

Project Nexus Steering Group [PNSG] Status Report

31 August 2016

ofgem

Agenda

#	Title	Time
2	Agenda and Approval of PNSG minutes	5 min
3	Programme Status Report	25 min
4	Workstream Updates	30 min
6	Replan Update	30 min
7	Review of Programme Governance	30 min

Minutes can be found on the **ofgem** website at:
<https://www.ofgem.gov.uk/gas/retail-market/market-review-and-reform/project-nexus>

PNSG Programme Summary

Overall Summary: The programme continues to track RED against the 01 Apr 17 reporting baseline, primarily driven by the Data workflow, which is encountering problems, and delays to the successful completion of Delta testing, along with concerns around the development of the iGT bulk transfer solution. Xoserve are continuing to develop and assure their plan, with Baringa's assurance activities set to conclude on the 31 Aug 16. Building on Baringa's work, the specific PwC assurance activities over Xoserve's plan have now commenced. The last Market Trials portal submission (12 Aug 16) indicated an increased confidence in the achievability of meeting the 30 Sep 16 completion date. RAG status has been included on MT milestones within this report and will be added for the remaining pillars within v1.0 of the plan.

Project Delivery

Market Trials

Data

Transition

GONG

Commentary

The Project Delivery workflow is rated AMBER which is primarily driven by the delays encountered in Performance Stress Testing which is now targeted to complete at the end of 30 Sep 16.

- Reports: All of the release 1 SAP BW reports have been tested and deployed into the MT environment. Work continues to enable appropriate reports to be shared with the industry.
- Remediation of internal UAT defects and US testing continues using a live data set.
- Ofgem noted that DUC and ERR/FRJ change requests will not be delivered. A substantive note will be circulated by 26 Aug 16. Participants are asked to review the Ofgem decisions, identify impacts and possible mitigating actions in the absence of these changes.

The Market Trials workflow is rated as AMBER as the average run-rate in the period up to 12 Aug 16 of 2.2% is below that required to achieve a 30 Sep 16 MT completion, which is 4.6%. However, no participants reported a 'red' status for 30 Sep 16 completion, which indicates an increased confidence that this date can be achieved. Defect numbers have continued to decrease and there has been steady progress against completion of mandatory scenarios.

- MT re-think concluded a new approach was not required but new tactics will be applied as appropriate for specific participants.
- Two iGT RGMA workshops have been held – file formats have now been agreed closing A112.
- During these workshops ESP pipeline held a process review on iGT new connections closing A118.
- Regression testing approach has been drafted in consultation with MTWG and sent to PNDG members for comment by 30 Aug 16.

The Data workflow is currently rated RED due to the volume of defects in Delta Test Cycle 2 and concern over the availability of resources to resolve these defects. These resources are also required for testing the iGT bulk load as part of IDR1 and to prepare for bulk data migration in November.

- Delta Test Cycle 2 and validation have completed on time. Defects are being prioritised to identify those required for IDR prep and IDR 1.
- The DMG is assessing the operational impact on Market Participants of not cleansing data to comply with the Transformation rules prior to go-live, in order to focus effort on data cleansing activity.

The Transition workflow is rated as AMBER. This is primarily driven by the confidence in the delta data migration process which has not yet been proven and may have a dependency on the commencement of iDR phase 1.

- A Transition plan has been created to track the completion of the Transition products.
- Industry Transition overview document has been provided to TPG members and will be baselined on 30 Aug 16.
- Xoserve are conducting a walkthrough of their 21 day cut over plan with TPG market participants on the 07 Sep 16 to provide clarity on the planned activities. This is an open invite to and will allow Market Participant to ask questions of the plan.

The GONG workflow has not been rated against the current reporting baseline and awaits confirmation of the revised implementation plan. Once this has been completed RAG status and reporting will be applied.

In the interim, the supporting evidence to satisfy the GONG criteria has been developed:

- A questionnaire outlining the supporting evidence is being released to the industry to confirm whether they are able to provide it, or comparable evidence / data. The questionnaire will be released to the industry as part of the portal submission for the 09 Sep 16.

