

# *Project Nexus*

## PNSG Monthly Progress Report

2<sup>nd</sup> November 2015

***Please note:** Information contained within this document will also be supported by verbal update during the PNSG and therefore should be considered in this context when being read in isolation.*

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# ***1. PNSG Programme Report***

### Current Status

- The PNSG approved Level 2 Market Trials ('L2 MT') to commence on 2<sup>nd</sup> November, as planned. Monitoring of defect levels and participant engagement will be critical in the early stages to build confidence in achieving the 18<sup>th</sup> December L2 exit milestone. **The following is needed to maintain stability in the plan as L2 progresses:**
  - Effective resource management to allow adequate focus on all delivery streams (e.g. L2 MT, UAT and RAASP design)
  - Early testing by participants within the L2 Market Trials window to support timely resolution and re-test of defects
  - Quick decision-making over design decisions arising through effective operation of governance arrangements.

### Highlights

- L2 MT Entry Readiness Assessment completed and presented to PNSG to provide a basis for the L2 MT Entry decision.
- The validity of the MT data sharing and anonymisation approach was approved by the PNSG on 12<sup>th</sup> October following consideration of the PwC Legal Advice to Ofgem. The final Opinion is due to be issued by Ofgem to the wider market by 30<sup>th</sup> October.
- Following feedback from the wider market, the L3 / 4 MT approach was approved, pending cosmetic changes, by the MTWG on 28<sup>th</sup> October. Version 1.0 of the document is due to be published on 2<sup>nd</sup> November.
- The market-wide risks and issues deep dive has been completed by the PNSG. The risks and issues are planned to be made visible to the wider market through the PwC Assurance

Portal during week commencing 2<sup>nd</sup> November.

- The Nexus Governance 'Light' document has been published on the PwC Portal and at [www.gasgovernance.co.uk](http://www.gasgovernance.co.uk) to provide visibility of Nexus governance arrangements and query routes.
- The first version of the '**Nexus Monthly Progress Report**' has been published (this pack) with the aim of providing a more comprehensive and consistent view of Nexus progress to the PNSG and market participants on a monthly basis.

### Areas of Focus

- PwC to follow-up with the 6 organisations who have not submitted responses for the L2 Entry Readiness Assessment and for the 2 organisations who were reporting a 'Red' status. Continued non-response will be escalated to Ofgem.
- Closer monitoring of RAASP design activities is required as the phase reaches a crucial stage. Currently, no contingency in the plan if significant issues or delays arise.

### Key decisions / actions:

#	Decision / action	Responsible
1	Approve completion of milestones – <b>page 6.</b>	PNSG
2	Monitor defect and participant engagement levels during the early stages of L2 Market Trials.	PNSG

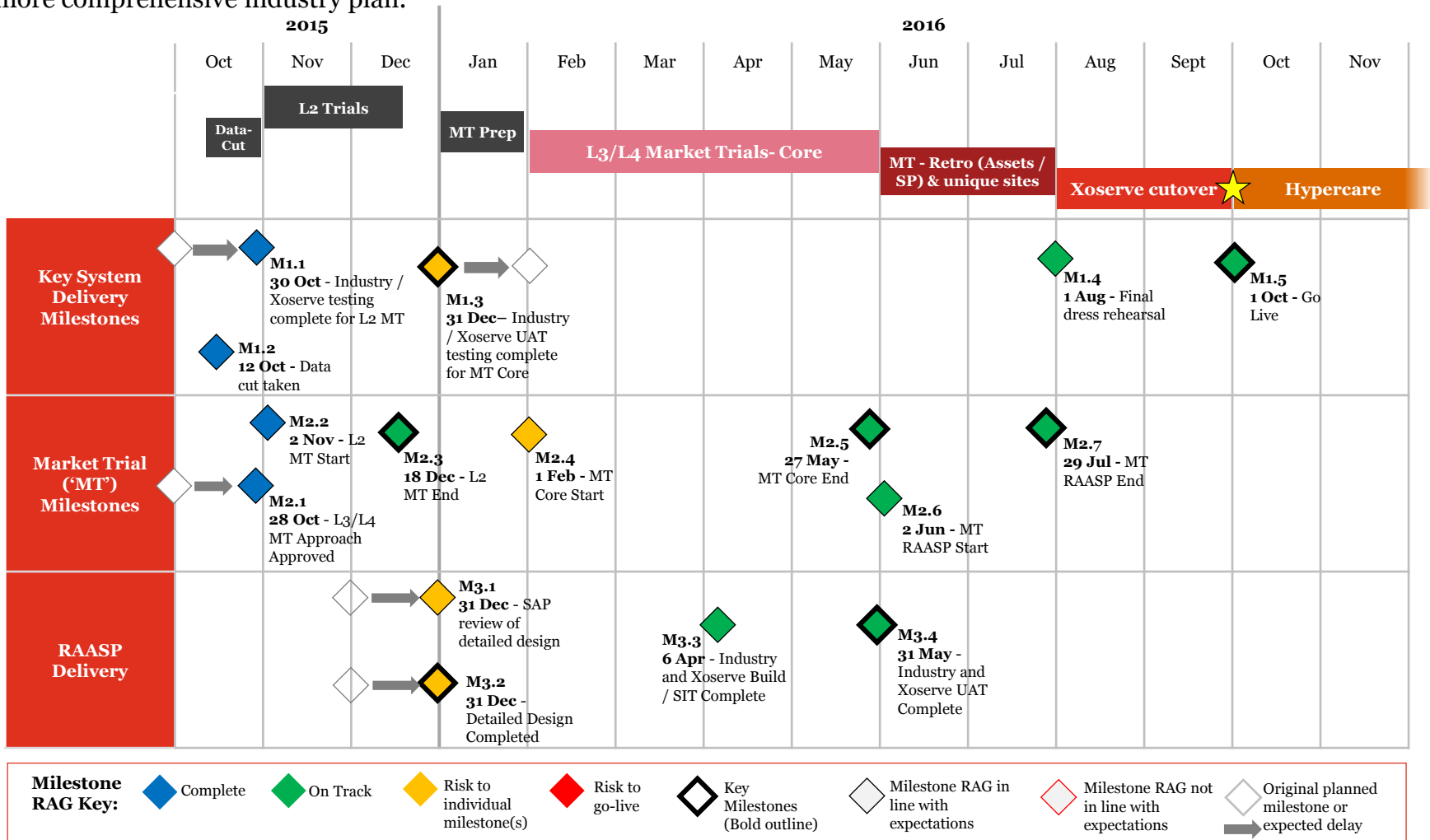
### Key Risks and Issues:

- No new risks or issues have been raised following the completion of the PNSG deep dive on 12<sup>th</sup> October 2015. For current key risks and issues see **Section 8.**

# 1.2 Industry Plan on a Page – Milestone Status at a Glance

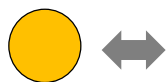
28<sup>th</sup> October 2015

‘Industry plan on a page’, with a RAG status of key milestones. Please see the accompanying A3 programme plan for the more comprehensive industry plan.



## 1.3 Key Milestone Status

28<sup>th</sup> October 2015



**Overall RAG:** The overall programme status is **Amber**. The project is in a critical phase as the market commences Level 2 Market Trials ('L2 MT'). Close monitoring of defect levels and participant engagement will be critical in the early stages of L2 MT to build confidence in achieving the 18<sup>th</sup> December L2 exit milestone and to effectively manage potential resource constraints between the various delivery streams (e.g. L2 MT, UAT, RAASP Design).

Key Milestones	RAG	Key metrics	Additional Commentary
<b>M1.1</b> 1 Oct - Industry / Xoserve testing complete for L2 MT		<ul style="list-style-type: none"> <li><b>Industry testing for L2</b> - 26 participants (83.5% market AQ) are ready, or will be ready at 2nd November.</li> <li><b>Xoserve pre-requisite testing</b> – One remaining file requires re-testing. Testing of E2E Infrastructure completed. Workarounds relating to .ERR file issue and negative values file changes agreed with industry.</li> </ul>	<ul style="list-style-type: none"> <li>PwC MT L2 Entry Assessment <b>approved</b> at 26<sup>th</sup> October PNSG. Xoserve MT L2 Readiness Update on <b>Page 9</b>.</li> </ul>
<b>M1.2</b> 12 Oct - Data Cut Taken		<ul style="list-style-type: none"> <li>Data cut taken by Xoserve and due to be issued w/c 26<sup>th</sup> October.</li> <li>Ofgem to issue the PwC Legal Opinion prepared for them, to the wider market by 30<sup>th</sup> October to provide basis for resolution of data sharing and anonymisation issue.</li> </ul>	<ul style="list-style-type: none"> <li>PNSG requested to approve milestone as complete (<b>approved during meeting</b>)</li> </ul>
<b>M2.1</b> 28 Oct - L3/L4 MT Approach Approved		<ul style="list-style-type: none"> <li>The L3/L4 MT Approach was approved by the MTWG on 28<sup>th</sup> October and Version 1.0 is due to be published on 2<sup>nd</sup> November. Cosmetic and wording changes are expected.</li> </ul>	<ul style="list-style-type: none"> <li>PNSG requested to approve milestone as complete (<b>approved during meeting</b>)</li> </ul>
<b>M2.2</b> 2 Nov - L2 MT Start		<ul style="list-style-type: none"> <li>Entry to L2 Market Trial on 2<sup>nd</sup> November 2015 approved by PNSG</li> <li>Pipe-cleaning exercise to be performed in w/c 26<sup>th</sup> October</li> </ul>	<ul style="list-style-type: none"> <li>See Section 2 'L2 Market Trials Progress Update' on <b>Page 7</b>.</li> </ul>
<b>M1.3</b> 31 Dec - Industry/Xoserve UAT testing complete for MT Core		<ul style="list-style-type: none"> <li>Pre entry questionnaire for L3/4 indicated that 22 of 27 organisations that responded are currently 'Amber' status with 1 organisation 'Red'.</li> <li>Xoserve UAT is expected to extend to 31 Jan with 'Amber' status being reported for pre-requisite testing. <b>Change request to be submitted to PNSG.</b></li> </ul>	<ul style="list-style-type: none"> <li>See Section 3 'Readiness for L3 / 4 Market Trials' on <b>Page 10</b>.</li> </ul>
<b>M2.3</b> 31 Dec -RAASP Detailed Design Completed		<ul style="list-style-type: none"> <li>Xoserve reporting that design progress is on plan, with later dates firming up.</li> <li><b>Status reflects that PwC activities to validate RAASP progress are being firmed up with Xoserve.</b> PwC will now attend the remaining 2 industry workshops in November and have requested that Xoserve arrange a workshop with all parties (SAP, Wipro, Baringa).</li> </ul>	<ul style="list-style-type: none"> <li>See Section 4 for Xoserve RAASP update on <b>page 13</b>.</li> </ul>
<b>M2.4</b> 1 Feb – MT Core Start		<ul style="list-style-type: none"> <li>'Amber' rating based on dependency on 'M1.3' and 'Red' status Xoserve are currently reporting on data readiness for L3 / 4 MT.</li> </ul>	<ul style="list-style-type: none"> <li>See Section 3 'Readiness for L3 / 4 Market Trials' on <b>Page 10</b>.</li> </ul>

