

PNSG Meeting Minutes (Interim)

1.1. Purpose

The purpose of this document is to capture details of the Project Nexus Steering Group meeting in order to 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 (Interim) |
| Meeting Date: | 06 Feb 17 |
| Meeting Time: | 10:00 am – 11:15 pm |
| Meeting Format/Location: | WebEx facility |
| Chaired by: | Rob Salter-Church |
| Minutes recorded by: | PwC |

1.3. Meeting Attendees

| Group | Company | Representatives | Company | Representatives |
|---------------------|--------------------|------------------------|----------------|---|
| 6 Largest Suppliers | Scottish Power | Angela Love | Ofgem | Rob Salter-Church Jon Dixon Nicola Garland Tricia Quinn |
| | Npower | Chris Harden | | |
| Challenger | Utilita | Ali Russell | PwC | Steve Mullins Andy Sinclair Collin Bezant Richard Shilton Melisa Findlay Brett McGowan |
| | Flow Energy | Robert Cameron Higgs | | |
| GT | SGN | Steve Simmons | | |
| I&C | DONG Energy | Lorna Lewis | | |
| | ICoSS Group | Gareth Evans | | |
| iGT | Brookfield Utility | Mike Harding | Xoserve | Lee Foster Paul Toolan Steve Nunnington |
| | National Grid | Chris Warner | Baringa | Matthew Adams |

1.4. Meeting Agenda

1. Agenda and approval of minutes
2. Contingency Checkpoint 3 Decision
3. Programme Risk Landscape
4. POAP Decisions
5. Appendices
6. AOB

1.5. Decision Log

| Decision # | Pillar/ Milestone | Decision | Decision Owner | Status | Target Date |
|------------|---|---|----------------|---------------|-------------|
| D019 | Data | <p>PNSG were asked to ratify the recommendation by PNDG for an extension to milestone D3.4 iGT Data Reconciliation - Activities Completed to GONG Requirements delivery date.</p> <p>From: 23 Feb 17</p> <p>To: 24 Mar 17</p> | PNSG | Closed | 06 Feb 17 |
| Status: | Endorsed at PNSG held 06 Feb 17. Agreed extension of D3.4 milestone. | | | | |
| D20 | Market Trials | <p>PNSG were asked to ratify the recommendation by PNDG for a new milestone for to be included within the Market Trials POAP for the definition by Xoserve of a standard regression testing pack.</p> <p>The proposed Milestone is:</p> <ul style="list-style-type: none"> ● MT2.7 - Standard Xoserve Regression Test Pack in place. ● With a completion date of 24 Feb 17. | PNSG | Closed | 06 Feb 17 |
| Status: | Endorsed at PNSG held 06 Feb 17. Approved creation of new milestone MT2.7 | | | | |
| D021 | Data | <p>The final of three contingency checkpoints scheduled within the Project Nexus programme was reached on 27 Jan 17.</p> <p>Based upon the successful completion of Delta and iGT TC5s and evidence provided by Xoserve, Ofgem's indicative decision was that there is no requirement to invoke the use of the planned contingency period and delivery will continue against a 01 Jun 17 go-live date.</p> <p>The PNSG were asked to endorse the recommendation not to invoke the planned contingency at this checkpoint.</p> | PNSG | Closed | 06 Feb 17 |

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| Status: | Endorsed at PNSG held 06 Feb 17. Approved decision made not to invoke planned contingency. Project Nexus go live remains at 01 Jun 17. |
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1.6. Actions arising from the meeting on 06 Feb 17

| Action # | Pillar/ Milestone | Action | Action Owner | Status | Date Raised | Due Date |
|----------|------------------------|---|--------------|--------|-------------|-----------|
| A227 | Market Trials and Data | Xoserve are to confirm how data defects and fallout are to be presented through IDRs 2 and 3 and during Go Live and present this to DMG and a summary to the next PNSG forum. | Xoserve | Open | 06 Feb 17 | 20 Feb 17 |
| A228 | Programme | As part of the upcoming review of risks/issues by RIAG consider how risks/issues can best be communicated to PNSG going forward. | Ofgem/ PwC | Open | 06 Feb 17 | 20 Feb 17 |

1.7. Meeting Minutes

Item 1: Opening remarks and approval of minutes

1. Rob Salter-Church (Ofgem) opened the PNSG by welcoming attendees and articulating that the focus for this session would be the ratification of Ofgem's indicative decision to pass contingency Checkpoint 3. Also noting;
 - This is an interim PNSG which is why the forum would not see the usual progress updates and workstream statuses.
 - In addition, there are two further decisions regarding the POAP which this forum will be required to consider.
 - As a precursor to the next RIAG discussion an overview of the Programme Risk Landscape will also be provided to allow this forum to identify any key areas which might be missing.
2. No comments or questions were received on the 23 Jan 17 set of meeting minutes and these were taken as approved. The minutes will be posted on the Ofgem website:

<https://www.ofgem.gov.uk/gas/retail-market/market-review-and-reform/project-nexus>

Item 2: Contingency Checkpoint 3 Decision

3. Steve Mullins (PwC) reiterated the context behind the key activities informing the PNSG ability to ratify D021, the contingency checkpoint 3 decision (slide 3) noting;
 - 3 checkpoints were included to enable a managed extension of the 01 Jun 17 Go Live date should it be required by the Programme.
 - The criteria for Checkpoint 2 and Checkpoint 3 was amended to include additional

requirements making it harder to pass these key milestones.

