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**Change Overview Board (COB) Minutes**  
**Monday 11 September 2017**  
**Elexon, 350 Euston Road, London, NW1 3AW**

**Attendees**

Penny Garner (Chair)	(LJ)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Alex Travell	(AT)	E.ON
Angela Love	(AL)	Scottish Power
Arik Dondi	(AD)	Ofgem
Chris Warner*	(CW)	Cadent
Claire Towler	(CT)	SSE
Gareth Evans*	(GE)	Waters Wye Associates
Kirsty Dudley	(KD)	E.ON
Mike Leonard*	(ML)	Ofgem
Martin Baker	(MB)	Xoserve
Matthew Ramsden	(MR)	Ofgem
Phil Lucas*	(PL)	National Grid NTS
Rosella Jones	(RJ)	Electralink
Sara Neal*	(SN)	Scotia Gas Networks
Vicki Spiers*	(VS)	ES Pipelines

\*via teleconference

Copies of meeting papers are available at: <https://www.gasgovernance.co.uk/COB/110917>

**1. Introduction**

PG welcomed all to the meeting.

**2. Review of Minutes (15 May 2017)**

The minutes of the meeting held on 15 May 2017 were approved.

**3. Ofgem**

**3.1. Switching SCR**

Referring to the last meeting, AD gave a review of the background on the Switching program.

**Background**

The Program encompasses changes to systems to create a dual fuel switching system, work will also be undertaken in process mapping; policies and finally regulation.

AD advised that the aim is to have a faster and more reliable switching service adding that no priority will be given over either 'faster' or 'reliability'.

There is currently an impact assessment being worked on which will form a set of proposals, one of which could be to build on existing systems, but the reliability might not be good and current systems would not enable next day switching.

Advising that the last document published on this subject area was the Strategic Outline Case, which can be viewed here:

[https://www.ofgem.gov.uk/system/files/docs/2017/01/switching\\_programme\\_-\\_strategic\\_outline\\_case.pdf](https://www.ofgem.gov.uk/system/files/docs/2017/01/switching_programme_-_strategic_outline_case.pdf).

AD advised that Ofgem have requested information from the Industry, feedback so far is that it was quite complex, they have had lots of information back which Ofgem are checking; validating; analysing and looking at overall cost and benefits.

Moving on to an onscreen review of the Reform package 2a (RP2a), AD talked the Board through the material provided for this meeting which can be found here:

<https://www.gasgovernance.co.uk/COB/110917>

AD explained that the cost of operating instant objections and calendar day working are significant. Therefore, Ofgem have developed a revised version of the Reform Package 2 (RP2) which is now known as RP2a. RP2a will allow a 1-working day objection period for domestic and 2-working day objection period for non-domestic consumers. Also under consideration is a longer time period for the switch, which can be used to prevent erroneous transfers.

Moving on to show the preferred option, slide 2, AD explained that rather than going straight to a next calendar day switching, the proposal is a 3-phase switching program; Initially a one week switch to allow more time before implementation, once that is in place the reliability of the service should be increased and Users should be getting better data; users should then be able to move to that an end of next working day switch and finally to a beginning of next day switch.

When asked, AD confirmed feedback on the whole approach was that some prefer to go straight to a 1-day switch. A consultation to ask the Industry for their thoughts on the proposed approach will be opened up.

AD then went on to talk about the price comparison website (PCW), which can be seen on the final slide, slide 3, of the Ofgem presentation submitted for this meeting, adding for clarity that the address database reference has been removed for this meeting as there are discussions ongoing for this subject.

AD advised the Board about the consultation that Ofgem had issued to seek views on whether or not the new UK Link solution delivered by Project Nexus should be considered for a role in the faster switching solution. The proposal is that it could run procurement to take account of potential existing systems to play the role such as a dual fuel system, the realisation of potential benefits is under question

There are a few things to consider for this, such as:

- Suppliers already work with UK Link, already a functioning system on the gas side
- What would be required for further changes
- Communication between systems

When asked, AD confirmed the paper on the switching Significant Code Review is expected to be published around 21 September 2017.

AL asked if there would be feedback provided from Ofgem on the responses to the UK Link consultation before the close out of the main switching consultation. AL also highlighted that it would be beneficial for parties to know this ahead of their responses to the main consultation.

AL asked what Ofgem would do if there was overwhelming support for Nexus to be used for the switching solution. In response AD advised that there were three scenarios that he could see:

1. If everyone was positive, then Ofgem would have to have a major re-think;

2. No support, then there would be governance issues for industry if Xoserve wanted to bid, and
3. Responses mixed, then there would be challenges for procurement. In addition, could you note that AD said none of the issues in relation to the three options were insurmountable.

MB sought clarification as to whether it was appropriate for the next consultation to be issued ahead of the conclusion of the UK Link consultation. AD advised that it was acceptable and that there would be time to look at the Design and for it would be baselined around January 2018.

AD also confirmed that the creation of Retail Energy Code will be covered under the Governance section.

AT commented that the project should decide on the right solution and sought confirmation from Ofgem that the whole process is transparent.

AL advised that the use of PCW has not been agreed by those that fund Xoserve.

