

## User Pays User Group Minutes Monday 09 March 2009

at

**Energy Networks Association, 6<sup>th</sup> Floor, Dean Bradley House,  
52 Horseferry Road, London SW1P 2AF**

### Attendees

Tim Davis (Chair)	TD	Joint Office
Lorna Dupont (Secretary)	LD	Joint Office
Alan Raper	AR	National Grid Distribution
Colette Baldwin	CB	E.ON Energy
Graham Frankland	GF	xoserve
Helen Barratt	HB	xoserve
Jemma Woolston	JW	Shell
Kevin Woollard	KW	British Gas
Lorna Gibb	LG	Scottish Power
Mark Cockayne	MC	xoserve
Rosie McGlynn	RM	EDF Energy
Sharon Cole	SC	Scottish and Southern Electricity
Simon Trivella	ST	Wales & West Utilities

### 1.0 Introduction and Status Review

TD welcomed attendees to the meeting.

#### 1.1. Minutes from the previous UPUG Meeting (09 February 2009)

The minutes of the previous meeting were approved.

#### 1.2. Review of Actions from previous meetings

The outstanding actions from previous meetings were reviewed.

**UPUG 0021:** Transporters to reconsider signing the User Pays contract and return to next meeting with reasons for their decisions.

**Update:** TD suggested this action should be closed, which was agreed. **Action closed.**

**UPUG 0056:** xoserve to clarify policy and practice on the recycling of passwords.

**Update:** GF reported that the policy was that passwords should not be recycled; however, in the case of larger users, because 4 digits are used, the turnover of passwords may mean that apparent recycling would be observed. **Action closed.**

**UPUG0061:** xoserve to produce and circulate revised UPUC Terms of Reference including a list of its perceived obligations (to be circulated by Friday 13/02/09).

**Update:** Produced and circulated. **Action closed.**

**UPUG0062:** xoserve to produce a final draft of the UPUC Terms of Reference for approval.

**Update:** Produced and circulated. **Action closed.**

**UPUG0063:** User Pays Non Code Contract - xoserve to send a draft of the two paragraphs (10.1 and 10.2) for immediate review and comments and then update the Contract prior to issue for signing.

**Update:** Produced and circulated; Contract updated and issued for signing.

**Action closed.**

**UPUG0064:** xoserve to investigate apparent inconsistencies in respect of IAD username and password case sensitivity in password.

**Update:** xoserve reported that the instructions to make Users aware of how the passwords for each 'field' should be constructed would be made available on the screen (ie the use of upper/lower case as appropriate). **Action closed.**

**UPUG0065:** xoserve to include percentages in the operational performance slides.

**Update:** Included. **Action closed.**

## 2.0 User Pays Non-code Contract Update

GF reported that xoserve had updated the Contract to reflect the last meeting's discussion and had sent it out for signing. Some signed Contracts had been received already and it was requested that other parties who had yet to sign keep xoserve informed as to progress of final signature as the effective date for the Contract was 01 April 2009.

## 3.0 Review of Terms of Reference

### 3.1 User Pays User Committee

The Terms of Reference had been updated following discussion at the last meeting and were ready for sign off at April's meeting. No issues were raised.

### 3.2 User Pays Contract Expert Group

The Terms of Reference had been updated following discussion at the last meeting and were ready for sign off at April's meeting. No issues were raised.

## 4.0 Agency Charging Statement (ACS) Update

The ACS had been reviewed and sent to Ofgem; a further version of the ACS is expected to be published following Ofgem's decision on Modification Proposal 0213V (which may require changes to be made to the wording, not the charges). ST added that Ofgem had requested submission of an ACS amendment, and a decision on Modification proposal 0213V and any ACS change was awaited.

GF reported that forms for the reordering of annual services had been sent out, and return of the completed forms as soon as possible would be appreciated (xoserve will be sending out reminders if necessary).

### 4.1 Must Reads

GF reported that xoserve was working with the Transporters to finalise charges, and were still looking at charges based on the existing three categories (ie one, two, or three or more meters at a Supply Point) and it was proposed to keep this method of charging for the present. The plan was to update the ACS and submit it to Ofgem later this month for the revised charges to take effect on 01 May 2009; xoserve will publish the Scotia Gas Networks charges when they have been received.

