

PNSG Meeting Minutes

1.1. Purpose

The purpose of this document is to capture details of the Project Nexus Steering Group meeting in order facilitate wider sharing of information and confirmation and follow up of actions.

1.2. Meeting Details

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|---------------------------------|---|
| Meeting Name: | Project Nexus Steering Group |
| Meeting Date: | 23/01/17 |
| Meeting Time: | 10:00 am – 12:00 pm |
| Meeting Format/Location: | PwC, Embankment Place with WebEx facility |
| Chaired by: | Jon Dixon |
| Minutes recorded by: | PwC |

1.3. Meeting Attendees

| Group | Company | Representatives | Company | Representatives |
|---------------------|----------------------|----------------------|---------|--|
| 6 Largest Suppliers | NPower | Chris Harden | Ofgem | Jon Dixon Nicola Garland |
| | E.ON Energy | Alex Travell | | |
| Challenger | Flow Energy | Robert Cameron-Higgs | PwC | Gill Williams Steve Mullins Richard Shilton Melisa Findlay Brett McGowan |
| | Utilita | Ali Russell | | |
| GT | SGN | Steve Simmons | | |
| I&C | DONG Energy | Lorna Lewin | | |
| | ICoSS Group | Gareth Evans | | |
| iGT | Brookfield's Utility | Mike Harding | Xoserve | Lee Foster Paul Toolan Stephen Nunnington |
| | ES Pipelines | Vicki Spiers (Webex) | Baringa | Matthew Adams |

1.4. Meeting Agenda

1. Agenda and approval of minutes
2. Programme Summary
3. MT Regression Update
4. Data Workstream Update and Checkpoint 3
5. Transition Update
6. GONG Update
7. Actions
8. AOB

1.5. Decision Log

| Decision # | Pillar/ Milestone | Decision | Decision Owner | Status | Target Date |
|------------|---|--|----------------|---------------|-------------|
| D017 | Transition: Contingency Checkpoint 3 Criteria | The PNSG were requested to endorse the amendment of Contingency Checkpoint 3 to add the following criteria: Successful completion of Data iGT Test Cycle 5 (TC5) demonstrating that Xoserve can complete an accurate iGT data migration within the timescales for a 9 NED period. | PNSG | Closed | 23/01/2017 |
| Status: | Endorsed at PNSG held 23 Jan 17. New criteria accepted for CC3. | | | | |
| D018 | Transition: IDR Reflecting 9 NEDs | The PNSG were requested to approve to approve the change in the IDR2, IDR3 complete, and catch up batch complete milestones (T1.5, T1.6 and T3.4 respectively) to reflect the decision to increase the NED period from 7 to 9 days. | PNSG | Closed | 23/01/2017 |
| Status: | Endorsed at PNSG held 23 Jan 17. New POAP milestone dates accepted, POAP to be updated. | | | | |

1.6. Actions arising from the meeting on 23 January 2017

| Action # | Pillar/ Milestone | Action | Action Owner | Status | Date Raised | Due Date |
|----------|-------------------|---|---------------|--------|-------------|-----------|
| A219 | Market Trials | Ensure that the RAID log appropriately reflects the risk of the proximity of IDR 2 and IDR 3. | Ofgem | New | 23 Jan 17 | 09 Feb 17 |
| A220 | Programme | Consider bringing the TPG communications strategy to the next full PNSG and PNDG. | PwC | New | 23 Jan 17 | 20 Feb 17 |
| A221 | Market Trials | Provide PNSG with a walkthrough of the decision making process and plans to test during IDR 2 and 3 | PwC | New | 23 Jan 17 | 20 Feb 17 |
| A222 | Market Trials | Include the defect taxonomy list in the release of the PNSG minutes for 23 Jan 17 (follow-up to A215) | Xoserve / PwC | New | 23 Jan 17 | 25 Jan 17 |
| A223 | GONG | Provide an update on the plans for post go-live release(s) at the next PNSG. | Xoserve | New | 23 Jan 17 | 20 Feb 17 |
| AXXX | Transition | Provide information to iGTs on (1) the testing of IIL files pre-go live and (2) timing of IIL files during cutover. | Xoserve | New | 22 Jan 17 | 27 Jan 17 |