- For Checkpoint 3, Xoserve have a high level of confidence in both the iGT data load (as reported at last PNSG) and now also on the delta testing.
- Based on reports from Xoserve, Ofgem issued an indicative decision on the 02 Feb 17 that contingency would not be required and remain committed to the 01 Jun Go Live date.

4. Lee Foster (Xoserve) presented Xoserve supporting information on the delta data solution (slide 4 - 20) noting;

- As at the 31 Jan 17, all outstanding delta defects have now been closed.
- IDR preparation was started over the weekend ahead of schedule.
- An overview of Delta TC5 was provided noting that:
 - i. At the commencement of the cycle there were 6 defects outstanding for retest.
 - ii. These 6 were successfully proven and closed out.
 - iii. 13 new defects were identified.
 - iv. All of these have now been fixed and retested (an update from the position set out in the slide pack).
 - v. As at the time of the PNSG there are no outstanding delta defects.
- *Note: iGT TC5 information was shared in the slide pack but was not reviewed at this session as it had been previously covered at the PNSG meeting on 23 Jan 17. No further questions were raised by PNSG members regarding iGT TC5 at this meeting.*

| Question | Response |
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| 1. Noting the detail regarding data defects is not being covered in this meeting, where is this going to be covered? | Defects will continue to be discussed at DMG as well as with PwC from a data assurance perspective. |
| 2. What will be the process for reporting / managing newly identified data defects, should they arise? | The specifics of reporting are being worked through. It is envisaged that this will be via Xoserve internal governance process which will be discussed at the DMG and include information sharing the PNDG if required. Action A227 was taken in this regard. |
| 3. Where does the use of any further contingency sit now that all 3 planned Contingency Checkpoints have been reached? | The 3 Contingency Checkpoints were planned to enable a managed movement of the Go Live date, should it have been necessary. We are now passed that point and if any further issues arise that impact Go Live then replanning activities will be required. This replan could lead to a new Go Live date of 01 Jul 17 or beyond that and would be dependent on the circumstances. Ofgem and Xoserve have a very strong commitment to achieve the planned Go Live date (01 Jun 17). The focus now needs to be on participants, Xoserve and Ofgem jointly identifying solutions to any issues which threaten the go-live. |

5. Rob Salter-Church then noted:

- The hard work and commitment Xoserve have shown that has resulted in getting to a good data position for Contingency Checkpoint 3.
- The Contingency Checkpoint 3 decision was approved. The 01 Jun 17 Go Live date is maintained.

Item 3: Programme Risk Landscape

6. Steve Mullins (PwC) provided an overview of the Programme Risk Landscape which has been created to summarise key areas of programme concern and identify monthly trends and forecasting (slide 20 - 24). Noting;
- A number of areas (e.g. delta, bulk and iGT data loads) have trended positively over the last few months.
 - As is typical in a large programme of this nature when concern in one area abates another area comes to the fore.
 - The current top areas of concern are: inflight development and testing and the catch up process. The catch up volumes largely relate to items being uncovered through participant discussion that intend to cutover a week prior to NED cutover.
 - The risk profile of these areas has deteriorated but mitigation has been put in place in the form of
 - For in flights:
 - i. an inflight working group;
 - ii. co-location of teams in India; and
 - iii. a process to ensure a rapid response to discuss fixes vs fallout.
 - For catch-up:
 - iv. Xoserve to provide TPG on 7 Feb 17 greater clarity on their expectations;
 - v. Industry to respond to Ofgem’s email on cutover timings (3 Feb 17) by close of business on 8 Feb 17; and
 - vi. There will then be a process to work through exceptions.
 - There is also risk around gaining clarity over the steps required as we progress through the transition process. The TPG scheduled for 21 Feb 17 is expected to present a solution.
 - The risk areas on these slides will be fed into the next RIAG meeting which is focusing on key go-live risks.
7. For in flights. Paul Toolan (Xoserve) added the following updates;
- Co-location of the Xoserve team in India enables both teams to ‘get ahead of the game’. The plan outlining how this will be managed will be shared at the TPG but this has provided Xoserve with additional confidence.
 - Testing continues this week and an update will be provided to the in flights working group on Friday.