There was a short discussion on the price differentials and the number of meters that may potentially be affected. GF stated that 90% of all Must Reads fell into the 'one meter at a Supply Point' category, and very small proportions fell into the other two categories. There was concern at the perceived variation in the third category and Shippers queried the constitution of such charges. ST answered that this would not impact many sites; the constituent parts of the charge was made up

of many different items - it was not just a case of sending a meter reader out to site. For example, historically access to these sites may have been problematic; there were regional differences to take into account, and different commercial arrangements may be in place with different meter reading organisations, etc. Although confidential commercial arrangements could not be divulged, it was agreed in the interests of transparency that xoserve and the Transporters would explain the Must Read process and identify the associated elements that made up the charges.

**Action UPUG0066: Explain the Must Read process and identify the associated elements that make up the charges.**

In response to a question from KW, it was stated that historically Must Reads were not performed on SSPs; currently visits were only made to LSPs. KW then pointed out that iGTs did so. ST thought that visits may be made to a domestic site if it was flagged as an LSP.

**Action UPUG0067: Define what constitutes a domestic Must Read and clarify the position in respect of domestic Must Read sites.**

ST advised that, other things being equal, Wales & West Utilities Must Read charges would decrease in future since the proposed charges reflect historic under-recovery.

GF stated that the forecast numbers (ie number of payments under this charging structure) of Must Read affected sites for the next year were 31,000 sites involving one meter, 2,400 involving two meters, and 2,600 involving three or more meters.

## 5.0 Operations Update

### 5.1 Performance update

MC provided an operational update, covering December, January, and February, on the performance of the Telephone Service Line, the IAD Service Line, the Email Report Service Line, Portfolio Reports, AQ Enquiries, IAD Account Transaction Volumes, and IAD Account Deletion Volumes.

Performance was mainly on target or better. MC reported that the Telephone Service Line had been down for half an hour at the end of February and the cause was under investigation; he had also been informed that there had been a service interruption that morning. This too will be investigated and the group will be kept informed of the findings.

It had been noted that there had been a large number of IAD New Account Creation requests being submitted. The back log from January had been addressed and performance had improved in this area, although xoserve were continuing to press their service provider. There were no bulk resets outstanding.

### 5.2 Maven Research

MC gave an overview of the findings from the customer satisfaction survey recently performed by Maven Research, which had carried out a series of telephone and face to face 'in depth' interviews with a number of xoserve's customers, and thanked attendees for their participation.

The pre-implementation findings gave rise to a brief discussion of the customers' perceptions of feeling 'unengaged'. GF observed that there had been a significant amount of engagement up until the time when the initial user group report had been sent to Ofgem and communication appeared to be suspended for a lengthy period until suddenly it came back in the autumn with some urgency. xoserve had found the comments from the customers on their perception of the 'silent period'

gave a useful insight, and indicated that perhaps even though there was nothing to report at that time, communications should have been maintained. CB pointed out that that was not necessarily a criticism of xoserve – the perception of the customers was that decisions had been made by Ofgem and the Transporters and that the Users had been left out and had no avenue into the discussions, whereas it was believed that xoserve did have an avenue via the Transporters; Shippers felt left out of the loop.

ST commented that discussions and issues had been going on at Price Control level, and User Pays elements were a relative sideline – therefore the Transporters had not been entirely happy with the process either. AR suggested that the amount of work involved and the associated ramifications had been underestimated at the outset - towards the end, timescales were therefore very challenging.

The survey had enabled xoserve to more clearly identify its customers' expectations and xoserve had put in place a plan to address the perceived shortcomings. An updated Customer Strategy had been developed and internal sign off was expected this month; an action plan to deliver the Strategy was being progressed and would probably be available to share at the May UPUC meeting. GF added that the User Pays experience and the Maven Research findings have been very helpful in shaping xoserve thinking on many different fronts.