Action

A111, A114, A120 to A123, A130 to A137

A044, A45, A127

Lead Sandra Simpson & PwC

Martin Crozier

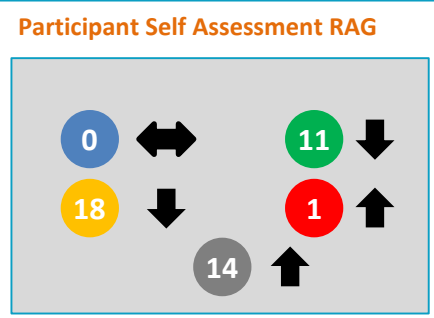
Andy Howe

Philip Russ

Martin Crozier

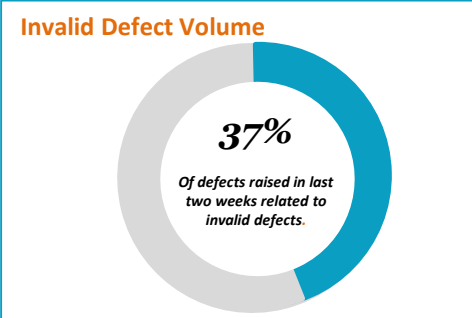
Market Trials Dashboard

Project Nexus PwC portal Submission Date: As @ 26 Aug 16



Xoserve Defect and Query Volumes

Category	Current Open	Open Last Period
Defects	73	58
Queries	44	25
Internal Defects	102	98



Defect Prioritisation

Category	Last Week
# of Submissions	14
Priority Defects Resolved	7

n	Number of participants reporting behind test schedule and unlikely to complete in timeframe
n	Number of participants reporting off track but remediation activities will support completion in current timeframe
n	Number of participants rating on track with test schedule
n	Number of participants reported to have completed test schedule
n	Number of participants that did not supply information

Scenario Analysis

- 6 Market Participants have a pass status for 10 or more scenarios.
- Scenarios 8 and 15 have the most participants blocked (5 each).
- Participants had an average of 7.0 scenarios at a Pass status however, a lower number of submissions mean this is an incomplete picture for this cycle of reporting.

Top 3 scenarios	# Passed
SC3 - Confirmations	10 of 14
SC20 - Address updates	10 of 16
SC2 - Nominations	9 of 16
Bottom 3 scenarios	Blocked / Failed
SC8 – Asset Update	5 of 14
SC15 – AQ Calculation	5 of 15
S17 – Cap/com invoice	3 of 14

