

UNC DSC Contract Management Committee Minutes
Monday 23 July 2018
at Xoserve, Lansdowne Gate, 65 New Road, Solihull, B92 OED

Attendees			
Bob Fletcher (Chair)	(BF)	Joint Office	Non-Voting
Karen Visgarda (Secretary)	(KV)	Joint Office	Non-Voting
Shipper User Representatives			
Kirsty Dudley*	(KD)	E.ON	Voting (3 Votes) (2.2.9 applies) – Alternate for Lorna Lewin
Gareth Evans*	(GE)	Waters Wye Associates	Voting (2) Votes – Alternate for Steve Mulinganie
Transporter Representatives			
Sally Hardman	(SH)	SGN	DNO – Voting
Joanna Ferguson*	(JF)	Northern Gas Networks	DNO – Voting
Beverley Viney	(BV)	National Grid NTS	NTS – Voting (2 Votes) - Alternate for Phil Lucas
John Cooper*	(JC)	BUUK	Voting (2 Votes) - Alternate for Victoria Parker
CDSP Contract Management Representatives			
Dave Turpin	(DT)	Xoserve	Non-Voting
Emma Smith	(ES)	Xoserve	Non-Voting
Observers			
Andy Miller	(AM)	Xoserve	Non-Voting (item 9.1)
Emma Lyndon	(EL)	Xoserve	Non-Voting (item 8.2)
Kishan Nundloll*	(KN)	Electralink	Non-Voting (item 9.5)
Lee Foster	(LF)	Xoserve	Non-Voting (item 8.2)
Martin Baker	(MB)	Xoserve	Non-Voting (item 9.1. 9.2)
Michele Downes	(MD)	Xoserve	Non-Voting (item 4.2 and 4.3)
Mike Orsler	(MO)	Xoserve	Non-Votng (item 4.1)
Nick Stace	(NS)	Xoserve	Non-Voting (item 8.1)
Paul Bird	(PBi)	Xoserve	Non-Voting (item 4.5)
Paul Brown	(PB)	Xoserve	Non-Voting (item 5.1)
Shiv Singh	(SS)	Cadent	Non-Voting
Apologies			
Lorna Lewin	(LL)	Dong	Voting
Phil Lucas	(PL)	National Grid NTS	Voting
Steve Mulinganie	(SM)	Gazprom	Voting
Victoria Parker	(VP)	ESP	Voting

1. Introduction

1.1. Apologies for absence

See table above.

1.2. Alternates

Beverley Viney for Phil Lucas
 Gareth Evans for Steve Mulinganie
 John Cooper for Victoria Parker
 Kirsty Dudley for Lorna Lewin

1.3. Confirm Coting rights

For those in attendance:

Representative	Classification	Vote Count
Shipper		
Kirsty Dudley and Alternate for Lorna Lewin – Shipper Class B)	Shipper Class A	3 votes (2.2.9 applies)
Gareth Evans and Alternate for Steve Mulinganie - Shipper Class B	Shipper Class C	2 vote
Transporter		
Sally Hardman	DNO	1 vote
Joanna Ferguson	DNO	1 vote
Beverley Viney (Alternate for Phil Lucas - NTS)	NTS	2 vote
John Cooper and Alternate for Victoria Parker - iGT	iGT	2 vote

1.4. Approval of Minutes (20 June 2018)

The minutes from the previous meeting were approved.

2. Business Continuity Plan

This is a standard agenda item and no update was due to be provided at this month's meeting.

3. Contract Assurance Audit

This is a standard agenda item and no update was due to be provided at this month's meeting.

4. Monthly Contract Management Report (KPIs)

4.1. KPI reports

Mike Orsler (MO) gave an overview of the KPI summary report provided for the meeting, and explained that there were no failures to be reported this month.

4.2. Issue Management Update

Issues Register

Bob Fletcher (BF) explained there had been two very late submissions received just prior to the meeting and asked if all were willing to except these, it was agreed the late papers could be discussed.

Kirsty Dudley (KD) proposed that this information should be published at least 5 days prior to the meeting as an initial draft and then the latest updated version could be published once it was available. Michele Downes (MD) agreed with this suggestion and agreed that the latest updated version would subsequently be published on the Xoserve website once it was completed.

MD apologised for the very late submissions, which were to provide an update on the Issues Register. She explained the changes and suggestions had now been added into the Issues Register and all agreed they were happy with the format and the additions to the layout of the log.

