
Change Overview Board (COB) Minutes
Wednesday 08 July 2015
Elxon, 350 Euston Road, London NW1 3AW

Attendees

Les Jenkins (Chair)	(LJ)	Joint Office
Lorna Dupont (Secretary)	(LD)	Joint Office
Adam Carden	(AC)	SSE
Andrew Green*	(AG)	Total
Andrew Sinclair	(AS)	PwC
Angela Love	(AL)	Scottish Power
Colette Baldwin	(CB)	E.ON UK
Edward Hunter	(EH)	RWE npower
Gareth Evans	(GE)	Waters Wye Associates
Jayesh Parmer	(JP)	Baringa
Lorna Lewin	(LL)	DONG Energy
Mark Carlin	(MC)	SSE
Natasha Ranatunga	(NR)	EDF Energy
Nick Salter	(NS)	Xoserve
Phil Broom	(PB)	GDF Suez Energy
Sandra Simpson	(SS)	Xoserve
Steve Mulinganie*	(SM)	Gazprom
Steve Simmons	(SSi)	Scotia Gas Networks
Steve Strangeway*	(SSt)	Opus Energy

**via teleconference*

Copies of meeting papers are available at: <http://www.gasgovernance.co.uk/COB/080715>

1. Introduction and Status Review

LJ welcomed all to the meeting and advised that JD was unable to be present and had sent his apologies and had provided written updates where appropriate.

1.1. Review of Minutes (09 June 2015)

JD had requested a change to the minutes of the last meeting; on page 5, at Section 5.1 GSOS/GSR, paragraph 2:

“GE asked that for the future meeting if a member from Ofgem’s Guaranteed Standards Division and the General Policy Division could be present to discuss this agenda item. JD said ~~these two divisions do have a combined approach but that there are gaps with regards to system delivery at a granular level.~~ that all divisions strive to have a joined up approach at a policy level, but may have gaps in oversight with regards to the timing of its implementation at a granular or systems delivery level.”

The minutes will be revised to reflect this, republished and approved.

2. Planning

2.1. Change Horizon - Quarterly Review

NS gave a short presentation, drawing attention to the movements within the illustration since the last update.

'Ones to Watch' Zone

FGO Review - Movement to 2017 was to reflect full implementation. It was noted that further clarification was required regarding the possibility of partial implementation of elements of the FGO model in 2016, and the COB will be updated accordingly next month.

Industry Governance - Ofgem issued a letter in May, and a workshop will be taking place at Ofgem on 22 July.

Energy Market Investigation - Some potential outcomes may have an impact as remedies become clearer. It was suggested that the CMA topic be moved down to the 'policy undefined' zone, in view of the Possible Remedies document.

GE suggested that a CMA representative should be invited to the next COB meeting. LJ agreed to extend an invitation.

Action COB 0701: Invite CMA representative to the next COB meeting.

Constitutional Reform - Monitoring of the Conservatives' legislative reform continues.

Beyond EU 3rd Energy Package - This was believed to be mostly concerning electricity arrangements. AC drew attention to a possible EU 4th Package and explained that this might be split into Transportation and Retail and will provide more details to NS and M Baker.

UK Membership of EU - It was suggested this entry could be moved further to the left, but it might be that the outcome of any referendum would not force a change in the immediate future.

'Deliverables in Definition' Zone

NDS and Central Registration - Currently at 2019, depending on the outcome of COSEG and the landing of the SCR; all parties need to resource these areas and understand the interactions required, e.g. FGO modifications and establishment of switching service under the Smart Energy Code. May need rewriting and reworking.

Tariffs Reform - LJ suggested moving this out to Q4 2017 - based on latest industry discussions at the last Transmission Workgroup it may even move to 2018.

Other Suggestions for inclusion in the Change Horizon

iGMS - The iGMS replacement, iEP (for gas transmission system operations), was suggested for inclusion. NS will ask M Baker to liaise with National Grid to assess what this involves and whether it merits inclusion as a topic.

Action COB 0702: Change Horizon potential addition - Xoserve to liaise with National Grid to assess what iGMS work involves and whether it merits inclusion as a topic.

Next Update

The Change Horizon is reviewed quarterly. The next review will take place on Monday 05 October 2015.

