

PNSF Meeting Minutes

1.1. Purpose

The purpose of this document is to capture details of the Project Nexus Steering Forum meeting so that it can be used for wider sharing and confirm any follow up actions.

1.2. Meeting Details

Meeting Name:	Project Nexus Steering Forum
Meeting Date:	10/10/2016
Meeting Time:	09:30 am – 10:30am
Meeting Format/Location:	Ofgem 9 Millbank, London
Chaired by:	Dermot Nolan
Minutes recorded by:	PwC

1.3. Meeting Attendees

Company	Representatives	Company	Representatives
Baringa	James Beverley	Ofgem	Jon Dixon
	Matt Adams		Nicola Garland
British Gas	Catherine O’Kelly		Rob Salter-Church
Cooperative Energy	Rin Purwale		Tricia Quinn
Co-Operative Energy Limited	Mark Billsborough	PwC	Gill Williams
			Melisa Findlay
			Steve Mullins
DONG Energy	Jemma Woolston	Scotia Gas Networks	Andrew Quail
Energetics Gas Limited	Mark Cummings	Scottish Power	Douglas McLaren
ENGIE	Hamid Aghassi	SSE	Daniel O’Hara
E.ON Energy	Steve Nunn	Utilita	Alison Russell
ES Pipelines	Robert Wallace	WINGAS UK Limited	James Kleiner-Mann
Flow Energy Ltd	Robert Cameron-Higgs	Xoserve	Chris Murray
National Grid Transmissions	Chris Logue		Paul Toolan
NGGDL	Paul Rogers	TBD	Tim Hammond
Npower	Jonathan Stamp	TBD	Andy Duns

1.4. Meeting Agenda

1. Welcome and Introductions
2. New Project Nexus Implementation Plan
3. Project Status
4. Overview of Replan Assurance Activities
5. Discussion on Driving Delivery of New Implementation Plan
6. Forward Look to Next Meeting and AOB

1.5. *Actions arising from 10 Oct 2016 meeting*

No actions were raised in this meeting.

1.6. *Meeting Minutes*

Item 1: Welcome and Introductions

Introduction

1. Dermot Nolan (Ofgem) opened the meeting as the chair.
 2. Dermot Nolan reminded attendees that the Project Nexus Sponsors Forum (PNSF) exists for senior sponsors to engage and commit to the programme. This is an important time in the programme as the new plan has been adopted and this will require commitment from all parties.
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Item 2: New Project Nexus Implementation Plan

3. Rob Salter-Church (Ofgem) provided an overview of the industry process which Ofgem led to develop a new implementation plan and that the Project Nexus Steering Group (PNSG) has approved the new plan by consensus. The new plan was balancing the need for good delivery confidence with a plan that delivers the benefits for consumers as soon as possible and limits the additional industry expenditure on the project.
 4. Some of the key differences with the new plan was that it has been subjected to external independent assurance, it had removed parallelism in the plan and included some contingency on critical activities.
 5. Implementation is planned for Summer 2017, with a new date of 1 June with a fall back to 1 July. It was explained that three checkpoints had identified as a means to gain greater certainty on delivery and determine whether to retain the 01 Jun 16 go live or invoke the contingency (Slide 3).
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Item 3: Project Status

Overall Programme Status

6. An overview of the programme status was provided by Steve Mullins (PwC) (Slide 4)
 - The movement from 01 Apr 16 go live to 01 Jun 16 has removed aspects of the parallelism previously in the plan and now includes a new Managed Market Trails phase.
 - The plan is rated as Amber/Green.
 - The key areas that drive the amber/green status are Market Trials and Data.
 - For Market Trials, as of 30 Sep 16 the Managed Market Trials has begun.
 - Good progress is being demonstrated with 6 Market Participants (1 of the 6 largest shippers, 2 IC, 2 Challengers, 1 GT) declaring themselves complete. Success is still dependent on Market Participants continuing to press ahead and on Xoserve resolving defects and delivering the functionality to plan. Xoserve confirmed it closed more than 50 defects over the previous weekend and had delivered the invoice reconciliation files in line with the agreed dates.
 - Collaboration between Xoserve, participants and PwC is required in this phase to ensure blocking issues are addressed and ways are found to maintain progress.
 - For Data, the Amber/Green status comes about due to two reasons. Firstly, the Xoserve's Delta Data Load process was still currently undergoing testing. This process is required for cutover. And, secondly, due to data reconciliation between Xoserve, IGTs and Shippers. For the latter there is new process being put in place.

