

## UNC DSC Contract Management Committee Minutes

**Wednesday 20 September 2017**

**at Lansdowne Gate, 65 New Road, Solihull, B91 3DL**

<b>Attendees</b>			
Rebecca Hailes (Chair)	(RH)	Joint Office	Non-Voting
Helen Bennett (Secretary)	(HB)	Joint Office	Non-Voting
<b>Shipper User Representatives</b>			
Kirsty Dudley*	(KD)	E.ON	Class A – Voting
Lorna Lewin*	(LW)	Dong Energy	Class B – Voting 3 votes
<b>Transporter Representatives</b>			
Chris Warner	(CW)	Cadent	DNO – Voting Alternate
Joanna Ferguson	(JF)	Northern Gas Networks	DNO – Voting
Phil Lucas	(PL)	National Grid NTS	NTS – Voting + Alternate (2)
Gethyn Howard*	(GH)	BUUK	iGT – Voting
Victoria Parker*	(VP)	ESP	iGT – Voting
<b>CDSP Change Management Representatives</b>			
Dave Turpin	(DT)	Xoserve	Non-Voting
Emma Smith	(ESm)	Xoserve	Non-Voting
Matt Smith	(MS)	Xoserve	Non-Voting
<b>Observers</b>			
Andrew Robinson	(AR)	Npower	Non-Voting
Chris Warner	(Cwa)	Cadent	Non-Voting
Clare Cantle-Jones	(CCJ)	SSE	Non-Voting
David Mitchell	(DM)	SGN	Non-Voting
Eve Bradley	(Ebr)	Xoserve	Non-Voting
John Cooper*	JC	BUUK	Non-Voting
Robert Wigginton	(RWi)	WWU	Non-Voting
Shiv Singh	(SS)	Cadent	Non-Voting
<b>Apologies</b>			
Beverley Viney	(Bvi)	National Grid NTS	NTS – Voting
Steve Mulinganie	(SM)	Gazprom	Class B - Voting
Sue Hilbourne	(SH)	SGN	DNO – Voting
* Via teleconference			

Copies of all papers are available at: <https://www.gasgovernance.co.uk/DSC-Contract>

## 1. Introduction

RH welcomed all to the meeting. The meeting was declared as not being quorate since there were only 2 shipper representatives present (of the 3 required as a minimum), despite there being 4 votes available for those two shipper representatives to exercise. Quoracy relates to people being present (in person and on the phone).

CW suggested JO write out to all parties to remind them of their duties. RH advised of the register that the Joint Office has begun to update for all DSC committees in order to ensure effectiveness of the Committee. CW concurred that the Committee cannot be effective if it does not meet the quoracy requirements.

**New Action 0901: JO to write out to voting members of the DSC Committees to remind them of their responsibilities regarding committee meeting quoracy requirements.**

### 1.1. Apologies for absence

See above table.

### 1.2. Alternates

Lorna Lewin for Steve Mulinganie

Phil Lucas for Beverley Viney

Chris Warner for Sue Hilbourne

### 1.3. Approval of minutes (16 August)

The August Minutes were approved.

### 1.4. Terms of Reference

RH thanked ES and DT for their work on the Terms of Reference (TOR).

#### Background

RH explained that this is the 2<sup>nd</sup> attempt at completing the TOR, the 1<sup>st</sup> attempt mentioned all of the Contract Management arrangements. The aim was to do the right thing by having a TOR. It was then agreed to put the TOR in to the standard Joint Office format and still point to the Contract Management Arrangements.

DT explained that links have been put in to the document throughout the TOR. Doing this in conjunction with the respective Change Management Committee TOR.

The main aim of the creation of the TOR was to keep it relatively simplistic.

RH reminded the committee of the newly formed DSC Governance Review Group advising the next meeting is 06 October. DT added that the current topic is looking at the Change Proposal process.

RW requested an amendment to the TOR to which RH made a live amendment in the Purpose of Meeting section.

In the interim the Committee are happy with the TOR recognising that it would probably need updating and improving once the activities in the DSC Governance review group draw to a close.

AR asked if there is any need to differentiate the different DSC Committees to which DT explained that the structure of the Committees under DSC is that neither of them report to the other and so the aim is to keep the TOR independent of each other, this area will be revisited under the DSC Governance Review Group.

GH sent some comments and potential changes through for the Purpose of the Meeting section. RH requested GH to forward a change marked version of the TOR showing his suggested changes. GH also mentioned that any supporting documentation for any decisions should be published at least 5 days prior to the meeting should be referenced in the TOR. Participants agreed and thus it was agreed that the reference to the submission of

documentation 5 days prior to the meeting should be put in the TOR referring to the correct section in the contract arrangements.