3. In-flight Programme Overview

3.1. UK Link Programme

AS gave an overview of the plan presented at and approved by the Project Nexus Steering Group (PNSG) at its meeting on 01 July 2015, explaining how it had been

arrived at following the industry consultation and analysis of the responses. Given the wide range of views relating to Market Trials (MT), the period of 6 months had been counselled and accepted by PNSG.

Risks to the plan were discussed. Smart DCC was planned to go live in August 2016 and it was recognised that while this might constrain resources, it was not believed to be a direct dependency.

AS explained the risks relating to information deficit, which had been discussed at PNSG and had resulted in a number of actions on various parties to counteract this. Some additional milestones/checkpoints were to be added to the plan; impact assessments of various potential scenarios/outcomes will be worked through and alternative strategies/contingency plans will be developed and prepared in advance so that these can be readily and quickly applied without further loss of time/delays, depending on what direction(s) become evident. Responding to questions on delivery, AS reiterated that the aim is implementation of everything for 01 October 2016, rather than earlier piecemeal delivery. The assumption is that there will be a 2016 AQ Review, unless a formal governance change indicates otherwise.

A better understanding of whether Retrospective Adjustments for Assets and Supply Points (RAASP) will be deliverable or not was being sought. SS confirmed Xoserve had not yet re-started working on this. SS reiterated why RAASP and Unique Sites (US) had been considered candidates for potential deferral of delivery, with delivery of RAASP being seen as the more important to the industry (higher risk rating). It was also noted that US was currently an offline process; system changes might therefore be required. An assessment needed to be made whether it would be more efficient to continue with a manual workaround or to put in an interim solution. NS clarified that the core design did include Retrospective Adjustments for reads. What was a viable mitigation needed to be understood. AL expressed concern at the lack of information provision sufficiently in advance of the PNSG meetings so that attendees had time to review and seek views from their constituents. AS pointed out the constraints of the frequency of the meetings and short timeframes between gave very little opportunity to produce information well in advance. Checkpoints will be presented to PNSG on Monday, but this would not include a Plan B. PNSG will agree what the checkpoints for RAASP should be; these will be overlaid on the plan, and consideration will be given to what else might then be necessary. PwC and others will be looking at the Design documents to assess how the Business Requirements map (not in order to make any changes), and to progressively establish greater confidence, a view on whether it is technically feasible to deliver RAASP is being sought. AL queried why SAP weren't looking at retrospective and unique, as had been proposed at the PNSG. AS/SS advised SAP had said that they would need 3-4 months to complete and this would obviously delay the programme. SS highlighted that there were engagement points with SAP. Reports will be made to the PNSG for its consideration/further direction. PB suggested that an executive summary on the SAP work would be very much welcomed to increase transparency and to build confidence. AS noted this, and NS added this could contain a suite of mitigations, confidence in which might depend on the industry's appetite for risk. This will be gone through at each checkpoint.

SM referred to the Competition and Markets Authority (CMA) Remedy 12a and its comments relating to the Nexus implementation plan, and suggested a confident strategy was required to relay the position/developments to the CMA. NS noted that following PNSG's support of the plan at its last meeting, Ofgem and C Warner (National Grid Distribution) were developing a revised modification to appropriately address what was now required. The modification will be well advanced and visible by the time a response is required to the CMA. AC pointed out there was a risk that the CMA could take direct action with which all parties will have to comply, regardless of what resources are available to deliver it or at what cost. A short discussion ensued, with concerns expressed that the CMA might perceive that progress was not quick enough, or that there was inadequate strength of enforcement. It was suggested that

Ofgem was best placed to take the lead on this and engage in positive dialogue with CMA to reassure that all is under control. It was also pointed out that every party was able to make its own response to the CMA consultation.

LJ then gave a brief overview of how the proposed modification, which would be designated urgent and therefore follow an agreed timetable outside of the normal process, would progress at speed. Existing modifications that may be affected by this new proposal will be reviewed and any new requirements assessed and dealt with.

Responding to questions on parallelism in the plan, JP affirmed assessment was continuing but that the level of parallelism was significantly eased. Other risks were noted, such as availability of Xoserve resources and UAT progress, but this new timetable significantly alleviates many aspects (but if other Change Programmes were delayed then level of risks might build again). SS pointed out this will give more time for data migration test cycles.

