

**UNC DSC Contract Management Committee Minutes**  
**Wednesday 15 August 2018**  
**at Xoserve, Lansdowne Gate, 65 New Road, Solihull, B92 0ED**

<b>Attendees</b>			
Rebecca Hailes (Chair)	(RH)	Joint Office	Non-Voting
Karen Visgarda (Secretary)	(KV)	Joint Office	Non-Voting
<b>Shipper User Representatives</b>			
Gareth Evans*	(GE)	Waters Wye Associates	Voting (1)
Lorna Lewin*	(LL)	Orsted Sales	Voting (1)
Kirsty Dudley*	(KD)	E.ON	Voting (3) Votes (2.2.9 applies) – Alternate for Mark Bellman
Robert Cameron Higgs*	(RCH)	Flow Energy	Voting (1) Vote
Steve Mulinganie*	(SM)	Gazprom Energy	Voting (1) Vote
<b>Transporter Representatives</b>			
Darren Lond	(DL)	National Grid NTS	Voting (2) Votes – Alternate for Beverley Viney and Phil Lucas
Sally Hardman	(SH)	SGN	DNO – Voting
Joanna Ferguson*	(JF)	Northern Gas Networks	DNO – Voting
John Cooper*	(JC)	BUUK	iGT - Voting
Victoria Parker*	(VP)	ESP	iGT - Voting
<b>CDSP Contract Management Representatives</b>			
Matt Smith	(MS)	Xoserve	Non-Voting
<b>Observers</b>			
Chris Warner	(CW)	Cadent	Non-Voting
Emma Lyndon	(EM)	Xoserve	Non-Voting (item 6.0)
Ellie Rogers	(ER)	Xoserve	Non-Voting (item 8.1)
Eve Bradley	(EB)	Xoserve	Non-Voting (item 2.0 & 3.0)
Fiona Cottam	(FC)	Xoserve	Non-Voting (item 4.4 & 8.2)
Kajal (Kat) Parekh	(KP)	Xoserve	Non-Voting (item 6.0)
Michele Downes	(MD)	Xoserve	Non-Voting (item 4.2 & 4.3)
Mike Orsler	(MO)	Xoserve	Non-Voting (item 4.1 & A.O.B)
Paul Brown	(PB)	Xoserve	Non-Voting (item 5.0, 5.1, 5.2, 5.3)
Sandra Simpson	(SS)	Xoserve	Non-Voting (item 3.0)
Smitha Coughlan	(SC)	Wales & West Utilities	Non-Voting
Steve Nunnington	(SN)	Xoserve	Non-Voting (item 4.5 & A.O.B)

<b>Apologies</b>			
Beverley Viney	(BV)	National Grid NTS	Voting
Dave Turpin	(DT)	Xoserve	Non-Voting
Emma Smith	(ES)	Xoserve	Non-Voting
Mark Bellman	(MB)	ScottishPower	Voting
Nick Stace	(NS)	Xoserve	Non-Voting
Paul Bird	(PBi)	Xoserve	Non-Voting
Phil Lucas	(PL)	National Grid NTS	Voting

## 1. Introduction

### 1.1. Apologies for absence

See table above.

### 1.2. Alternates

Kirsty Dudley for Mark Bellman

Darren Lond for Beverley Viney and Phil Lucas

### 1.3. Confirm Voting rights

For those in attendance:

Representative	Classification	Vote Count
<b>Shipper</b>		
Kirsty Dudley (Alternate for Mark Bellman-Shipper Class A)	Shipper Class A	3 votes (2.2.9 applies)
Lorna Lewin	Shipper Class B	1 vote
Steve Mulinganie	Shipper Class B	1 vote
Gareth Evans	Shipper Class C	1 vote
Robert Cameron Higgs	Shipper Class C	1 vote
<b>Transporter</b>		
Sally Hardman	DNO	1 vote
Joanna Ferguson	DNO	1 vote
Darren Lond (Alternate for Beverley Viney and Phil Lucas)	NTS	2 vote
John Cooper	iGT	1 vote
Victoria Parker	iGT	1 vote

### 1.4. Approval of Minutes (23 July 2018)

The minutes from the previous meeting were approved.

## 2. Business Continuity Plan

Eve Bradley (EB) provided a brief verbal update on the Business Continuity Plan and explained that there had been no incidents. Sally Hardman (SH) asked when the results for the Business Impact Assessment would be available for Quarter 3. EB said that an update would be provided in November.

