DSC Governance Sub-Committee 1st September 2020

Agenda / Approximate Timings

1. Introductions & Background (10 mins)
2. Capture Prioritisation (45 mins)
3. Xoserve Change Fund (30 mins)

Break (10 mins)

4. Development of changes that benefit non-DSC parties (20 mins)
5. Summary & Next Steps (20 mins)
6. AOB (10 mins)

1. Background

- A key finding resulting from the most recent customer review of the capture process was a perceived lack of transparency from the point of a change being approved into capture and delivery

- Xoserve has been exploring how progress against changes can be more visible to customers throughout the change lifecycle

2. Capture prioritisation

- The Change Management Procedures document sets out how changes should be prioritised https://gasgov-mst-files.s3.eu-west-1.amazonaws.com/s3fs-public/ggf/page/2018-12/Change%20Management%20Procedures%20v2%20%209.11.18.pdf (section 4.5 *Priority Principles*)

- The procedures describe the following types of changes and their related priority definitions:

*4.5.1(a) a **Priority Service Change** is:*

(i) a Modification Service Change; or

(ii) a Service Change in respect of a Service which allows or facilitates compliance by a Customer or Customers with Law or with any document designated for the purposes of Section 173 of the Energy Act 2004 (including any such Law or document or change thereto which has been announced but not yet made); and

*(b) a Service Change which is not a Priority Service Change is a **Non-Priority Service Change**.*

Change Management Procedures Document Definition	Example of Change Driver	Example Xoserve delivery platform
Priority service change	UNC Modification, SPAA Change, SEC Change, Gas Act	UK Link, GEMINI, Data Discovery Platform, Business Warehouse (BW)
Non-priority service change	Non-regulatory customer-sponsored Change Proposal (CP) / Xoserve Change Request (CR)	

- The document goes on to say:

4.5.3 (a) a Priority Service Change shall take priority over a Non-Priority Service Change and 4.4.3 (c) (ii) an Urgent Modification shall take priority over a Modification which is not an Urgent Modification;

- The document doesn't dictate how value add changes should be prioritised other than when the change was raised.

Current translation

- Urgent and non-urgent regulatory changes are currently classed as Priority Service Changes and capture *is* performed at the appropriate pace and intensity in comparison with non-priority changes. Perceived benefits are captured in section **A4: Benefits and Justification** in the Change Proposal form

- In an attempt to further prioritise, once assigned an Xoserve Reference Number (XRN), all changes are given a priority % score based on a of factors (e.g. is the change driven by a UNC code amendment, how many parties / business processes does the change impact etc), with outputs made visible in '**Appendix 1'** of the Change Proposal document

Change Proposal (As is)

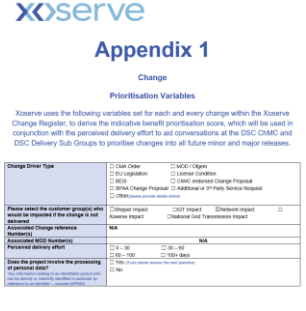
Microsoft Word Document

A4: Benefits and Justification

Benefit Description:	
	What, if any, are the tangible benefits of introducing this change? What, if any, are the intangible benefits of introducing this change?
Benefit Realisation:	
	When are the benefits of the change likely to be realised?
Benefit Dependencies:	
	Please detail any dependencies that would be outside the scope of the change, this could be reliance on another delivery, reliance on some other event that the projects has not got direct control of.

Appendix 1 (As is)

Microsoft Word Document

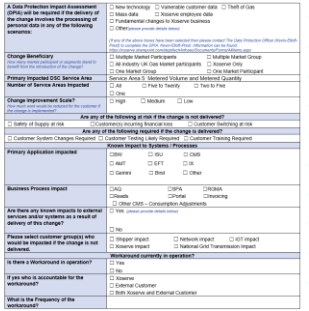

xoserve

Appendix 1

Change

Prioritisation Variables

Xoserve uses the following variables set for each and every change within the Xoserve Change Register, to derive the indicative benefit prioritisation score, which will be used in conjunction with the perceived delivery effort to aid conversations at the DSC CMMC and DSC Delivery Sub Groups to prioritise changes into all future minor and major releases.