Referring to Market Trials, PB pointed out the Shippers' need to understand how this will operate, and what options there might be to participate, e.g. will it be for the whole of the period, or a part, and will this be predefined or ad hoc; can a party 'dip in/out' within the window available, etc. AS indicated it would be mapped out to give instructions for the levels. There will need to be a Market Trials Working Group with agreed industry sector representatives with a focused commitment, like those of the PNSG. Concerns were expressed that the approach to development should take account of the different technologies to be used by various organisations - not all will be the same. Noting the range of views expressed in the consultation SS affirmed an approach would need to be agreed. SS also noted that the weekly market trials progress calls would be re-instated, although concerns were expressed about the way these had been run in the past.

Responding to CB's concerns regarding the continued availability of SMEs for Process Surgeries, SS affirmed that Xoserve was looking at plans and the streams of work that may change based on this new plan and the availability of relevant SMEs to support these aspects. Lack of timely responses to industry questions was also of concern and the new timeline will help in this respect, as there is less parallelism and more time available for SMEs to respond. SS noted continuing concerns regarding outstanding questions that still required responses, recognising that a lack of timely response was impacting Shippers' timelines and impeding their progress.

It was confirmed that a new list of relevant industry groups/forums, their individual roles and responsibilities and how they fitted together, was being produced to give further clarity and that PwC were coming up with a reporting framework. NR suggested it would also be useful to provide an indication of what audience/participation might be expected at each (e.g. technical, operational, strategic, etc).

It was observed that now there was a definite and realistic plan agreed PNSG was now able to operate within its remit as a proper steering group should be perceived, and proactively oversee and manage the top 4-5 risks.

3.2. Change Portfolio – Dashboards

SS gave a brief overview (recent achievements, priorities, risks and dependencies) updating the group on the various areas of change.

EU Programme Dashboard – RAG status remained at AMBER.

Smart Portfolio DCC Day 1 and DCC Gateway – This was on track to go into UAT.

SCR - Gas Deficit Emergency - The new requirements had been analysed and included; there was sufficient contingency in the plan. One of the risks was resource availability.

Gemini Consequential Change (GCC) – This will be included in the UKLP dress rehearsal.

4. Issues for discussion

4.1. Nexus Deferral – update from PNSG

See 3.1, above.

4.2. PNSG Communications Strategy

See 3.1, above.

4.3. Xoserve readiness – progress update

See 3.1, above.

5. Any Other Business

5.1 GSOS/GSR

Co-ordination of Inflight Industry Change

GE was invited to present his one page summary (published in response to Action COB 0602) on implementation issues relating Guaranteed Standards of Performance obligations, as illustration of a case study of a topic that the COB could discuss and potentially contribute to improved co-ordination of Inflight Industry Change. GE outlined the background, the current position and the perceived issues arising from lack of certainty and co-ordinated approaches.

LJ referred to the written update provided by J Dixon (Ofgem): “I am informed that the Statutory Instrument will be signed shortly, **confirming 1 January 2016 effective date**. It is recognised that some suppliers would prefer to align this to the implementation of Project Nexus, but we have not considered it appropriate to further delay the introduction of these new standards. We also understand that some suppliers are already able to meet these requirements in existing circumstances, and that in others a short term work around may be possible pending possible integration into systems at a later date.”

LJ then asked the COB how it could usefully contribute and add value to the debate. It was suggested that Ofgem representatives for each specific area of change could be invited to address COB regarding this and any similar issues, in an effort to promote recognition that some holistic and co-ordinated approaches were required prior to decision making, and a better understanding of the need to give serious consideration as to whether closer alignments would be the best way to manage changes. The current perception by some was one of a lack of communication and narrow viewpoints, and that Ofgem was not appearing to take a holistic and sufficiently wide enough ranging view of gas industry change. NS was of the view that the lead persons for individual changes may be less useful contributors than planning or overview personnel, and this was discussed. NR referred to an Ofgem Project Planning group with whom it might also be useful to establish communications.

It was agreed that the Chair should invite Ofgem representatives Jonathan Blagrove and/or Angelita Bradney to the next COB meeting.

Action COB 0703: Ofgem Representatives - Invite Jonathan Blagrove and/or Angelita Bradney to the next COB meeting.

5.2 UK Link Replan: Summary of Baringa CSA Commentary

No discussion; the presentation provided had been superseded by developments at the PNSG.

