested to enter their assessment on the PwC portal as soon as possible</li> </ul>	<b>ACTION</b>
Preparation	<ul style="list-style-type: none"> <li>Xoserve continue to test the baseline file formats; challenges have been faced, but expected to be complete for the readiness checkpoint</li> <li>Impact of ERR/FRJ file format design being assessed by MTWG</li> </ul>	<b>INFORMATION</b>
<b>Market Trials L3</b>		
User Acceptance Testing	<ul style="list-style-type: none"> <li>Overall Amber status but within expectations of the PNSG at this time – defect resolution and re-test still a concern</li> </ul>	<b>INFORMATION</b>

<b>Market Trials – Data Issue</b>		
	<ul style="list-style-type: none"> <li>• PNSG note the recommended way forward from MTWG and would like more understanding of the extent of the impacts</li> <li>• PNSG will procure a legal opinion on the provisions in UNC and Licences.</li> <li>• Decision on next steps at the next PNSG meeting on 12 October</li> <li>• <b>Parties expected to proceed with preparations as planned</b></li> </ul>	<b>INFORMATION</b>
<b>Programme Milestones</b>		
	<ul style="list-style-type: none"> <li>• L2 Market Trials Approach Approved – <i>milestone complete</i></li> <li>• L3/L4 MT Approach Approved – <i>milestone pushed back to 14 October 2015</i></li> </ul>	<b>INFORMATION</b>
<b>Programme Risks and Issues</b>		
	<ul style="list-style-type: none"> <li>• Risks reviewed and approved</li> <li>• Issues to be completed on 12 October</li> <li>• Registers will be available to view on the PwC portal – parties will be able to suggest amendments</li> </ul>	<b>INFORMATION</b>

## 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

J Ferguson for C Warner and V Spiers for M Harding.

### 1.2 Review of Minutes (14 September 2015)

The minutes of the previous meeting were approved.

## 2.0 Programme Report

AS reported that the overall status was Amber. The project is now in a critical phase as it moves towards Level 2 Market Trials (‘MT’). To maintain stability in the plan AS pointed out that it was important that no further changes to file formats were experienced prior to entering MTL2; that Xoserve and market participants complete the testing activities required to enter MTL2; and that the data anonymisation issue, referred to at the previous PNSG meeting, be resolved quickly.

The MT entry and exit criteria had been rolled out on the PwC Assurance Hub. The deadline for submissions from participants is 02 October 2015 to support decision making at the PNSG checkpoint on 12 October 2015. Observing that only 5 or 6 submissions had

been received so far, AS requested that the constituency representatives remind their constituents to provide updates of progress on the PwC portal.

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

The data anonymisation issue (*Issue 1.06 - Anonymisation of Data for Market Trials*) was then revisited. There were concerns that this was now becoming an increasing distraction to other important activities and that a way forward to provide a resolution needed to be identified as soon as possible. AS reiterated the issue together with the three options proposed by the MTWG as potential ways forward; these were then considered and discussed.

More clarity was sought on the issue - was it to do with commercial sensitivity or was it an issue with the Data Protection Act itself - which clearly the PNSG (or a change to the UNC) would not be able to resolve. It appeared to be about picking up data during/from the data cut and subsequently using it for other than its intended purpose, and the perception of some parties that there were no clear ‘rules’ on how the data was to be handled. Referring to similarities with the Erroneous Transfers (ETs) process, that by its nature meant data was transferred to the ‘wrong party’ (circa 5,000 a month), a Shipper representative pointed out that no party had ever previously raised concerns regarding potential for use of that ET data for other purposes.

Having evaluated the options put forward by the MTWG, and whilst recognising that not all parties were comfortable with the current position, the discussions concluded with the recommendation that all parties should carry on with preparations and activities and adhere to the Plan, and that PwC be instructed 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, then to clearly articulate the defect(s) and recommend the best and most appropriate course to provide swift remedy. This course of action was agreed by the PNSG.