- All changes in capture are progressed through the pipeline in readiness for discussion in Delivery Sub-Group (DSG, where the prioritisation score is currently presented), distribution in change packs and approval for implementation in ChMC

Limitations

- All newly-raised customer changes are currently approved into Capture, sometimes with limited discussion over change benefits taking place in ChMC (perceived, trackable benefits should drive the priority order of ‘Non-Priority Changes’)
- Sometimes change benefits aren’t obvious from the documentation (section A4: Benefits and Justification)
- The criteria captured in Appendix 1 is such that large proportions won’t be known until capture has taken place and so prioritisation is focussed more at delivery decisions
- The prioritisation ‘result’ is played back to DSG and not ChMC (which is the decision making forum in the governance model)

Proposal for Refinement (Capture Prioritisation)

- Upon raising a new change proposal, along with completing some of the existing criteria in 'A4', the sponsor would be encouraged to complete additional criteria in what would be renamed 'Priority & Benefits

A4: Priority & Benefits — New

Change Driver Type	☐ Urgent UNC Mod ☐ UNC Mod ☐ Retail Energy Code ☐ License Condition ☐ PAC/DESC ☐ Value Add (Benefits Stated) ☐ SPAA Change Proposal ☐ Value Add (Benefits TBC)
Beneficiaries	☐ Multiple DSC Constituencies ☐ Single DSC Constituency ☐ Third Party
Trackable Benefits	☐ Regulatory Compliance ☐ Central System Efficiency ☐ Process Efficiency ☐ Maintain The Business (MTB) cost reduction

Benefit Description:	*How will trackable benefits be measured (e.g. less exceptions following existing process, reduction in MTB costs). What, if any, are the intangible benefits of introducing this change?*
Benefit Realisation:	*When are the benefits of the change likely to be realised?*
Benefit Dependencies:	*Please detail any dependencies that would be outside the scope of the change, this could be reliance on another delivery, reliance on some other event that the projects has not got direct control of.*
Priority %	

Microsoft Word Document

- The selections chosen will determine a priority % score (which will then correlate to an appropriate Priority Ranking

Change Driver Type	Weighting
Urgent Regulatory / Service Sustaning	78%
UNC Modification	50%
License Condition	50%
Retail Energy Code	50%
SPAA Change Proposal	50%
PAC / DESC	50%
Value Add Benefits Stated	27%
Value Add Benefits TBC	15%

Beneficiaries	Weighting
Multiple DCS Constituencies	9%
One DSC Constituency	5%
Third Party	1%

Trackable Benefit	
Regulatory Compliance	0%
Central System Efficiency	4%
Process Efficiency	4%
Maintain The Business' cost reduction	4%

Priority	Relative Weighting
U	78% or over
1	<50%-77%>
2	27%-49%
3	15%-25%

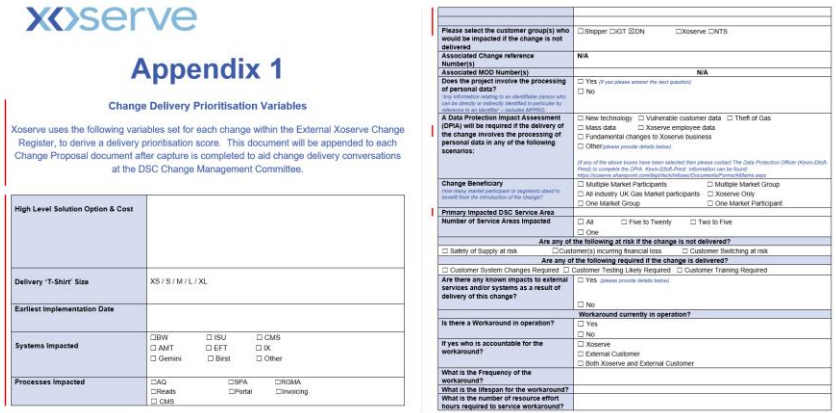
- The weightings are designed to ensure that urgent regs changes are defaulted to 'U' priority status but also are dynamic enough to ensure that value add changes can also be 'stack ranked' – **the results align with recent constituency prioritisation**
- ChMC would approve the change into capture along with the priority score, with the Customer Change team using the score to determine ordering of capture work