6. Review of Outstanding Actions

COB 0201: *Change Horizon* - SM to document the new (GSOS and GSR) event templates.

Update: The COB agreed to close this action. **Closed**

COB0502: *Baringa Report Recommendations* - SS to provide a table to illustrate/clarify what is being addressed by Xoserve.

Update: SS stated that the recommendations would be reviewed and assessed in light of the new plan. **Carried forward**

COB0503: *Release Schedule for major changes* - SS to consider where a schedule can be published/easily accessed on the Xoserve website.

Update: SS provided the following link:

<http://www.xoserve.com/index.php/our-change-programme/>. **Closed**

COB0601: Invite PwC to future COB meetings. (KV)

Update: Completed; PwC representative in attendance. **Closed**

COB0602: Provide a one-page summary re. GSOS/GSR impacts. (GE)

Update: Provided by GE and published; see 2.1 above. **Closed**

COB0603: Invite subject and general policy experts to the next meeting. (JD)

Update: LJ referred to the written update provided by J Dixon (Ofgem): "I have invited Bhavika Mithani to the 03 August meeting to discuss change to the Priority Services Register(s). We will be looking for feedback on the proposed timing of these changes."

I would be happy for this to become a standing agenda item, and to invite relevant colleagues from Ofgem to attend future COB meetings as and when emerging proposals which may have a bearing on systems delivery are identified by COB members."

It was agreed to add 'Policy Updates' to the agenda as a standing item. **Closed**

7. Diary Planning

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

Unless otherwise notified Change Overview Board (COB) meetings will take place as follows:

Time/Date	Venue	Programme
10:30, Monday 03 August 2015	Rooms 3 and 4, Energy Networks Association, 6 th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	<ul style="list-style-type: none"> • <i>UKLP Report</i> • <i>Change Portfolio Dashboards</i> • <i>Policy Updates</i> • <i>Priority Services Register</i>
10:30, Monday 07 September 2015	Pink Room, ELEXON, 4 th Floor, 350 Euston Road, London NW1 3AW	<i>To be confirmed</i>
10:30, Monday 05 October 2015	Pink Room, ELEXON, 4 th Floor, 350 Euston Road, London NW1 3AW	<i>To be confirmed</i>
10:30, Monday 02 November 2015	Rooms 3 and 4, Energy Networks Association, 6 th Floor, Dean Bradley House, 52 Horseferry Road, London SW1P 2AF	<i>To be confirmed</i>
10:30, Monday 07 December 2015	Pink Room, ELEXON, 4 th Floor, 350 Euston Road, London NW1 3AW	<i>To be confirmed</i>

Action Table – Change Overview Board (08 July 2015)					
Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
COB 0201	03/02/15	2.1	<i>Change Horizon - Xoserve (SM) to document the new (GSOS and GSR) event templates.</i>	Gazprom (SM)	Closed
COB 0502	11/05/15 (amended 08/07/15)	4.1	<i>Baringa Report Recommendations - The recommendations to be reviewed and assessed in light of the new plan - SS to provide a table to illustrate/clarify what is being addressed by Xoserve.</i>	Xoserve (SS)	Carried forward
COB 0503	11/05/15	4.2	<i>Release Schedule for major changes - SS to consider where a schedule can be published/easily accessed on the Xoserve website.</i>	Xoserve (SS)	Closed
COB 0601	09/06/15	4.1	Invite PwC to future COB meetings	Joint Office (KV)	Closed
COB 0602	09/06/15	5.1	Provide a one-page summary re. GSOS/GSR impacts.	Waters Wye (GE)	Closed

Action Table – Change Overview Board (08 July 2015)					
Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
COB 0603	09/06/15	5.1	Invite subject and general policy experts to the next meeting.	Ofgem (JD)	Closed
COB 0701	08/07/15	2.1	Invite CMA representative to the next COB meeting.	Chair (LJ)	Pending
COB 0702	08/07/15	2.1	<i>Change Horizon potential addition</i> - Xoserve to liaise with National Grid to assess what iGMS work involves and whether it merits inclusion as a topic.	Xoserve (NS/MB)	Pending
COB 0703	08/07/15	5.1	<i>Ofgem Representatives</i> - Invite Jonathan Blagrove and/or Angelita Bradney to the next COB meeting.	Chair (LJ)	Pending