

UNC DSC Contract Management Committee Minutes

Wednesday 18 October 2017

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

			= Not present
Attendees			
Rebecca Hailes (Chair)	(RH)	Joint Office	Non-Voting
Helen Bennett (Secretary)	(HB)	Joint Office	Non-Voting
Shipper User Representatives			
Kirsty Dudley*	(KD)	E.ON	Voting
Graham Wood	(GW)	British Gas	Voting
Steve Mulinganie	(SM)	Gazprom	Voting
Lorna Lewin*	(LL)	Dong Energy	Voting
Robert Cameron-Higgs	(RCH)	Flow Energy	Voting
Transporter Representatives			
Sue Hilbourne	(SH)	Cadent	DNO – Voting
Joanna Ferguson	(JF)	Northern Gas Networks	DNO – Voting
Phil Lucas	(PL)	National Grid NTS	NTS – Voting + Alternate (2)
John Cooper*	(GH)	BUUK	iGT – Voting
Victoria Parker*	(VP)	ESP	iGT – Voting
CDSP Change Management Representatives			
Dave Turpin	(DT)	Xoserve	Non-Voting
Emma Smith	(ESm)	Xoserve	Non-Voting
Matt Smith	(MS)	Xoserve	Non-Voting
Observers			
Clive Nicholas	(CN)	Xoserve	Non-Voting
Adam Jones	(AJ)	Xoserve	Non-Voting
Chris Warner	(CWa)	Cadent	Non-Voting
John Welch	(JW)	Npower	Non-Voting
Linda Whitcroft	(LW)	Xoserve	Non-Voting
Robert Wigginton	(RWi)	WWU	Non-Voting
Rofi Ihsan	(RI)	Xoserve	Non-Voting
Apologies			
Beverley Viney	(BVi)	National Grid NTS	NTS – 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 and noted that at the beginning of the meeting, with 4 Shipper voting representatives present and 6 Transporter voting representatives present, the meeting was quorate. A fifth shipper voting representative joined the meeting later.

1.1. Apologies for absence

Beverley Viney

1.2. Alternates

Phil Lucas for Beverley Viney

For information, the alternates appointed are as follows:

Representative	Vote Count	Alternate
Kirsty Dudley	1 vote	Alex Travell
Graham Wood	1 vote	Andrew Margan
Steve Mulinganie	1 vote	Alexander Mann
Lorna Lewin	1 vote	James Crosland or Oliver Xing (do not email)
Rob Cameron-Higgs	2 votes (3.3.2 (a) applies)	TBC
Sue Hillbourne	1 vote	Chris Warner
Joanna Ferguson	1 vote	Robert Wigginton
Beverley Viney	1 vote	Phil Lucas
Phil Lucas	1 vote	Sean McGoldrick
John Cooper	1 vote	Victoria Parker
Victoria Parker	1 vote	John Cooper

1.3. Approval of minutes

The 20 September 2017 Minutes were approved.

1.4. Terms of Reference

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

GH provided a change marked version of the Terms of Reference for the meeting which can be viewed here: <https://www.gasgovernance.co.uk/DSC-Contract/181017>.

JF mentioned that if the Contract Committee meeting had been quorate last month, the Committee would have approved the previous version of the TOR.

VP added that the GH update is useful and should be included, specifically 4.1.3 reference as an inclusion, although SM mentioned that in terms of the reporting, the amendments given limited the scope.

During a short discussion regarding the provision from GH, RH proposed that the previous version of the TOR should be accepted. Any future additional changes should be brought to the Contract Committee meeting for discussion.

Some very minor updates were made onscreen and the final version of the TOR were produced and approved by the DSC Contract Management Committee members.

Approval: All DSC Contract Management Committee members agreed to approve the previous version of the TOR.

Rofi Ihsan Chief Finance Officer briefly joined the meeting and took the opportunity to introduce himself and talked to the committee members about his background. The Committee were very pleased to have had the opportunity to meet him.

2. **Business Continuity**
Next scheduled update will be given in the November meeting.
3. **Information Security Arrangements**
Next scheduled update will be given in the November meeting.
4. **Contract Assurance Audit**
Next scheduled update will be given in the November meeting.
5. **Monthly Contract Management Report (KPIs)**

5.1. KPI Reports and 3rd Party Invoicing

Referring to the timing of the submission of this information, RH asked the members if they had had the opportunity to read the information yet, adding that there is a nervousness that the committee members might not be as prepared as they could be.