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- Project Delivery was rated Amber/Green due to Performance Testing running slightly late to plan but this is not on the critical path of the overall programme.

Item 4: Overview of Replan Assurance Activities

7. Gill Williams (PwC) provided an overview of the PwC Assurance work (Slides 5 and 6), outlining the scope as answering the following questions:
 - Is the plan complete and reasonable, in that it includes:
 - i. An appropriate level of scope and all the planning elements we would expect based on our knowledge of the programme
 - ii. Logical dependencies between planning elements
 - iii. Sufficient time to deliver the planning element
8. The findings of the PwC assurance work have been reviewed with Xoserve and Ofgem. PwC found that a robust approach was taken by Xoserve to develop the plan and some features that were not in the original plan have been added (e.g. more contingency) and reduce the risk associated with the plan resulting in Amber/Green results across the three areas:
 - Consistency with Industry Plan
 - Complete and Reasonable
 - Capacity and Compatibility
9. The contrast to the previous Deep Dive findings for the 01 Oct 16 go live and the PwC Assurance work on the 01 Jun 17 go live on Delivery Risk (Slide 6) show the improved delivery confidence. Note: PwC's earlier Deep Dive looked at Xoserve's central system delivery for a 1 Oct 16 go-live. PwC's latest review of Xoserve's delivery for 1 Jun 17 relates to Xoserve's plan only.

Item 5: Discussion on Driving Delivery of New Implementation Plan

10. In response to questions from attendees on the confidence in the new plan the following details were provided:
 - Market Participants have different test plans and these are being completed at different paces.
 - It is noted that late delivery of the invoice thick files has and continues to cause delays to testing. Despite this, some Market Participants have been able to complete Market Trials as not all Market Participants use these files.
 - Chris Murray (Xoserve) stated that out of 103 open defects at the start of w/c 3 Oct 16, 59 of these have been resolved and will be released this week. Xoserve recognises the importance of continuing to deliver defect fixes to allow participants to complete their testing.
 - Gill Williams stated there has been positive feedback from Market Participants throughout Market Trials with an average of 31 providing detailed portal submissions to inform programme reporting. These submissions are challenged by PwC and Ofgem for validity. The results of these submissions are not visible to Market Participants (due to confidentiality) but it does give confidence to Ofgem, PwC and Xoserve who have sight of the results.
 - Market participants need to continue to press ahead with testing and continue to find pragmatic ways of working round issues and problems.
11. It was noted there was consensus by the PNSG regarding this new plan. In response to a question asking if there were any points of disagreement Rob Salter-Church advised all parties agreed Market Trials and Data were the key areas that were discussed at the PNSG:
 - Whether Managed Market Trials will conclude on time. Ofgem, PwC and Xoserve have sight of all remaining test plans and have a good degree of confidence in the conclusion of these with the Xoserve resources mapped to these. This may differ from individual Market Participants who only have sight of their own plan.

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- Dermot Nolan advised the programme would not move at the pace of the slowest Market Participant
 - On data, it was recognised that this was on the critical path and the overall level of confidence was reliant on Xoserve progress with their first dress rehearsal
12. Whether to include an Industry Integrated Dress Rehearsals (Industry IDR) was also noted as a point of discussion to reduce risks in the plan. It was noted that this suggestion was discussed during the replanning process, but was not been supported by other Market Participants. PwC explained how the potential risks were being mitigated through areas in the plan:
 - Xoserve's internal IDRs covering system functionality and the cut over.
 - IDR 0 (paper-based) for all participants as an in room exercise over the next few months.
 - Risk and Issues Advisory Group is now in place as a forum to look forward at the programme and associated risks. This group is scheduled to meet on a fortnightly basis and will flex membership as needed to address the concerns of the programme. The group discussed this risk and agreed to consider it in more detail at a future meeting.
 13. The forum discussed the use of contingency. Ofgem confirmed that all parties should be committed to a 01 Jun 17 go live. However, it was wise to have a contingency date (in this case 01 Jul 17) for a large scale programme like Project Nexus. It was also noted that the 01 Jun 17 plan has within it some embedded contingency that can be invoked without the need to shift the date.
 14. Dermot Nolan concluded the discussion reminding attendees that the plan has developed over many weeks with input from all parties. This Amber/Green plan has been approved by PNSG and reflects a balance of achievability and expenditure. Ofgem would now hold Xoserve and Market Participant to account for their contribution and commitment to the plan, including through potential new licence obligations.

Item 6: Forward Look to Next Meeting and AOB

15. The next PNSF will be held in early 2017, tying into key milestones within the plan.