KD and Beverley Viney (BV) both said that this now showed a more realistic overview of the status and BV proposed that the completed issues should also be incorporated into the overall view, from a completeness aspect. MD agreed that the completed issues would be included into the document.

UIG Incident Log

MD provided an overview of the UIG Incident Log and she explained that she had been asked to show all incidents that had been affecting UIG from May 2017, with all the information encompassed in one document.

KD said she had some concerns regarding the volumes, in the aspect of what has been resolved and what had been addressed by business as usual (BAU) in relation to the Batch jobs. She said she had a concern that some areas could be resolved and yet another issue could occur in its place. MD said she understood the concern and confirmed that reviews were going to take place regarding the Batch process within Gemini, but that some of these areas would be resolved within the BAU as a matter of course. KD said it was good to view the UIG area as a standalone, to clearly see the resolution process.

4.3. KVI Framework Update

MD provided an update on the Key Value Indicators (KVIs) and the Issue Resolution and presented the findings in two schematics. She explained that good feedback had been received from customers on the Xoserve Customer Day in relation to the KVIs and that the Issue Resolution rate was presently 36% and that feedback was being received in relation to the low scorings.

Joanne Ferguson (JF) provided some feedback and said that response rates had generally improved, and that moving forward, specific issues would be addressed on a 'case by case' basis.

4.4. Summary position of aggregate UIG flows

Emma Smith (ESm) provided an update on UIG Resolution, she overviewed the results for Pot 1 and Pot 2 as detailed below:

Pot 1 Key messages

Outstanding last week = 1

Closed this week = 0

0 meter points still impacting UIG (estimated consumption not accurate)

Pot 2 Key messages

Outstanding last week = 29

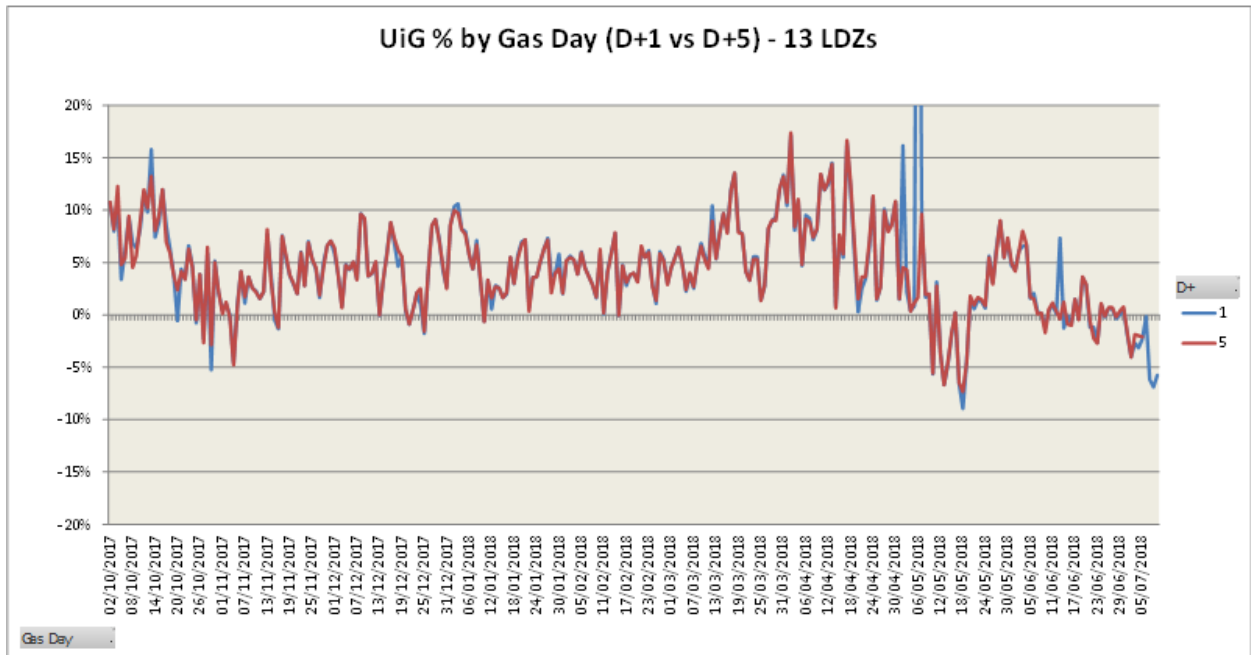
New Rejections identified = 1

Closed this week = 3

11 meter points still impacting UIG (estimated consumption not confirmed as accurate)

