

Project Nexus Steering Group Minutes
Friday 01 May 2015
Ofgem, 9 Millbank, London SW1P 3GE

Attendees

Alex Travell	(AT)	EON
Andy Sinclair	(AS)	PwC
Angelita Bradney	(AB)	Ofgem
Chris Warner	(CW)	National Grid Distribution
Gareth Evans	(GE)	Waters Wye Associates
Jeremy Adams Strump	(JAS)	Ofgem
Jeremy Guard	(JG)	First Utility
Karen Visgarda (Secretary)	(KV)	Joint Office
Les Jenkins (Chair)	(LJ)	Joint Office
Sandra Simpson	(SS)	Xoserve
Sean McGoldrick	(SM)	National Grid NTS
Stuart Cook	(SC)	PwC
Vicki Spiers	(VS)	ES Pipelines (alternate for M Harding)

Copies of all papers are available at: www.gasgovernance.co.uk/NexusSG/010515

Andy Sinclair (PwC lead) can be contacted at andrew.j.sinclair@uk.pwc.com or 07725 829033.

1.0 Introduction

LJ welcomed all to the meeting and reminded that 'Chatham House Rules' were to apply to general discussion.

1.1 Review of Minutes (14 April 2015)

The minutes of the previous meeting were approved.

2.0 Update from (PA/M)

PwC provided an overview of their recommendations, together with the evidence and findings gained to date from 27 organisations within the industry.

It was stated that 4 organisations had decided not to respond as they felt Nexus would have little impact on their operating processes. PwC believed that, from the comprehensive evidence supplied by the specific organisations involved, there is insufficient time to undertake effective Market Trials due to the level of parallel activity and lack of a clear cut off after each organisation's own internal system trials.

Members discussed the reasons for these organisations not being ready in time for the 'Go Live' date and the potential impact on the Programme Plan. PwC explained that the majority of the organisations stated that they do have sufficient time or the required resources to manage the 'cut off' between market testing and their own internal testing, and so would not have completed their internal testing prior to 'Go Live' with the market trials. However, they are going to continue in earnest on their internal trials ready for 01 October 2015. Ofgem stated that it was critical and essential for all parties to continue without losing focus or momentum. PwC then recommended that, due to this evidence and the high level of associated risk involved, it would preferable for the organisations to continue with internal trials and testing, to then conduct the market trials at a later date, with enhanced governance and entry criteria.

Prompted by the Chair as to whether there were any alternatives to such a deferral, Members debated the idea of potentially allowing two organisations to 'Go Live' with the market trials on 01 October in a controlled manner to test the concept. After debate about how realistic this might be in terms of transaction volumes and types, it was deemed this would not be appropriate, nor seen as a positive signal to the industry.

In consideration of the recommendation from the Project Assurance Manager (PwC), the Steering Group agreed that it is fully committed to entering Market Trials by 01 October 2015 (or earlier) and will examine how such trials should then be conducted to establish the earliest appropriate go-live date. This is subject to confirmation following detailed consideration by Xoserve and the PN Project Assurance Manager

Xoserve was asked for an initial view on the impact for them if the market trials were delayed. Xoserve stated that L1 Connectivity Testing was being commenced on Tuesday 05 May, as it was now too late to stop this. The following week File Testing is scheduled, the week after Market Testing was due to start and so Xoserve would need to consider the impacts in more detail, though it was likely that the trials would be suspended at some appropriate point in light of earlier Steering Group discussions. Xoserve also commented that no plans had been discussed presently to re-include Retrospective Adjustments and Unique Sites for October.

The Steering Group requested that:

- Xoserve identify the earliest date/s at which the full functionality, including all necessary User Acceptance Testing, would be available to enter Market Trials, noting that this should be no later than October 2015; and,
- PwC to develop, with industry support, an optimum Market Trials phase that will inform decisions on the revised Go-Live date.