When asked, AT confirmed that timescales will not be in the paper that will be published as this will be down to Gemserv and Xoserve to set out the plans and governance.

Discussion followed regarding the phases that would be required, the suggestion being:

- 1<sup>st</sup> phase scope (DSC and the to fund)
- 2<sup>nd</sup> phase what do we want/funding

It was mentioned that DSC and Master Registration Agreement Service Company (MRASCO) should fund the first phases, the Board also suggested that when to move on to developing needs to be discussed and therefore when would the funding move.

PG suggested that given the engagement this should be a standing item on agenda to allow for further updates on switching.

### **3.2. Industry Codes Brexit Preparation**

MR talked the Board through the Industry Codes Brexit preparedness presentation. A copy of the presentation provided to the meeting can be found below:

<https://www.gasgovernance.co.uk/COB/110917>

The presentation covered the following topics:

- Where do our industry codes fit into Brexit preparedness?
  - How can this be delivered effectively and efficiently?
- Ofgem's licence trawl
- Timelines
- Discussion points
- Next Steps

MR advised that on the subject of Brexit coordination work, Ofgem met with code administrators in August 2017 and that scenario planning is underway which is focussing on planning for day 1 of the UK exiting the EU.

When asked, MR confirmed that this presentation will be presented to the September

2017 Panel.

When asked where the modification process sits within the industry, AL explained that a transporter would be assigned to provide legal text; the modification itself would be quite slim but the legal text will be quite some work.

MR advised that the bottom line is that if the UK have a no deal situation, Ofgem have looked at the regulatory situation to see what could break on day 1.

Setting out the process that Ofgem have gone through, lawyers have gone through all the different licences and identified references to EU law. Currently analysing each of those references to see if it will work in a non-EU UK.

AL suggested that Energy Market licences need to be looked at too, to consider gas installation regulations. AL will check with the Health and Safety Executive, (HSE) as they could be doing something similar.

AL asked if analysis will be shared, MR advised that the analysis is still internal and still being completed and is not for public sharing at this stage.

PG noted that as the discussion is only going to the September 2017 Panel, it is unlikely the full trawl of code by the end of September will be met.

Moving on to talk about timings, (slide 4), MR talked about some of the key timings and added:

1. Reason for the April timing is that, working backwards it could take a full year is the worst-case scenario
2. If can be done in parallel much easier – 6-month process and start later in 2018. None of the changes will be able to go through until the UK leaves EU

PG said that it would be interesting to see how this goes through at September 2017 Panel, and stressed the need for industry wide early engagement.

Finally, MR advised that EU law will continue to be implemented until such time that the UK leaves.

AL suggested an amendment to the modification template so that proposers can advise if they can envisage an impact on EU.

**New Action 0901: Joint Office to consider making a change to the modification template to incorporate a section where proposers can advise if they can envisage an impact on EU.**

**New Action 0907: AL to liaise with HSE to see if they can attend Panel.**

### **3.3. General Update**

ML advised that there was no other update to provide to the Board and went on to advise he is looking to arrange a presentation on remedies and code governance remedies.

PG advised Joint Office can work with Ofgem over the next few weeks to discuss standard agenda items for this meeting.

AL commented that this meeting was very Nexus focussed in the beginning and suggested that it should remain strategic, code governance arrangements for Change Overview Board are working well. AL also noted that Ofgem had cited the COB as a good example of the industry working together on developing a strategic approach, when they consulted through Code Governance Review 3.

PG suggested that it could be useful to use the Joint Office secretariat role to check that the TOR are fit for purpose and seek views before the next meeting.

MB commented that the updates from Ofgem at today's meeting were very good adding that the Change Horizon should inform what pieces should be being looked at,

at these meetings.

**New Action 0902: Joint Office to check that the TOR are fit for purpose and seek views before the next meeting.**

**New Action 0903: PG to write out for feedback and observations on the Change Overview Board meeting with suggestions on how it could be made better and how this meeting could add value.**

#### 4. Planning

##### 4.1. Industry Forward Plan - Change Horizon Update (Xoserve - MB)

MB presented the Change Horizon Quarterly Review and provided an overview of the current landscape.

It was agreed we agreed that there should be a new item added for the work on the UNC/Licence in relation to Brexit.

##### **Gas Central Services Change Horizon Q3 2017**

MB advised that this plan was last looked at by the board in May 2017 and provides a view for up to 5 years in advance which should not be seen as a Xoserve Work Plan.

#### Zone 3

##### **Price Comparison Website (PCW) Access to Data Enquiry Service**

MB confirmed that the consultation for Modification 0593V, Provision of access to Domestic Consumer data for Price Comparison Websites and Third-Party Intermediaries, closed on 08 September and will be discussed at September 2017 Panel.

##### **Priority Services Register**

SPAA CP370 plus two Alternates are being considered by Ofgem.

##### **UK Link Release 1.1**

Vulnerable Customer Needs Codes is effective from February 2018, there are currently four Release 1 Defects outstanding and the change priority has been approved under DSC governance.