ESm then overviewed the Latest UIG Volatility schematic, as detailed below and she made reference to the Gas Day in May and the large spike as can be seen in the graph, as detailed below:

- *Gas Day 2nd May 2018 - The majority of DM Measurements for this gas day were not present in the Gemini system, in time for the first run of Allocation. This resulted in erroneously high Unidentified Gas values across all LDZs. This issue was investigated and resolved in time for the second run of Allocation.*
- *Gas Day 6th May 2018 – NDM Allocation failed to calculate for this gas day on the first run of Allocation, affecting all LDZs. This resulted in erroneously high Unidentified Gas values (c70%) across all LDZs. This issue was investigated and resolved in time for the second run of Allocation.*



4.5. Information Security Arrangements including Dashboard Update

Paul Bird (PBi) introduced himself as Head of Information Security and he explained that he wanted to propose a Customer Day where all parties could attend to share best practice in relation to IS security from both a human error avoidance and automated systems perspective.

He explained that regarding the human error area, that s USB stick had been lost in the post and there was no trace via the Post Office, he stated it was encrypted and so was not a major security breach, but that these instances do happen.

Both BV and Sally Hardman (SH) suggested that initially it would be prudent for Xoserve to go and visit specific customers in relation to this remit, as taking time out of the business as whole to attend a Customer Day was not the most efficient use of peoples time or from a cost perspective, particularly where it was not clear what the benefits would be.

DT and PBi both said they understood that viewpoint, however as Xoserve had won awards for Information Security and could show their expertise and methods/processes, which was initial thinking regarding the IS Customer Day. In relation to this topic, BF suggested that perhaps PBi and his team could conduct some external visits initially with a Customer Day in September to share the associated processes and procedures. KD added that a clear scope of requirements would be beneficial in order to make any meeting or Customer Day structured and worthwhile and that in the first instance, the Account Managers should carry out that initial engagement.

PBi then provided an overview of the Information Security Dashboard update, as detailed below:

Current Threats & Landscape - Significant data breaches

Recent weeks have seen the announcement of several significant data breaches affecting major companies in the UK and internationally.

- *In early June, in one of the largest data breaches ever disclosed, a security researcher reportedly discovered a publicly exposed server belonging to the data brokerage firm Exactis. The exposed dataset allegedly contained nearly 340 million individual records relating to hundreds of millions of US citizens and millions of US businesses.*
- *On 14 June, hotel booking provider Fastbookings discovered that a vulnerability in a web application hosted on its server had been exploited by a malicious actor to install malware.*
- *In early June, Australia-based PageUp, which runs online recruitment for Whitbread businesses, including Costa Coffee and Premier Inn, admitted a data breach.*

- *On 23 June, Ticketmaster UK reported malicious software on a customer support product hosted by Inbenta Technologies, an external third-party supplier to Ticketmaster. Information compromised may include a range of customers' personal and payment details.*

5. Financial Information

5.1. Cost Allocation Model and Methodology

Nick Stace (NS) provided an overview of the Cost Allocation Model and drew attention to specific sections of the presentation, including the management summary as detailed below:

- *People*
 - *Updated cost centre allocation across General Services, Investment and Support activities (based on the new organisation structure)*
 - *Additional granularity allows us to allocate Investment resource costs more accurately thus reducing the common sharing pool*
 - *Resource allocations to General Service Lines are still under review we expect to see some adjustments resulting from this (E.g. Switching & Reporting)*
- *Systems Costs*
 - *Updated the allocation of input costs across applications / shared products*
 - *Challenges on how to split and allocate new UK Link costs*
- *Property & Other Bought in Services*
 - *Initial review suggests there are no changes required to current allocation rules*
- *This presentation covers principles not £ or FTE values*
- *Any agreed changes to the allocations are not retrospective and will apply 2019/20 onwards*

Paul Brown (PBr) then provided an overview in respect of the high level principles in relation to people with the present status and future status of people and the investment process. This presentation can be viewed at: <https://www.gasgovernance.co.uk/dsc-Contract/230718>

NS provided an overview of the Input costs to applications and shared services as detailed below:

System Input cost component	"New" UK Link	Gemini	CMS	IX	Support Component	Shared
Desktop / Network	-	-	-	-	-	✓
Environment & Code Mgmt	✓	✓	✓	-	-	-
UK Link Hosting	✓	-	-	-	-	-
Other Hosting (inc helpdesk)	-	✓	✓	-	✓	✓
Telecoms & IX Connections	-	-	-	✓	-	-
S/W Licence - SAP	✓	-	-	-	-	-
S/W Licence - Oracle	-	✓	✓	-	-	-
S/W Licence – Application Specific	✓	✓	✓	-	-	-
S/W Licence – Other	-	-	-	-	-	✓
System Maintenance	✓	✓	✓	-	-	-
Application Support	✓	✓	✓	-	-	-

NS then drew attention to the specific challenges that Xoserve were presently experiencing as listed and asked for feedback if other parties were having some similar difficulties.

- *Support Component costs*
- *Xoserve propose to allocate the costs of support components across those applications they support using total cost.*
- *There doesn't appear to be a quick win for allocating costs of "New" UKLink between:-*
 - *"Old" UK Link and subsequently to SPA, Invoicing, Sites & Meters functionality*
 - *Information Provisioning and*
 - *Data Enquiry*
- *Xoserve would be interested in understanding if you have similar issues and how you resolved them.*

NS said he would supply further information at the August meeting to show the overall progress and the adjustments.

***Post Meeting note from Mike Orsler (MO)**

"We would like to bring to your attention that the KPI and KVI report that was published under agenda item 5.1 and that was discussed at the Data Services Contract Mangers Meeting (CoMC) on the 23/07/2018 was incorrect.

There was an issue with the relevant data being upload into our reporting system which feeds the KPI report as this data was missing it showed we had no KPI failures this month which is incorrect as we have failed a KPI level 1 and a KPI level 2 (full detail contained within the report). We have identified the cause and are putting in measures and controls to ensure we are reporting correctly in future."

5.2. CDSP Budget

NS provided a brief overview of the Quarter1 (Q1) results and said the overall results were good, although there had not been many cost saving deliverables.

Q1 results

- *DSC income on track, slightly higher demand for Specific Services*
- *Totex broadly in line with budget, variances largely due to activity timing differences against those assumed in the budget.*

Q1 forecast

- *High level forecast, work still ongoing*
- *Updated view on charges will be available in September (for information only)*

Key themes:-

- *Totex (excluding CSS & UIG work) in line with budget at enterprise level*
- *Potential variations in funding between customer classes*
- *Risks and Opportunities identified are showing a net neutral position*

5.3. Annual Charging Statement

This is a standard agenda item; no update was due to be provided at this month's meeting.

5.4. Invoicing

Invoicing values were included in the KPI reporting and no specific update was provided.

6. CSS Update

No minutes were taken due to the confidential nature of this item.

Emma Lydon (EL) and Lee Foster (LF) both provided an overview of the Ofgem Switching Programme and answered brief questions regarding the governance aspect of the programme itself.

7. Review of Outstanding Action(s)

0402: E.ON (KD) to work with Xoserve (MO/ER) and the SPAA representatives on the framework for the SPAA, to agree what information would be released to Siemens and any changes required to the SPAA schedules going forward.

Update: KD provided an update and said that the unallocated pre payment process was still out for consultation currently with SPAA, and so this action would be carried forward. **Carried Forward.**

0501: Xoserve (RC) to provide a monthly report to summarise must-read performance and MD to consider including this in the high-level issues KPI reporting.

Update: ESm said this was now within the Issue Report and was also now being sent to the DNOs and so this action could now be closed. **Closed.**

0601: DT to contact Flow Energy to confirm if RCH is still in employment.

Update: DT said he could now confirm that RCH was still in employment and so this action could now be closed. **Closed.**

8. Key Committee Updates

8.1. DSC Change Management Committee

ESm provided an update from the DSC Change Management Committee held on 11 July 2018 advising that 3 new change proposals, and 1 BER were approved.

She then gave a Release update explaining that Release 2 delivery was now successfully completed and was presently in the Post Implementation Support period.

ESm explained that Release 3, was no longer on track and therefore the overall RAG status was red, with the following areas to be considered:

- Proposed that the delivery is split into 2 tracks with the 13 changes progressing under track 1. These changes are tracking to plan and would be considered GREEN
- Cadant Billing change will be delivered on a separate track and will not be delivered for release 3 implementation date. Proposed to deliver on either 1st Feb 2019 or 1st March 2019 (aligned to next major release)

ESm explained that an extraordinary Change Committee meeting was held on 23 July 2018 to approve the preferred delivery date for Cadent billing change, which was voted on and agreed. A number of members noted their frustration that this change was delayed and that they would not expect further delay.

