



Project Nexus Steering Group [PNSG]

Go Live Decision

15 May 2017

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Section 1

Executive Summary

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Agenda

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Purpose of this Document

- The purpose of this document is to provide information to support the final industry Go Live Decision (GLD) which is expected to be taken on 17 May 17 and ratified on 19 May 17.
- In addition, supplementary reports will be produced containing additional detail to support the GLD.
- Where supplementary reports are available, they are referenced throughout this document. Reference numbers (i.e. N#.#) are aligned to those on V2.6 of the Go Live Governance plan.

15 May 17

Reports:

- A. PNSG - Go Live Decision Report (N18.0)
- B. Ofgem's Covering Letter for Go Live Decision Report
- C. Xoserve's CEO Cover Letter
- D. Baringa UKLP GONG Final Report (N17.0)
- E. Accepted Risks Extract (N1.0) and link to the Risk, Assumptions, Issues and Decisions Log (N1.0)
- F. Glossary for PNSG GLD Report

Meetings:

- 3:00pm - Broadcast - Go Live Decision pack walkthrough
- 4:00pm - I&C Constituency

16 May 17

Reports:

- None

Meetings:

- 11:00am - iGT Constituency
- 2:30pm - Challenger Constituency
- 3:00pm - GT Constituency
- 4:00pm - Large Shipper Constituency

17 May 17

Reports:

- None

Meetings:

- 10:00am - PNSG to make indicative decision @ Ofgem - Conference Room 1

18 May 17

Reports:

- None

Meetings:

- 4:00pm - GT Constituency

19 May 17

Reports:

- PNSG - GLD Report with any supporting material as requested in the PNSG on 17 May 17

Meetings:

- 10:00am - PNSG to confirm indicative decision @ Ofgem - Conference Room 1

Go Live Decision

#	Decision	Due Date	Areas of Programme Affected	Comments	Outcome
D029	<p>Go Live Decision</p> <p>The PNSG is asked to approve Go Live for Project Nexus for 01 Jun 17 based on the achievement of the success criteria as outlined on this slide, and in greater detail throughout this PNSG report. This is based on the information available to date (initially 17 May 17, subsequently 19 May 17).</p>	17 May 17	Project Nexus	<p>Decision is based on the following Success Factors, as outlined in the GONG framework:</p> <ol style="list-style-type: none"> 1. Solution meets industry requirements. 2. Stable. 3. Sustainable. 4. Enables a positive consumer experience. <p><i>The PNSG is asked to note the following key ongoing actions:</i></p> <ul style="list-style-type: none"> - <i>A1: Operational crisis scenarios: Prior to Go Live, the development and communication with the industry of the processes and some key scenarios for the management of operational crisis.</i> - <i>A2: PGL Support Processes: Prior to Go Live, the development and communication with the industry of some key scenarios for the management of defects, queries and account management post Go Live.</i> - <i>A3: Go Live functional defect and workaround position: The final position to be agreed with the industry on 16 May 17.</i> - <i>A4: Data defect position: The data defects outstanding at the conclusion of IDR3 are fixed prior to cutover (current plan 17 May 17) or moved to fallout.</i> - <i>A5: GONG closeout: Closeout of remaining actions relating to GONG.</i> <p><i>Further details on these key actions are provided on slides 6 to 9 and 51 to 53.</i></p> <p>The approval of this decision means all Market Participants and Xoserve will continue with all activities in preparation for Go Live on 01 Jun 17.</p>	Pending PNSG Decision

Ofgem Indicative Decision 1 of 4

The Ofgem Indicative Decision is that there is no reason to prevent the Go Live of Project Nexus on 01 Jun 17 in line with the Industry Plan On A Page (POAP).

Ofgem's indicative decision is that Project Nexus can Go Live on 01 Jun 17.

This position is supported by an assessment of whether the Project Nexus Success Factors have been met. As the new plan, which was put in place last year, has been executed, we have built confidence incrementally, that we can Go Live on 01 Jun 17. We have subjected Xoserve and Market Participants to independent assurance to verify the successful completion of the key phases of the plan. The Project Nexus Success Factors drive Ofgem's decision making and the outcome of analysis against these success factors can be summarised as follows:

1. Success Factor 1 - Solution meets industry requirements

- The functionality of the system has been extensively tested. Independent assurance of the exit from Market Trials and Market Trial Regression phases demonstrates that Xoserve's and industry's systems can support critical market processes.
- There is good data already in the system and robust, well tested methods for updating it. PwC* has independently assured the successful GT data Bulk Load completed by Xoserve with no data defects. The delta data load, migration of In Flights transactions and other data loads (including that for iGTs) have been tested and executed through Implementation Dress Rehearsals (IDRs) 2 and 3, as well as assured by Baringa and PwC.

2. Success Factor 2 - Solution is Stable

- The system meets the non-functional requirements agreed by industry as required for Go Live. Xoserve performance testing proved under stressed conditions that the solution can process 32 million meter reads daily. This has been deemed acceptable for Go Live by the PNSG.
- IDR2 and IDR3 have been conducted successfully by Xoserve within the planned timetable. Market Participants have conducted internal dress rehearsals as applicable to the scale of their implementation, as reported through GONG criteria.
- Ofgem is leaving existing programme governance arrangements in place for a period of time following Go Live to provide for stability.

**PwC's assurance services are for Ofgem purposes only, as set out in a range of Contracts and Statements of Work.*

Ofgem Indicative Decision 2 of 4

3. Success Factor 3 - Solution is sustainable

- Transition plans with appropriate contingency are in place across industry. In particular, Xoserve have a dedicated exception handling workstream and have modelled anticipated exception volumes to develop a scalable support model.
- The Post Go Live (PGL) Plan on a Page (POAP) has been baselined at PNSG on 11 May 17 and a PGL release approach has been developed with the key principle of maintaining code stability of the Nexus solution PGL.





4. Success Factor 4 - Enables a positive consumer experience

- We expect the benefits for Project Nexus to be realised for consumers and that industry has appropriate plans in place to mitigate implementation risk.
- Extensive market testing has focused on and proven core consumer-facing processes such as change of supplier and invoicing where it could affect consumer billing.
- Xoserve's SLAs are defined in the Data Services Contract and will not change with Project Nexus. Xoserve expects to meet these SLAs and has put in place a core/flex resourcing model to handle unexpected issues in the immediate PGL period.

At the final GONG assessment on 11 May 17, 37 Market Participants self assessed as 'Green' and three as 'Amber' for their preparations to Go Live. In addition, Xoserve have self-assessed as 'Green/Amber' against all of their readiness criteria, and this has been independently assessed by Baringa.

Ofgem's indicative decision is based on information and advice provided at the time of making this decision. Should new information become available, this decision may be subject to change. The remainder of this section expands on the above points providing additional information in support of the decision as well as outlining the caveats that need to be managed ahead of Go Live.