1.7. Actions arising from previous meetings

| Action # | Pillar/ Milestone | Action | Progress | Action Owner | Status | Date Raised | Due Date |
|----------|----------------------|--|--|--------------|--------|-------------|-----------------------------|
| A211 | Market Trials | Circulate a complete list of the 15 defects (plus descriptions) that are outstanding at the start of Regression indicating which are being proposed to be fixed during regression. | List circulated by Xoserve. | Xoserve | Closed | 09 Jan 17 | 13 Jan 17 |
| A212 | Market Trials | Provide a plan setting out the steps to deliver a regression test pack (including any input from participants). Propose a new milestone on the POAP for this test pack. | New milestone will be proposed for decision at next PNDG. | Xoserve | Open | 09 Jan 17 | 23 Jan 17 → 31 Jan 17 |
| A213 | Market Trials | Publish a list of all workarounds in a single place on the Xoserve website. Include on this list participant workarounds and Xoserve workarounds. The latter so participants are aware of where Xoserve are employing workarounds during MTR. Maintain this list going forward updating after each MTWG. | The list is on the Xoserve Library and is being maintained by Xoserve. | Xoserve | Closed | 09 Jan 17 | 13 Jan 17 |
| A214 | Market Trials | Publish a defect taxonomy that shows all the different classifications of defects and where they are reported. | This is published with PNSG meeting minutes. | Xoserve | Closed | 09 Jan 17 | 13 Jan 17 → 25 Jan 17 |
| A215 | Market Trials | Consider whether to request a specific piece of assurance from Baringa on Xoserve's data management processes. This follows on from the inadvertent release of data to the wrong participants during market trials. | ToR is under development between Ofgem and Baringa. | Ofgem | Open | 09 Jan 17 | 23 Jan 17 → 6 Feb 17 |
| A199 | Solution Delivery | Xoserve are to gather information / feedback from industry with respect to their expectations on the | Update required? | Xoserve | Open | 15 Dec 16 | 28 Feb 17 |

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| | | scope of the proposed market-available environment post 01 May 17. | | | | | |
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1.8. Meeting Minutes

Item 1: Agenda and approval of minutes

Introduction

1. Jon Dixon (Ofgem) opened the PNSG by welcoming attendees and articulating that this session would largely focus on Contingency Checkpoint 3.
2. Subject to the closure of 3 amendments raised by Market Participants the PNSG approved the prior meeting's minutes.

Item 2: Programme Summary

3. Steve Mullins (PwC) provided an overview of the Programme Summary (slide 3) identifying the key drivers which are impacting RAG ratings. noting:
 - Overall the Programme has improved, reflecting an Amber / Green rating.
 - Solution Delivery reflects an Amber / Green rating, the amber element being driven by the pending information regarding Day 1 volumes. Ofgem will issue a request to Market Participants for this information (action A199).
 - Market Trials is also Amber / Green reflecting a positive start to MT Regression, tempered by caution over statistics which indicate that whilst ahead in terms of test lines completed, progress is behind regarding test lines commenced.
 - Data is rated as Amber / Green though positive early reports for iGT load, which forms part of CP 3, indicate that testing can be completed within the 9 (+3) timeframe. Delta is still being tested but early indicators are positive. Inflights are being monitored as an area of risk, with an ad hoc Working Group established to promptly identify mitigation actions.
 - Transition rating improved to Amber as a result of the increased confidence around the NED window and the Transition Deep Dive held on the 10 Jan 17.
 - GONG retains its Amber / Green rating and now seeks to address the actions building towards the G2 assessment.
 - There are three key areas of Programme risk;
 - i. Defects in MT Regression: While only a small number of participant defects have been raised it remains important to have clarity on the full set of defects across the programme in order to ensure that any impacts on code stability are properly managed. A full list has now been published and is under review by Xoserve and PwC.
 - ii. Progression through Contingency Checkpoint 3: The programme looks set to successfully pass this through this checkpoint without the need to call on contingency that would cause a shift in the PNID to July.
 - iii. In-flight transactions: The timetable for delivery and test prior to IDR2 is tight. A new working group is being formed to provide guidance to Xoserve on priorities and identify potential workarounds that could remove the need for inflight processing capability.