Delivery Prioritisation & Benefits Tracking

- It is proposed that ‘Appendix 1’ is amended to become a ‘post-capture’ document that would enable ChMC to discuss benefits v cost ahead of moving changes from ‘capture’ to detailed requirements (see next slide)
- The CCR form could also be amended to track benefits in the Post Implementation Support stage of implementation

Appendix 1 (to be)

Microsoft Word Document



Appendix 1

Change Delivery Prioritisation Variables

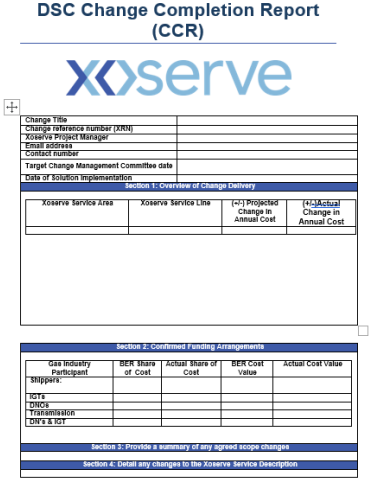
Xoserve uses the following variables set for each change within the External Xoserve Change Register, to derive a delivery prioritisation score. This document will be appended to each Change Proposal document after capture is completed to aid change delivery conversations at the DSC Change Management Committee.

High Level Solution Option & Cost	
Delivery 'T-Shirt' Size	XS / S / M / L / XL
Earliest Implementation Date	
Systems Impacted	☐BW ☐ISU ☐CMS ☐AMT ☐EFT ☐IX ☐Gemini ☐Birst ☐Other
Processes Impacted	☐AQ ☐SPA ☐ROMA ☐Reads ☐Portal ☐Invoicing ☐CMS

Please select the customer group(s) who would be impacted if the change is not delivered	☐Shipper ☐GT ☒DN ☐Xoserve ☐NTS
Associated Change reference Number(s)	N/A
Associated MOD Number(s)	N/A
Does the project involve the processing of personal data?	☐ Yes (If you please answer the next question) ☐ No
A Data Protection Impact Assessment (DPIA) will be required if the delivery of the change involves the processing of personal data in any of the following scenarios:	☐ New technology ☐ Vulnerable customer data ☐ Theft of Gas ☐ Mass data ☐ Xoserve employee data ☐ Fundamental changes to Xoserve business ☐ Other(please provide details below)
Change Beneficiary	☐ Multiple Market Participants ☐ Multiple Market Group ☐ All industry UK Gas Market participants ☐ Xoserve Only ☐ One Market Group ☐ One Market Participant
Primary Impacted DSC Service Area	
Number of Service Areas Impacted	☐ All ☐ Five to Twenty ☐ Two to Five ☐ One
Are any of the following at risk if the change is not delivered?	
☐ Safety of Supply at risk ☐Customer(s) incurring financial loss ☐ Customer Switching at risk	
Are any of the following required if the change is delivered?	
☐ Customer System Changes Required ☐ Customer Testing Likely Required ☐ Customer Training Required	
Are there any known impacts to external services and/or systems as a result of delivery of this change?	☐ Yes (please provide details below) ☐ No
Workaround currently in operation?	
Is there a Workaround in operation?	☐ Yes ☐ No
If yes who is accountable for the workaround?	☐ Xoserve ☐ External Customer ☐ Both Xoserve and External Customer
What is the Frequency of the workaround?	
What is the lifespan for the workaround?	
What is the number of resource effort hours required to service workaround?	