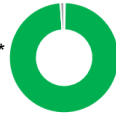

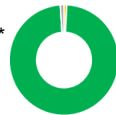
Ofgem Indicative Decision 3 of 4

Success Factor (*11 May 17)	Underpinning confidence elements	Exceptions to be noted (A 1 - 5 References relate to actions noted on slide 5)
<p>1. Solution meets industry requirements</p> <p>Xoserve </p> <p>Market Participant* </p>	<ul style="list-style-type: none"> - Successful exit from Market Trials (MT) and MT Regression (MTR) has demonstrated Xoserve's systems support the critical market processes. 36 Market Participants took part in MTR, testing across the industry agreed critical 'mandatory scenarios' for Go Live including Transfer of Ownership. - Successful GT data Bulk Load completed by Xoserve with no data defects, which has been subject to independent assurance by PwC. - Delta data load process has been tested and executed through IDR2 and IDR3, with 'fall out' In the end of April portfolio reconciliation less than 5000 MPRNs of 2.2m were not consistent between shipper, iGT, and Xoserve. - Of 219,084 In Flights transactions in IDR3, only 14 MPRNs fell out which would require action by Market Participants. - Market-wide system cutover plan has been developed and agreed through Transition Planning Group. 	<ul style="list-style-type: none"> - 128 Xoserve P3 functional defects require PGL fix, which is considered manageable. 105 have been accepted by industry with the remainder to proceed to the 16 May 17 industry defect call for acceptance (A3: <i>Go Live functional defect and workaround position</i>). - 168 workarounds have been identified by Xoserve of which 60 have been identified through MT. Of the 168 workarounds, 161 have been assessed by Xoserve as 'Low' or no operational impact with 2 as 'High' impact and '5' as 'Medium'. The business impact equates to 5.8 FTE. Of the 60 MT workarounds, 49 have been approved by industry with 11 to proceed to the 16 May 17 industry defect call for approval (A3: <i>Go Live functional defect and workaround position</i>). - At the conclusion of IDR3, there were 33 data defects. All of these are planned to fixed and deployed by 17 May 17. (A4: <i>Data defect position</i>).
<p>2. Solution is stable</p> <p>Xoserve </p> <p>Market Participant* </p>	<ul style="list-style-type: none"> - Xoserve performance testing proved that under stressed conditions the solution can process 32 million meter reads daily and the solution has been designed to be scalable with an expected lead time of 2-3 months agreed. - Gas Day Testing successfully completed within the 24 hour window proving that daily batch schedule can be executed. - Two Implementation Dress Rehearsals (IDRs) have been conducted successfully by Xoserve within the planned timetable. - Market Participants have conducted internal dress rehearsals as applicable to the scale of their implementation, as reported through GONG criteria. - Xoserve code stability has been defined and agreed with industry, Ofgem and PwC, monitored throughout the programme and assured by Baringa. 	<ul style="list-style-type: none"> - Operational crisis scenarios, need to be developed and communicated with the industry prior to Go Live of some key scenarios for the management of operational crisis (A1: <i>Operational crisis scenarios</i>). - A number of low level actions are in progress for individual Market Participants to complete prior to cutover, as reported through the GONG G3 self-assessment on 11 May 17. These are not considered to impact the Go Live Decision as they are not material in nature and are not anticipated to deteriorate. (A5: <i>GONG closeout</i>).

● Attained or on track to attain ● No Submission
● Mitigating actions required or in progress to attain criteria ● Will not be attained/no mitigation plan

*Status reported is based on the final self assessment submission on 11 May 17 and is weighted on Market AQ share and Market Supply Point coverage

Ofgem Indicative Decision 4 of 4

Success Factor (*11 May 17)	Underpinning confidence elements	Exceptions to be noted (A 1 - 5 References relate to actions noted on slide 5)
<p>3. Solution is Sustainable</p> <p>Xoserve </p> <p>Market Participant* </p>	<ul style="list-style-type: none"> - Xoserve have a dedicated exception handling workstream which has analysed sources and likelihood of exceptions to develop a flexible and scalable resource model. - The Xoserve Post Go Live (PGL) Plan on a Page (POAP) has been baselined by PNSG, with PGL code stability milestones approved by PNSG to consider additional non-critical releases. - PGL arrangements, business process documentation and knowledge transfer activities are on track to be ready for Market Participant with 97% of related criteria being self-assessed as 'Green'. 	<ul style="list-style-type: none"> - A number of elements related to industry PGL arrangements are still to be finalised by Xoserve. The Xoserve PGL POAP has been baselined and will be tracked through the governance arrangements. (A5: GONG closeout). - PGL support processes need to be clearly communication to industry. This includes processes for defect management and 'customer journey' which need to be provided prior to Go Live. (A2: PGL Support Processes). - Xoserve has shared with industry the KPIs to monitor system performance during the PGL period. Work is ongoing to develop reporting for PGL. (No additional action required).
<p>4. Enables a positive consumer experience</p> <p>Xoserve </p> <p>Market Participant* </p>	<ul style="list-style-type: none"> - Xoserve SLAs are defined in the Data Services Contract and will not be changing as a result of Project Nexus Go Live, but some additions will be made to reflect the provision of iGT services. - A Supplier Forum held on 03 Apr 17 to assist their understanding of the implications for end consumers and the activities they should be co-ordinating with their shippers. - The implementation of Project Nexus should enable use of larger volumes of smart meter data for settlement purposes, resulting in increased settlement accuracy in the long term. - The provision of a Single Service for iGTs should provide significant cost savings and will give scope for suppliers to offer lower tariffs to consumers which Ofgem consider will facilitate further competition between relevant suppliers. 	<ul style="list-style-type: none"> - There is a recognised impact to consumer switching as part of Transition. In the worst case a customer switch initiated within a 6 day period during transition could take up to three days longer. Ofgem's view is that this potential impact is significantly outweighed by the benefits of introducing the Project Nexus systems. (No additional action required). - Subsequent to the 11 May 17 GONG submission, One Market Participant has reported they are at risk of not achieving Go Live readiness (See Section two - 'Participant GONG Readiness' for impact analysis) however, it is not considered to impact aggregated market readiness. (A5: GONG closeout).

● Attained or on track to attain ● No Submission
● Mitigating actions required or in progress to attain criteria ● Will not be attained/no mitigation plan

*Status reported is based on the final self assessment submission on 11 May 17 and is weighted on Market AQ share and Market Supply Point coverage

Readiness Elements

The remainder of this report presents, in six 'Readiness Elements', the information that supports the overall decision. Additional detail and quantitative supporting information for each element defined below is provided in Section 2 of this document.

Aggregated Market Readiness

There is overall market readiness for Nexus Go Live, supported by Xoserve and Market Participants self-assessments against the approved GONG criteria. **Ref. Section Two, Slides 11 to 16.**

Final Risk Position

All remaining risks contained within the programme risk log have been proposed to be accepted or closed by RIAG. None of these are considered to present a material risk (high probability/high impact) to Go Live. **Ref. Section Two, Slides 41 to 48** and attachment file titled 'E. Accepted Risks Extract' (N1.0) and RAID Log (N1.0) on the Project Nexus Portal.

Fallout

Data and functional defect position is considered acceptable for Go Live. All remaining data defects are scheduled to be fixed and the level of functional defects to be fixed Post Go Live and workarounds is considered manageable. **Ref. Section Two, Slides 34 to 40** and **Xoserve Data Fallout Report (N22.2)** available on the Xoserve website.



Xoserve GONG Readiness

Xoserve have successfully attained a 'go' decision at Board level through their internal Go Live governance framework. Baringa assess Xoserve's Final GONG status as 'Green/Amber'. **Ref. Section Two, Slides 17 to 20** and attachment files titled 'Xoserve's CEO Cover Letter' and 'Baringa UKLP GONG Final Report' (N17.0).

Participant Overall Readiness

Based on Market Participant self-assessments and the sample of Market Participants who were the subject of assurance by PwC, the majority are in a strong state of readiness for Go Live. **Ref. Section Two, Slides 21 to 27.**

IDR3 Completion

Two Implementation Dress Rehearsals (IDR) have been conducted successfully by Xoserve. Both completed within the planned timeline and, in IDR3, a contingency of 8 hours was established with the catch up process. **Ref. Section Two, Slides 28 to 33.**

Note: PGL support is not detailed here specifically as a separate document or segment as it is addressed in several locations throughout this document.