**Milestone RAG Key:**



Complete



On Track



Risk to individual milestone(s)



Risk to go-live



Key Milestones (Bold outline)



Milestone RAG in line with expectations



Milestone RAG not in line with expectations

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## ***2. L2 Market Trials Progress Update***

## **2.1. L2 MT Market Readiness Assessment Outcome**

Entry to L2 Market Trial on 2nd November 2015 was approved by PNSG on 26 October 2015 based on the recommendation in the PwC L2 Entry Readiness Report.

### **Key messages forming the basis of the PwC readiness assessment (as at 21 October):**

- 26 participants (83.5% market AQ) are currently ready, or will be ready, at 2nd November
- 4 participants (7% AQ) are categorised as 'red' as they do not fully meet the entry criteria. We do not consider these parties to, in aggregate, represent a barrier to proceeding with L2
- The residual 'ERR' file rejection functionality and iGT file format issues have been assessed as 'minor' or 'insignificant' impact at this point in time
- Xoserve are confident of their readiness for the start of L2 Market Trials (see Page 9).

### **Actions requested by the PNSG following the L2 MT entry approval:**

- PwC to follow up with the 6 organisations who have portal accounts but have not submitted a response and the 2 Shipper organisations who were tracking as 'Red'. PwC to escalate to Ofgem where no response is received from these organisations by CoB 30<sup>th</sup> October 2015
- Xoserve to provide an additional impact assessment over the 'negative values' issue (see Page 9).

### **Level 2 Market Trials Next Steps:**

- Pipe cleaning exercise scheduled w/c 26<sup>th</sup> October
- Level 2 Market Trials window open for testing on 2nd November
- Early testing by participants during the L2 MT phase is encouraged to allow early resolution and re-testing of defects.



# Xoserve Readiness for MT L2

2<sup>nd</sup> Nov 2015

Area	Status for 02/11/15	Commentary
Pre-requisite Testing	G	<ul style="list-style-type: none"> <li>One remaining file for MTL2 is undergoing retesting following defect resolution (.SIF file).</li> </ul>
	A	<ul style="list-style-type: none"> <li>Broader variant testing has identified issues with the current .ERR file which has not undergone Xoserve testing as all efforts are concentrated on revised ERR file</li> </ul>
	A	<ul style="list-style-type: none"> <li>Revised ERR file will not be available in MTL2; expected 10<sup>th</sup> December but workaround agreed with the industry</li> </ul>
	G	<ul style="list-style-type: none"> <li>Negative values file changes will not be available for MTL2, but workaround agreed with the industry.</li> </ul>
	G	<ul style="list-style-type: none"> <li>Testing of E2E infrastructure (IX &amp; EFT to AMT) has been completed.</li> </ul>
Industry Engagement & Communications	G	<ul style="list-style-type: none"> <li>MT L2 Approach document approved by MTWG and published; weekly progress calls in place.</li> <li>File Format Repository re-issued</li> <li>Open day held on 8/10 with excellent levels of engagement.</li> </ul>
Environment Readiness	G	<ul style="list-style-type: none"> <li>Pre-prod environment is ready for MTL2. Penetration activities successfully completed with no major defects identified..</li> <li>Config data in progress and on track.</li> </ul>
Fix Lifecycle, including governance	A	<ul style="list-style-type: none"> <li>External defect management process documented and shared with Industry.</li> <li>Accelerated Change Management process approved by UKLC</li> <li>Code and release management processes are in the process of being finalised.</li> <li>A risk exists around meeting agreed support timescales due to support for both User Testing and Market Trials running in parallel.</li> </ul>
Reporting	G	<ul style="list-style-type: none"> <li>Xoserve Reporting process approved in L2 Approach document</li> <li>Low-level internal Xoserve mechanisms require testing during the planned 'pipe cleaning' exercise</li> <li>NB: PwC responsible for organisation-level assurance reporting.</li> </ul>
Outbound file Generation	A	<ul style="list-style-type: none"> <li>High level outbound file schedule agreed.</li> <li>Significant body of work to generate and produce for each industry participant all required outbound file variants. Weekend working is in place to try to mitigate any delays.</li> </ul>