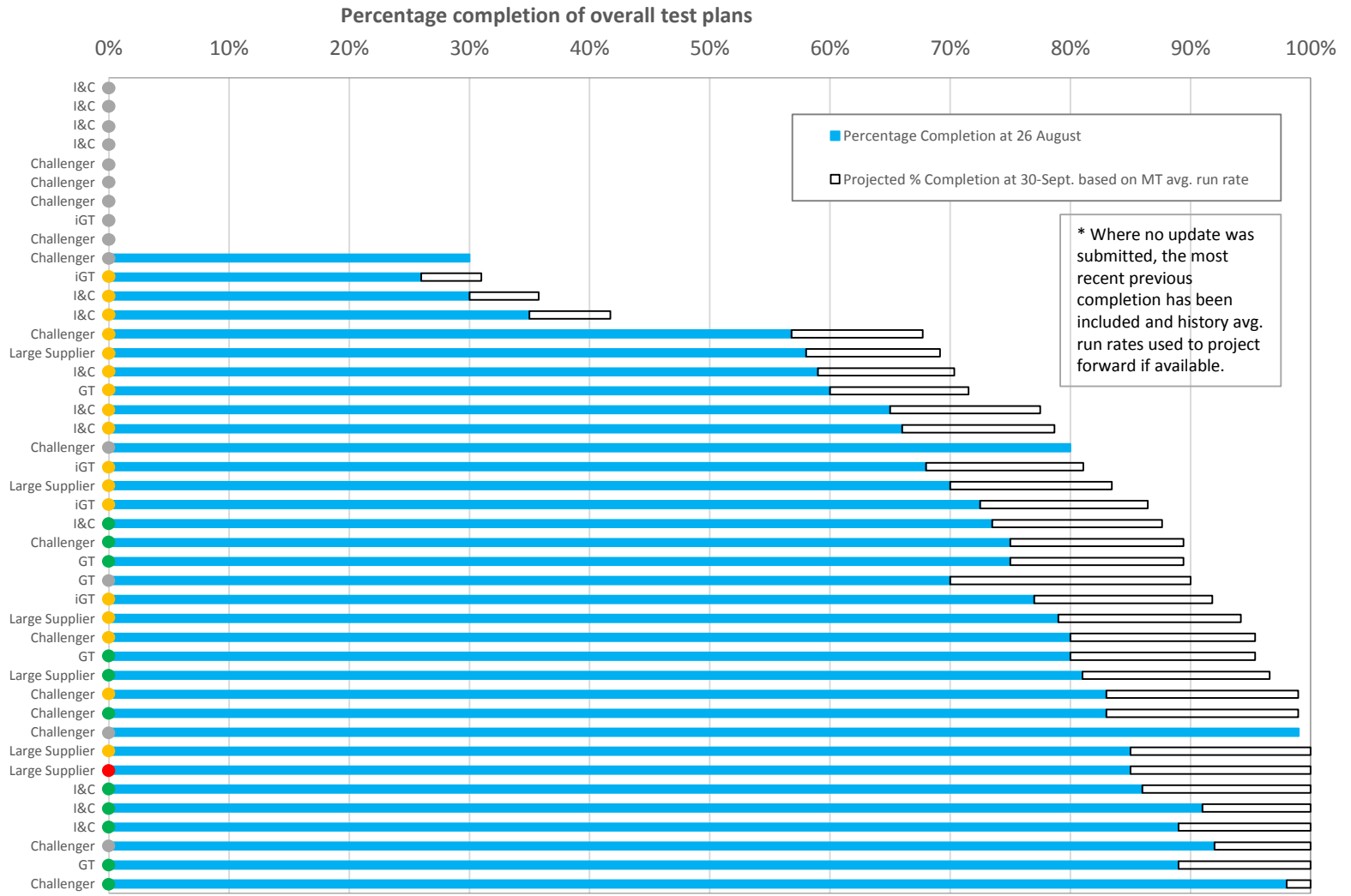
Run Rate Analysis

- The average run rate for the period was 1.9% which is a decrease of 0.1% compared to the last period.
- The rate was impacted by 8 organisations reporting 0% for the period excluding these organisations the average rate would be 3.6%. PwC follow up has determined this is primarily due to resource availability and test preparation activity. Non of the 8 reported as 'red' and all were planning to complete by 30 Sept 16.
- The run rate to required to complete (5.7%) on 30 Sept 16 now exceeds the average run rate (1.9%).

- Ave. completion increased from 69% to 72%.
- One Large Shipper has downgraded their RAG status to 'red', due to Xoserve fix dates not allowing for test completion prior to 30 Sept 16
- This participant has the highest number of open defects with Xoserve. This will be reviewed by Ofgem, Xoserve and the participant to determine if support is required.
- A lower number of submissions means a like-for-like comparison with the last period is not possible in this reporting period.
- Review of the detailed submissions have identified some key points :
 - IDL issues are easing, allowing more iGT related process testing to progress.
 - Participants are unclear how Annual AQ (EUC and Formula AQ) is tested in MT. MTWG will discuss this on 31 Aug 16
 - 4 organisations have stated that not receiving invoice backing data is holding up test progress, which is reflected in **SC17 – capacity and commodity invoicing** not being completed by any participant.