Section 2

Detailed Analysis - Readiness Elements

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Aggregated Market Readiness

1

Aggregated Market Readiness

Readiness summary: There is overall market readiness for Nexus Go Live, supported by Xoserve and Market Participant self-assessments against the approved GONG criteria which have been subject to regular, independent, sample based assurance by PwC (Market Participants) and Baringa (Xoserve). Subsequent to the 11 May 17 GONG submission, One Market Participant has reported they are at risk of not achieving Go Live readiness (See slide 23 for associated impact analysis) however, it is not considered to impact aggregated market readiness.

Quantitative summary: Xoserve reported 'Green' against 80% of their GONG criteria (17 of 21) with the remainder rated 'Amber'. The final GONG self-assessment from Market Participants represented 97.5% of AQ and 99.9% of supply points. Of these self-assessment responses, a total of 95% of all GONG criteria have been reported as 'Green' with the remaining 5% rated 'Amber'. None of the 'Amber' ratings are considered significant enough to outweigh the benefits of Go Live.

Aggregated Market Readiness

Success Factor 1 - Solution Meets Industry Requirements - Xoserve have self-assessed as 'Green' against all associated criteria and the majority of Market Participants have self-assessed as 'Green'. Exceptions driving 'Amber' statuses have appropriate mitigating actions and are not considered to impact the Go Live Decision as they are not material in nature and are not anticipated to deteriorate further.

Success Factor 1 - Self-Assessment

Data provided by Xoserve as of Q4 2016 (excludes Unique Sites).
High - <7% Market coverage
Mid - >1% - <7% Market coverage
Low - <1% Market coverage
AQ - Allocated Quantity
SP - Supply Points

Organisations	AQ Tier	SP Tier	1.4	1.5	1.6	1.8	1.9
Xoserve	NA	NA	Green	Green	Green	Green	Green
Market Participants							
IGT 5	iGT	iGT	Green	Green	Green	Green	Green
Challenger 1	Low	Low	Green	Green	Green	Green	Green
Challenger 8	Low	Mid	Green	Green	Green	Green	Green
I&C 9	Mid	Low	Green	Green	Green	Green	Green
GT 2	GT	GT	Green	Green	Green	Green	Green
IGT 2	iGT	iGT	Green	Green	Green	Green	Green
Challenger 14	Low	Low	Green	Green	Green	Green	Green
GT 5	GT	GT	Green	Green	Green	Green	Green
Challenger 4	Low	Low	Green	Green	Green	Green	Green
I&C 8	Low	Low	Green	Green	Green	Green	Green
Challenger 7	Low	Low	Green	Green	Green	Green	Green
IGT 4	iGT	iGT	Green	Green	Green	Green	Green
I&C 2	Mid	Low	Green	Green	Green	Green	Green
Large Supplier 3	Mid	High	Green	Green	Green	Green	Green
Large Supplier 4	Mid	High	Green	Green	Green	Green	Green
Large Supplier 5	Mid	High	Green	Green	Green	Green	Green
I&C 15	Low	Low	Green	Green	Green	Green	Green
Challenger 10	Mid	Mid	Green	Green	Green	Green	Green
GT 1	GT	GT	Green	Green	Green	Green	Green
I&C 5	Mid	Low	Green	Green	Green	Green	Green
Large Supplier 2	High	High	Green	Green	Green	Green	Green
IGT 1	iGT	iGT	Green	Green	Green	Green	Green
I&C 10	Mid	Low	Green	Green	Green	Green	Green
GT 4	GT	GT	Green	Green	Green	Green	Green
Challenger 3	Low	Low	Green	Green	Green	Green	Green
Large Supplier 1	High	High	Yellow	Green	Green	Green	Green
I&C 3	Low	Low	Green	Green	Green	Green	Green
GT 3	GT	GT	Green	Green	Green	Green	Green
I&C 11	High	Low	Yellow	Green	Green	Green	Green
GT 6	GT	GT	Green	Green	Green	Green	Green
Challenger 5	Low	Low	Yellow	Green	Green	Green	Green
I&C 7	Low	Low	Green	Green	Green	Green	Green
Challenger 12	Mid	Mid	Yellow	Green	Green	Green	Green
IGT 3	iGT	iGT	Green	Green	Green	Yellow	Green
Challenger 13	Mid	Mid	Green	Green	Green	Green	Green
Large Supplier 6	High	High	Green	Green	Green	Green	Green
Challenger 9	Low	Low	Green	Green	Green	Yellow	Green
I&C 1	Mid	Low	Green	Green	Green	Green	Green
Challenger 15	Low	Low	Green	Green	Green	Yellow	Green
Challenger 2	Low	Low	Green	Green	Green	Green	Green

Detailed exceptions reported by Market Participant (MP)

Market Participants	Key reason(s) underpinning self-assessment status	Mitigating Action
Criteria 1.4 Impact assessment of Data T-rules		
● Large Supplier 1 ● I&C 11 ● Challenger 5 ● Challenger 12	● Ongoing data cleanse activity ahead of Go Live (Large Supplier 1, Challenger 5, I&C 11, Challenger 12). ● Uncertainty on iGT supplier short code updates made to Xoserve by iGTs (Challenger 12).	● Accepted risk that that not all data cleansing will complete prior to Go Live. Ongoing monitoring will continue at DMG. ● Communication on iGT short codes will be issued to industry on or before 17 May 17.

Criteria 1.6 C1/C2 processes built and tested in MT		
● I&C 3 ● GT 6 ● Challenger 9 ● Challenger 15	● One P2 defect blocking Unique Site (US) testing (GT 6). ● Inability to retest a P3 defect that blocked core amendment invoicing (I&C 3). ● Reliance on 3rd party testing due to no participation in MT (Challenger 9, Challenger 15).	● The P2 US defect has been approved has been fixed and approved for deployment prior to Go Live by Xoserve. ● P3 defect has been resolved and accepted as untested by I&C 3 as part of MT Regression exit. ● Managed by individual Market Participants.

Criteria 1.8 cutover plans aligned to Low Level Design		
● iGT 3	● Reason for 'Amber' status is unclear as supporting commentary suggests plans are in place.	● GONG Management team to contacted iGT3 who confirmed 'Amber' RAG status was incorrect and should have been 'Green'.

● Attained or on track to attain | ● Mitigating actions required or in progress to attain criteria | ● Will not be attained/no mitigation plan | ● Not Applicable

Aggregated Market Readiness

Success Factor 2 - Solution is Stable - Market Participants and Xoserve have self-assessed as 'Green' against the majority of criteria. Where statuses are 'Amber', mitigating actions are planned to be completed prior to Go Live and the status is not anticipated to deteriorate further. Actions include completion of internal dress rehearsals (some Market Participants) and closure of remaining data defects by Xoserve.