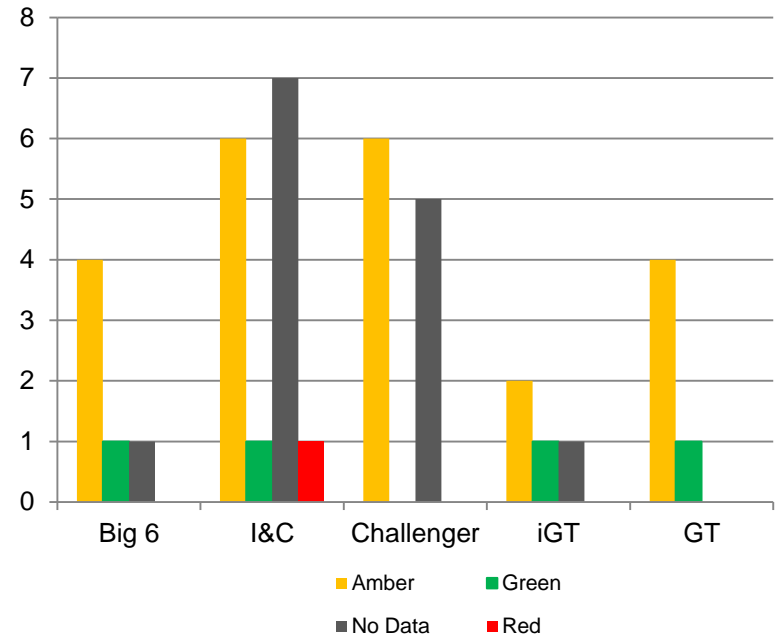
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## ***3. Readiness for L3/L4 Market Trials***

### 3.1. L3 / 4 MT Market Readiness – early view

Market participants were asked to complete a Market Trial ‘pre entry’ questionnaire for Level 3 and 4 within the PwC Assurance Portal. Participants were asked to provide an indication of the current status of their preparations for L3/L4 market trials, as at 2<sup>nd</sup> October 2015. The key observations were:

- **4 organisations** comprising of **13% of market AQ** and **12% of supply points** have self assessed as a ‘Green’ Status;
- **22 organisations** comprising of **44% of market AQ** and **42% of supply points** have self assessed as a ‘Amber’ Status;
- **1 organisation** has reported a red status but has not provided a rationale; and
- **14 organisations** have not provided a submission.



The overall status of market preparation for L3/L4 was **in line with our expectations** as at 2<sup>nd</sup> October 2015 (the original date we requested submissions). We would expect this to trend towards green over the remaining months of 2015.

It will be critical that focus is maintained on preparations for L3/4 Market Trials whilst L2 market trials are being executed.

	Green	Amber	Red	No Data
Big 6	1	4	0	1
I&C	1	6	1	7
Challenger	0	6	0	5
iGT	1	2	0	1
GT	1	4	0	0

# Xoserve Readiness for MT L3/L4

1<sup>st</sup> February 2016

Area	Status for 1/2/2016	Commentary
Plan and Approach	G	<ul style="list-style-type: none"> <li>Additional time for this activity has been approved by the PNSG. Approval of this milestone is now due on 2<sup>nd</sup> November 2015</li> </ul>
Environment Readiness	G	<ul style="list-style-type: none"> <li>Penetration testing is planned and on track.</li> <li>Wider environment readiness activities for Pre-Prod environment E.g. Internal/External URL access for IDAM are still required to enable MTL3.</li> </ul>
Data Readiness	R	<ul style="list-style-type: none"> <li>MT data cut has been completed with external report generation in progress</li> <li>DMTC2.1 load has been completed. There are challenges against the amount of time available to understand any data defects from this load and incorporate into the MT data load.</li> <li>An issue has been raised by the industry on the approach for provision of data for MTL3/4. 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 MTL3/4. PwC have been informed of this as a potential impact on the agreed timelines.</li> <li>Some market participants are continuing to raise issues with Xoserve on the data protection issue. Xoserve are continuing with the current plan of releasing the first phase of data on 29<sup>th</sup> October.</li> </ul>
Pre-requisite Testing	A	<ul style="list-style-type: none"> <li>E2E execution behind schedule and due to complete in January. An issue was identified, which has impacted a large number of test scenarios, resulting in testing being paused for a week. Re-planning and impact analysis of this is being undertaken</li> <li>58 scenarios are in progress out of a total of 93.</li> <li>Design phase for RAASP continues to have an impact on testing progress</li> <li>SAP BW is behind schedule and reports are being prioritised for external facing reports and critical reports</li> <li>CMS UAT Phase 1 (functional testing) has completed. CMS UAT Phase 2 (Regression testing) is in progress and on track to complete in December 2015.</li> <li>All unconnected Gemini testing is complete. A small number of integrated tests are outstanding and being covered under E2E testing. Testing for CR for additional API is currently in progress.</li> <li>DES UAT progressing well and is on track to complete in November, although dependency on Portal testing</li> <li>Full traceability to validate testing coverage is still to be completed in the tool</li> </ul>
Fix Lifecycle, including governance	G	<ul style="list-style-type: none"> <li>External defect management process is documented in the approach.</li> <li>Code and configuration management process being finalised</li> <li>Support structure to be agreed and implemented.</li> </ul>
Reporting	G	<ul style="list-style-type: none"> <li>Xoserve reporting process is being agreed and approved as part of L3 Approach document</li> <li>NB: PwC responsible for organisation-level assurance reporting.</li> </ul>