CCR (to be)

Microsoft Word Document



DSC Change Completion Report (CCR)

Change Title	
Change reference number (XRN)	
Xoserve Project Manager	
Email address	
Contact number	
Target Change Management Committee date	
Date of Solution Implementation	

Section 1: Overview of Change Delivery

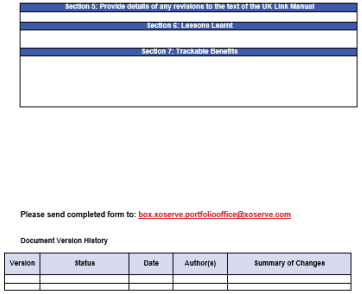
Xoserve Service Area	Xoserve Service Line	(+/-)Projected Change in Annual Cost	(+/-)Actual Change in Annual Cost

Section 2: Confirmed Funding Arrangements

Gas Industry Participant	BER Share of Cost	Actual Share of Cost	BER Cost Value	Actual Cost Value
Shippers:				
IGTs				
DNOs				
Transmission				
DN's & IGT				

Section 3: Provide a summary of any agreed scope changes

Section 4: Detail any changes to the Xoserve Service Description



Section 5: Provide details of any revisions to the text of the UK Link Manual

Section 6: Lessons Learnt

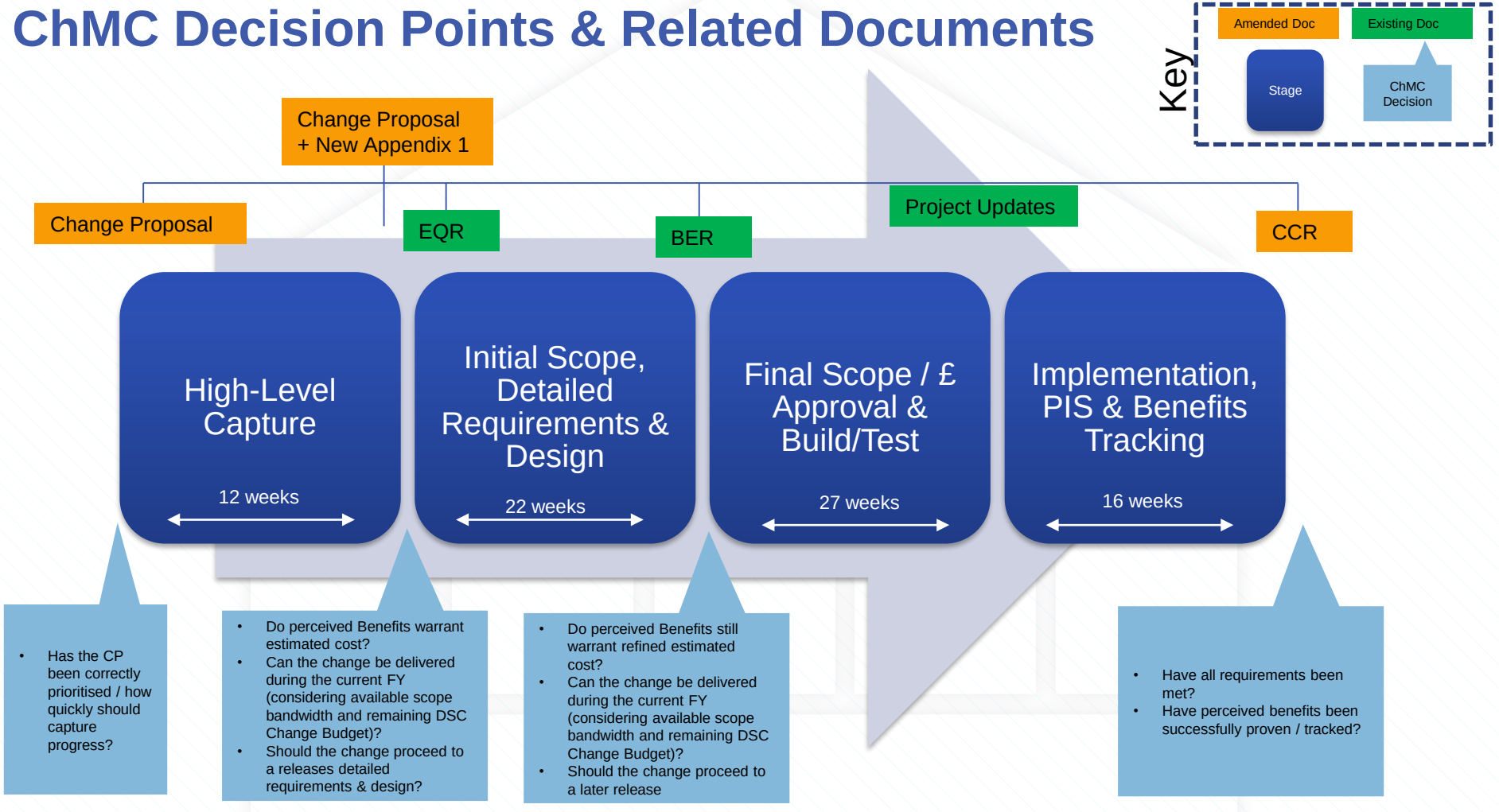
Section 7: Trackable Benefits

Please send completed form to: box.xoserve.portfoliooffice@xoserve.com

Document Version History

Version	Status	Date	Author(s)	Summary of Changes

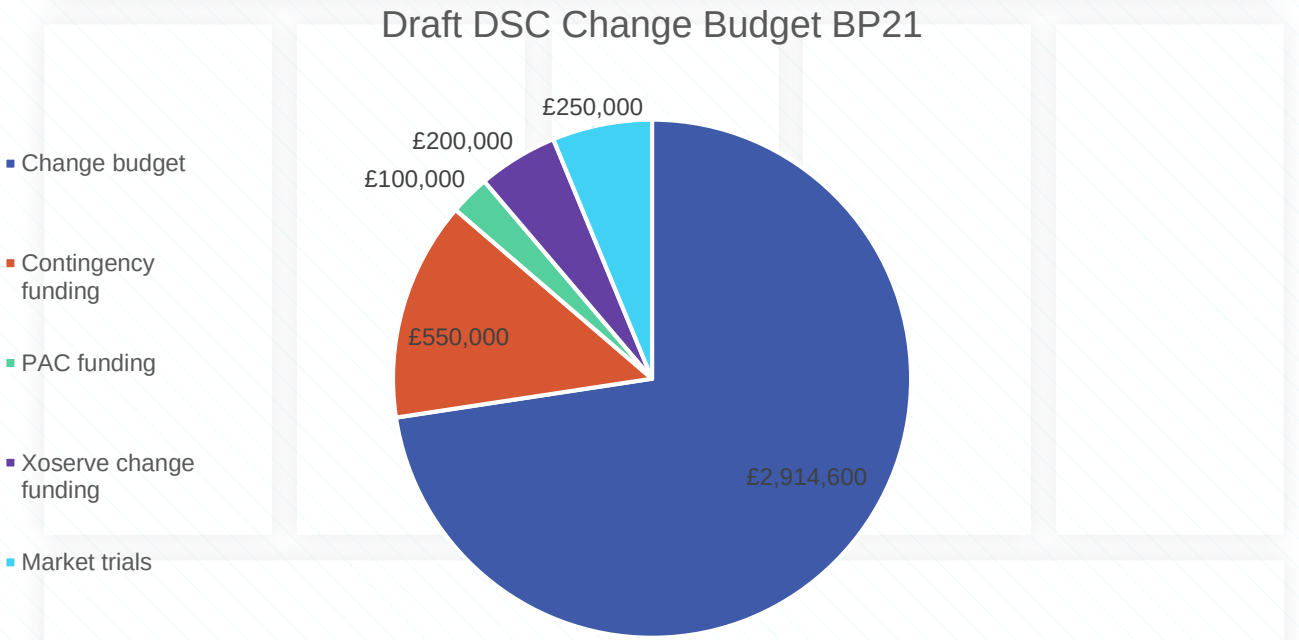
ChMC Decision Points & Related Documents