SH commented that she has no issues regarding the timing of this information, advising that she would rather have something submitted late and up to date than not at all.

DT confirmed the timing issue and explained that the data is not available any earlier to be able to give more time prior to the meeting.

RW suggested that perhaps the data could be provided up to the month-end, the Committee members agreed. SH added that this would be useful to have month-end figures as this will aid data comparison exercises.

Summary

RW reminded that a track for Supply Point information was requested but not yet provided.

New Action 1001: MSm will look to provide Supply Point Information date up to month-end from now.

KPIs

MSm talked the Committee through the KPI information on the workbook provided for this meeting, stating that there are no operational failures and that all KPIs were met for September.

SM asked for clarity on Meter Assets: £193,840 and wondered if this relates to DM reads.

New Action 1002: MSm to provide clarity on what Meter Assets charge is made up from.

SM asked if the Invoicing Information can include a track on the Gas Reconciliation (GR) Reads in light of UIG issues.

New Action 1003: MSm to split out Invoicing Information to provide more detail against the amendment invoice.

New Action 1004: MSm to look to provide reflection of Entry and Exit Energy balancing in Invoicing Information.

Systems Availability

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

Third Party and Additional Services

The figure set against Additional Services Invoiced Amount in August 2017 of £44,894 was questioned, DT clarified that Xoserve are not at liberty to provide extra information around this charge.

New Action 1005: MSm to provide 3rd Party services cap line to track.

Change Report Summary

Change Budget is still under spent.

There followed discussion as to why the Change Budget has gone up in light of the recent 2018 Business Plan discussions. DT explained that Xoserve have delivered a lot of change over the last year and that the rationale of why it is being increased will be provided at the BP18 discussions, the first of which will be held 31 October 2018 and will be Xoserve-led with the aim of bringing a final Business Plan proposal for formal approval at this meeting later on in the year.

5.2. Summary position of aggregate UIG flows

Linda Whitcroft (LW); Clive Nicholas (CN) and Sean Baldwin (SB) attended the meeting.

CN introduced himself to the Committee advising that he is the Chief Customer Officer (CCO) and went on to advise the committee members that LW has specifically been moved on a short-term basis to be able to concentrate on the Unidentified Gas (UIG) issues.

CN explained that due to the importance of UIG, Xoserve are undertaking lots of work to demonstrate the integrity of the systems, making sure they are 'fit for purpose' and that there is no degradation of data quality by firstly, looking to see how the resolution of the data issues can be completed as quickly as possible, and secondly analysing the level of volatility of UIG in order to aid the Industry understanding.

CN advised the Committee that LW plans to go over a timeline and to get comments, feedback and support from the Committee, during this piece of work.

Mentioning the planned Industry workshop which is being held on Friday 20 November, CN advised this is expected to be very well attended.

LW then went through the material provided for the meeting which can be found here: <https://www.gasgovernance.co.uk/DSC-Contract/181017>.

UIG Timeline and milestones

When asked LW confirmed the objective is to ensure correct asset information recorded for all DM sites.

AQs down to the value of 1 fix is due to be implemented which will stop erroneous AQs of 1 being on the system.

It is expected that AQs of 1 will reduce the levels of UIG by 0.5%.

Next Steps on causes of volatility

Please refer to the Modification 0631R - Review of NDM algorithm post-Nexus, raised by Corona Energy, <https://www.gasgovernance.co.uk/0631>.

Post meeting update: At the 19 October 2017 UNC Panel meeting, it was decided this would be a stand-alone review group.

When asked it was confirmed that the outcome of this Review Group would likely be a reformed algorithm.

There followed a discussion on the sourcing of additional analysts/statisticians from within the Industry to work together and how best to get all of the required data from Shippers. It was suggested that a letter from Ofgem might be a way forward.

Suggested Area to include in scope

RW mentioned that a slide that has recently been presented by Fiona Cottam at another meeting, which showed route causes and suggested it would be useful if it was mixed with this one.