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## ***4. RAASP Design Progress Update***

**PwC assurance activities to validate Xoserve RAASP design progress, as requested by PNSG, are being firmed up with Xoserve.** PwC will now attend the remaining 2 out of 4 industry workshops in November and have requested that Xoserve arrange a RAASP workshop with all parties (SAP, Wipro , Baringa).

# Xoserve RAASP Progress Update

## Delivery Status

- Xoserve's scenario walkthrough workshops are nearing conclusion and focus is now on completing design documentation
- SAP consultants are currently working alongside the RAASP delivery team to review the technical design
- Industry workshops have progressed well enabling the schedule to be condensed from four to three sessions (a contingency date remains in place)

## Risk Areas

- RAASP activities continue to need significant input from programme SMEs which is placing additional risk onto CORE delivery by constraining resource availability to focus on critical path activities such as UAT test reviews and post load data validation
- In order to closely assess this delivery risk Xoserve is monitoring a number of KPIs and will continue to report headline status to PNSG
- The RAASP detailed design progression has identified a potential need for revisions to the current baselined file formats (RTO and RTR files). Complex file format scenarios will be discussed at the next industry workshop which could identify further changes.
- During the RAASP industry workshops, several challenges have been raised against requirements in the baseline BRD's. These challenges are being referred to PNUNC for consideration.

## Milestones

- Following further development of the RAASP delivery plan, Xoserve propose the revised key milestone dates detailed below for inclusion within the industry 'plan on a page'

Milestone	Milestone Date
Detailed Design Complete (including SAP input)	31/12/15
Build, ST & SIT complete	06/04/16
UAT & Performance Test Complete	31/05/16

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## ***5. Transition and Go-live Readiness***

**Note** – Transition update provided by Xoserve. Go-live readiness to be included in future versions as the programme progresses towards this stage of delivery.

# Technical Transition Progress Group – Key Messages

- Technical Transition Progress Group (TTPG) will meet for the first time in November
- The group will consider Technical Transition approach and issues relating to its implementation
- Market Participants to nominate Primary and Secondary contacts for Transition for their organisation.
- These will be invited to TTPG.

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# Suggested Scope

- Following elements identified in other industry forum/meetings:
  - Process schedule from D-10 to D+10 – including batch timings.
  - “Catch-Up” Approach following Non-Business and Non-Effective Days – including volumetrics.
  - Reporting before / after Cutover.
  - Back-out approach.
  - Change freeze considerations – for discussion / recommendation.
  - Planning and communicating progress against the Transition and Cutover Plan.
- Recognise more will identified.

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# TTPG – Next Steps

Action	Date
Publish Draft Terms of Reference	26/10/15
Request Primary and Secondary Technical Transition Contacts <i>Issued to UKLIEF List</i>	26/10/15
Primary and Secondary Contacts invited to first TTPG Meeting	9/11/15
First TTPG Meeting	w/c 23/11/15



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## ***6. Defect Overview and Change Pipeline***

# Defect Overview and Progress

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Update on defects to be provided separately by Xoserve



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## 6.2 Project Nexus change pipeline / horizon

The table below provides a listing of **key change requests**, where there is a system impact on participants, that are currently under review or in progress.

Change reference	Change proposed	Impact assessed	Approved	In delivery	Deployment date
<b>1. File formats – baseline July 2015</b>					
• Negative Values	✓	✓	✓	✓	1 Feb 2016
• iGT August File Format changes	✓	✓	✓	✓	1 Feb 2016
• GT August File Format changes	✓	✓	✓	✓	1 Feb 2016
• Shipper August File Format changes	✓	✓	✓	✓	1 Feb 2016
<b>2. UK Link Replacement functionality – baseline [TBC]</b>					
• ERR (Ph1) file structure & codes	✓	✓	✓	✓	10 Dec 2015
• ERR (Ph2) DCC file-naming convention & non-standard rejections (GT)	✓	✓	✓	✓	1 Feb 2016
<b>Data structure – master data and dynamic data</b>					
None					
<b>Other – e.g. non-functional requirements, IX</b>					
None					
<b>Key Principles</b>	 <ol style="list-style-type: none"> <li>1. UK Link Committee is the overall Design Authority and is responsible for impact assessment and approval of market-facing changes.</li> <li>2. Only ‘must have’ changes from baselines are applied up to Nexus Go-live and the exit from hyper-care</li> </ol>				

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## ***7. Xoserve FAQ Progress***