A general discussion then ensued in relation to the timing of the annual Business Continuity Exercise and why November had been chosen (as against timing it outside of the winter period), as the results would be more useful to the market (and there would be less perceived risk overall), prior to that timeline.

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EB said that November had been decided upon, so as not to miss any people out during the Summer months and so that in November as many people as possible would be included. Following a further lengthy general discussion EB agreed to re-look at this timeline for next year and confirmed that there would be no risk to 'on the day operations' if this was undertaken earlier. Kirsty Dudley (KD) requested that following this November review, that a Lessons Learnt exercise should be undertaken to further examine the options for bringing it forward in the calendar year for 2019. EB agreed to look into this matter in more depth.

**New Action 0801: Xoserve (EB) to consider the timing of the BC exercise for 2019 Quarter 3 and to provide an update from the November 2018 exercise in the form of a Lessons Learnt document.**

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**3. Contract Assurance Audit**

EB provided an update on the Contract Assurance Audits and drew attention to the status and the completed audit results. KD noted that the GDPR area was listed as needing room for improvement, which she found concerning. EB explained that this audit had been undertaken earlier in the year and was an initial readiness audit and that within this area progress had been made and managed accordingly and was now resolved.

Steve Mulinganie (SM) questioned the lack of a Data Protection Officer (DPO) and EB said that a DPO was not a mandatory requirement for the business. Sandra Simpson (SS) explained the matter of the DPO had been discussed in-depth previously within the DSC Change Management Committee and that it had been agreed that for the 'go live' that one was not required, though it continued to be under review. KD and SM both said that the document needed more detail to explain this fact and that more clarity was required on this topic, and KD said that the graph/tables themselves needed to have dashes placed in the empty boxes within the table to aid clarity. EB said she would note these points and said she was happy to receive more feedback regarding this area.

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Security Improvement Programme

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

SS provided an update on the status of the Security Improvement Programme.

**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 had been one failure on Row 89 of the spreadsheet for this month, which was an email failure due to a new starter and that training had now been undertaken to address this matter.

**4.2. Issue Management Update**

Issues Register

Michele Downes (MD) provided an overview of the Issues Register, and summarised the closed and open, together with AQ issues, and the resolutions status. She said that the Issues Register was now updated on the Xoserve website and was updated daily in general.

KD asked how different these issues were from the overall Task Force data for Unidentified Gas (UIG) and she wanted to know if these were included in the overall Issues Register or not. MD said that there were no defects in the system and that the Task Force were not looking to fix the Business As Usual (BAU) errors, as they were concentrating on the Batch processes and timing of these processes. KD said that in that case the Batch process could potentially be having a detrimental impact on the work that was being undertaken by the Task Force, and that this needed to be overviewed and options should be explored in relation to the timings etc. MD agreed to provide a plan and options for improving the UIG and Batch job process.

**New Action 0802: Xoserve (MD) to provide a plan and options for improving the UIG and Batch job process and an impact assessment to move the Batch jobs to reduce the number of failures.**

MD said that Xoserve had identified that the communications regarding the UIG area required to be more detailed and needed to capture if an issue is a recurring one or not and how it had, or would be, resolved. KD said the communications also needed to be linked to specific issues with a timing plan for the resolution, MD agreed to produce a Communications Strategy regarding this area.

**New Action 0803: Xoserve (MD) to produce a Communications Strategy for notification of incidents with timelines for resolution, with an indication of importance and the potential customer impact.**

#### 4.3. KVI Framework Update

##### Key Value Indicators

MD provided an update on the Key Value Indicators (KVIs) and the Issue Resolution and presented the findings in two schematics. She confirmed that the Issue Resolution rate was presently good at 95.1%, with the Service Delivery at 98.1% and the Change Management at 82.2%. She explained that 200 requests had been sent out by Xoserve and that only 9 responses had been received to date, though this was considered to be a reasonable response rate. On 01 September 2018 the 'Rant and Rave' process would be launched asking for feedback. Joanna Ferguson (JF) made the point that the Industry as a whole, had numerous emails in their respective inboxes and from a timing perspective somethings had already moved on or were out of date by the time they were read.