LW will look to do that and take to the Industry Workshop on Friday 20 October 2017.

Post meeting update: The required slide was presented at the Industry Workshop on 20 October 2017.

It was mentioned that the Performance Assurance Committee (PAC) Risk Register has recently been issued; this can be found here: <https://www.gasgovernance.co.uk/PAC>

There was general consensus to support the requirements from Xoserve for additional resource.

When asked, LW advised that the requirement/resource level for statisticians would be one from each area to support and bring in to Xoserve and work with the Xoserve team.

Discussion turned to the funding of this exercise, the Budget is very tight, there might be some scope in the Change Budget. Due to the criticality of this piece of work, it was agreed that the funding of this project will be something that will come to this Committee meeting to agree.

It was asked that, with the removal of the AQ process within Xoserve, whether Xoserve had spare resource capacity?

There is a possibility of an extraordinary DSC Contract Management Committee meeting for this project to agree funding.

As long as there is justification for the funding discussion, together with a rationale business case, it is considered unlikely that this Committee would refuse to support the funding.

CN responded with regards to funding, suggesting that ramping up quite quickly to get the right people, and to start thinking about expertise; travel and how to work together.

RW made an observation around a confidentiality agreement that will need to be addressed from Xoserve so that there are robust controls in place, an instruction on a way of analysing the data will be helpful too, this would need to put in place ahead of time.

CN asked the Committee if the preference is to use Industry volunteers or temporary agency resources; the Committee members agreed industry volunteers was preferable.

A Review group for Modification 0631R: Review of NDM algorithm post-Nexus will be setup after the UNC Panel meeting on 19 October 2017.

Post Meeting Update: The meeting for Modification 0631R has been arranged for Wednesday 25 October 2017.

5.3. Consideration of future KPIs and impacts on budget

RH reminded the members to put forward their suggestions on what else could be reported on.

Preparation for Business Plan 2018 (BP18) 31 October and 04 December meetings will not be Joint Office led. The approval will be brought to the Contract Committee. The members agreed that this does not need to be Joint Office led.

6. Financial Information

6.1. Cost Allocation Model and methodology

No update this month.

6.2. CDSP Budget

No specific update this month, although SH referred to an increase in the Change Budget, the discussion of which is captured in the Change Report Summary in section 5 of these minutes.

6.3. Annual Charging Statement

No update this month.

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: The TOR has been approved, see Agenda item 1.4. **Closed**

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: Xoserve to send out the wording provided by SM regarding contacting relevant parties and challenge them on their position. **Carried forward**

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: Update scheduled for 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: Update scheduled for November. **Carried forward**

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**

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

Update: The email has been prepped and will be sent out as soon as possible.

Post meeting update: This email was issued 20 October 2017 to DSC Change and Contract Committee Managers, (Voting members and their Alternates). **Closed**

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 talk to PAC/PAFA to make a suggestion as to what the funding should be.

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

8. Key messages and Items referred from other fora

8.1. DSC Change Management Committee

DT took the Committee through the slide pack provided for this meeting. This can be found here: <https://www.gasgovernance.co.uk/DSC-Contract/181017>

RW commented on the Xoserve representation at the 13 October 2017 NTSCMF meeting and suggested that the message delivered could have been a lot more positive.

PAC/PAFA

DT took the Committee through the slide pack provided for this meeting. This can be found here: <https://www.gasgovernance.co.uk/DSC-Contract/181017>

When asked, DT advised that the Data Warehouse is providing certain challenges in that Xoserve are currently not in a position to provide new report requests, Xoserve are working on improving this. This also affects some of their ability to service PAC. DT agreed that Xoserve access to data needs to be improved.

DT advised that the Risk Register that has come out of PAC (published here: <https://www.gasgovernance.co.uk/PAC/101017>) is probably the first of many things that will add to improvements around data availability.

9. Any Other Business

9.1. DSC Credit Committee Member Changes

RH asked for formal approval of the appointment of Phil Lucas and Laura Dawson to the DSC Credit Committee.

Approval: All DSC Contract Management Committee members approved the appointment of Phil Lucas and Laura Dawson as replacements to the DSC Credit Committee.