**New Action 0902: GH to provide a change marked version of the TOR**

**Post meeting update:** GH has provided the change marked TOR. **Closed**

**2. Business Continuity Plan**

No update this month, an update will be given in the November meeting.

**3. Information Security Arrangements**

A workshop has been scheduled for 17 October to be run by Emma Maskell/Sally Hall. Further details are available from the CDSP. Action 0803 **Closed**

**4. Contract Assurance Audit**

EBr provided an internal audit plan for July to December 2017 for early visibility referring to the 2 documents that were issued but not published.

The Internal audit plan for July to December 2017 was reviewed and noted.

The Xoserve Audit Summary Report for the period 1st January to 30th June 2017 was reviewed and noted.

An overview of how the audit findings were followed up was discussed.

A Quarterly update will be provided. EBr asked for views on the format and level of detail. JF indicated she was happy with the format and level of detail.

ES added that the annual financial audit was completed in July, advising that there were no significant findings and asked if that level of update or if more detail is required.

JF and others indicated they were happy with the level of detail.

**5. Monthly Contract Management Report (KPIs)**

**5.1. KPI Reports**

Msm provided the Xoserve Monthly KPI Report for August 2017 which follows the same format as previously:

JF explained that from a GT perspective invoicing information is received differently post-nexus and they find it to be a bit of a step backwards. Some files are not available anymore. A formal request has been made to reinstate supporting information that was previously offered.

ES explained that relating to the Supply Point Information class MPRN counts, those in Class 3 are a Shipper error, these (circa 33K) should have been classed as class 4 and not class 3.

DT flagged the capability of the system and explained that the 33k that require re-classification should not affect system reliability.

RW suggested a few amendments to the information/data that is being given in the report. DT also suggested to start to build a profile of how the AQ trends move in graph form.

**KPIs**

Reporting indicated 1 KPI failure - Generation of an estimated Meter Reading for a Class 4 Supply Meter.

Msm explained that due to exceptions for a small number of sites, Xoserve did not provide the estimated read in the right timescale. Xoserve will now address the issue and this error should not occur again.

ES added that as Xoserve come across exceptions, they are looking at dealing with them in a better way.

Msm highlighted there are two new KPIs being reported on:

Respond to Shared Supply Meter Point Confirmation

Respond to Shared Supply Meter Point Withdrawal.

These new KPI lines have been created in light of modification 0610S Project Nexus - Miscellaneous Requirements.

### **UK Link Availability**

Msm talked through the key availability and performance for Gemini and UK Link.

DT explained it is important to understand that this is reporting on system level and not user availability.

Noting that Nominations per day looks like it is going up on a monthly basis, DT suggested this is possibly due to a step change in the process.

It was noted that the Re-nominations data being reported is high compared to the target and that the target may need to be realigned.

### **Third Party and Additional Services**

When asked, MS advised RW that the contract says Xoserve have to provide this reporting. DT provided further detail explaining that the Committee may have to make decisions in the future with regards to high cost third party services etc.

PL suggested it might be useful to see what the amount in relation to the Cap is for each month.

RH added that the Price Comparison Websites Modification (0593) could be usage of a third-party service.

### **Change Report Summary**

Summary information from the Change Committee showing how the Change Budget is performing.

RW asked if the £ signs can be removed to provide better clarity on the figures being shown.

On the final tab 'Change Report Detail' shows detail that makes up the summary from the Change Report Summary.

When asked, DT confirmed that some of the costs will come back as User Pays charges.

RW asked how detailed internal costs are documented. DT explained that Xoserve have a complex time recording facility which breaks down project costs to each individual project.

It was confirmed that the new Chief Finance Officer will be in post from 01 October 2017 and will be invited to the next meeting.

### **Business Plan 2018 (BP18)**

ES advised that there are two sessions planned, 31 October and 04 December at which Joint Office are expecting to provide the secretariat duties. These meetings will be function as additional DSC Contract Management Committee meetings.

Discussion followed around what format BP18 discussions should follow regarding expenditure. CW would like to see a plan so that when the end of the RIIO period is reached the Committee can see everything documented.

RH clarified that there is a meeting being held on Monday 25 September, which is an Xoserve meeting to look at Lessons Learned from BP17 which will then feed in to the BP18 process. Any DSC parties are welcome to attend.

GH/JC requested invites to Monday's meeting. HB will attend as an observer for the J.O.