While discussing the subject of communication RM pointed out that an Unregistered Sites group was looking at how MPRNs are amended, and the initiation of many significant and imminent changes were envisaged as an output of this group, which had seemed to attract a very low attendance from the shipping community. RM was therefore concerned that potentially important communications from that group did not appear to be flagged up at other fora, including the User Pays User Group and UK Link Committee. CB added that communications do not seem to be made at expected fora, and perhaps xoserve could address this in its review. GF acknowledged that xoserve may need to engage across a wider audience and thought that the Gas Forum might be an appropriate audience. Other fora were mentioned; it was thought that the Unregistered Sites group reported to the xoserve Operational Forum. RM questioned if there was a feedback loop to make the industry aware of interrelations. MC will work with the operational teams to develop this further and would welcome Customers' views as to what they would like to see included at the various meetings/agendas.

RM reiterated that there was concern, and a feeling of vulnerability, about system changes suddenly being introduced for which no briefing had been received, and asked if was possible to formalise reporting structures for the Unregistered Sites Group into another. HB recognised the Customers' concerns and said that she was attending the Gas Forum the next day and would undertake to provide an update to the next UPUG meeting.

At the end of the discussion RM reported that she had been interviewed by Maven and commented favourably on Maven's professional and thorough approach to the interview. MC, on behalf of xoserve, again thanked attendees for their participation.

### **5.3 xoserve's Strategic Investment Programme 2009 - 2013**

HB said that xoserve's outward focus for the last twelve months had been on developing the Contract and Project Nexus; it had also been focusing internally on its investment programme and now seemed the right time to open up an insight into other opportunities.

GF gave a presentation outlining the funding and the programme of work envisaged over the next five years. The key projects were briefly described together with a timeline. These projects deal with the fundamental systems operated by xoserve and significant industry engagement was expected.

*Project Nexus:* The consultation conclusions were published last week on xoserve's website, and this was now moving into the refinements phase.

*Information Provision:* This was an internal project looking at how industry data was set up, etc.

*Workflow Provision:* This was looking at the replacement of ConQuest and its associated systems.

*Communications Capability:* This was looking at the gateways into xoserve, and opportunities with potential replacement of the IX equipment. It was envisaged that there would be significant engagement with Customers relating to this.

*Gemini Refresh:* This was looking at a technology refresh, rather than a rewrite.

Opportunities for improvements had been identified at a high level and a phased approach would be taken.

GF gave a more detailed explanation of Information Provisioning and the links with User Pays services, which would be looked at to see how they could be improved. In response to questions HB confirmed that the options being considered included offline systems as well as the UKLink core and there was a desire to remove xoserve's dependency on these. HB also pointed out that, because of the level of funding received, the incremental costs of developing any new services should be reduced.

These projects were running alongside Project Nexus and xoserve was also looking at Business Process Management Services (BPMS), which creates a much more flexible platform, so it may be that some projects will converge. Capabilities are being developed around data management and governance, and the data warehouse will provide a foundation for Nexus.

It was questioned what would happen if different decisions came into conflict, eg UPUG rejects and another group approves. TD pointed out that it would be no different to the current position, and the bottom line was the price and the parties' willingness to pay. In response to concerns relating to communication, GF said that xoserve was attending a number of fora as part of its customer strategy.

Asked by KW if xoserve was realistically looking at a workshop to capture any requirements for IAD, and was this in its plans, HB responded in the affirmative. It would take twelve months to get the data warehouse in place, so it was likely to happen after that. Options were being looked at internally and a game plan was being reviewed; when this was clearer it would be possible to share this with UPUC. HB said that Board approval had been received on the previous Friday so the intention was to get the data warehouse established by around March 2010.

At present xoserve was looking at a 'wish list' that could be accommodated now within the existing systems. The latest reports from CSC indicate that it is more on top of things, but xoserve were looking at the contracted model going forward. RM asked whether support would be provided in the UK or India and HB responded that a significant part of the support services was likely to be provided externally; all cost effective routes would be considered.