##### Issue Resolution

MD overviewed the Issue Resolution results and explained that 55 had exceeded expectations, 62 had met expectations, 5 had met some expectations and 1 had not met the expectation. SM wanted to know if a bench mark was used in relation to what 'good' looked like. Both MD and Darren Lond (DL) concurred that 30% was a very good response rate.

#### 4.4. Summary position of aggregate UIG flows

Fiona Cottam (FC) 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**

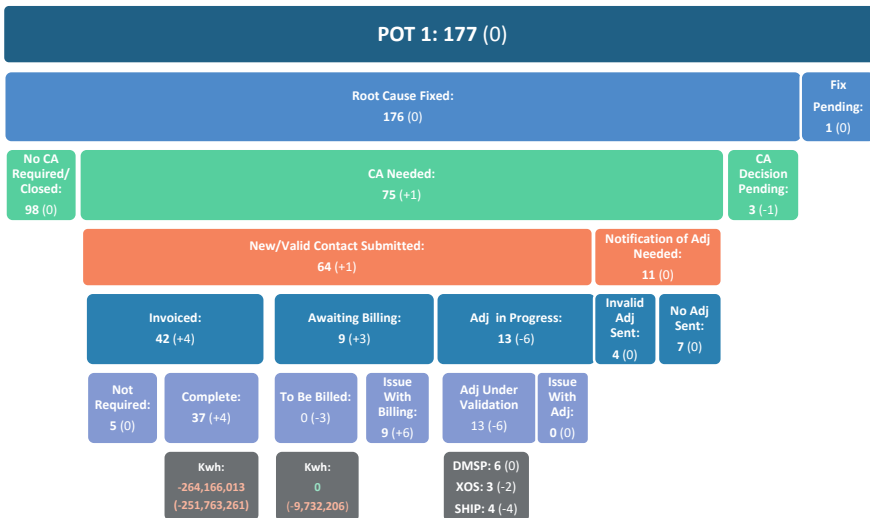
*Outstanding last week = 22*

*New Rejections identified = 4*

*Closed this week = 1*

*12 for the Business Impact Assessment meter points still impacting UIG (estimated consumption not confirmed as accurate)*

FC then overviewed the DM Financial Adjustments status as detailed below:



FC said that clearly as shown above, the DM financial adjustments were still not good and that the Performance Assurance Committee (PAC) were monitoring the situation closely, as were Ofgem. FC explained that she had already drafted a letter for Ofgem to send to each DM who were presently failing, to make them aware that Ofgem were also tracking their performance failure rate.

FC then overviewed the LDZ breakdown and explained that the updated status as published on the Xoserve website on 08 August 2018 was still 37 and that weekly teleconference calls were taking place with the Shippers to address this matter. Robert Cameron Higgs (RCH) asked how all this information related to the Task Force. FC said that as part of the Task Force they were looking at how the DM Sites contributed to the UIG and that at one point in time, it was recorded as being 1%.

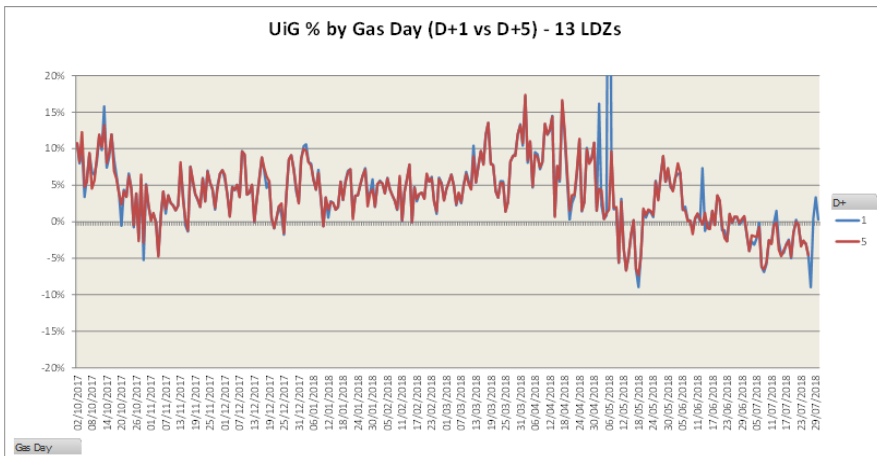
A lengthy general discussion then took place regarding the remit of the Task Force and the qualifying process of the UIG. SM felt this was revisiting old ground and was not the area that the Industry was presently paying the Task Force to do. FC said that the qualifying aspect was being 'time boxed' in order to concentrate on the quicker and bigger wins. KD wanted to know the overall process and how updated information was going to be communicated with clear divides distinguishing between Task Force and the other UIG areas. FC agreed and explained a list was presently being produced itemising what the Task Force was addressing and its overall deliverables, including the UIG as a whole. SM said that Xoserve needed to manage the expectations and provide evidence of the progress.