8.2. PAC/PAFA

ESm provided an update from the Performance Assurance Committee (PAC) meeting held on 10 July 2018 by summarising the key points.

8.3. General Data Protection Regulation (GDPR)

ESm explained the final GDPR Steering Meeting had now taken place and so the GDPR workgroup was now closed.

9. Any Other Business

9.1. BP19 Principles an Approach – Consultation Feedback and Update

Martin Baker (MB) explained that 3 written responses had been received and he thanked parties for their contributions.

He then provided a very brief overview of the content within the document and said interested parties could study this off line.

MB overviewed the summary of the actions arising from the consultation, as detailed below:

Xoserve summarise here the actions that they are taking in response to customer feedback received through the consultation process.

1. *Gas Distribution Network (GDN) customers have asked that we should provide forecasts beyond March 2022, highlighting that these are needed for the RIIO-2 price control review. Xoserve are planning to build a view of funding requirements for the period to March 2026 through an extension of our regular business planning cycle. Xoserve's current working plan is to develop initial forecasts (including CSS bid outcome scenarios) for the RIIO-2 period by November 2018, recognising that these are likely to evolve prior to Gas Transporter Business Plan submissions to Ofgem in 2019. Xoserve are aware of the need to engage with both Gas Transporter and Shipper customers, and want to see the outcome of Ofgem's RIIO-2 Framework Consultation, particularly the forward work plan, before they firm up their engagement approach and timetable.*
2. *Customers have provided a number of specific information requests. Xoserve will address each of these within the information pack to accompany the draft Plan, noting that some points may be more appropriate to address within customer constituency information packs.*
3. *Customers have asked for assurance of the business planning process. Xoserve will provide an assurance report to the CoMC in early 2019.*

Conclusion

Xoserve are pleased with the quality of responses that we have received. These have allowed us to identify some specific actions to help improve the customer engagement process going forward.

SH said that she would supply details on the close out of GD1 to MB to aid clarity.

MB said that on 24 September 2018 the draft plan would then be formally published, and webcams and engagement would then commence during October 2018.

9.2. Response to Switching Programme Governance Consultation

MB provided a brief overview to the Ofgem consultation document in relation to Central Switching Governance.

MB explained this document had been presented to the Xoserve Board and that the CDSP, UNC, GT/IGT Licences and associated proposals were at odds with the proposed REC governance model. He said that this matter had been flagged to Ofgem specifically regarding the CDSP governance model was impacted by both Shippers and Transporters – placing obligations on Transporters only was at odds with this model. MB said that he would share this draft response with the Contract Managers, if that was deemed to be useful and all were in agreement with this suggestion.

MB then overviewed the main areas of the proposal as defined below:

CSS delivery and operation requires changes to regulatory governance

- *A new Retail Energy Code (REC)*
- *A REC governance framework
RECCo and Board; REC Panel; REC Manager*
- *The REC defines
Market rules for gas and electricity Supplier switching
Obligations on DCC, Suppliers and Networks (GDNs and IGTs,)*
- *The REC will be implemented in stages in the run up to CSS go live
New Licence obligation to co-operate in delivery of significant market change*

MB then explained from an Xoserve perspective the REC would create two new roles for the part that is appointed by the Gas Transporters as the CDSP, as listed below:

- *Gas Retail Data Agent
Gas Market Intelligence Agent*

- *Xoserve is not a REC Party*
The GDNs have an obligation to ensure that Xoserve complies with REC requirements
- *Licensees are required to use reasonable endeavours to identify dependencies and secure support from third parties*
- *The CDSP governance model enables this where support is required from Xoserve*

MB then explained what the response would be from the CDSP perspective and would cover the following areas:

- *REC Panel*
- *Support key design principles*
- *REC Parties' representation in decision making processes*
- *Independent members to represent and protect consumer interests*
- *Xoserve not a REC Party – attend as observer, similar to UNC Panel arrangement*
- *Customer risks*
- *GTs - Co-operative governance model constrains ability to discharge obligation to ensure that CDSP delivers REC requirements*
- *Shippers – Not party to REC, so lack visibility of REC driven change to CDSP Services*
- *Xoserve are providing detailed comments on REC Schedules*
- *It's not a change delivery consultation, but we may something about the risk of industry change congestion and the complexity of Switching Programme deliverability*

Andy Miller (AM) then provided an overview of the overall schedules which encompassed; the REC, Change Management, Registration, Data Management, Address and Enquiry schedules, explained that all parties would need to study these and include them in the consultation response.