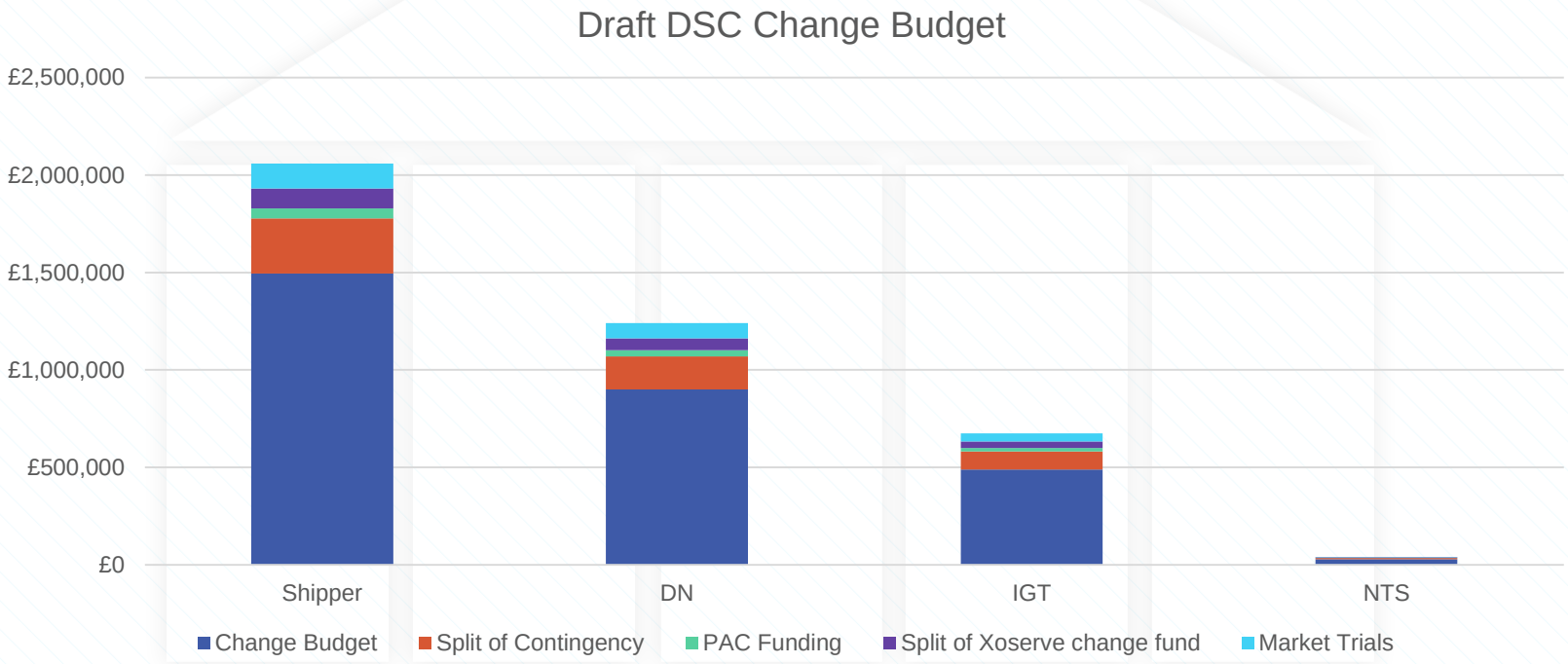
Q. Do you support the proposals for improvements captured in this presentation? Do you have any further refinements that you think would improve the facilitation of priority decisions for capture and delivery?