SM also enquired when the 'shoulder month' would be this year and FC said she thought it was likely to be in mid September, but that clearly this would depend on the weather and that there was not likely to be any adjustments of the algorithms for October. SM again reiterated that this needed to be clearly and communicated in a timely manner regarding the algorithms life cycle.

FC then overviewed the Latest UIG Volatility schematic, as detailed below and she made reference to the Gas Days in May as can be seen in the graph, and 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 (approx. 70%) 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**

Steve Nunnington (SN), standing in for Paul Bird (PBi), provided a brief overview as detailed below in relation to the non-deployment of the patch:

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

- Singapore has suffered a data breach, exposing personal data for approximately a quarter of the population. The government’s health database suffered a “deliberate, targeted and well-planned” attack, revealing names and addresses from medical records.*
- According to Russian President, Vladimir Putin, the country received almost 25 million cyber-attacks during the World Cup.*
- Thomas Cook has admitted to a data breach exposing names, email addresses and flight detail of its customers. According to Thomas Cook, fewer than 100 bookings were accessed and the travel firm opted against contacting customers affected. A spokesperson for the ICO said that the situation raised “potential concerns” and the data watchdog will look into it further.*

Mike Orsler (MO) said if the patch had been deployed it would have been deployed to all, however it was not a critical patch. Industry had requested it. A clear criteria as to when patches should be deployed has been developed. MO agreed to discuss this directly with Paul Bird (PBi) on his return.

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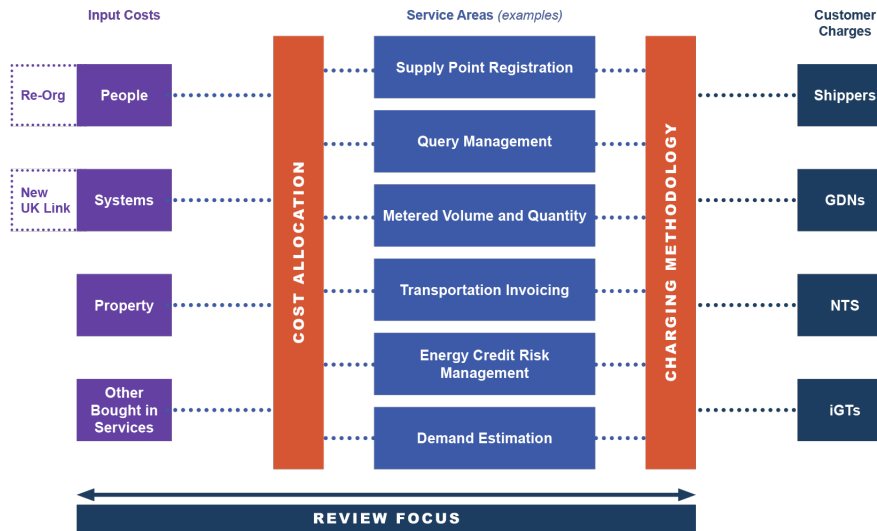
**New Action 0804: Xoserve (MO/PBi) to set out what occurred in relation to the patch and why, and to produce a proposal/process for future incidents.**

**5. Financial Information**

**5.1. Cost Allocation Model and Methodology**

Paul Brown (PB) provided an overview of the Cost Allocation Model and drew attention to specific sections of the presentation, including the Recap from Business Planning (BP19) Principles, and the management summary as detailed below:

Recap from BP19 Principles presentation



PB then provided an overview of the people and system costs as itemised below:

- *People*
  - Updated cost centre allocation across General Services, Investment and Support activities (based on the new organisation structure)
  - Resource allocations to General Service Lines updated
  - Investment resource cost centres reviewed but no changes made.
- *Systems Costs*
  - Updated the allocation of input costs across applications
  - Used "old" UK Link cost breakdowns and allocations
- *Property & Other Bought in Services*
  - No changes made to current allocation rules
- Whilst there is still some work to do in this area, this presentation gives order of magnitude of the changes vs 18/19 charges
- Any agreed changes to the allocations are not retrospective and will apply 2019/20 onwards