Market Trials Overall Progress

Project Nexus PwC portal Submission Date: Friday 26 August



Planning Confidence Actions

Action #	Action	Progress	Owner	Status	Due	Forum
A111 Action 8	Identify an industry Subject Matter Expert Pool for Market Participants to reach out to with issues prior to raising a query or defect.	The PMO will be reaching out to individual organisations to develop a contact list for this SME pool. If Market Participants require any help in a given area, please contact the PMO at projectnexus.pmo@uk.pwc.com	Participants		05 Aug 16 → 12 Aug 16 → 26 Aug 16	Market Trial Problem Solving Session
A114 Action 11	Develop a checklist for Market Participants to use to triage defects and queries, sharing good practices amongst Market Participants.	PMO have contacted volunteers for the check lists and will aim to compile a consolidated view by the end of the week ending 26 Aug 16. Checklist will be distributed to PNDG members.	Participants		05 Aug 16 → 12 Aug 16 → 26 Aug 16	Market Trial Problem Solving Session
A120 Action 17	Develop a summary sheet of where information is on the Xoserve website and SharePoint (e.g. iGT data on different SharePoint site to others).	In progress.	Xoserve		31 Aug 16	Market Trial Problem Solving Session
121 Action 18	Ensure participants reporting blocked scenarios are making submissions into defect prioritisation process.	In progress. PwC and Ofgem are following up with individual organisations as appropriate.	PwC		End of market trials	Market Trial Problem Solving Session
Action 122 Action 19	Identify sample of defects where Market Participants have not received a complete response or outbound file, and do root cause analysis.	Update following PNDG on 23 Aug 16: Xoserve are looking into both 'no response files' and 'incorrect data'. Incomplete and missing data, analysed 1/3 of data and 50% are due to code issues and have been resolved/deployed. Xoserve are currently reviewing the 'no response files', updates at the next PNDG. Due date deferred to 06 Sept 16.	Xoserve		23 Aug 16 → 06 Sept 16	Market Trial Problem Solving Session

Planning Confidence Actions

Action #	Action	Progress	Owner	Status	Due	Forum
Action 123 Action 20	Undertake a review of P3 defects to identify any that do not need to be fixed for go-live. Agree these with the market participants.	<p>Update following PNDG on 23 Aug 16: Initial P3 prioritisation completed at end of July but these P3's have now been resolved. Xoserve and PwC are working together to bring this process into the established Defect Prioritisation Process.</p> <p>Propose to move due date to 23 Sep 16 for a second review, that falls within the new date of the conclusion of Market Trials testing.</p>	Xoserve		31 Aug 16 → 23 Sept 16	Market Trial Problem Solving Session
A107 Action 4	Market Participants to confirm detailed data requirements for regression via the MTWG representatives.	<p>Update following PNDG on 23 Aug 16: Up to the deadline Xoserve received 25 responses which are currently being analysed to assess complexity. Xoserve is following up with individual organisations as appropriate. Action is now closed.</p>	Participants		03 Aug 16 → 19 Aug 16	Market Trial Problem Solving Session
A109 Action 6	Determine the date 'NRL' annual updates will be available for MT.	<p>Update following PNDG 09 Aug 16: High level plan of re-design activities was shared verbally at PNDG with testing being completed and deployment to MT environment by end of August. Annual NRL/NNL will be issued in September.</p>	Xoserve		05 Aug 16	Market Trial Problem Solving Session
A112 Action 9	Hold initial RGMA task force to scope the issue, identify causes and develop an action list with due dates and accountabilities (include iGT RGMA baseline).	<p>Update following PNDG on 23 Aug 16: 2 RGMA sessions have been held. First session held 18 Aug 16, focusing on New Connections process and inconsistencies in iGT & Xoserve RGMA file formats. The issue regarding the IX solution was resolved and incorrect naming conventions was identified as the cause of the problem.</p> <p>The second workshop was held on 24 Aug 16. At that session the file formats were agreed. This action is now closed.</p>	Participants		05 Aug 16 → 18 Aug 16 → 06 Sept 16	Market Trial Problem Solving Session