3. Xoserve Change Fund

- Constituency discussions and a subsequent ChMC recommendation have provided Xoserve with a steer as to what is required / desired for delivery using BP21 funds. This has driven out a requirement for a total budget of £4m broken down as shown in the pie chart below:

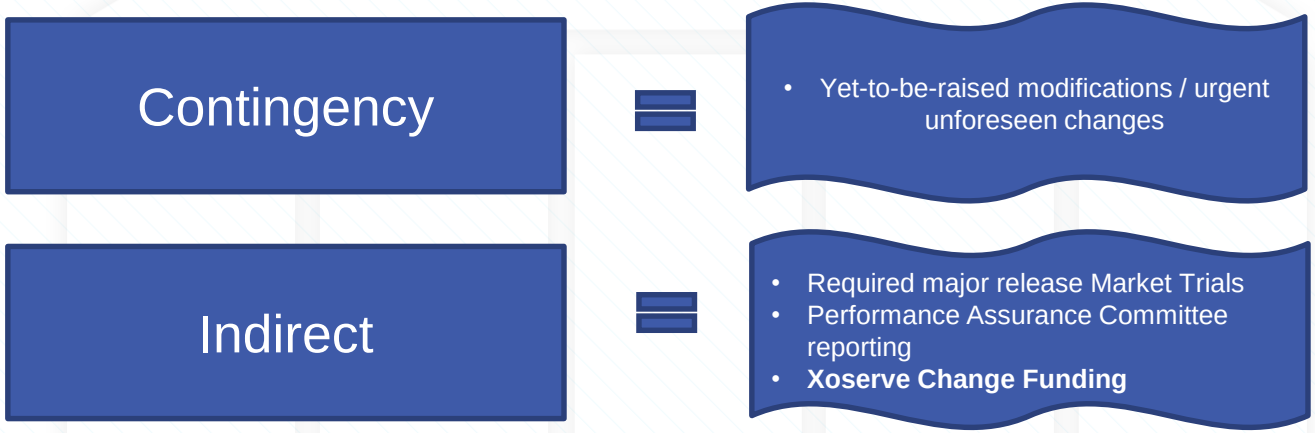


Constituency View



Unknown / ‘Indirect’ Costs

- Along with known costs being estimated, it is proposed that ChMC has money set aside for ‘as-yet-unknown’ and indirect change. These costs (derived from historic trends and discussions with PAC) are shared out between constituencies based on relative % split of wider budget