Success Factor 2 - Self-Assessment

Data provided by Xoserve as of Q4 2016 (excludes Unique Sites).
High - <7% Market coverage
Mid - >1% - <7% Market coverage
Low - <1% Market coverage
AQ - Allocated Quantity
SP - Supply Points

Organisations	AQ Tier	SP Tier	2.1	2.2	2.3	2.4	2.5	2.6
Xoserve	NA	NA	Green	Green	Green	Green	Green	Green
Market Participants								
IGT 5	IGT	IGT	Green	Green	Green	Green	Green	Green
Challenger 1	Low	Low	Green	Green	Green	Green	Green	Green
Challenger 8	Low	Mid	Green	Green	Green	Green	Green	Green
I&C 9	Mid	Low	Green	Green	Green	Green	Green	Green
GT 2	GT	GT	Green	Green	Green	Green	Green	Green
IGT 2	iGT	iGT	Green	Green	Green	Green	Green	Green
Challenger 14	Low	Low	Green	Green	Green	Green	Green	Green
GT 5	GT	GT	Green	Green	Green	Green	Green	Green
Challenger 4	Low	Low	Green	Green	Green	Green	Green	Green
I&C 8	Low	Low	Green	Green	Green	Green	Green	Green
Challenger 7	Low	Low	Green	Green	Green	Green	Green	Green
IGT 4	iGT	iGT	Green	Green	Green	Green	Green	Green
I&C 2	Mid	Low	Green	Green	Green	Green	Green	Green
Large Supplier 3	Mid	High	Green	Green	Green	Green	Green	Green
Large Supplier 4	Mid	High	Green	Green	Green	Green	Green	Green
Large Supplier 5	Mid	High	Green	Green	Green	Green	Green	Green
I&C 15	Low	Low	Green	Green	Green	Green	Green	Green
Challenger 10	Mid	Mid	Green	Green	Green	Green	Green	Green
GT 1	GT	GT	Green	Green	Green	Green	Green	Green
I&C 5	Mid	Low	Green	Green	Green	Green	Green	Green
Large Supplier 2	High	High	Green	Green	Green	Green	Green	Green
IGT 1	iGT	iGT	Green	Green	Green	Green	Green	Green
I&C 10	Mid	Low	Green	Green	Green	Green	Green	Green
GT 4	GT	GT	Green	Green	Green	Green	Green	Green
Challenger 3	Low	Low	Green	Green	Green	Green	Green	Green
Large Supplier 1	High	High	Green	Green	Green	Green	Green	Green
I&C 3	Low	Low	Green	Green	Green	Green	Green	Green
GT 3	GT	GT	Green	Green	Green	Green	Green	Green
I&C 11	High	Low	Green	Green	Green	Green	Green	Green
GT 6	GT	GT	Green	Green	Green	Green	Green	Green
Challenger 5	Low	Low	Green	Green	Green	Green	Green	Green
I&C 7	Low	Low	Amber	Green	Green	Green	Green	Green
Challenger 12	Mid	Mid	Green	Green	Green	Green	Green	Green
IGT 3	iGT	iGT	Green	Green	Green	Green	Green	Green
Challenger 13	Mid	Mid	Green	Amber	Green	Green	Green	Green
Large Supplier 6	High	High	Green	Amber	Green	Green	Green	Green
Challenger 9	Low	Low	Green	Green	Green	Green	Green	Green
I&C 1	Mid	Low	Green	Green	Green	Green	Green	Green
Challenger 15	Low	Low	Green	Green	Green	Green	Green	Green
Challenger 2	Low	Low	Green	Green	Amber	Green	Green	Green

Detailed exceptions reported by Market Participant (MP)

Market Participants	Key reason(s) underpinning self-assessment status	Mitigating Actions
Criteria 2.1 Key non-functional tests have been conducted		
●	<ul style="list-style-type: none"> I&C 7 Lge Supplier 6 Challenger 9 Challenger 15 I&C 1 	<ul style="list-style-type: none"> Testing in progress (I&C 1) or dependent on 3rd party IT suppliers to confirm completion of activity (I&C 7, Challenger 15, Challenger 9). On going testing of batch catch up process run as a part of internal dress rehearsal (Lge Supplier 6).
		<ul style="list-style-type: none"> Managed by individual Market Participants and will be monitored by GONG Management workstream. Monitor via Industry Transition Planning Group.
Criteria 2.2 Documented and implemented a processes to manage code stability		
●	<ul style="list-style-type: none"> Challenger 13 Challenger 9 	<ul style="list-style-type: none"> Dependent on 3rd party to ensure code stability (Challenger 9, Challenger 13).
		<ul style="list-style-type: none"> Managed by individual Market Participants and will be monitored by GONG Management workstream.
Criteria 2.3 Post Go Live business continuity and IT disaster recovery procedures		
●	<ul style="list-style-type: none"> Xoserve 	<ul style="list-style-type: none"> Failover had an issue resulting in delays which breached the 24 hr SLA by ~40 min (see slide 18).
		<ul style="list-style-type: none"> Conduct a further DR test in the PIS period targeting August.
●	<ul style="list-style-type: none"> Challenger 2 I&C 1 	<ul style="list-style-type: none"> DR/BCP plan not recently tested (I&C 1, Challenger 2).
		<ul style="list-style-type: none"> Managed by individual Market Participants.
Criteria 2.4 Documented a detailed system cutover plan that has been approved and rehearsed		
●	<ul style="list-style-type: none"> Challenger 13 Lge Supplier 6 Challenger 15 I&C 1 	<ul style="list-style-type: none"> Completion of Internal dress rehearsals and associated testing is required (Large Supplier 6, I&C 1, Challenger 13, I&C 1, Challenger 15).
		<ul style="list-style-type: none"> Monitor via Industry Transition Planning Group.
Criteria 2.6 Data Migration defects cleared to an acceptable level		
●	<ul style="list-style-type: none"> Xoserve 	<ul style="list-style-type: none"> Reflects ongoing work to close data defects and the risk of further defects during cutover.
		<ul style="list-style-type: none"> For data defects not resolved before Go Live, fallout management and fix process will be executed following Go Live.

● Attained or on track to attain | ● Mitigating actions required or in progress to attain criteria | ● Will not be attained/no mitigation plan | ● Not applicable

Aggregated Market Readiness

Success Factor 3 - Solution is sustainable - Market Participants have self-assessed as 'Green' against 99% of the associated criteria. Where Xoserve have self-assessed 'Amber', this relates to finalising the Post Go Live release plan and establishing enduring industry governance and support arrangements.

Success Factor 3 - Self-Assessment

Data provided by Xoserve as of Q4 2016 (excludes Unique Sites).
High - <7% Market coverage
Mid - >1% - <7% Market coverage
Low - <1% Market coverage
AQ - Allocated Quantity
SP - Supply Points

	Business process documentation	Knowledge transfer	Post go live release plan	Ongoing data governance processes	Cutover governance defined	PGL Hypercare IT support		
Organisations	AQ Tier	SP Tier	3.2	3.3	3.4	3.5	3.6	3.7
Xoserve	NA	NA	Green	Green	Green	Green	Green	Green