Planning Confidence Actions

Action #	Action	Progress	Owner	Status	Due	Forum
A117 Action 14	Industry participants to review the 'single version of the truth' and provide responses over the impact of the current delivery dates. Schedule a workshop to review all open design decisions, outstanding functionality and change requests and agree the impact on MT timelines.	<p>Update following PNDG on 23 Aug 16: Final Workshop held 22 Aug. In light of feedback received, Ofgem noted that DUC and ERR/FRJ change requests will not be delivered. A substantive note will be circulated by 26 Aug 16. This action and the related issue (I018) will be closed.</p> <p>Participants are asked to review the Ofgem decisions, identify impacts and possible mitigating actions in the absence of these changes. If appropriate, these will be captured as new risks/issues.</p>	Participants and PwC		08 Aug 16 → 23 Aug 16	Market Trial Problem Solving Session
A118 Action 15	Lead process walkthroughs in Targeted Areas (e.g. SPA, RGMA and iGTs).	<p>Update following PNDG on 23 Aug 16: An iGT walkthrough took place 17 Aug 16. No further process walkthroughs are planned as Market Participants have not expressed interest for these. This action is now closed.</p>	Participants and Xoserve		08 Aug 16 → 12 Aug 16 → 26 Aug 16	Market Trial Problem Solving Session
A119 Action 16	Provide list of frequently asked queries / themes on Xoserve website.	<p>A guide is published on Xoserve.com to include helpful information to customers in MT from defects, queries which are raised through MT. http://www.xoserve.com/wp-content/uploads/MT-L3-Defect-FYIs14.pdf</p>	Xoserve		19 Aug 16	Market Trial Problem Solving Session
A124	Consider format of plan review at PNDGs and Confidence checkpoint. Share approach prior to next PNDG.	<p>Next Steps:</p> <ol style="list-style-type: none"> 1. Baringa will present on Xoserve's planning process and plan assurance at 23 Aug 16 PNDG. 2. Xoserve will host a workshop to review their plans. 3. WebEx walkthrough at the 06 Sep 16 PNDG. 4. Face-to-face constituency meetings will be scheduled for w/c 12 Sep 16. 	PwC		23 Aug 16	PNDG