Item 3: Solution Delivery and MT Regression Updates

Solution Delivery

4. Melisa Findlay (PwC) provided an overview of the Solution Delivery POAP milestones, (slides 4):
 - All Milestones within the POAP have been realised and are now complete. This section of the POAP will no longer be presented and updates will be reflected in the pillar slide and other dashboards.
 - Ofgem are to issue a letter to all Market Participants requesting the Day 1 volumes required to inform Performance Testing (PT). See action A199.
 - Additional Gas Day Testing (GDT) has been completed and a detailed report is expected to be presented to the TPG and PNDG scheduled for the end of Jan 17.

Market Trials Regression

5. Melisa Findlay and Richard Shilton (PwC) provided an overview of the POAP milestones, MT Regression and Defect landscape (slides 5 – 7), noting:
 - Less the MT Regression milestone, which is Green, all POAP milestones have been completed.
 - MT Regression reporting will use a similar approach to that used for Managed MT Testing, which will track progress against key confidence indicators towards phase completion.
 - A reasonable start to MT Regression testing has been made by participants. As at the time of the PNSG 34 of the 35 participants whose test plans indicate they should have started testing have commenced. Participant representative confirmed the view that this has been a positive start to MT Regression.
 - As of 17 Jan 17, the number of test lines started is behind schedule with 514 test lines started of the 968 planned to have been started by this time. However, this represents a quarter of all test lines. Investigation of the lower than planned number of starts has, in many cases, concluded that the start dates contained within test plans did not accurately reflecting when participants intended to start the tests. PwC / Ofgem Account Managers are working with Market Participants to improve the accuracy of information captured in test plans.
 - As of 17 Jan 17, the number of tests completed is currently ahead of schedule - 147 test lines had against the baseline plan of 105. 86 of these completed lines are due to one large supplier.
 - Three key areas of risk were highlighted:
 - i. Importance of successful testing of the Reconciliation thick invoice file ('AML') when released in early February. There is only one further opportunity to test this within the MT Regression window following the release in February and limited time exists between the release of this invoice and the cut-off point to submit transactions to feed into the invoice to be release in early March.
 - ii. Risks related to the ILL and IDL files that have been raised by the iGT community.
 - iii. Improving the clarity and reporting of the Xoserve defect position to build confidence that code stability is being effectively managed.
 - Participants were encouraged to continue to focus on progressing their testing and to work closely with their PwC / Ofgem Account Manager to report progress and any impediments as accurately as possible.

| Question | Response |
|---|--|
| 1. Is it the number of test lines or the number of test cases that is being compared? | Tracking is based on the number of test lines across participant test plans. Within each test line there may be a number of test cases. Reporting will be updated to ensure this measure is clear going forward. |
| 2. If statistics indicate that an insufficient number of participants have started testing, how are we ahead of where we should be? | For each test line within each test plan an expected start date and completion date has been captured to form the test baseline. This test baseline is being tracked against for reporting purposes. At 17 Jan 17, 514 test lines had been started (against a plan of 968) and 147 completed (against a plan of 105). |
| 3. In relation to the burndown chart, can a breakdown across all Market Participants be included? | Yes, this information is available and in future reporting will be communicated by constituency to show any varying levels of progress across the market. |
| 4. What is the issue with IIL files? | The IIL file is only produced once during transition to ensure that the supply register is in the correct position, Market Participants will not have had a chance to test it and would like to do so prior to transition. Xoserve are reviewing options to identify what can be provided for testing and when it can be produced – current aspiration is to release the IIL file circa D-3 to D-1. It is anticipated that Xoserve analysis on this will be presented to iGTs at a schedule call on 27 Jan 17. |
| 5. Is the concern around IIL files captured as a risk and does this reflect the level of concern by Market Participants? | Yes, and Market Participants should refer to the RAID log for a full list of risks. Those risks which have been rated as 12 or higher are reported within the PNDG report. All others can be found on the portal for which access has been granted to all Market Participants. |
| 6. What is the update on the 5 Shippers which have invalid dummy MPRN assigned? | The 5 Shippers who reported dummy data issues prior to MT Regression have now worked through these with Xoserve. One further Shipper has raised a dummy data request following the commencement of testing and this is being worked through with Xoserve. There is a risk that if this is not dealt with in a timely manner it may impact the completion of tests by that this Shipper, as well as their test partners. This will be monitored closely through the PwC / Ofgem Account Manager. |