## **5.2. Summary position of aggregate UIG flows**

Referring to the document provided for this agenda item which can be found here:

<https://www.gasgovernance.co.uk/DSC-Contract/200917>, DT talked the Committee through the slide covering:

### **Key messages:**

- Between June and July 2017 average national UIG percentage has decreased from 4.65% to 3.44% and remained static in August.
- From 21 August - 24 August, a spike in UIG was experienced. This prompted Shippers to request Xoserve to carry out investigations into the possible causes.
- Xoserve conducted a deep dive into LDZ EA (Eastern) and in analysing the Composite Weather Variable has not found any obvious causes or drivers.
- Analysis will continue and shift to investigating how DM allocation versus estimates is contributing to UIG.
- Updates to this position will be communicated via the Performance Assurance Committee

RH clarified the data provided in the graph stating that each day has its own data point giving a D+5 close out position.

### **AUGE**

DT reminded the group that the expectation for UIG to reach a 1% level was with reference to the AUGE assessment of *average* expected levels at the end of the reconciliation period (line in the sand) and therefore should not be expected to be seen at D+5 closeout nor should be assumed to represent a 1% level for each and every day.

Confirmation was given that Xoserve will continue to produce this information for the Contract Management Committee as a standard agenda item.

DT offered that if trends or anything else arise that require further detail, a Subject Matter Expert (SME) can be invited to this meeting to provide more information.

### **5.3. Consideration of future KPIs and impacts on budget**

DT suggested that any future KPIs should be discussed at this point and since none were under consideration currently, there was no update.

## **6. Financial Information**

### **6.1. Cost Allocation Model and methodology**

RH highlighted that it would be a rare exception to report anything at this point and as nothing has changed there is no update.

### **6.2. CDSP Budget**

ES gave a verbal update and this is linked to Action 0704. Reporting of the CDSP Budget will remain as a quarterly update as per the DSC Contract arrangements, the Change Management Committee meeting information will be provided monthly.

The full CDSP Budget will continue to be reported on a quarterly basis. Next provision will be end September to bring along to the October meeting. After that an update should be expected in January.

### **Action 0704 Closed**

The Change Budget was shown within the KPI update and DT added that this is currently tracking below budget at the moment.

### **6.3. Annual Charging Statement**

No Change

### **6.4. Invoicing**

No Change

DT explained that Xoserve are obliged to report on the above through the DSC Contract Arrangements.

DT confirmed that the agenda will show No Change on items where there is nothing changed. JF confirmed that the Committee would like to carry on seeing this on the agenda even if there is nothing to report, rather than see this by exception.

## 7. Review of Outstanding Actions

**0402:** Draft a document for use as TOR including reference to General Terms D section 4.1.5 and including a note that both the DSC Change and Contract Committees are Sub Committees of Network Code.

**Update:** Bring back next month. Not formally approved as meeting is not quorate. See item 1.4. **Carried forward.**

**0504:** *Open Distribution Lists:* Xoserve (DT) is to consider the relevance and recorded membership of their distribution lists. Each company is to be identified and list of registered email addresses is to be identified by company and circulated to the relevant Contract Manager for confirmation that the email address is still relevant.

**Update:** SM agreed to ensure all parties are informed of the pitfalls of not wanting to receive emails using an open distribution list. Nothing yet received. **Carried forward.**

### Referred from Change Management Committee

**Ch0602:** Xoserve (DT) to discuss with the Contract Managers how the Policies for Board Recruitment would be managed in the future from a funding/budgetary and process perspective.

**Update:** DT had agreed to circulate a proposition to all DSC Contract Managers for further discussion and agreement.

This will be included in Business Plan 2018 (BP18). DT advised that a Change Proposal has been drafted. Funding has not yet been suggested. DT will be suggesting a new service line to be introduced and is looking for a sponsor from the Contract Management Committee to propose the Change Proposal and for a suggestion to be made as to how the funding should be apportioned. DT explained what the issues are around the funding subject. Next step is that the provision needs to be put into the business plan. CW advised that the GT position is that if Shippers want the funding then they can go ahead and propose that. DT explained that, if it is required to be in the budget, Xoserve will forward the Change Proposal for the funding section to be completed. In the absence of any sponsor for funding, the Change Proposal will not progress. DT clarified that the default position is that it will not go into the Change Proposal. **Closed**

**0608:** EM to arrange re-circulation of the presentation entitled Information Protection at Xoserve to the Contract Managers.

**Update:** Committee members were not aware that this had been provided. It was understood that the presentation still required circulation. This was re-circulated in July. **Closed.**

**0701:** Monthly KPIs - Xoserve to provide a summary position of aggregate UIG flows including graphical analysis by LDZ (September).