Replan Update

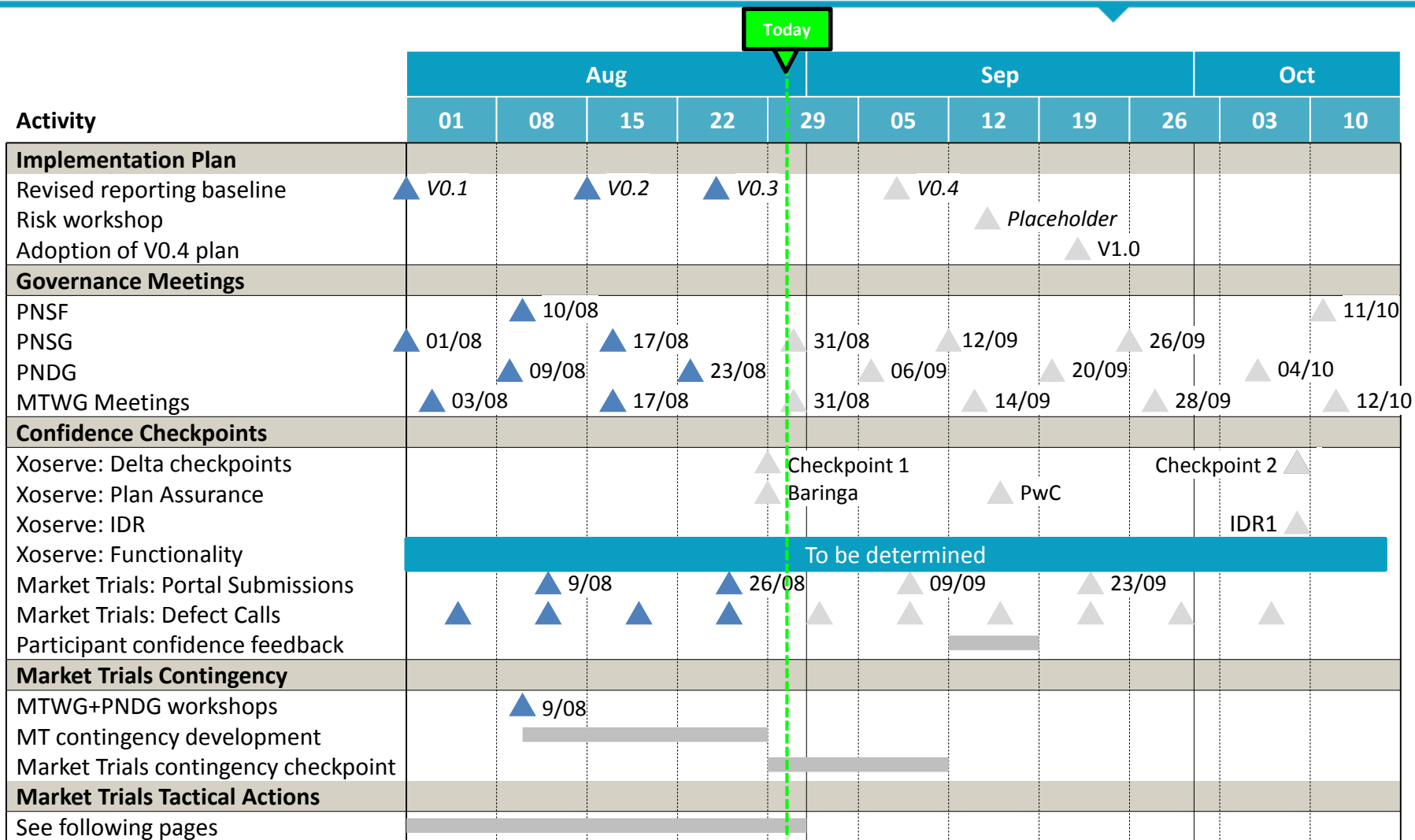
Plan Confidence Dashboard



Area	Criteria	Desired outcome	Due Date	Last Period	This Period	Trend	Comments
Xoserve plan	Delta	Delta checkpoint 1: Delta TC1 defect fix validation – i.e. sufficient defect closure.	29/08	In Progress	In Progress	-	Extract, transform and load activities have completed and validation in progress.
Xoserve plan	Assurance	Plan assurance complete (Baringa).	29/08	In Progress	In Progress	-	Baringa are providing assurance at a detailed level within each workstream and at an overall plan level.
Xoserve plan	Assurance	Plan assurance complete (PwC).	16/09	Not Started	In Progress	-	Initial kick-off meetings held and engagement underway.
Xoserve plan	IDR	NED checkpoint 1: Post-IDR1 NED performance (time and quality).	09/10	Not Started	Not Started	-	
Xoserve plan	Delta	Delta checkpoint 2: Post-IDR1 Delta performance (time and quality).	09/10	Not Started	Not Started	-	
Xoserve	Functionality	Remaining functionality delivered to plan. Clarity on changes.	TBA				Decision taken to defer DUC and EER/FRJ. AMR Agency is implemented and agreed that Gas Act Owner and DMM SOQ and SHQ should be in place prior to regression
Market Trials	New defect rate	Sustained reduction in new defects raised rate.	Weekly	↑	↑	↑	There was a decline in defects opened from 24 to 16.
Market Trials	Defect closure rate	Sustained increase or sustained performance on defect closure rate.	Weekly	↓	↓	↓	Closure rates are falling with a decline in defects closed 46 to 23.
Market Trials	RAG assessment	Portal submission showing a participant MT RAG status that indicate a clear majority of participants can complete.	26/08 09/09 23/09	↑	↔	↔	All participants except 1 continue to rate themselves amber or green for completion by end of September.
Market Trials	MT Completion run-rate	Portal submissions showing sustained increase in run-rate that allows confidence in a forward prediction.	26/08 09/09 23/09	↓	↔	↔	Run rate remained relatively stable at 1.9% compared to 2.2%. Actions underway to follow up with some participants.
Industry Plan	Assurance	Participants have reviewed the plan.	30/09	Not Started	Not Started	Not Started	Meetings scheduled for week of 12 September

Note: Further update to be included in PNSG slides subsequent to 30 Aug 16 analysis of Portal submission on 26 Aug 16.

Plan Confidence



Today

Milestone RAG Key:

- ▲ Industry Milestone
- ▬ Industry Activity
- ▬ Contingency
- ▲ Complete
- ▲ On Track
- ▲ Risk to individual milestone(s)
- ▲ Risk to go-live
- ▲ On Hold
- ➔ Slip/expected delay of milestone