Xoserve's view

6. Paul Toolan (Xoserve) provided an overview of their view on MT Regression including the Defect landscape (slide 8), noting:
 - Xoserve reporting shows 2,200 files processed and 33k transactions run since the beginning of MT Regression.
 - 33 defect tickets have been raised by Market Participants of which 5 defects were agreed as valid. The 5 defects are P3 and have not been escalated for fix by Market Participants.
 - Xoserve have raised 37 MT Regression related defects. 7 of these were raised on the weekly defect call on 20 Jan 17 and approved by industry to be fixed.
 - Slide 8 is new reporting and reflects a higher number of defects than previously noted as it shows both externally and internally raised Xoserve MT Regression related defects.

- Xoserve are currently working to categorise the defects to allow greater understanding of which defects are important to monitor and manage from an MT Regression code stability perspective. Reporting will continue to be refined to reflect this.
- It was noted that not all defects directly impact the Nexus functional code being tested in MT Regression (e.g. SMART defects relate to changes to ensure interoperability between Nexus and the DCC).

| Question | Response |
|---|---|
| 7. Do the SMART defects affect the Project Nexus solution? | Defect fixes for SMART do not have a direct impact on the Nexus solution code from an MT Regression code stability perspective. These defects have been included in the reporting for transparency of all defects Xoserve is managing as previously requested in PNSG. |
| 8. Does the list of defects included on slide 8 include data stream defects? | Data defects are not included in the MT Regression defect position presented to PNSG. These are Market Trials specific. |
| 9. What is driving the increased level of invalid defects and is it representative of shippers not knowing process? | Xoserve reported that 63% of defects raised by participants have been invalid. This has partly been driven by a Market Participant who was not involved in the Level 3/4 Market Trials phase. Participants are asked to ensure they triage all defects before they are raised with Xoserve. |

Item 4: Data Workstream Update, Contingency Checkpoint 3 and Transition

Data Workstream Update

7. Melisa Findlay provided an update on the Data POAP (slides 9), noting the following;
 - The following milestones, Unique Sites, iGT and Delta are all tracking as Green, or Amber/Green.
 - In-flight is less mature and as such currently tracking as Amber / Red. This has been discussed in RIAG and a new group has been established to assist Xoserve with the prioritisation of in-flights testing.

| Question | Response |
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| 10. What is the new In-flight group's meeting purpose? | The inaugural meeting is due to convene 25 Jan 17 as an advisory group supporting Xoserve. The group is to assist Xoserve with prioritising in-flight development and testing and to identify potential workarounds that may remove the need for specific in-flight solutions. Any options identified will be raised to the PNDG for decision. Interested parties should contact Nicola Garland (Ofgem) to become a part of this sub-group. |

Checkpoint 3

8. Steve Mullins provided the context around Contingency Checkpoint 3 (slides 10 - 11) updating attendees on the criteria and the activities leading up to the proposed decision by this forum on the 06 Feb 17. Decision D017 was presented for the PNSG to update the criteria for Contingency Checkpoint 3. This was passed and the criteria is updated to include:
 - Successful completion of Data iGT Test Cycle 5 (TC5), demonstrating that Xoserve can complete an accurate iGT data migration within the timescales required for a 9 NED period. Evidence should be provided showing how iGT TC5 was able to meet the migration timescales.