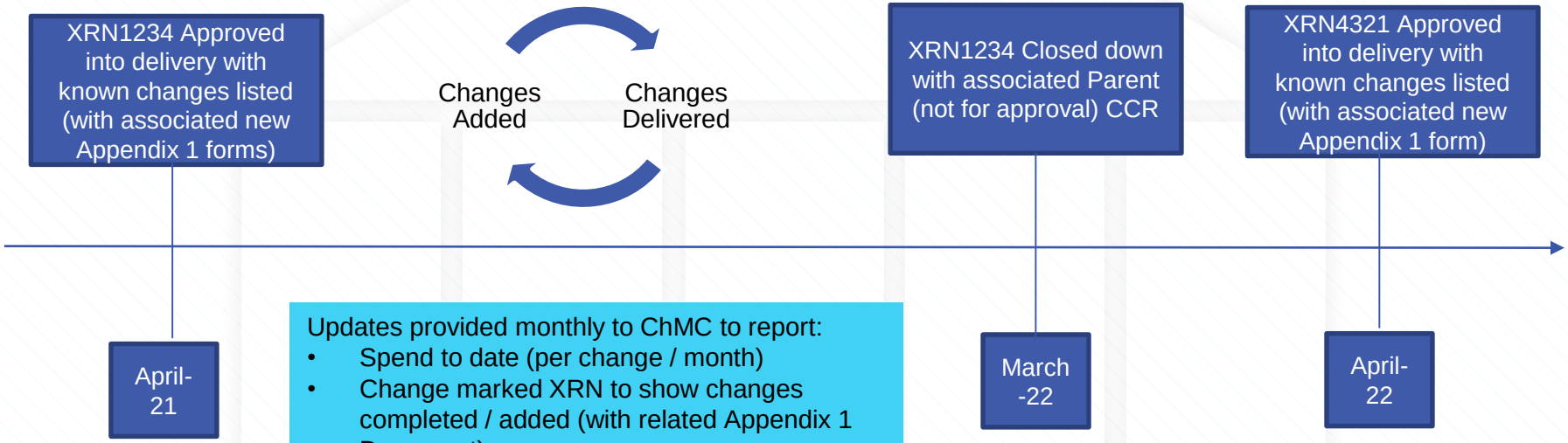


- The ChMC-recommended ‘Xoserve Change Fund’ will be (subject to wider Business Plan approval) made available to enable Xoserve to drive UK Link improvements with greater fluidity and transparency

Xoserve Change Fund Proposal

- A parent XRN would be created at the start of the FY, from which to list and track candidates for delivery from this fund
- An agenda item would be introduced into ChMC for progress update on this XRN
- The parent XRN would include elements of a CP, BER, CCR all rolled up in one document which would be approved once in ChMC (at the start of each financial year) and would be for discussion / update thereafter
- The same approach is also being proposed for spending the PAC ring-fenced budget (parent XRN 4876 containing an ever-changing list of requirements or ‘user stories’)
- Before moving any change from ‘capture’ to ‘delivery’ Xoserve will demonstrate benefits (and how they would be tracked) and provide assurance / rationale as to why the change does not impact customer systems
- This approach would:
    - Negate the need to have multiple CRs transferred into CPs (any CRs where customer system impacts were identified during capture would be transferred to CPs and follow the usual governance)
    - Reduce the need to create separate / multiple XRNs thereby reducing the time it would take to move from capture to delivery
    - Create distance between the external change register and the list of internal (to Xoserve) change request list

Parent XRN Trajectory Through Financial Year



Updates provided monthly to ChMC to report:

- Spend to date (per change / month)
- Change marked XRN to show changes completed / added (with related Appendix 1 Document)

Q. What else would ChMC need to see to have required transparency of changes being delivered throughout the financial year?

4. Delivery of changes that benefit non-DSC parties

- Parties that aren't acceded into the DSC are referred to as 'Third Parties' and change delivery in this space is described and governed via the related document https://www.gasgovernance.co.uk/sites/default/files/ggf/page/2017-07/CDSP%20SERVICE%20DOCUMENT%20THIRD%20PARTY%20AND%20ADDITIONAL%20SERVICES%20POLICY.pdf

- The Third Party services policy is there so that non-DSC parties (e.g. MAP,MAM, PCWs) can purchase products and services delivered by Xoserve – they are charged individually for each service that they purchases

Service	Availability	Example	Funding Arrangements
General	Mandatory for all DSC Parties	UK Link File Processing	DSC parties fund as part of wider DSC services charge
Specific	Optional to all DSC Parties	Off-the-shelf reporting	Purchasing DSC party pays
Additional	Ad hoc to DSC Parties	Reporting that is tailored for purchasing organisation	Purchasing DSC party pays
Third Party	Ad hoc to non-DSC Parties	Reporting that is tailored for purchasing organisation	Purchasing Third Party pays
DSC Change	Becomes general or specific service	Change to UK Link File Processing	DSC Change Budget (funded by DSC Parties annually) is accessed

- ChMC provides the check and balance to ensure the DSC Change Budget is used to deliver changes that benefit DSC Parties (if ChMC doesn't approve, we don't access the DSC Change Budget)

Q. As per the capture prioritisation material in this pack, when new changes are being proposed for entry into capture we are proposing that beneficiaries are stated and discussed in the form. Is there anything else Xoserve can do to aide ChMC in making an informed decision on change beneficiaries?

5. Summary & Next Steps

6. AOB