Evolution of Plan

	V0.1 (1 Aug)	V0.2 (12 Aug)	V0.3 (25 Aug)	V0.4 (8 Sep)	V1.0 (22 Sep)
Plan on a Page	Reporting baseline put to PNSG	Appropriate revisions to reporting baseline	Appropriate revisions to reporting baseline	Appropriate revisions to reporting baseline	Revised Implementation Plan
Milestones Log	First draft shared with PNSG	Revised draft – ongoing validation of milestone dates, acceptance criteria & descriptions	Revised draft – ongoing validation of milestone dates, acceptance criteria & descriptions	Revised draft – ongoing validation of milestone dates, acceptance criteria & descriptions	V1.0
Assumptions Log		First draft	Revised draft – ongoing validation of assumptions	Revised draft – ongoing validation of assumptions	V1.0
Dependencies			First draft shared with PNDG	Revised draft – ongoing validation of dependencies	V1.0

Today

Increasing Plan Confidence

Programme Governance

Dates of upcoming meetings

Constituent	Date & Time	Location
Six Largest Shippers	Monday, 12 September 09:30 – 11:00	Conference Room 1, Ofgem
iGTs	Monday, 12 September 11:30 – 13:00	Conference Room 1, Ofgem
Challengers Shippers	Tuesday, 13 September 11:00 – 12:30	Boardroom, Ofgem
GTs	Tuesday, 13 September 15:30 – 17:00	Boardroom, Ofgem
I&C Shippers	Thursday, 15 September 15:00 – 16:30	Boardroom, Ofgem

Programme Governance

Dates of upcoming meetings

Governance Body	Date & Time	Location
Project Nexus Sponsors Forum	Monday 10 October @ 9:30 – 10:30	Conference Room 9, Ofgem
Project Nexus Steering Group	Monday 26 September @ 10:00 – 12:00	Conference Room 1, Ofgem
	Monday 24 October @ 10:00 – 12:00	EP Room 1.2 , PwC Embankment Place
	Monday 21 November @ 10:00 – 12:00	Conference Room 1, Ofgem
	Monday 23 January @ 10:00 – 12:00	Conference Room 1, Ofgem
	Tuesday 20 September @ 10:00 – 12:00	Conference Room 1, Ofgem office* <i>*This in person PNDG is subject to change</i>
Project Nexus Delivery Group	Tuesday 5 October @ 10:00 – 12:00	WebEx
	Tuesday 18 October @ 10:00 – 12:00	WebEx
	Tuesday 1 November @ 10:00 – 12:00	WebEx
	Tuesday 15 November @ 10:00 – 12:00	WebEx
	Tuesday 29 November @ 10:00 – 12:00	WebEx
	Tuesday 13 December @ 10:00 – 12:00	WebEx
	Tuesday 17 January @ 10:00 – 12:00	WebEx

Review of Programme Governance

- A number of participants have expressed concerns with the current governance structure – particularly the lack of a face-to-face PNDG.
- Concerns are not universally expressed across all participants with some supporting the WebEx format.
- The original proposal was for a smaller constituency based PNDG. The idea behind this was to form a cohesive group of project managers that could work together to jointly problem solve.
- This proposal was rejected by participants in favour of an all party PNDG.
- We have been considering how best to move forward on this issue and have developed a number of options set out on the next page.

1

Continue broadly as is

Continue with the current format and seek to further drive detailed discussion down in to the working groups. Hold ad hoc PNDG meetings face-to-face at critical points in the project.

- Attendance at existing groups needs to be revisited
- Provides ability for face-to-face at critical points e.g. during re-planning
- Lacks small group of PMs to take ownership and leadership

2

Original representative PNDG model

Dispense with the current PNDG format and form a representative PNDG as originally proposed.

- Loose current all hands broadcast
- Provides focused small group of PMs to take ownership and leadership
- Constituency based

3

Risk and Issues Advisory Group

Form a group that meets prior to each (or prior to alternate) PNDG meetings to review programme risks and mitigations as an input to the PNDG.

- Maintain current all hands broadcast
- Provides focused small group of PMs to review programme risks and provide the PMO advise and guidance on completeness of risks and mitigations
- Non Risk and Issues Advisory Group members have opportunity to engage through PNDG as now

4

Re-purpose PNSG

Repurpose the PNSG into a PM forum. Adjust attendance accordingly

- Provides focused small group of PMs to take ownership and leadership
- Loose steering function of PNSG

5

All hands face-to-face PNDG

Run some or all PNDGs face-to-face with all hands invites

- Could be argued to be an inefficient use of time
- Favours large organisations
- Lacks a small group of PMs to take ownership and leadership