| Question | Response |
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| 4. Are in flights on track and can we receive bi-weekly reporting? | There is nothing that Xoserve see as insurmountable and Xoserve will start bi-weekly reporting with PNSG and in flights working group. <i>Note: It was flagged that detailed discussions regarding in flights will continue to take place at the in flights working group, and not be the focus of PNSG so as to avoid duplication and confusion.</i> |
| 5. Can anyone attend the in flights working group? | Yes |

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| <p>6. Has work stopped on Ratchets, Capacity Amendments and Unique sites? If so, what are Xoserve plans to develop these?</p> | <p>Xoserve are not continuing to build new systemised inflight system solutions to these areas.</p> |
| <p>Risk: UNC arena - series of transitional UNC modifications are being undertaken, from shippers concerning the requirement for a 2017/18 AQ review. There is a concern that the modification precludes this taking place. If Project Nexus is delayed then there wouldn't be an AQ review. PNSG should be aware because this represents a significant risk to the programme due to resources.</p> | <p>It was noted that work on a 2017 AQ review would divert Xoserve and shipper resource away from Project Nexus. This needs to be considered as to what extent people want this to be carried out given it is an obsolete process post Project Nexus Go Live.</p> |
| <p>7. Can we add a generic risk around the clarity with which defects are reported in MTR and how it is agreed what is fixed and what is deferred to post go-live?</p> | <p>The Risk Log will be reviewed and if there isn't already a risk covering this specifically, a new risk will be added and discussed at the next RIAG.</p> |
| <p>8. Previously it was stated that achieving two clean IDRs was necessary to enable the programme to continue into Go Live, is this still the case?</p> | <p>This requirement stems from the fact that we move into a fix forward situation from the start of the NED. Given this, we need a high degree of certainty before we pass that point that the cutover will work as planned. It remains the case that we will be looking for two clean IDRs. However, clean should not be interpreted to mean perfect. Rather it means that any problems have been clearly identified, have remediation actions and that there is a high degree of confidence in the solution. The proximity of IDR2 and IDR3 mean by definition that any problems encountered in IDR2 must be quickly resolvable - otherwise the entry criteria for IDR3 will not be met. Xoserve also noted that IDR is a test not only of the technical processes but also the human processes and procedures.</p> <p>Ofgem have asked Baringa to carry out work to assure Xoserve's entry into IDR 2 and 3. PwC are also working on a day by day plan spanning IDR 2 to cutover to identify all key decision points, artefacts and governance processes during this time. This will be shared at the face to face PNDG on 14 Feb 17 and the next PNSG.</p> |
| <p>9. Is the Risk Landscape a living document to be built out as new risks are identified and existing ones evolve?</p> | <p>Yes, this will feed into the RIAG and RAID log which will be the primary method of risk management. The criticality will be managed via the RIAG who will focus on those activities that could derail Go Live.</p> |

Item 4: POAP Decisions

8. Melisa Findlay presented the two further actions to the PNSG forum for approval (slides 25 - 27), noting the following;

- D019 - Milestone extension to D3.4 iGT Data Reconciliation - This milestone is not required until IDR 3 and an additional month will allow for further discussions between iGTs and Shippers, clarifying the outstanding queries and providing greater visibility of the work done to date for Shippers. There is no impact to milestones or changes to Go Live - This action was endorsed.
- D020 - New Milestone MT2.7 Standard Xoserve Regression Test Pack in place. There will be no impact to any Milestones or the Go Live - This action was endorsed.
- In recognition of these two accepted decisions an updated Milestone, Action, Decision (MAD) log and Plan on a page (POAP) (V1.4) will be issued next week to the PNDG and PNSG distribution lists.

Item 5: Appendices

9. Melisa Findlay provided an update on the Governance meetings (slides 29), noting the following:
 - The RIAG scheduled for 02 Feb 17 was rescheduled to ensure maximum attendance. This will now occur on the 16 Feb 17 and will focus on key risks to go live and a review of the RAID log.
 - The next PNDG will be a face to face session, held in Solihull. The agenda will include a review of the Day by Day plan, Data and Transition, MT Regression / GONG.
 - The PNSG scheduled for 20 Feb 17 is likely to be rescheduled for the 01 Mar 17. Date to be confirmed later this week.
 - The next PNSF will be held on 17 Feb 17 at Ofgem, those who have been invited are asked to confirm attendance.

Item 6: AOB

10. Rob Salter-Church brought the meeting to a close by thanking participants and noting the following:
 - The decisions taken today were an important set, particularly the decision not to enact the contingency at Checkpoint 3, which is the last opportunity for a programmed delay. Focus is now firmly on achieving a 01 Jun 17 Go Live.
 - Xoserve were also thanked for their hard work on Data and achieving 0 defects.

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