

**User Pays User Group
Minutes
Tuesday 15 February 2011
(via teleconference)**

Attendees

Tim Davis (Chair)	TD	Joint Office
Lorna Dupont (Secretary)	LD	Joint Office
Claire Blythe	CB	Southern Electric Gas Ltd
Danielle King	DK	E.ON UK
Graham Frankland	GF	xoserve
Graham Wood	GW	British Gas Trading Ltd
Lorna Gibb	LG	ScottishPower
Mark Cockayne	MC	xoserve
Naomi Anderson	NA	EDF Energy Plc
Robert Finch	RF	Npower Ltd
Sandra Dworkin	SD	xoserve

1.0 Introduction

Meeting documentation can be found at www.gasgovernance.co.uk/up/2011

TD welcomed attendees to the meeting. As only 3 contract signatories were present the meeting was not quorate, and it was agreed the proceeding business would be addressed informally as a User Pays User Group meeting.

1.1. Minutes of last meeting (19 January 2011)

The minutes from the previous meeting were accepted.

1.2. Actions

UPUC 1102: xoserve to confirm the development costs for UNC0224.

Update: GF reported that final invoices and project costs were still awaited. Once these are received xoserve will write out to those who are in the market place at the time.

GW commented that a November 2010 implementation date had been pushed for but, as yet, no one seemed to be using the service. He believed that lessons should be learnt from this experience, as a lot of costs and effort had been spent on this, apparently for little purpose. Responding to GW, GF believed a ballpark figure to be in the region of £600k, not an insignificant amount, and xoserve will be writing out to parties to try and discover the reasons for the lack of take up and to review what might be done to improve the opportunities, for example if the phasing could be brought forward. **Carried forward**

UPUG 0101: UPCO003 - IAD Transactional Charging: Clarify cost per MPRN accessed, ascertain if any further related steps attract a charge, and what is the cost position for an aborted search.

Update: MC believed that the action should be worded as follows: “xoserve to investigate the feasibility of the definition of a ‘hit’ as an individual MPRN visit, and what is the position if the system timed out or a search was forced to be aborted.” MC had investigated on this basis, and provided the following clarification:

“A ‘hit’ or ‘transaction’ is defined as being every time information is retrieved from the database. An abortive search would therefore be charged if it had already retrieved the information, however when the back button is used this will not be classed as a ‘hit’ or ‘transaction’.

The current system design does not show a ‘hit’ at individual MPRN level. After discussion with the project team the view is that it would not be cost reflective if it was on an MPRN basis only. It is worth looking at the ‘hit’ or ‘transaction’ scenarios. A ‘hit’ could be made to look up data via an address, or it could be via the MPRN. However there is then a possibility to drill down to get further information via history fields. There will be a limit to how many reads are brought back.

To ensure that the requirements of SSC A15 and User Pays are satisfied, prices are cost reflective; it is believed that ‘hits’ or volume is a more realistic basis for a charging mechanism than MPRN alone.”

GW commented that was difficult for Users to understand or forecast what costs might be incurred. TD pointed out that xoserve would be able to report on the first 6 months’ usage, which would help to inform views. RF observed that the definition of a ‘hit’ and how it is managed is fundamental to the service, and the ability of the supplier to forecast usage may be affected by the complexities. How do you validate any charges?

A consensus was reached that a step back should be taken to gain more understanding of this and that Shippers’ comprehension would perhaps benefit from offline discussions with xoserve. **Closed**

UPUG 0102: IAD Project and Project Q Anticipated timescales and interactions - Provide an indicative timeline showing how the projects fitted together, and including what notice might be provided for the new charging methodology.

Update: MC reported that an updated timeline would be presented at the Project Q meeting planned for 15 March 2011. For the IAD, xoserve had updated the constraints within the process and the revised timeline was available on the xoserve and JO websites. There is a risk that the shorter the period the less reflective of the usage of the service, and may not provide an indication of future usage, so there was a natural reluctance to do this. GW understood this view and indicated that he would reconsider his position.

GF recognised and shared in the Shippers’ sense of frustration, and explained the initial work carried out on ‘proof of concept’. Much work had been carried out with the hardware and software providers to look at alternatives. xoserve were looking at whether IAD should sit on a separate platform and other options. Once a clear way had been established an update would be given. **Carried forward**

UPUG 0103: Revise the BER to include any contract wording/legal text that might change (including tracked changes and setting in context).