# UKLP Q&A Process M.I.

Query status by stakeholder type						
	DMSP	Network	Shipper	Grand Total as at 30/10/2015	Grand Total as at 21/09/2015	Difference
<b>Closed</b>	18	106	1687	1811	1656	115
<b>Open</b>	3	6	115	124	203	-79
<b>Grand Total</b>	<b>21</b>	<b>112</b>	<b>1802</b>	<b>1935</b>	<b>1859</b>	<b>36</b>

## All Open Queries Age Analysis

	Figure as at 21/09/2015		Figure as at 30/10/2015		Difference	
	Count	%	Count	%	Count	%
<= 10 days	26	13%	9	7%	17	-6%
11 - 20 days	17	8%	19	15%	2	7%
21 - 30 days	15	7%	13	10%	-2	3%
31 - 40 days	6	3%	7	6%	1	3%
> 40 days	139	69%	76	61%	-63	- 8%

## Key Messages:

- 134 questions closed in October
- 99 out of 134 questions closed were older than 40 days
- 93% of all queries raised are now closed

## All Closed Queries Age Analysis

	Figure as at 21/09/2015		Figure as at 30/10/2015		Difference	
	Count	%	Count	%	Count	%
<= 10 days	383	23%	404	22%	21	<1%
11 - 20 days	504	30%	520	29%	16	<1%
21 - 30 days	331	20%	341	19%	10	<1%
31 - 40 days	160	10%	168	9%	8	<1%
> 40 days	278	17%	377	21%	99	>4%

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# UKLP Q&A Process M.I.

All Open Query Topic by Status as at 30/10/2015

Topic Area	September	October	Difference
AQ	11	10	-1
BRD	0	0	0
Check Reads	0	0	0
CMS	1	1	0
Faulty Meters	1	1	0
File Formats	85	57	-28
Gemini	1	1	0
iGT	17	8	-9
Invoices	6	7	1
Market Trials	12	12	0
Other	32	12	-20
Reads and Settlement	10	2	-8
Reconciliation	2	2	0
RAASP	5	4	-1
SPA & RGMA	19	6	-13
Transition	0	1	1
Unique Sites	0	0	0

All Closed Query Topic by Status as at 30/10/2015

Topic Area	September	October	Difference
AQ	255	266	11
BRD	22	22	0
Check Reads	17	17	0
CMS	7	7	0
Faulty Meters	27	27	0
File Formats	225	285	60
Gemini	16	25	9
iGT	163	173	10
Invoices	79	81	2
Market Trials	11	13	2
Other	223	248	25
Reads and Settlement	232	245	13
Reconciliation	19	19	0
RAASP	85	87	2
SPA & RGMA	273	288	15
Transition	0	6	6
Unique Sites	2	2	0

## Key Message:

- Since the last meeting Xoserve has focused its attention on number of outstanding File Format queries, having closed over 60 questions in this area it still remains as our main focus area .

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## ***8. Key Risks and Issues***

**Note:** Only risks / issues that are new; have a score of 12 or above; or with adverse movement are presented in the table. See Appendix A1 for full definitions.

## 8.1 Key Industry Risks

ID	Description	Date Raised / Raised By	Risk Score / Movement	Mitigation Actions	Mitigation Action RAG	Action Target Date	Action Owner
R.01	<b>Key Industry Milestones are not met</b> - Key milestones in the industry plan, such as entry or exit to Market Trials and Go-live, are missed because Xoserve, or a significant proportion of the market, are not ready.	14 Mar 15  PNSG	<b>15</b>  Likelihood: 3 Impact: 5 	Market-wide plan and risk and issues log.  Increased transparency through PwC's ongoing assurance role (see updated Plan on a Page with PwC Continuous Assurance touchpoints) should assist in providing early warning and assist in identifying milestone threats earlier.  Escalation to PNSG and Ofgem as necessary.  Xoserve and PwC to produce 'single version of truth' reporting pack as recommended in the Governance Paper.		On-going	PwC
R.03b	<b>Market Trials L3/4</b> - Scope and approach is not sufficiently clear to allow MT L3/4 to commence on time.  Planned timescales for L3/4 MT approach documents remain tight and will continue to be monitored and any delays escalated as required.	29 Jul 15  MTWG	<b>12</b>  Likelihood: 3 Impact: 4 	Market Trials Working Group (MTWG) established and ongoing remit and oversight of MT activity to be evaluated on 15/09.  L3/4 scheduled to be finalised by 1 October, although to achieve desired quality this is likely to extend by 1 to 2 weeks. This extension is not expected to have an impact on the overall plan.  PwC portal self assessment for L2 entry/exit will be extended to include forward looking questions in relation to current preparations and status of L3/L4 - complete.		Monitor progress at PNSG.  <b>Update:</b> additional questions post regarding L3/4 readiness as part of L2 entry assessment, output to 12 Oct PNSG.	MTWG
R.04	<b>Industry Resource Constraints</b> - Potential for industry-wide resource constraints due to competing industry changes (e.g. Smart DCC or company specific initiatives) that may impact timely delivery of Nexus Industry plan.  Single person reliance which could compromise Programme delivery.	01 Jul 15  Xoserve	<b>12</b>  Likelihood: 3 Impact: 4 	All industry parties to continue to pro-actively monitor resource profile for Nexus and escalate through PNSG representatives as required.  PwC will assess industry readiness informally through their ongoing Project Assurance role and report to PNSG  Continue to monitor wider industry changes through Change Overview Board and PNSG		Monitor progress at PNSG	All parties

**Risk Score** = Impact (1 to 5) multiplied by probability (1 to 5) to a maximum score of 25. Only new risks, risks with a score of 12 or above or risks with adverse movement are presented. See Appendix A1 for full definition.