##### **Items recommended for closure**

It was agreed that the following items can be closed:

Project Nexus (implemented 01 June 2017)

Performance Assurance (Ofgem letter dated 17 August confirms that PAF establishment is complete and that CMA Remedy has been implemented)

Amendments to EU Capacity Allocation Mechanism (implemented 13 August 2017)

When asked, PG confirmed to the Board that they are agreeing that the information/communication update is closed off and not deciding on any project closures.

#### Zone 2

##### **UK Link Releases 2 and 3**

The Change Horizon Q3 2017 plan reflects Xoserve planning assumptions.

AL asked for clarification if UK Link Release should be referred to 1.1 or 2.

**New Action 0904: MB to clarify if UK Link Release should be referred to as 1.1 or 2 at next meeting.**

##### **Retrospective Adjustments**

Review Group for Modification 0624, Review of arrangements for Retrospective Adjustment of Meter Information, Meter Point/Supply Point and Address data, has been established with a Workgroup Report to be provided to the January 2018 Panel.

### **Central Switching**

Consultation on UK Link and the proposed Central Switching Service (CSS) closes 29 September 2017.

Consultation on the preferred Reform Package is expected by the end of September 2017.

### **Tariffs Reform**

The EU Tariff Code is to be implemented by May 2019.

Modification 0621, proposes amendments to Gas Transmission Charging Regime.

### **Meter Reads into Settlement/RG594**

Review Group for Modification 0594, Meter Reading Submission for Advanced & Smart Metering, has identified very little support for the Daily Read mandate. October 2017 Panel will consider the Workgroup Report.

### **Code Governance Remedies**

Ofgem published an update letter on 26 July 2017.

Next Steps for the Strategic Direction and Consultative Board will be a Workshop Q4 2017; Consultation Q4 2017 and Implementation by Q2 2018.

Future work is being led by Industry Codes and Licensing (Lesley Nugent).

### **Zone 1**

#### **Gemini**

Systems infrastructure suppliers have carried out options analysis which Xoserve are discussing the options with National Grid.

National Grid decision is expected late 2017, with the chosen 'system sustaining' investment getting underway early 2018.

#### **Code Governance Remedies**

Ofgem published an update letter on 26 July 2017.

There is no timeframe for licencing and competitive tendering of Code Management and Delivery.

Future work is being led by Industry Codes and Licensing (Lesley Nugent)

AL asked if it is worth having Market Information Service (MIS) placed in Zone 2 of the Change Horizon Q3 2017 plan.

**New Action 0905: MB to add Market Information Service (MIS) to Zone 2 of the Change Horizon plan.**

#### **4.2 Gemini Re-platforming Update**

This item was covered under the overall Planning subject.

#### **4.3 UK Link R2/RAASP**

This item was covered under the overall Planning subject.

### **5. Review of Action(s) Outstanding**

No outstanding actions to discuss.

### **6. Any Other Business**

#### **6.1. Role of the Change Overview Board in the context of the DSC governance model**

MB asked an open question to the Board, which related to the role of the Change Overview Board. He suggested that as DSC arrangements are up and running and that the DSC governance framework is in place, was it appropriate for the Change Overview Board to meet?

AL commented that the DSC Change Committee meetings are already spanned over 2 days and was therefore unsure that adding more workload was the best thing to do at this stage

PG suggested that a paper should be presented to the Change Overview Board November 2017 meeting.

**New Action 0906: All to feedback to Joint Office views on: now that the DSC arrangements are up and running and DSC governance framework is in place, is it still right for this board to meet?**

**7. Diary Planning and Agenda for the next Meeting**

Further details of planned meetings are available at:

<http://www.gasgovernance.co.uk/Diary>

Meeting papers and/or other items for discussion should be submitted by **13**

**November 2017** to the Joint Office at: [enquiries@gasgovernance.co.uk](mailto:enquiries@gasgovernance.co.uk).

Time/Date	Venue	Programme
10:30, Monday 20 November 2017	Solihull ( <i>venue to be confirmed</i> )	<ul style="list-style-type: none"> <li>To be confirmed</li> </ul>

**Action Table (as at 11 September 2017)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0901	11/09/17	3.2	Joint Office to consider making a change to the modification template to incorporate a section where proposers can advise if they can envisage an impact on EU.	Joint Office	Pending
0902	11/09/17	3.3	Joint Office to check that the TOR are fit for purpose and seek views before the next meeting.	Joint Office	Pending
0903	11/09/17	3.2	PG to write out for feedback and observations on the Change Overview Board meeting with suggestions on how it could be made better and how this meeting could add value.	Joint Office (PG)	Pending
0904	11/09/17	4.1	MB to clarify if UK Link Release should be referred to as 1.1 or 2 at next meeting.	Xoserve (MB)	Pending
0905	11/09/17	4.1	MB to add Market Information Service (MIS) to Zone 2 of the Change Horizon plan.	Xoserve (MB)	Pending
0906	11/09/17	6.1	All to feedback to Joint Office views on: now that the DSC arrangements are up and running and DSC governance framework is in place, is it still right for this board to meet?	All	Pending
0907	11/09/17	3.2	AL to liaise with HSE to see if they can attend Panel.	AL (Scottish Power)	Pending