The full list of DSC Credit members are as follows:

Shipper User & Transporter Members

Adam Lane (Centrica Energy Markets & Trading)
James Hill (EDF)
Laura Dawson (E.ON)
Pauline Babb (SSE)
Ian Clark (Northern Gas Networks)
John Burke (Cadent)
Paul Whitton (Scotia Gas Networks)
Phil Lucas (National Grid NTS)
Sue Davies (Wales & West Utilities)
Thomas Butler (ES Pipelines)

CDSP Credit Representatives

Mark Cockayne
Sandra Dworkin
Zar Suleman

Standing Alternates

David Trevallion for Pauline Babb
Gavin Anderson for James Hill
Laura Dawson for Colette Baldwin (retired)
Richard Pomroy or Robert Wigginton for Sue Davies
Sallyann Blackett for Laura Dawson
Sharon Farby for Adam Lane
Sean McGoldrick for Phil Lucas

9.2. Portfolio Reconciliation Exercise (UNCMOD0431)

TC joined the meeting and referred to the communication that was issued to DSC Contract Committee Managers on 09 October for a reconciliation exercise, adding that this reconciliation could contribute to some of the UIG issues.

9.3 GDPR meeting

DT asked those that attended the GDPR meeting that was held on 17 October for their views on if it was useful. JF commented that it was very useful and a great opportunity for everyone to have open and frank discussions, adding that it was a great start, and it should be kept going. SM agreed, and would like to see some notes from the meeting sooner rather than later.

SH suggested a modification regarding GDPR requirements might need to be raised that will look at streamlined templates, needed as part of the process.

A working group is to be formed as a forum to discuss GDPR related issues.

SM raised the issue of liability arising from GDPR and asked if the Contract Committee should look at this issue. SH added that liability is in all of their businesses and suggested it is about what steps are in place to mitigate the liability.

New Action 1006: Xoserve DT to setup a Draft TOR and Working Group rather than a committee

9.4 How Xoserve polls Customer Satisfaction

AJ, Customer Insight Lead for Xoserve, joined the meeting to talk about the work he is undertaking on how Xoserve polls Customer Satisfaction. He outlined his plans and discussed the options with the Committee. Discussion covered utilising the Institute of Customer Service (ICS), costs, qualitative and quantitative measures and timings. Results and feedback will be shared with Sian Baldwin which will also drive action.

10. Diary Planning

Further details of planned meetings are available at: www.gasgovernance.co.uk/Diary

Meetings will take place as follows:

Time / Date	Venue	Programme
11:00, Wednesday 15 November 2017	Lansdowne Gate, 65 New Road, Solihull B91 3DL	Standard Agenda
11:00, Wednesday 20 December	Lansdowne Gate, 65 New Road, Solihull B91 3DL	Standard Agenda

Action Table (as at 18 October 2017)					
Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0402	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	Closed
0504	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	Carried Forward
0801	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)	Carried Forward
0802	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)	Carried Forward
0804	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)	Carried Forward
0901	20/09/17	1.1	<i>Introduction:</i> JO to write out to voting members of the DSC	Joint Office (RH)	Closed

			Committees to remind them of their responsibilities regarding committee meeting quoracy.		
0903	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)	Carried Forward
1001	18/10/17	5.0	KPI Reports and 3rd Party Invoicing MSm will look to provide Supply Point Information date up to month-end from now	Xoserve (MSm)	Pending
1002	18/10/17	5.0	KPI Reports and 3rd Party Invoicing MSm to provide clarity on what Meter Assets charge is made up from	Xoserve (MSm)	Pending
1003	18/10/17	5.0	KPI Reports and 3rd Party Invoicing MSm split out Invoicing Information to provide more detail against the amendment invoice	Xoserve (MSm)	Pending
1004	18/10/17	5.0	KPI Reports and 3rd Party Invoicing MSm to look to provide reflection of Entry and Exit Energy balancing in Invoicing Information	Xoserve (MSm)	Pending
1005	18/10/17	5.0	KPI Reports and 3rd Party Invoicing MSm to provide 3 rd Party services cap line to track	Xoserve (MSm)	Pending
1006	18/10/17	9.3	KPI Reports and 3rd Party Invoicing Xoserve DT to setup a Draft TOR and Working Group rather than a committee	Xoserve (MSm)	Pending