**Update:** This was provided at today's meeting. **Closed.**

**0704:** Xoserve to provide a budget update, including a forecast against actuals, with a view to providing a monthly update.

**Update:** See item 6. New action for monthly updates to be provided. It was agreed that this should be added to the dashboard. ES advised there will be some changes to KPIs going forward which will come from the Xoserve Board. **Closed**

**0801:** Xoserve to provide the output assurances that would provide detail of what they would be under BCM Options 1&2 and what would overlap with Option 3.

**Update:** Expected in November. Indicative costs for Option 3. Options 1&2 will be delivered in quarter 3 (for delivery) of 2018 and will be discussed at this meeting. **Carried forward**

**0802:** Xoserve to provide the indicative costs of BCM Option 3 (using the scope of audits under Options 1&2) in November

**Update:** Expected in November. **Carried forward**

**0803:** Xoserve to schedule a Workshop to engage DSC Parties in the GDPR Information Security Arrangements Project.

**Update:** Workshop Scheduled for 17 October to be run by Emma Maskell/Sally Hall. **Closed.**

**0804:** *New data enquiry service and helpline service* – Xoserve to provide a presentation on the actions taken for suspicious use and provide recommendations.

**Update:** Update expected November. **Carried forward**

**0805:** Xoserve to provide a PAC Change Plan proposal based on an annual budget of £50k and a cap on any individual change and to take this back to the finance team and have it added to the Xoserve business plan.

**Update:** no PAC change plan as yet – DT looking to provide a new CP which will create £50k in the overall budget. Questions remain as to how this should be funded and apportioned. PAC will use the budget for developing and providing reports/analytical work/cleansing activities. Xoserve will look at PAC issues log and do a retrospective allocation. **Carried forward**

**New Action 0903: Re: Action 0805 - Xoserve to provide a PAC Change Plan proposal based on an annual budget of £50k and a cap on any individual change and to take this back to the finance team and have it added to the Xoserve business plan. Xoserve to take to PAC/PAFA to make a suggestion as to what the funding should be.**

## 8. Key messages and Items referred from other fora

### 8.1. DSC Change Management Committee

DT advised of the key messages from the Change Management Committee meeting:

The scope of Release 2 has been agreed.

There are 4 Change Proposals that are looking to be included in Release 2 pending an impact analysis, the changes are:

4 Change Proposals under consideration for Release 2 pending Impact Assessment		
1	UKLP112	Missing Key Data Item from iGT's to Shippers (Plot Number)
2	COR3283	Recording of DN Site Works.
3	UKLP262	Change to RGMA validations for LI confirmations
4	UKLP273	Priority Services Register/Vulnerable Customers Data Requirements Option A:

Timing of releases was discussed and asked to re-align to UNC release dates (June).

**UKLP281 Impact Assessment of DN Sales (Outbound Services) Requirements for UKLP** is being looked at as a special release as the solution requires a huge amount of regression testing. This change impacts across the whole of the new UK Link system. One of the principles that R2 was looking to achieve was minimal customer impact.

DT stated that significant progress has been made on this item.

### 8.2. PAC/PAFA

This group are currently looking at AQs of 1 kWh as a topic along with the DM reads, both of which have an impact on UIG.

## 9. Any Other Business

### 9.1. Changes to Service Description Table

MS confirmed housekeeping changes in the DSC.

Xoserve is raising a change order proposing new service description table. To be discussed at the next Change Management committee.

### 9.2. AUGE

DT explained that SM had been in contact with reference to the I&C Shippers and Suppliers (ICoSS) letter dated 14 September 2017 highlighting concerns over the scope and robustness of the Allocation of Unidentified Gas Expert (AUGE) process and also the quality of assessment that is currently being undertaken as part of the AUGE process.

DT advised that SM thinks it would be useful to open the discussion at the Contract Management Committee meeting and also advised that SM suggests that a sub-committee could be set up to oversee the AUGE contract.

DT advised that there is one other shipper from the big 6 that mirrors the same view.

CW wondered if AUGE had an opportunity to respond to the paper.

DT said that Xoserve are attending UNCC tomorrow. Some further conversations need to be had.

RH asked how the AUGE framework was setup, DT explained that the reason this is going to UNCC is that it is not a DSC subject. The correct route for discussions/points to be raised would be via network code.

### 9.3. General Report Issues (DM)

DM and JF mentioned there are some reports that are not working. DT advised any reports that are identified as not working are to be forwarded to Dave Turpin/Emma Smith.