Market Participants	AQ Tier	SP Tier	3.2	3.3	3.4	3.5	3.6	3.7
IGT 5	iGT	iGT	Green	Green	Green	Green	Green	Green
Challenger 1	Low	Low	Green	Green	Green	Green	Green	Green
Challenger 8	Low	Mid	Green	Green	Green	Green	Green	Green
I&C 9	Mid	Low	Green	Green	Green	Green	Green	Green
GT 2	GT	GT	Green	Green	Green	Green	Green	Green
IGT 2	iGT	iGT	Green	Green	Green	Green	Green	Green
Challenger 14	Low	Low	Green	Green	Green	Green	Green	Green
GT 5	GT	GT	Green	Green	Green	Green	Green	Green
Challenger 4	Low	Low	Green	Green	Green	Green	Green	Green
I&C 8	Low	Low	Green	Green	Green	Green	Green	Green
Challenger 7	Low	Low	Green	Green	Green	Green	Green	Green
IGT 4	iGT	iGT	Green	Green	Green	Green	Green	Green
I&C 2	Mid	Low	Green	Green	Green	Green	Green	Green
Large Supplier 3	Mid	High	Green	Green	Green	Green	Green	Green
Large Supplier 4	Mid	High	Green	Green	Green	Green	Green	Green
Large Supplier 5	Mid	High	Green	Green	Green	Green	Green	Green
I&C 15	Low	Low	Green	Green	Green	Green	Green	Green
Challenger 10	Mid	Mid	Green	Green	Green	Green	Green	Green
GT 1	GT	GT	Green	Green	Green	Green	Green	Green
I&C 5	Mid	Low	Green	Green	Green	Green	Green	Green
Large Supplier 2	High	High	Green	Green	Green	Green	Green	Green
IGT 1	iGT	iGT	Green	Green	Green	Green	Green	Green
I&C 10	Mid	Low	Green	Green	Green	Green	Green	Green
GT 4	GT	GT	Green	Green	Green	Green	Green	Green
Challenger 3	Low	Low	Green	Green	Green	Green	Green	Green
Large Supplier 1	High	High	Green	Green	Green	Green	Green	Green
I&C 3	Low	Low	Green	Green	Green	Green	Green	Green
GT 3	GT	GT	Green	Green	Green	Green	Green	Green
I&C 11	High	Low	Green	Green	Green	Green	Green	Green
GT 6	GT	GT	Green	Green	Green	Green	Green	Green
Challenger 5	Low	Low	Green	Green	Green	Green	Green	Green
I&C 7	Low	Low	Green	Green	Green	Green	Green	Green
Challenger 12	Mid	Mid	Green	Green	Green	Green	Green	Green
IGT 3	iGT	iGT	Green	Green	Green	Green	Green	Green
Challenger 13	Mid	Mid	Green	Green	Green	Green	Green	Green
Large Supplier 6	High	High	Green	Green	Green	Green	Green	Green
Challenger 9	Low	Low	Green	Green	Green	Green	Green	Green
I&C 1	Mid	Low	Green	Green	Green	Green	Green	Green
Challenger 15	Low	Low	Green	Green	Green	Green	Green	Green
Challenger 2	Low	Low	Green	Green	Green	Green	Green	Amber

Detailed exceptions by reported Market Participant (MP)

Market Participants	Key reason(s) underpinning self-assessment status	Mitigating actions
Criteria 3.4 Post Go Live release plan and change management		
● Challenger 2 ● GT 3	<ul style="list-style-type: none"> New procedures developed awaiting implementation (Challenger 2). Clarity needed on remaining Xoserve P2 defect fixes and possible Xoserve Post Go Live P3 priority list (GT 3). 	<ul style="list-style-type: none"> Managed by individual Market Participants. Xoserve to develop the PGL release plan, which includes prioritisation of PGL defect fixes with industry consultation.
Criteria 3.6 cutover and post Go Live governance defined		
● Xoserve	<ul style="list-style-type: none"> PGL industry governance not clear amongst some Market Participants. Future governance ToR are defined and in advanced stages of review. 	<ul style="list-style-type: none"> Governance freeze period established ToR for the relevant governance groups are required to be updated. Xoserve to conclude Industry Engagement activity to clarify enduring Governance arrangements.
Criteria 3.7 PGL Hypercare IT Support		
● Xoserve	<ul style="list-style-type: none"> PGL Hypercare and IT support ways of working workshops are yet to complete which may identify gaps in PIS processes. 	<ul style="list-style-type: none"> Completion ways of working workshops and report status to PNSG on 19 May 17. Finalise processes that the Defect Management Group will operate PGL and align to the Release Approach.

● Attained or on track to attain ● Will not be attained/no mitigation plan
 ● Mitigating actions required or in progress to attain criteria ● Not applicable

Aggregated Market Readiness

Success Factor 4 - Enables a positive consumer experience - Xoserve have self-assessed as 'Green' against all associated criteria and where Market Participants are 'Amber', residual activity is expected to be completed by Go Live and the status is not anticipated to deteriorate further.

Success Factor 4 - Self-Assessment

Data provided by Xoserve as of Q4 2016 (excludes Unique Sites).
High - <7% Market coverage
Mid - >1% - <7% Market coverage
Low - <1% Market coverage
AQ - Allocated Quantity
SP - Supply Points

FAQs and Communications	Hypercare exit criteria defined	Organisational structure review	Training
4.1	4.2	4.3	4.4

Organisations	AQ Tier	SP Tier	4.1	4.2	4.3	4.4
Xoserve	N/A	N/A				

Market Participants			4.1	4.2	4.3	4.4
IGT 5	iGT	iGT				
Challenger 1	Low	Low				
Challenger 8	Low	Mid				
I&C 9	Mid	Low				
GT 2	GT	GT				
IGT 2	iGT	iGT				
Challenger 14	Low	Low				
GT 5	GT	GT				
Challenger 4	Low	Low				
I&C 8	Low	Low				
Challenger 7	Low	Low				
IGT 4	iGT	iGT				
I&C 2	Mid	Low				
Large Supplier 3	Mid	High				
Large Supplier 4	Mid	High				
Large Supplier 5	Mid	High				
I&C 15	Low	Low				
Challenger 10	Mid	Mid				
GT 1	GT	GT				
I&C 5	Mid	Low				
Large Supplier 2	High	High				
IGT 1	iGT	iGT				
I&C 10	Mid	Low				
GT 4	GT	GT				
Challenger 3	Low	Low				
Large Supplier 1	High	High				
I&C 3	Low	Low				
GT 3	GT	GT				
I&C 11	High	Low				
GT 6	GT	GT				
Challenger 5	Low	Low				
I&C 7	Low	Low				
Challenger 12	Mid	Mid				
IGT 3	iGT	iGT				
Challenger 13	Mid	Mid				
Large Supplier 6	High	High				
Challenger 9	Low	Low				
I&C 1	Mid	Low				
Challenger 15	Low	Low				
Challenger 2	Low	Low				

Detailed exceptions reported by Market Participant (MP)

Market Participants	Key reason(s) underpinning self-assessment status	Mitigating Actions
Criteria 4.1 FAQ and Communications		
● Challenger 2	● Completion of FAQ and communication plans in progress (Challenger 2).	● Managed by individual Market Participants and will be monitored by GONG Management workstream.
Criteria 4.3 Organisational structure review		
● Challenger 2	● Broader review of organisational structure is taking place due to internal IT changes but this is not expected to impact Nexus (Challenger 2).	● Managed by individual Market Participants and will be monitored by GONG Management workstream.
Criteria 4.4 Training		
● Challenger 15 ● Challenger 2	● Training in progress (Challenger 2, Challenger 15).	● Managed by individual Market Participants and will be monitored by GONG Management workstream.

● Attained or on track to attain ● Will not be attained/no mitigation plan
 ● Mitigating actions required or in progress to attain criteria ● Not applicable

Xoserve GONG Readiness

2

Xoserve GONG Readiness

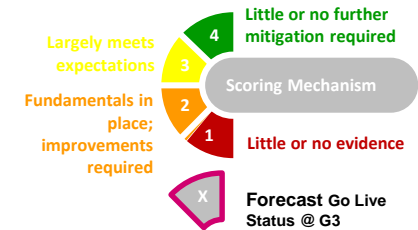
Readiness summary: Xoserve have successfully attained a 'go' decision at Board level through their internal Go Live governance framework. Baringa assess Xoserve's Final GONG status as 'Green/Amber' on the basis that the Programme continues to hit cutover plan milestones and key risk mitigations continue to be put in place ahead of, and post, Go Live.