Update: Due when the proposed definition of a hit is clear. **Carried forward**

UPUG 0104: BER template and process to be revised to accommodate inclusion of changes to contract wording/legal text.

Update: Complete. **Closed**

2.0 Change Management

2.1 UPUG003 – IAD Transactional Charging

All associated documentation is available to view on the xoserve website at: http://www.xoserve.com/UPS_Changes.asp#1.

Following the update given under Action UPUG 0101 (see above) where a consensus was reached that a step back should be taken to gain a more thorough understanding of what this means for Users, further discussion was deferred to the March meeting.

3.0 ACS Review April 2011

GF gave a presentation outlining the objectives, what actions had been taken, and summarising the key points of the annual report.

The demand and costs forecasts had been revised in light of actual usage/costs and updates provided by customers. In 2010/11 demand for services was higher than forecast resulting in an over recovery, which would be returned to customers through a reduction in 2011/12 prices for the specific services where it anticipated the over recovery is likely to occur (IAD, email reporting, M Number DVD). The return for 2010/11 was forecast to be £190k above a 6% margin.

The forecast costs of providing the User Pays Service has increased (for the first time since its introduction in 2008) from £2.72m to £2.89m, and this was due to the introduction of additional services (DM Elective) and also inflation.

GF drew attention to the price changes in the ACS – prices were decreasing for 5 services (IAD, email reporting, M Number DVD, AQ Enquiries, Portfolio Reports) and increasing for 3 services (Telephone Enquiries, Shipper Agreed Reads, USRV Resolution). Must Reads prices were still to be confirmed.

A table illustrating the updated Revenue Forecast 2010/11 and 2011/12 was displayed, giving a holistic picture, and GF pointed out that supporting detail could be found in the Review Report and the ACS.

GF encouraged Shippers to review the information provided and submit any comments to xoserve.userpays@xoserve.com by 21 February 2011.

The review report and the revised ACS, together with any customer responses received, will be submitted to Ofgem on 01 March 2011. Assuming that Ofgem do not veto them, the new prices will be effective from 01 April 2011.

4.0 Operational Updates

Performance

MC provided a performance update, with all areas on target.

Observing that performance targets/figures had remained at the same levels for a considerable period, RF suggested that perhaps now would be a good time to

review what might be required in terms of reporting and whether some 'stretch' targets should be considered.

This suggestion was briefly discussed. Shippers agreed to consider what their expectations were in terms of measurement and reporting, and whether they believed some adjustments would be appropriate for the future.

Action UPUG 0201: Shippers to review performance measures and reporting and consider whether any changes are required.

5.0 Modification Update

The following Live UNC Modification Proposals were identified by MC as being User Pays: Proposals 0358, 0357, 0353, 0347V, 0346, 0337, 0336, 0335, 0331, 0330, 0326, 0293, 0292, 0282, 0277, 0274, 0270, and 0209.

6.0 Any Other Business

SD reported that the Annual Service Request for User Pays was to be renewed for 01 April 2011 and will be issued within the next week. Those present were encouraged to respond to xoserve.

7.0 Next Meeting

The next scheduled meeting is due to be held via teleconference at 10:30 on 14 March 2011.

Action Table: User Pays User Group – 15 February 2011

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
UPUC 1102	15/11/10	3.0	xoserve to confirm the development costs for UNC0224.	xoserve (MC/SD)	Carried forward
UPUG 0101	19/01/11	2.0	UPCO003 - IAD Transactional Charging: Investigate the feasibility of the definition of a 'hit' as an individual MPRN visit, and what is the position if the system timed out or a search was forced to be aborted .	xoserve (MC/SD)	Closed
UPUG 0102	19/01/11	2.0	IAD Project and Project Q Anticipated timescales and interactions - Provide an indicative timeline showing how the projects fitted together, and including what notice might be provided for the new charging methodology.	xoserve (MC/SD)	Closed
UPUG 0103	19/01/11	2.0	Revise the BER to include any contract wording/legal text that might change (including tracked changes and setting in context).	xoserve (MC/SD)	Carried forward
UPUG 0104	19/01/11	2.0	BER template and process to be revised to accommodate inclusion of changes to contract wording/legal text.	xoserve (MC/SD)	Closed
UPUG 0201	15/02/11	4.0	Shippers to review performance measures and reporting and consider whether any changes are required.	All Shippers	Due 15/03/11