## 10. Diary Planning

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

Meetings will take place as follows:

Time / Date	Venue	Programme
11:00, Wednesday 18 October 2017	Lansdowne Gate, 65 New Road, Solihull B91 3DL	Standard Agenda
31 October (Timings TBC)	Lansdowne Gate, 65 New Road, Solihull B91 3DL	BP18, detailed agenda TBC
11:00, Wednesday 15 November 2017	Lansdowne Gate, 65 New Road, Solihull B91 3DL	Standard Agenda
04 December (Timings TBC)	Lansdowne Gate, 65 New Road, Solihull B91 3DL	BP18, detailed agenda TBC
11:00, Wednesday 20 December	Lansdowne Gate, 65 New Road, Solihull B91 3DL	Standard Agenda



<b>Action Table (as at 20 September 2017)</b>					
<b>Action Ref</b>	<b>Meeting Date</b>	<b>Minute Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Status Update</b>
<b>0402</b>	18/04/17	1.5	Draft a document for use as TOR including reference to General Terms D section 4.1.5 and including a note that both the DSC Change and Contract Committees are Sub Committees of Network Code.	DT	<b>Carried forward</b>
<b>0504</b>	17/05/17	From Action 0403	<i>Open Distribution Lists:</i> To circulate email address lists to the group to confirm the list is up to date. Contract managers to review distribution lists that Xoserve hold to make sure they hold the correct users. Xoserve to write out to each organisation for confirmation that they are satisfied with the usage of open distribution lists.	DT  All  Xoserve	<b>Carried Forward</b>
<b>Ch 0602</b>	Change 08/06/17	2.0	Xoserve (DT) to discuss with the Contract Managers how the Policies for Board Recruitment would be managed in the future from a funding/budgetary and process perspective.	Xoserve (DT)	<b>Closed</b>
<b>0608</b>	14/06/17	3.0	<i>Information Security Arrangements:</i> To arrange re-circulation of the presentation entitled Information Protection at Xoserve to the Contract Managers.	Xoserve (EM)	<b>Closed</b>
<b>0701</b>	19/07/17	6.0	Monthly KPIs - Xoserve to provide a summary position of aggregate UIG flows including graphical analysis by LDZ (September).	Xoserve (DT)	<b>Closed</b>
<b>0704</b>	19/07/17	7.0	Xoserve to provide a budget update, including a forecast against actuals, with a view to providing a monthly update.	Xoserve (DT)	<b>Closed</b>
<b>0801</b>	16/08/17	2.0	Xoserve to provide the output assurances that would be provided under BCM Options 1&2 and what would overlap with Option 3.	Xoserve (EBr)	<b>Carried Forward</b>
<b>0802</b>	16/08/17	2.0	Xoserve to provide the indicative costs of BCM Option 3 (using the scope of audits under Options 1&2) in November	Xoserve (EBr)	<b>Carried Forward</b>
<b>0803</b>	16/08/17	3.0	Xoserve to schedule a Workshop to engage DSC Parties in the GDPR Information Security Arrangements Project.	Xoserve (EMa / DT)	<b>Closed</b>
<b>0804</b>	16/08/17	7.0	<i>New data enquiry service and helpline service</i> – Xoserve to provide a presentation on the actions taken for suspicious use and provide recommendations.	Xoserve (DT)	<b>Carried Forward</b>

<b>0805</b>	16/08/17	9.2	Xoserve to provide a PAC Change Plan proposal based on an annual budget of £50k and a cap on any individual change and to take this back to the finance team and have it added to the Xoserve business plan. See Action 0903	Xoserve (DT)	<b>Carried Forward</b>
<b>0901</b>	20/09/17	1.1	<i>Introduction:</i> JO to write out to voting members of the DSC Committees to remind them of their responsibilities regarding committee meeting quoracy.	Joint Office (RH)	<b>Pending</b>
<b>0902</b>	20/09/17	1.4	<i>Terms of Reference:</i> GH to provide a change marked version of the TOR  <i>Post meeting update:</i> GH has provided the change marked TOR	BUUK (GH)	<b>Closed</b>
<b>0903</b>	20/09/17	7.0	<i>Review of Outstanding Actions:</i>  Re: Action 0805 - Xoserve to provide a PAC Change Plan proposal based on an annual budget of £50k and a cap on any individual change and to take this back to the finance team and have it added to the Xoserve business plan. Xoserve to take to PAC/PAFA to make a suggestion as to what the funding should be.	Xoserve (DT/ES)	<b>Pending</b>