New Action SG05: Xoserve to provide a date for a Core functionality, with UAT, Package for Market Trials together with potential phased dates for Retrospective Adjustments and Unique Sites.

New Action SG06: PwC to produce an optimum solution for Market Trials along with a recommendation for Go Live, focusing on governance timings and entry criteria with associated impacts.

Looking at the wider effects of a deferral, Members agreed that the following areas should be considered and discussed at the meeting on 02 June 2015.

1. Impacts on Modifications 0531/0536/0537 – what is the broader impact on these Modifications regarding the proposed 'Go Live' date change?

Members believed that these modifications should be now treated in the normal manner (ie 'not urgent') and their timelines should align with the Steering Group. The Chair agreed to report this to the Extraordinary Panel meeting due later in the day for Panel consideration.

2. De-aggregation of multi-meter supply points

To be discussed

3. The legal text impacts for Modifications 0445/0441 and 0573 in relation to the Gas Day.

To be discussed.

4. European related changes

To be encompassed within the Readiness Criteria by PwC

5. Daily Metered – Voluntary Sites (DMV)

To be discussed

6. Smart Meter Roll Out

To be discussed, including the impacts of parallel testing with DDC and Nexus and the AUGE

7. Implementation of Settlement Reform and the risk associated with rolling out during the Winter period

To be discussed

3.0 Approval of Draft Readiness Criteria (PA/M)

PwC indicated that, although significant progress had been made, it would be inappropriate to proceed with this work until the re-planning provided a clearer view of the plan. Members agreed to defer this item for a further update next meeting.

4.0 Outstanding Actions

None

5.0 Next Agenda and Diary Planning

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

The Steering Group felt that, in light of the work required to consider the re-planning, the face to face meeting on 02 June was more appropriate to evaluate the reports from Xoserve and PwC. The Telecon Meeting scheduled for 11 May 2015 was cancelled.

The agenda for the next meeting (02 June 2015) was agreed as per the table below.

Confirmation of intention to attend and any meeting papers for publication should be provided to the Joint Office as soon as possible.

Unless otherwise notified, Project Nexus Steering Group meetings will take place as follows:

Time/Date	Venue	Workgroup Programme
10:00, Tuesday 02 June 2015	Ofgem, 9 Millbank, London SWIP 3GE	<ul style="list-style-type: none"> • Introduction and Review of Minutes (LJ) • Update on Re-plan (PA/M / SS) • Consideration of effects of a re-plan (ALL) • Readiness Criteria (PA/M / ALL) • Outstanding Actions (ALL) • Next Agenda and Diary Planning
10:00, Monday 15 June 2015	Teleconference	<i>To be confirmed</i>
10:00, Wednesday 01 July 2015	Ofgem, 9 Millbank, London SWIP 3GE	<i>To be confirmed</i>
10:00, Monday 13 July 2015	Teleconference	<i>To be confirmed</i>

Monday 03 August 2015	Ofgem, 9 Millbank, London SWIP 3GE. Approximate start time no earlier than 13:00 (<i>following Change Overview Board meeting</i>)	<i>To be confirmed</i>
10:00, Monday 17 August 2015	Teleconference	<i>To be confirmed</i>
10:00, Tuesday 01 September 2015	Ofgem, 9 Millbank, London SWIP 3GE	<i>To be confirmed</i>
10:00, Monday 14 September 2015	Teleconference	<i>To be confirmed</i>

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
SG04	14/04/15	4.0	All parties to review draft Readiness Criteria and submit comments to PwC (AS) by 24 April 2015.	ALL Parties	Closed
SG05	01/05/15	3.0	Xoserve to provide a date for a Core functionality UAT Package for Market Trials together with potential phased dates for Retrospective Adjustments and Unique Sites	Xoserve	Pending
SG06	01/05/15	4.0	PwC to produce an optimum solution for Market Trials along with a recommendation for Go Live, focusing on governance timings and entry criteria with associated impacts.		Pending