Quantitative summary: Xoserve have self-assessed as 'Green' against 80% of criteria (17 of 21) of the approved industry Go No Go Criteria (GONG) criteria. For the four criteria where Xoserve have self-assessed as 'Amber' the risks and related PGL actions have been provided. Baringa's independent opinion of Xoserve's readiness status matches that of Xoserve.

Xoserve GONG Readiness

Xoserve provided a self assessment on 11 May 17 which is included in the table below. The table also outlines exceptions, risks to be accepted and PGL actions that may be required. Xoserve consider that the four 'Amber' items are in control, represent an acceptable level of residual risk, and for that reason do not adversely impact Xoserve's GO decision. Three of these items will remain 'Amber' or improve, the position with the fourth, data migration defects, has been improving through each IDR; tools and resources are in place to address defects found during the cutover. None of the 'Amber' items are considered to present an unmanageable risk to cutover.

Success Factor	Ref.	G2 Criteria	Xoserve	BARINGA	Exceptions	Risk to be accepted	Post Go Live Action(s)
Meets industry requirements	1.3	Data transformation rules communicated	G	G			
	1.5	Bulk and Delta Data Loads	G	G			
	1.6	C1 / C2 Process built and tested in MT	G	G			
	1.8	cutover plans aligned to low level design	G	G			
	1.9	Requirements Traceability	G	G			
Stable	2.1	Non-functional testing	G	G	<ul style="list-style-type: none"> 2.3 Failover experienced a delay during final planned test, due to an out of date password permission issue that resulted in the failover taking ~40 minutes longer than the target 24 hour SLA. 2.6 Plan is being executed, and on track, to close all known defects ahead of the cutover need dates. As expected, and planned for, there is potential for further defects at cutover. 	<ul style="list-style-type: none"> 2.3 Risk that although failover has been proven, there has not been a clean run. 2.6 Defects are expected within cutover. The plan will enable impactful defects to be resolved during cutover, as proven in the cutover Dress Rehearsals. 	<ul style="list-style-type: none"> 2.3 Conduct a further DR test in the PIS period – targeting August. 2.6 For any data defects not resolved before Go Live, fallout management and fix process will be executed immediately following Go Live.
	2.2	Process to manage code stability	G	G			
	2.3	Business Continuity and Disaster Recovery	A	A			
	2.4	Detailed system cutover plan	G	G			
	2.5	Data migration testing (Dress Rehearsals)	G	G			
	2.6	Data migration defects	A	A			
Sustainable	3.2	Business process documentation	G	G	<ul style="list-style-type: none"> 3.6 There is PGL governance uncertainty amongst some Market Participants. In mitigation, Ofgem have imposed a 'governance freeze' to 1 Jul 17 at earliest. Future governance ToR are defined and in advanced stages of review. 3.7 Ways of Working workshops are in progress and could surface gaps in PIS processes. 	<ul style="list-style-type: none"> 3.6 Customer and Market Participants impact if governance gaps impact critical reporting, escalation and decision making. 3.7 PIS process inefficiencies due to risk of any arising process gaps e.g. Handoffs between teams may not be slick on day 1 	<ul style="list-style-type: none"> 3.6 Completion of any outstanding PGL Governance and transition following governance freeze period. Conclude Industry Engagement activity to ensure clarity over Month 2+ Governance arrangements. 3.7 Refine processes as they mature during PIS.
	3.3	Knowledge Transfer	G	G			
	3.4	Post Go Live release plan	G	G			
	3.5	Data governance	G	G			
	3.6	cutover governance defined	A	A			
	3.7	Hypercare IT support processes	A	A			
Consumer Experience	4.1	FAQs and Communications	G	G			
	4.2	Hypercare exit criteria	G	G			
	4.3	Organisational structure review	G	G			
	4.4	Training	G	G			



- ▶ Baringa assess Xoserve’s Final GONG status as **GREEN/AMBER** on the basis that the Programme continues to hit cutover plan milestones and key risk mitigations are put in place ahead of, and post Go Live
- ▶ There are not judged to be any showstopper issues that would prevent Go Live at this stage
- ▶ Data Migration is still a key risk area within the GONG criteria with defects needing rapid triage and resolution within cutover timelines. However, a positive trend in defect numbers has continued and planning has been undertaken to manage data issues encountered at cutover which has been practiced via two successful Implementation Dress Rehearsals
- ▶ Previously identified sustainability risks are being mitigated. Key activities are still required, however, to ensure that PIS operations run smoothly
- ▶ *The below RAG scoring and commentary is a summary of an assessment against a series of specific questions posed by Ofgem. Detailed questions and responses are covered in the Baringa UKLP GONG Final Report (N17.0).*

Success Factor 1 - Solution meets industry requirements

Findings

- ✓ MT Regression Test exited with improved clarity on defect position
- ✓ Continued positive trend seen in Data Migration defect rates
- ✗ Meter Read (MR) and EBF data risks persist
- ✗ Fix activities, however, are tracking to plan.

Recommendations

- ▶ Finalise plans for cutover DM defect resolution - Fix windows and capacity
- ▶ Confirm Code stability impacts / Reg. test evidence of IDR defects
- ▶ Conclude Meter Read and EBF fix plan.

Success Factor 2 - Solution is stable

Findings

- ✓ Non functional testing execution complete
- ✓ Minimal changes expected in the Low Level cutover Plan (LLCP) between IDR3 and cutover
- ✗ Business Readiness Test actions require resolution ahead of Go Live
- ✗ CRs and defect fix deliveries extend to Go Live.

Recommendations

- ▶ Residual action required to close out NFR traceability, Post Go Live DR and Pen. test plans
- ▶ Implement granular reporting to close out all BRT actions
- ▶ Confirm contingency options, and formalise regression test plans for defects and CRs aligned to cutover deployment.

Success Factor 3 - Solution is sustainable

Findings

- ✓ Training / KT progresses to plan
- ✓ Improved clarity on Post Go Live (PGL) release and governance definition
- ✓ LWIs nearing completion
- ✓ Greater clarity provided on PIS environment provisioning including industry agreement over the approach
- ✓ PReview of Govn. Stability Period ToRs in progress
- ✗ Wider post-freeze governance continues to be defined, but progress is slow
- ✗ PIS process / WoW gap analysis ongoing.

Recommendations

- ▶ Establish the principles and processes that will determine prioritization across break/fix and planned defect releases
- ▶ Allocate a dedicated Project Manager to PGL activity to ensure cohesion between streams and with wider Programme PIS activity
- ▶ Complete PIS operational gap analysis to finalise WoW details.

Success Factor 4 - Solution enables a positive consumer experience

Findings

- ✓ Market Trials Info. Library maintained
- ✓ Command Centre testing in progress
- ✓ Day 1 FOM in place and Xoserve people transition agreed for all teams
- ✓ Detailed Wipro PIS org structure released
- ✓ Day 1 internal MI req.'s defined (PIS and Bus Ops) and in collation - Some MI gaps to be filled via manual workarounds
- ✗ Technical set up activities for the offshore Exceptions support team and associated reporting is working to challenging timelines
- ✗ PIS workshops may identify point resourcing gaps.

Recommendations

- ▶ Confirm date for sharing relevant content from the PIS exit criteria with Industry
- ▶ Gain greater detail of 3rd party processes to provide confidence in WoW across suppliers
- ▶ Conclude final Exceptions team set up actions (licenses, contractual work pack, access roles) within appropriate service providers
- ▶ Embed exceptions RCA processes

- Xoserve greatly value the Baringa assurance review and recommendations they are making to support the achievement of a high quality transition to Project Nexus Go Live.
- Xoserve agree with the recommendations put forward in the Final Baringa GONG assurance report and have actions in place to address these for completion by the required date.
- Commentary and supporting information on how these findings are being actioned is covered in this PNSG pack in the IDR3 Exit Report (N15.1), Data Fallout report (N22.2) and the overall fallout commentary.
- This slide provides a response to key findings and recommendations that are not covered in other areas of the PNSG pack.