Paul Brown (PB) then provided an overview in respect of the costs in relation to the people, IS core, the overall summary with the present status and future status of people and the investment process. This presentation can be viewed in full at: <https://www.gasgovernance.co.uk/dsc-Contract/150818>

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PB said that as could be seen from the presentation content there would be a big change in Transmission, and he explained he would go into detail regarding these specific changes at the next meeting in September, as well as providing information at other Industry meetings regarding these changes.

DL said as the changes were large he could see many negatives and positives, as such, he wanted to know how these would be balanced out and how it would all fit together, specifically in relation to the people side of things.

PB said that work was still ongoing from the costs perspective and that the changes in the new UKLink system meant a higher hosting cost etc. DL again reiterated that this needed far more in-depth and complex discussion as this meant considerably higher costs for National Grid NTS, adding that he would have liked to have been engaged in a detailed conversation prior to this information being published as it was a material change for National Grid NTS.

PB said that this would form part of the consultation in September, and DL asked if there were meetings planned to address and explain all the changes. MO said there would be a 6 week consultation period and that there was a meeting planned on 24 September 2018 to overview the draft plan. Following a brief general discussion, it was agreed that PB would consider the timing of the consultation and confirm the associated forthcoming meeting dates.

**New Action 0805: Xoserve (PB) to consider the timing and duration of the consultation of the Business Principles (BP19) document for 2019 and the forthcoming meeting dates.**

PB then moved on to give an overview of the schematics as detailed below:

#### People

Amendment & Rough Order of Magnitude Impact on Charges (18/19 Prices)	Shippers	National Grid NTS	Distribution Networks	iGTs
Update costs associated with reporting team and customer facing activities	+£0.1m	-	-	(£0.1m)
Update direct resources allocated to Service Lines	(£0.9m)	+£0.5m	+£0.4m	-
Investment Resources review	-	-	-	-
<b>Total</b>	<b>(£0.8m)</b>	<b>+£0.5m</b>	<b>+£0.4m</b>	<b>(£0.1m)</b>

#### IS Core



Amendment & Rough Order of Magnitude Impact on Charges (18/19 Prices)	Shippers	National Grid NTS	Distribution Networks	iGTs
Update costs associated with reporting team and customer facing activities	+£0.1m	-	-	(£0.1m)
Update direct resources allocated to Service Lines	(£0.9m)	+£0.5m	+£0.4m	-
Investment Resources review	-	-	-	-
<b>Total</b>	<b>(£0.8m)</b>	<b>+£0.5m</b>	<b>+£0.4m</b>	<b>(£0.1m)</b>

#### Overall Summary

Amendment & Rough Order of Magnitude Impact on Charges (18/19 Prices)	Shippers	National Grid NTS	Distribution Networks	iGTs
Update costs associated with reporting team and customer facing activities	+£0.1m	-	-	(£0.1m)
Update direct resources allocated to Service Lines	(£0.9m)	+£0.5m	+£0.4m	-
Investment Resources review	-	-	-	-
<b>Total</b>	<b>(£0.8m)</b>	<b>+£0.5m</b>	<b>+£0.4m</b>	<b>(£0.1m)</b>

#### 5.2. CDSP Budget (no update)

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

#### 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, see item 4.1 above.

#### 6. CSS Update

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

Emma Lydon (EL) and Kat Parekh (KP) provided an overview of the Ofgem Switching Programme and answered brief questions regarding the governance aspects 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 and had now just been extended for a further 10 days, and so this action would be carried forward. **Carried Forward.**

**0701:** CDSP (ESm) to advise the additional meeting dates for the Business Plan discussions. **Update:** MO said that the draft plan would be submitted on 24 September 2018 and that there would be a webcast on 03 October 2018, with it being discussed at the DSC Change Management Committee on 10 October and then presented to the DSC Contract Management Committee on 17 October 2018. Joanna Ferguson (JF) said that she appreciated that the consultation was now longer but she said the document needed new reiterations. MO said that the main principle documents had been published in June and he would once again get the Business Plan Principles re-published. He then confirmed this action could be closed. **Closed**

## 8. Key Committee Updates

### 8.1. DSC Change Management Committee

Ellie Rogers (ER) provided an update from the DSC Change Management Committee held on 08 August 2018 advising that 7 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 (PIS) period.