9.3. IX Update

This item was deferred until the August meeting.

9.4. M Number DVD update (Verbal update)

This item was deferred until the August meeting.

9.5. SPAA Schedule 22 – Data Permissions Notification

MO provided an overview of the Data Permissions document that encompassed; the proposal, reporting requirements, background, contracting, delivery model and the data format.

He drew attention to the specifics in the overall summary as detailed below:

Summary

1.1 The DSC Contract Management Committee is requested to note and approve the following:

1. The CDSP providing Supplier performance reports to SPAA Ltd
2. The data requested for these reports is already available to Suppliers via DES
3. The data already available to MAMs through Modifications 0297 and 0386 reports but provided in a different format

1.2 Upon such approval, Xoserve Ltd will contract with SPAA Ltd in order to deliver the service as per Schedule 22.

1.3 As per the DSC Contract Management Arrangement clause 6.3 – Information Disclosure, the CDSP will provide the information requested by a third party only as and to the extent approved by the Committee. Please note that the approval received within the CoMC and documented within the meeting minutes will be used as the formal permissions to release this data.

1.4 If the proposal is not approved by the Contract Management Committee, Xoserve will not be able to provide this service to SPAA Ltd.

The Shipper representatives considered approving the SPAA Schedule 22 – Data Permissions Notification and all approved the Data Permissions.

Voting Outcome:	SPAA Schedule 22 – Data Permissions Notification Approval of the Data Permissions	
Shipper Representative	Voting Count	For/Against
Kirsty Dudley* Voting (3 Votes) (2.2.9 applies) – Alternate for Lorna Lewin	3	For
Gareth Evans* Voting (2) Votes Alternate for Steve Mullinganie	2	For
Total	5	5
Transporter Representative	Voting Count	For/Against
Sally Hardman	1	For
Joanna Ferguson	1	For
Beverley Viney and Alternate for Phil Lucas	2 vote	For
John Cooper and Alternate for Victoria Parker	2 vote	For
Total	6	6
Result	Members voted unanimously to approve SPAA Schedule 22 – Data Permissions Notification.	

9.6. 2018-2019 UNC User Representatives Process

BF explained that the UNC User Representatives nomination window had closed on 20 July 2018, however there had been no nominations for the DSC Credit Committee. Due to the lack of nominations, he explained that the Joint Office would re-request nominations, and then would be confirming the next steps via email in due course.

BF asked members to note that should the Credit Committee fail to reach the minimum numbers, its role would defer to this Committee.

10. Diary Planning

Further details of planned meetings are available at: <https://www.gasgovernance.co.uk/events-calendar/month>

ESm noted that additional meetings would need to be arranged to manage the Business Plan and that these would be advised at the next meeting.

New Action 0701: CDSP (ESm) to advise the additional meeting dates for the Business Plan discussions.

Meetings will take place as follows:

Time / Date	Venue	Workgroup Programme
11:00, Wednesday 15 August 2018	Lansdowne Gate, 65 New Road, Solihull B91 3DL	Standard Agenda items, and any other matters arising.
11:00, Wednesday 19 September 2018	Lansdowne Gate, 65 New Road, Solihull B91 3DL	Standard Agenda items, and any other matters arising.

Action Table (as at 23 July 2018)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0402	18/04/18	9.1	E.ON (KD) to work with Xoserve (MO/ER) and the SPAA representatives on the framework for the SPAA, to agree what information would be released to Siemens and any changes required to the SPAA schedules going forward.	E.ON (KD) & Xoserve (MO/ER)	Carried Forward
0501	16/05/18	5.2	Xoserve (RC) to provide a monthly report to summarise must-read performance and MD to consider including this in the high-level issues KPI reporting.	Xoserve (RC)	Closed
0601	20/06/18	6.0	With regards to DSC Contract management Committee representation, DT to contact Flow Energy to confirm if RCH is still in employment.	Xoserve (DT)	Closed

0701	23/7/18	10.	CDSP (ESm) to advise the additional meeting dates for the Business Plan discussions.	CDSP (ESm)	Pending