Finding / Recommendations	Action / Mitigation
Meter Read (MR) and EBF data risks persist, however fix activities are tracking to plan	Extensive work has been done by the data teams to ensure that all Meter Read data fixes to Production have been included within the wider pre cutover data plan to ensure they are fully tested before use in production. The data defect status is provided in the Data fallout report. Defect fixes are tracking to plan.
CRs and defect fix deliveries extend to Go Live	All defects and CR deployments are presented to industry through the weekly defect management group for awareness or impact assessment if required. The last defect position was discussed with the industry on 12 May 17 there will be a final defect call on the 16 May 17 where there should only be a small number of defects outstanding that are cutover related. Of the five remaining changes to be deployed three are reports, one relates only to CMS and one defect which impacts two shippers which was identified by DN sales testing. The shippers have worked with Xoserve to agree the resolution. Xoserve are tracking deployments of all remaining defects and change requests via a daily burndown approach, as recommended by Baringa. Xoserve will provide updates through daily TPG calls.
Wider post-freeze governance continues to be defined however progress is slow	Project managers have been allocated to each PGL workstream and the overall plan is coordinated by the UK Link Programme Director's Office. A governance freeze has been declared by Ofgem for the first month after Go Live. Xoserve will continue to drive activity throughout this period to be ready for the start of governance transition from 01 Jul 17.
PIS process / Ways of Working gap analysis ongoing.	A series of ways of working workshops are in progress due to complete on 19 May 17 which will confirm if there are any further business process gaps. A summary will be presented to PNSG on the 19 May 17. Xoserve's expectation is that that none or no significant gaps will be surfaced through this work. The workshops have provided greater visibility of the third party processes and support teams for PIS which has been approved by the Xoserve Service Management team.
PIS workshops may identify point resourcing gaps.	No gaps have been identified at this point. If gaps are identified they would be prioritised against other PIS activities and the team realigned if necessary.

Participant GONG Readiness



Participant GONG Readiness

Readiness summary: Based on Market Participant self-assessments and the sample of Market Participants who were the subject of assurance by PwC, the majority of Market Participants are in a strong state of readiness for Go Live. Following developments after the GONG submission on 11 May 17, one Market Participant is at risk of not achieving Go Live readiness, however this is not considered to impact overall Market readiness. Four Market Participants did not make a GONG submission but are not considered to have a material impact on Market readiness.

Quantitative summary: 37 of 40 Market Participants who provided a final GONG portal submission have self-assessed as 'Green' overall, representing 88.1% of AQ and 93.9% of supply points. Of the three Market Participants who have self-assessed as 'Amber', two have mitigating actions in progress. Completion of these mitigating actions is not considered a risk to the Go Live Decision. The remaining 'Amber' Market Participant is the Market Participant at risk of not attaining Go Live readiness. They represent <0.1% of AQ and Supply Points. One participant has self-assessed as 'Green' overall. One participant who self-assessed as 'Green', has subsequently encountered defects from a late software release from a third party, however, these are expected to be resolved prior to Go Live and contingency is in place.

Participant GONG Readiness

One Market Participant has reported (on 12 May 17) that they were at risk of not being able to transition to their Nexus ready solution on 01 June 17 and currently have no tested contingency plan. This is not considered to have a material impact on overall Market readiness but, they may require close monitoring PGL.

Attribute	Metrics	I&C 7
Market AQ	High - <7% coverage Mid - >1% - <7% coverage	Low (<0.1% AQ)
Market supply point	Low - <=1% coverage	Low (<0.1% Supply Points)
Consumer switching	Participant can lose customers	In the event that I&C 7 are unable to interact with the central Nexus system, the shipper will still be able to lose customers.
Managing gas safety	Gas Emergency processes tested	No residential supply points so no impact to vulnerable customers. In the event that I&C 7 are unable to interact with the central Nexus system, the shipper will prioritise manual interaction for gas emergency processes.
Settling invoices	Ability to process settlement invoices	In the event that I&C 7 are unable to automatically interact with the central Nexus system, the shipper will implement a manual process which is being tested w/c 15 May 17.
Maintenance of Customer Service	Billing and customer service activity not impacted	I&C 7 are in the process of informing their billing and customer service teams of the potential impact and mitigation actions in the event that I&C 7 are unable to manually process the number of transactions to interact with the gas settlement system.
	Further Commentary:	<ul style="list-style-type: none"> I&C 7 will not have a Nexus ready solution as planned on 22 May 17. The contingency plan is to utilise five additional days and deliver a solution on the 27 May 17 however, resourcing is at capacity which increases the risk of the feasibility of this plan. I&C 7 to confirm how they will manage activity during the NED period and if there is any downstream impact to their consumers or other Market Participants. Their legacy system is not Nexus ready and in the event of further delays there is not currently a contingency plan which has been tested.
	Mitigating Actions:	<ul style="list-style-type: none"> I&C 7 to provide a tested contingency plan in the event of further delays by 19 May 17. Transition Monitoring team have been informed and will monitor I&C 7 through the transition. The IRG will be informed to manage any priority incidents during transition and PGL.
	Overall Market Impact:	Low - AQ <1%. Whilst no tested contingency plan is in place it is not expected that I&C 7 will have a material impact on the Market.
	Proposed Mitigation	Fix forward with clear action plan and monitoring through transition.

Participant GONG Readiness

Four Market Participants have not engaged through the GONG assessment process and therefore their self-assessment of readiness for Go Live has not been formally reported. These Market Participants are not considered to have a significant impact on overall Market readiness.

Attribute	Metrics	Non-Submitting Participant 1 (I&C)	Non-Submitting Participant 2 (I&C)	Non-Submitting Participant 3 (Chger)	Non-Submitting Participant 4 (I&C)
Market AQ	High - <7% coverage Mid - >1% - <7% coverage	Mid	Low	Low	Low
Market supply point	Low - <=1% coverage	Low	Low	Low	Low
Consumer switching	Participant can lose customers	Yes	Yes	Assumed Yes	Assumed Yes
Managing gas safety	Gas Emergency processes tested	Unknown	Unknown	Assumed Yes	Unknown
Settling invoices	Ability to process settlement invoices	Yes	Yes	Unknown	Unknown
Maintenance of Customer Service	Billing and customer service activity not impacted	Yes	Yes	Possible impact	Possible impact
Further Commentary:		Verbal confirmation received of Go Live readiness. Use common third party software. No In Flights during transition.	Verbal confirmation received of Go Live readiness.	No response received with respect to Go Live readiness.	No response received with respect to Go Live readiness.
Overall Market Impact:		Low - AQ ~1%. Confirmed that this Market Participant is able to operate manually as a contingency option to manage their portfolio of ~100 sites.	Low - AQ and supply point share is <0.1%. All processes are currently managed manually.	Low - AQ and supply point share is <0.1% and they have indicated that they are supported by another Market Participant who has taken part in Market Trials.	Low - AQ and supply point share is <0.1%.
Proposed Mitigation:		Monitor and Fix Forward	Monitor and Fix Forward	Monitor and Fix Forward	Monitor and Fix Forward

Project Nexus

GONG Market Participant Assurance

Confidential

May 2017

09 May 2017

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 and GONG Plus) 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.