ER explained that Release 3 reporting was split into the 2 delivery tracks; Track 1 which included 13 changes and Track 2 which comprised solely of the Cadent Billing change and that both tracks were on plan and therefore showing green for delivery.

ER then explained the Market trial update as below:

- Confirmation of invite to participate issued
- Plan for testing period
- View of which participants should test each change
  - Business change update for R3 training
  - R3 customer open day (5<sup>th</sup> September)
- Future release June 2019
- Presented scope for consideration for inclusion in June 2019 delivery

ER then drew attention for information only as discussed on 11 July 2018

- CSS consequential change update
- XRN4695UIG Taskforce update
  - Working ongoing to mobilise team
  - Contract due to be signed off 20<sup>th</sup> August
  - <https://www.gasgovernance.co.uk/sites/default/files/qgf/2018-08/8.XRN4695UIGTaskforceUpdate.pptx>
  - AOB items
  - No updates (1 item deferred to next month)

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### 8.2. PAC/PAFA

FC provided an update from the Performance Assurance Committee (PAC) meeting held on 06 August 2018 by summarising the key points.

KD said that Mark Bellman (MB) was not able to be present in this meeting, but that he wanted to raise the point regarding the delay to the PARR reporting and if there were any Service Level Agreements (SLAs) attached to this. FC said that there had been an implementation issue in relation to Schedule 2 in the testing environment. She added that Release 2 had been fixed under the PIS process and that in September 10 reports should be available for the PAC.

## 9. Any Other Business

### 9.1. Invoicing System Change

MO explained there were going to be changes to the existing invoicing process, in that instead of multiple email addresses being used, one email address would be used for the system only. He added that to use one email address was ideal, however for those companies that still needed this information sent to multiple addresses then a 'work around solution' could be adopted.

A general discussion took place and all were in agreement that this needed to be properly and formally communicated as there may be some issues internally within the Industry. SN agreed and said this would be formally raised at the next DSC Change Management Committee, MO agreed to action this.

**New Action 0806: Xoserve (MO) to raise at the DSC Change Management Committee with an extraordinary Change Proposal issued together with a high-level overview of what the invoicing changes will be and to confirm if the invoices are DSC and not transportation, and confirmation for multiple email addresses to be used.**

#### 9.2. Changes to the CDSP Representatives

SN said that due internal organisation changes within Xoserve regarding various dedicated projects that the existing CDSP representatives would be changing and he would confirm these changes at the September meeting.

#### 10. Diary Planning

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

Meetings will take place as follows:

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Time / Date	Venue	Workgroup Programme
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 15 August 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
0701	23/7/18	10.	CDSP (ESm) to advise the additional meeting dates for the Business Plan discussions.	CDSP (ESm)	Closed
0801	15/08/18	2	Xoserve (EB) to consider the timing of the review for 2019 Quarter 3 and to provide an update from the November 2018 review in the form of a Lessons Learnt document.	Xoserve (EB)	Pending
0802	15/08/18	4.2	Xoserve (MD) to provide a plan and options for improving the UIG and Batch job process and an impact assessment to move the Batch jobs to reduce the number of failures.	Xoserve (MD)	Pending
0803	15/08/18	4.2	Xoserve (MD) to produce a Communications Strategy for notification of incidents with timelines for resolution, with an indication of	Xoserve (MD)	Pending

			importance and the potential customer impact.		
<b>0804</b>	15/08/18	4.5	Xoserve (MO/PBi) to set out what occurred in relation to the patch and why, and to produce a proposal/process for future incidents.	Xoserve (MO/PBi)	<b>Pending</b>
<b>0805</b>	15/08/18	5.1	Xoserve (PB) to consider the timing and duration of the consultation of the Business Principles (BP19) document for 2019 and the forthcoming meeting dates.	Xoserve (PB)	<b>Pending</b>
<b>0806</b>	15/08/18	9.1	Xoserve (MO) to raise at the DSC Change Management Committee with an extraordinary Change Proposal issued together with a high-level overview of what the invoicing changes will be and to confirm if the invoices are DSC and not transportation, and confirmation for multiple email addresses to be used	Xoserve (MO)	<b>Pending</b>