## **6.0 Any Other Business**

### **6.1 IAD Transactional Charging**

GF reported that more data was now available and xoserve was in a position to send out a further update if required. This was welcomed by CB.

### **6.2 Automatic System Timeouts**

KW reported that the 30 minute automatic timeouts were causing some operational issues. GF responded that investigations suggested that 80% of operators appeared to use it as a way to exit the system, with the majority being timed out.

KW asked if the set 30 minute period was in place to benefit system performance; GF responded that it was seen to be IS 'best practice' for 'idle' systems and CB and LG supported this view that 30 minute timeouts appeared to be standard. It was thought that system problems in 2007 had resulted in the setting of 30 minutes after which performance had improved.

KW stated that his operators were providing a significant amount of feed back regarding this issue. xoserve indicated that it was happy to look at the possibility of extending the period before automatic timeout if there was a general preference for this.

LG raised the prospect of single login and GF said that this was still being explored by xoserve.

### **6.3 Password protection of User Pays Report**

GF reported that information security was being reviewed. He was looking at this from a UPUC point of view and will keep the meeting up to date as views are reached. RM offered support if it could be done in a sensible way and as long as the spreadsheet fields are kept up-to-date.

LG commented that some electricity reports are already encrypted and that users were given a key with which to access the information. HB said that there was a need to look at operational and technical solutions and confirmed that encryption was also being considered as an option.

LG then raised a concern regarding Transactional Charges. The numbers would need to be sufficiently robust to support charging, and need to be monitored in order to validate invoices. GF advised that there were a number of reports that could be provided to help in this respect. LG pointed out that it was necessary to be able to drill down to MPRN level and GF noted this.

## **7.0 Diary Planning for User Pays User Group**

Meetings are held at 10:30 on the second Monday monthly, at the ENA Offices, 6<sup>th</sup> Floor Dean Bradley House, 52 Horseferry Road, London SW1P 2AF.

### **7.1 User Pays Contract Expert Group**

The next meeting has been arranged for Monday 06 April 2009. Subject to contracts being signed, this will be the first formal UPUC meeting under the terms of the Contract.

### **7.2 User Pays User Committee**

The next meeting has been arranged for Monday 06 April 2009. Subject to contracts being signed, this will be the first formal UPUC meeting under the terms of the Contract.

The following dates have been arranged for 2009:

11 May 2009

08 June 2009

13 July 2009

10 August 2009

14 September 2009

12 October 2009

09 November 2009

14 December 2009.

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**Action Table**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
UPUG0021	14/07/08	2.2	Transporters to reconsider signing the User Pays contract and return to next meeting with reasons for their decisions.	All Transporters	<b>Closed</b>
UPUG0056	12/01/09	1.2	xoserve to clarify the policy on the recycling of passwords.	xoserve (GF)	<b>Closed</b>
UPUG0061	09/02/09	2.1	UPUC Terms of Reference - xoserve to produce and circulate a list of its perceived obligations (to be circulated by 13/02/09), and change the wording to specifically reference its obligations under the Terms of Reference.	xoserve (GF)	<b>Closed</b>
UPUG0062	09/02/09	2.1	xoserve to produce a further draft of the UPUC Terms of Reference for approval at the next UPUG meeting.	xoserve (GF) xoserve (GF)	<b>Closed</b>
UPUG0063	09/02/09	3	xoserve to send a draft of the two paragraphs (10.1 and 10.2) for immediate review and comments and then update the Contract prior to issue for signing.	xoserve (GF)	<b>Closed</b>
UPUG0064	09/02/09	5.1	xoserve to investigate apparent inconsistencies in respect of IAD username and password case sensitivity in password.	xoserve (DA)	<b>Closed</b>
UPUG0065	09/02/09	5.3	xoserve to include percentages in the operational performance slides.	xoserve (DA)	<b>Closed</b>
UPUG0066	09/03/09	4.1	Explain the Must Read process and identify the associated elements that make up the charges.	xoserve (GF)	
UPUG0067	09/03/09	4.1	Define what constitutes a domestic Must Read and clarify the position in respect of domestic Must Read sites.	xoserve (GF)	