**Mitigating Action RAG Key:**



Mitigating action complete. Risk reduced to an acceptable level









Mitigating action identified and underway



Mitigating action not yet identified and underway

## 8.1 Key Industry Risks (continued)

ID	Description	Date Raised / Raised By	Risk Score / Movement	Mitigation Actions	Mitigation Action RAG	Action Target Date	Action Owner
R.05	<p><b>Xoserve Resource Constraints</b> - As a specific extension of Risk #2, any significant constraint in the availability of Xoserve SME resource could undermine the current delivery plan. For example, SMEs may be called back from RAASP design to UAT if testing progress is below plan or UAT resources are required support L2 MT defect resolution if defect levels are higher than expected.</p> <p>There is a risk that resource constraints within Xoserve impacts achievement of programme milestones. Single person reliance which could compromise Programme delivery.</p>	01 Jul 15 Xoserve	<p><b>12</b></p> <p>Likelihood: 3 Impact: 4</p> 	<p>Ongoing monitoring of Xoserve UAT progress. It may be possible to consider prioritising Xoserve activities to ensure resources are focussed on Nexus as opposed to BAU if required.</p> <p>Xoserve have increased SME resources by sourcing from external parties (Baringa, TCS and Capita) as well as increasing internal SMEs.</p> <p>Xoserve resource is ring-fenced to programme and thus cannot work on alternative changes. Robust change management is in place.</p> <p>PwC, Xoserve and PNSG will monitor progress of market trial execution and defects. Xoserve will improve feedback loops and processes.</p>		Monitor progress at PNSG, testing progress statistics to be formally reported.	Xoserve / PwC
R.09	<p><b>Governance of changes</b> - There is a risk that impact assessments over changes and decision making to approve changes does not happen on a timely basis.</p>	18 Aug 15 PMO	<p><b>12</b></p> <p>Likelihood: 3 Impact: 4</p> 	<p>Clarity that UK Link is design authority (with accelerated meeting time if needed). Complete.</p> <p>Formalisation of change impact assessments in both UKLC and MTWG.</p> <p>Published change horizon / pipeline across file, data and functionality.</p> <p>PwC to attend UKLC from now to monitor effectiveness and ability of group to make decisions in an effective manner.</p> <p>If issues are not being progressed or resolved in a timely fashion they should be escalated through to the PNSG.</p>		2 Nov 15 for PNSG update	PwC / Xoserve
R.14	<p><b>The delivery of RAASP is uncertain</b> - Work is required to prove that the design, build and test is feasible in the time available.</p>	01 Jul 15 Xoserve	<p><b>12</b></p> <p>Likelihood: 3 Impact: 4</p> 	<p>SAP provide quality review of RAASP design deliverables during design phase.</p> <p>Feedback following pilot process workshops with industry - this will confirm planning assumptions.</p> <p>Regular catch ups between Baringa/PwC/Xoserve to track progress.</p> <p>Sign off between Xoserve/SAP and industry would be required to convert the Resolution Action RAG status from amber to green (This is currently not planned).</p>		28 Oct 15	PwC / Xoserve

**Risk Score** = Impact (1 to 5) multiplied by probability (1 to 5) to a maximum score of 25. Only new risks, risks with a score of 12 or above or risks with adverse movement are presented above. See Appendix A1 for full definition.