It was also suggested that until such time as the Legal Opinion had been established there would be no value in MTWG continuing to pursue this in its meetings. The PNSG therefore instructed the MTWG to hold this topic in abeyance pending further information; AS noted this instruction.

**Action 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.**

SS then updated the PNSG on Xoserve’s MTL2 readiness, and reported on the file testing cycle. File format testing had been quite difficult and had gone through a number of rounds. For some areas the status was Green, for others Amber. In the Pre-requisite testing there was a specific area of concern regarding reversion of ERR/FRJ design to legacy functionality. This would not be ready for the start of MTL2 and may not be available at all in MTL2. SS explained the ERR file and its design; impacts had been identified by Xoserve but it also needed to be assessed by industry for impacts on systems and the MTWG was reviewing this. Priorities were discussed; it was agreed this needed to be looked at for L2 as soon as possible and SS affirmed that Xoserve would provide information to PwC for the MTWG pack.

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SS reported on the UAT defects, and explained the root causes for the increase since last month's report. A breakdown of the status of the defects was provided, along with some examples. The process for retesting was explained.

Target testing itself had progressed, and of those outstanding some were held up by data defects, which needed to be fixed before they can be progressed. It was noted that some key resources were in RAASP Workshops at the moment.

It was noted that the next two weeks would be 'peak weeks' to commence End-to-End testing.

SS asked for views on the format for providing this information and it was suggested that a little more detail might be welcomed in the pack to indicate what was being done to address/fix the defects.

There followed a brief discussion on the milestone RAG status in the Plan. GW suggested it might be helpful to see links between the Plan's key milestones (number them?) and the detail in the reporting pack to articulate why the milestones are Amber. JB suggested that PNSG reassess the RAG status of the milestones.

Moving on to consider the UKLP Q&A information, it was noted that some Questions seem to be of some age. Explaining that improvements were being made to the 'housekeeping' in this area, SS described what was being done to address this and to assess how many are actually outstanding (rather than just a loop left unclosed), and if anything needs to be brought to the PNSG's attention.

### **3.0 Matters for Consideration**

#### **3.1. Industry Implementation Plan - Approval**

This was unanimously approved and publication agreed.

#### **3.2. UNCC: UK Link Committee Escalation - Feedback**

The approach agreed by the UNCC had been circulated to the PNSG by LJ, i.e. that UNCC members would like any escalated matters to be accompanied by either a PwC or Baringa representative, whom it was recognised might be best-placed to independently explain, in simple terms, any matters relevant to delivery.

The PNSG supported the UNCC's adoption of this pragmatic approach.

### **4.0 Key Milestones Approval to Proceed**

#### **4.1 L2 MT Approach Approved**

Unanimous approval was given.

#### **4.2 Upcoming Milestones (for note)**

LJ drew attention to the following milestones.

##### **4.2.1 Industry/Xoserve testing complete for L2 MT (01 October 2015)**

See 2.0, above. To be confirmed at the next PNSG meeting (12 October 2015).

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#### **4.2.2 L3/L4 MT Approach Approved (01 October 2015)**

See 2.0, above.

Unanimous approval was given to the extension of the milestone to 14 October 2015.

SS pointed out that a decision on what criteria should be used needed to be made before the next meeting. How many parties need to be ready? Should it be a certain percentage(s) of organisations, supply points, or throughput? The PNSG will need to understand where the 'bar' was. AS suggested that it might be an agreed proportion of each of the constituent groups - this would also highlight if there were a particular issue in a sector.

**Action 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).**

#### **4.2.3 Data Cut Taken (12 October 2015)**

See discussions at 2.0, above.

### **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 Register entries continued, with each item considered individually.

#### **5.1 Risks**

Risks R.09 - R.13 (Likelihood and Impact Ratings, and Mitigation Actions) were reviewed. Ratings were discussed and assessed and readjusted to reflect current circumstances. Appropriate Mitigation Actions were considered in respect of each Risk, and a number of clarifications, revisions and additions were suggested. AS and GW noted these; the changes will be made and the Risk Register will be updated.