9. Lee Foster (Xoserve) then provided an interim update around the Contingency Checkpoint 3 criteria (slides 12 - 19), noting that they remain on track to support a successful pass through Contingency Checkpoint 3.
 - Bulk is performing well and has completed load ahead of schedule.
 - Delta is on track to achieve production-level readiness for Contingency Checkpoint 3 (Delta TC5 validation has commenced on 09 Jan 17 with a largely neutral position on defects.)
 - iGT TC5 has performed within plan for a 9(+3) window.

| Question | Response |
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| 11. Are the Delta defects critical? | There is a wide range of defects which are being measured against an acceptance criteria. These are scattered across this range. These are not causing concern to Xoserve and only impact a low number of meter points. |
| 12. Components have been Performance Tested in isolation. Is there a risk that when run during cutover that actual performance proves inadequate? | IDR1 tested this and the iGT data load was the only non-performing process. This will be tested again in both IDR 2 and IDR 3. Xoserve view the risk of parallelism to be minimal as the cutover process is designed to remove overlap. |
| 13. Regarding the database performance, issues encountered during iGT TC5. Is this something that can be attributed to it being new or is there a risk around this area? | The problems were more to do with it being a new process. As a result, Xoserve have revised the schedule for DB availability to improve response to any future incidents. This is not an untypical thing to have experienced at this stage and is not seen as cause for concern. |

Transition:

10. Melisa Findlay provided an update on the Transition POAP (slide 20) before bringing Decision D018, to the PNSG for approval. This decision adjusted milestone dates on the POAP to account for the 9(+3) NED window. This decision was ratified by the PNSG.

| Question | Response |
|---|--|
| 14. With the window between IDR2 and IDR3 shortening, what is the impact of this? | These activities have always been close together and the time between will only allow for fixing around the edges rather than substantive corrections. This risk is being tracked through the RAID log. The GONG criteria require two clean IDRs to enable us to proceed. If any fallout from IDR2 cannot be remedied in the time between IDRs 2 and 3 then by definition we do not have a clean IDR2. |
| 15. When will Ofgem's decision on 9 NED period be delivered? | Expecting UNC outcome on 16 Feb 17 and IGT slightly earlier. Ofgem anticipate being in a position to communicate the decision on or around the week commencing 17 Feb 17. |
| 16. Can the Industry Communications Strategy be shared with this group? | Yes, there is some further work to be undertaken with the communications sub-working group first but this should be in a position to share with the PNSG on 20 Feb 17. |

Item 5: GONG Update

11. Melisa Findlay then provided an overview Market Participants G1 assessment and portal submissions (slides 31 – 33).

| Question | Response |
|---|---|
| 17. Are there any permissible circumstances that will result in a decision to roll-back once the final GONG decision has been made? | The final GONG decision is assumed to be the point of no return after which there is no formal rollback option planned. There are some ongoing assessments being undertaken by the TPG to identify potential scenarios that could arise to ensure we have planned for the 'what if' scenario. A future PNSG meeting will include a more detailed review of any circumstances that may cause a pause in but over activity. |
| 18. What is the planned approach for the final GONG decision with PNSG? | It is recognised that the final GONG decision will need to take place on the milestone date and cannot rely on a follow up ratification decision. The PMO is currently developing a day by day plan for go live cutover with the plan for this to be rehearsed during IDR2 and IDR3 A walkthrough of this plan will be brought to PNSG (A221). |
| 19. When will the first release post go live take place? | Post implementation planning is underway. Post go-live release will be subject to any higher priority issues arising in the current build; low priority defect fixes and change requests may be a matter for post-programme BAU industry governance. Xoserve will provide an update on this at the next full PNSG (A223). |

Item 6: AOB

10. Jon Dixon brought the meeting to a close by thanking those attending for their support in decisions made. Additionally noting;

- The next meeting will be 06 Feb 17 and held by WebEx.

This document has been prepared by PwC only for Ofgem and solely for the purpose and on the terms agreed with Ofgem in PwC's statement of work (of 1 August 2016, Spec 7, and subsequently 1 November 2016, Spec 8) as part of PwC's call-offs under the framework agreement dated 11 April 2016 and extended on 2 December 2016. PwC accept no liability (including for negligence) to anyone else in connection with our work or this document.