**Mitigating Action RAG Key:**



Mitigating action complete. Risk reduced to an acceptable level







Mitigating action identified and underway



Mitigating action not yet identified and underway

## 8.2 Key Industry Issues

ID	Description	Date Raised / Raised By	Risk Score / Movement	Resolution Actions	Resolution Action RAG	Resolution Target Date	Action Owner
I.02	<p><b>Communications</b> - participants are raising issues with the turnaround time for Xoserve to respond to FAQs. In some cases, this is resulting in participants having uncertainty over their design that could result in defects during Market Trials.</p>	18 Aug 15 MTWG	<p>20 Likelihood: 5 Impact: 4</p> 	<p>House-keeping will be planned by Xoserve.</p> <p>FAQ visibility is in place and posted on Xoserve website. This will be reinforced through the Governance Paper Light. Constituency leads to re-inforce proper use of Q&amp;As. If no contact on issue for 60 days then FAQ to be notified as pending closure to originator.</p> <p>Risk and issue logs to be published on PwC Assurance Portal; participants may propose risks/issues. PMO to produce guidance on governance or risk/issue proposal and acceptance.</p>		31 Oct 15	PwC
I.05	<p><b>Agreement of Data Transfer Terms of Engagement</b> - Sections within the data transfer Terms of Engagement agreement need to be revised (specifically related to roles and responsibilities) to allow some participants to sign up.</p> <p>This process may take several weeks, as it is likely to involve legal teams and data protection officers from organisations to be involved.</p>	10 Sep 15 MTWG	<p>12 Likelihood: 4 Impact: 3</p>	<p>Terms of engagement to be reviewed by PwC Data Protection (DP) specialist. Individual discussions to be held between DP specialist and affected participants. DP specialist to call into MTWG in wc 21/09.</p> <p><b>Complete</b></p> <p>Legal opinion is written and submitted to ICO for sign off, if required.</p> <p><b>Complete</b></p> <p>PNSG considered the legal opinion and determined no issue exists. Terms of engagement not required.</p>	CLOSED	12 Oct 15 – Legal opinion to PNSG	Xoserve / PwC
I.08	<p><b>Go-Live Criteria not met:</b> Lack of understanding how a failure against a GONG criteria would manifest itself in go-live go/no go decision.</p> <p>There are likely to be 3 or 4 participants that will not be fully ready for L2 MT, e.g. a small number of tests that are outstanding by the start date.</p>	04 Sep 15 PMO	<p>12 Likelihood: 3 Impact: 4</p> 	<p>PwC to recirculate Go/No Go decision making framework based upon GONG criteria and the 'how many participants are enough' email for comment by correspondence from PNSG members. <b>Complete.</b></p> <p>PwC / Xoserve to develop a 'treatment plan' for any parties that will not be ready for L2 market trials entry on 02 Nov 2015 and agree with PNSG. This will be followed by similar proposals for the management of parties not meeting the entry criteria for L3 / L4 MT.</p>		31 Oct 15	Xoserve / PMO
I.10	<p><b>Data Sharing and Anonymisation</b> - Concerns have been raised that the conditions under which the Market Trial data for L3/4, including data anonymisation rules, are not sufficient to be compliant with the Data Protection Act ('DPA') and that the current data 'Terms of Engagement' do not sufficiently cover best practice data sharing principles in line with the DPA.</p> <p>Risk is that domestic energy providers will not participate in MT.</p>	14 Sep 15 MTWG	<p>12 Likelihood: 4 Impact: 3</p>	<p>PNSG have commissioned PwC Legal to provide an independent legal opinion over the use of the data in market trials environments.</p> <p><b>Complete.</b></p> <p><b>PNSG considered the legal opinion and determined that no issue exists.</b></p>	CLOSED	12 Oct 2015 opinion to PNSG	PNSG

**Risk Score** = Impact (1 to 5) multiplied by probability (1 to 5) to a maximum score of 25. Only new issues, issues with a score of 12 or above or issues with adverse movement are presented above. See Appendix A1 for full definition.

**Mitigating Action RAG Key:**  Mitigating action complete. Risk reduced to an acceptable level  Mitigating action identified and underway  Mitigating action not yet identified and underway

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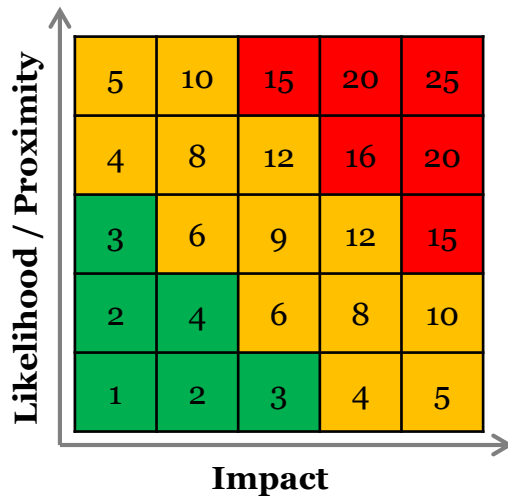
# *Appendices*

# A1. RAG and Risk / Issue Score Definitions

## Overall and Key Milestone RAG Definitions

- **Risk to Go-live** - One or more milestones are at risk of delay (**greater than 5 days**) or not achieving the required quality that will likely cause a delay to the Go-live or increase the risk of quality issues during Go-live. Mitigating actions have not yet been identified or no mitigating action is possible at the current time.
- **Risk to individual milestone(s)**– One or more milestones are at risk of delay (**greater than 5 days**) or not achieving the required quality but it is unlikely, at this stage, to result in a delay to Go-live or increase the risk of quality issues during go-live. Mitigating actions have been identified and are underway.
- **On track** – Milestone(s) are on track to time and quality and no significant risks have been identified that may impact the Go-live date or pose a significant risk to the industry at Go-live.

## Risk/Issue Score Definition



**Likelihood / Proximity**

<b>5</b>	Almost certain /Now
<b>4</b>	Likely /1 week
<b>3</b>	Moderate /2 weeks
<b>2</b>	Unlikely /1 month
<b>1</b>	Rare /1 month+

**Impact**

<b>5</b>	Severe	} Delay to Go-live and / or quality issues that compromise the integrity of the critical market processes, such as change of ownership.
<b>4</b>	Major	
<b>3</b>	Significant	
<b>2</b>	Minor	} Go-live date not impacted and / or minor defects that can be easily fixed.
<b>1</b>	Insignificant	