#### **5.2 Issues**

Issues I.01 - I.03 (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. AS and GW noted these; the changes will be made and the Issue Register will be updated.

It was agreed that the Register should be put on the PwC portal; this could provide a formal route for feedback regarding risks or issues.

In view of time constraints, it was agreed that PwC and Xoserve should review/refine the remaining Issues to ensure they match the current programme position and revise the Register. PNSG would then aim to complete the review of Issues at the next meeting.

**Action 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.**

## 6.0 Outstanding Actions

The outstanding actions were reviewed.

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

**Update:** Provided. **Closed**

**0905:** *UKLC/UNCC Escalation route* - LJ to request the UNCC consider and agree an ad hoc process to deal with any technically based impasses that are escalated from UKLC.

**Update:** See 3.2, above. **Closed**

**0907:** *Nexus Governance Interactions/Recommendation 2* - PwC, Xoserve and Baringa to consider what constitutes a regular update.

**Update:** It was noted that the 'single view of the truth' communication is developing, with Xoserve UAT defects and FAQ resolution progress incorporated from this month. **Closed**

**0908:** *Nexus Governance Interactions/Recommendation 3* - PwC to revise the Governance paper, reissue for review/comment, and publish by 23 September 2015.

**Update:** AS reported that following PNSG feedback an updated version was issued on 23 September for approval by PNSG; no further feedback had been received. It was recommended and agreed that PwC create a 'light' version to communicate to the industry the key Nexus related governance forums and how they interact. **Closed**

## 7.0 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.

## 8.0 Next Agenda and Diary Planning

Further details of planned meetings are available at: [www.gasgovernance.co.uk/Diary](http://www.gasgovernance.co.uk/Diary)

*Next Meeting*

**The next meeting is a FORMAL CHECKPOINT MEETING and will be held at Ofgem's Office, starting at 10:00.**

At this meeting the expectation will be to:

- *Review any action updates*
- *Review the Industry Implementation Plan*
- *Review Key Milestones*
- *Complete review of Risks and Issues Register (Issues)*

- *Receive Legal Opinion in respect of Issue I.06 and determine an appropriate way forward.*

### 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 - 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. <i>Approximate start time no earlier than 13:00 (following Change Overview Board meeting)</i>	<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. <i>Approximate start time no earlier than 13:00 (following 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>

## 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	Ofgem, 9 Millbank, London SWIP 3GE. <i>Approximate start time no earlier than 13:00 (following</i>	<i>To be confirmed</i>

February 2016	<i>Change Overview Board meeting)</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	Ofgem, 9 Millbank, London SWIP 3GE	<i>Formal checkpoint meeting</i>



September 2016		
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### Action Table (28 September 2015)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
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)	<b>Closed</b>
0905	01/09/15	3.4	<i>UKLC/UNCC Escalation route</i> - LJ to request the UNCC to consider and agree an ad hoc process to deal with any technically based impasses that are escalated from UKLC.	Chair (LJ)	<b>Closed</b>
0907	14/09/15	3.3	<i>Nexus Governance Interactions/Recommendation 2</i> - PwC, Xoserve and Baringa to consider what constitutes a regular update.	PwC, Xoserve and Baringa	<b>Closed</b>
0908	14/09/15	3.3	<i>Nexus Governance Interactions/Recommendation 3</i> - PwC to revise the Governance paper, reissue for review/comment, and publish by 23 September 2015.	PwC (GW/SB)	<b>Closed</b>
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	<b>Update due 12 October meeting</b> <b>Pending</b>
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	PwC (GW/AS)	<b>Update due 12 October meeting</b> <b>Pending</b>

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**Action Table (28 September 2015)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
			most appropriate course to provide swift remedy.		
<b>0911</b>	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)	<b>Update due 12 October meeting</b> <b>Pending</b>
<b>0912</b>	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)	<b>Update due 12 October meeting</b> <b>Pending</b>