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GONG – Market Participant Assurance – Objective and Approach

The objective of the GONG Market Participant assurance activity was **to evaluate the evidence which supports the Market Participants' self-assessments against the GONG Criteria** and confirm whether these support the self-assessment ratings. Market Participant GONG Assurance activity was performed up to and over the **GONG G2 milestone on 24 March 2017** and the **GONG G3 milestones on 30 April 2017**.

GONG Market Participant Assurance Approach

A sample of **16 Market Participants** and **15 Market Participants** was selected for GONG G2 and G3 respectively based on a set of criteria agreed with Ofgem. In total, 26 Market Participants were subject to GONG assurance activity (5 Market Participants were selected for both G2 and G3).

For each of the Market Participants, the following steps were taken to assess the level of confidence in their reported completion status:

- Review the Market Participant's submission to the PwC Assurance Portal in the lead up to the GONG G2 and G3 milestones;
- Request additional evidence as required beyond the documentation already provided on the portal; and
- Complete evidence review and conduct a site visit or telephone call.

Overall Conclusion

Our conclusion from the Market Participant GONG G2 and G3 assurance activity is that the **evidence provided by the sampled Market Participants, supported their completed self-assessment status in the majority of cases**. Where there was a lack of alignment, these were fed into the GONG Management workstream for further follow-up and action and used as an input to the overall analysis of Market Participant readiness on slide 22 of the Go Live Decision Report (N18.0).

A summary of findings from the G2 and G3 Market Participant Assurance activity is provided on the next slide.

GONG – Market Participant Assurance – Objective and Approach

GONG G3 Key Findings 30 April 2017 – 15 Participants

- 12** **Market Participants demonstrated documentation and evidence that supported their G3 self-assessment status.** For some smaller organisations the extent of documented evidence was more limited but considered sufficient for the size and complexity of their organisation.
- 1** **Market Participant (iGT 3) presented evidence during the site visit that supported their G3 self-assessment status.** Evidence documentation was only provided on 10 May 17 and is currently being reviewed by the GONG Participant Assurance team.
- 1** **Market Participant (Challenger 13) provided good quality documentation, however, at G3 their overall ‘Green’ G3 self-assessment status was not considered to be fully reflective of their current programme status.** Through further engagement with the Market Participant, mitigating actions have now been implemented to address the underlying issue.
- 1** **Market Participant (I&C 10) experienced challenges during their final planned dress rehearsal resulting in a requirement for a further dress rehearsal, which is due to complete on 12 May 17.** Completion of this activity and provision of the supporting evidence is being tracked through the GONG Management workstream.

GONG G2 Key Findings 24 March 2017 – 16 Participants

- 14** **Market Participants demonstrated documentation and evidence that supported their G2 self-assessment status.** For some smaller organisations the extent of documented evidence was more limited but considered sufficient for the size and complexity of their organisation.
- 1** **Market Participant (GONG ‘Non-submitting’ Participant 1) was a known portal ‘non-submitter’ and did not provide a GONG G2 submission or supporting evidence.** This has been escalated to Ofgem and included in the analysis of Market Participant readiness on slide 24 of the Go Live Decision report.
- 1** **Participants (Challenger 5) did not provide documented evidence to support their G2 portal submission.** This was escalated to Ofgem and included in the analysis of Market Participant readiness on slide 22 of the Go Live Decision report.

IDR3 Completion



IDR3 Completion

Readiness summary: IDR3 was successfully completed by Xoserve and attained the notional Project Nexus Go Live date. The lessons learnt have been fed into cutover planning. Data defects identified in IDR3, which were significantly lower than IDR2, have been captured as part of the Data Fallout Report (N22.2).

Quantitative summary: Two Implementation Dress Rehearsals (IDRs) have been conducted successfully by Xoserve. At 08 May 17, 14 of the 16 exit criteria for IDR3 had been achieved and the final two relate to the closure of outstanding data and non-data defects for which fix plans are now in place. Both IDRs completed within the planned timeline and in IDR3 a contingency of eight hours was established with the catch up process (based on May 16 volumes).



respect > commitment > teamwork

UKLP - PNSG Final IDR3 Exit Report

08 May 17

Time

- The notional PNID target date of 27 Apr 17 was achieved.
- Delta loads including data validation completed within planned timescales.
- All US, DM CSEPS, iGT and In Flight activities including data validation completed to plan.
- All Gemini and CMS consequential change activities completed to date and remaining post NED activities completed to plan.
- All BW Extraction activities have been completed to plan.
- Business Scenarios have completed to plan.
- Low Level cutover Plan plan management has again been effective throughout IDR3.

Quality

- Data defects have been identified as part of Delta, iGT, Unique Sites and In Flights validation activities as expected. There have been 73 fewer defects detected in IDR3 than IDR2.
- The agreed Data Fallout Management Approach has been utilised to support the prioritisation of fixes. There have been more fixes applied in IDR3 than in IDR2.
- The data mismatches experienced in IDR2 for AAQ/MDS have been significantly lower in IDR3 (Only 13 meter point mismatches).
- The defects identified in IDR3, both data and functional are being analysed and a fix plan is being developed.

Process

- The In Flight process has operated as effectively as in IDR2 with a notable improvement in performance.
- The performance issues around AAQ/ MDS have not re-occurred in IDR3.
- Well controlled throughout as in IDR2; e.g. plan management and awareness, decision making, defect prioritisation.
- Xoserve experienced a hardware issue during IDR3; fault, local failover and resolution process worked well and IDR3 was not impacted.

Lessons Learnt

- Approximately 30 lessons have been raised to date on IDR3 which are being reviewed and fed into cutover planning. The number of lessons raised in IDR3 has been significantly lower than in IDR2 where over 100 were raised in total.
- IRG process requires further review following the trial use in IDR3. The is targeted for completion by 15th May 17 along with a further test run of the process.

Conclusion: Xoserve successfully exited IDR3 to plan. The lessons learnt are being fed into cutover planning and defects identified in IDR3 are being captured as part of the Data Fallout Report (N22.2).

IDR3 Exit Criteria Overview

UKLP - IDR3 Exit Criteria 08 May 16

Categories	Number of Associated Criteria	RAG Rating - Red	RAG Rating - Amber	RAG Rating - Green	Complete - Blue
Defects	2		2		
Processes	8				8
Data	3				3
Infrastructure and Integration	3				3
Total	16		2		14

Acceptance Criteria and Mitigation

Criteria	Area	RAG	Mitigation
All planned data scenarios defined and agreed as in scope for IDR3 have been tested with no outstanding P1 or P2 defects and with an agreed plan of action in place for any open P3 or P4 defects.	Defects		<p>Status All planned data scenarios agreed for IDR3 were completed to plan.</p> <p>Analysis of data defects raised in IDR3 has been completed.</p> <p>A number of P1-P2 defects as well as P3-P4 remain open and analysis to understand fix plan is in progress.</p> <p>It is to be noted a smaller number of data defects have been raised in comparison to IDR2 (128 in IDR3 compared to 201 in IDR2, which represents 36% reduction).</p> <p>Mitigation A fix plan is defined for the data defects identified in IDR3, working towards a completion date prior to the need date in cutover.</p>
All planned functionality defined and agreed as in scope for IDR3 has been tested with no outstanding P1 or P2 defects and with an agreed plan of action in place for any open P3 or P4 defects.	Defects		<p>Status All planned functionality in scope of IDR3 has been completed to plan.</p> <p>A number of non-data defects have been identified through IDR3 execution, with 18 classified as P2. No P1 incidents were identified.</p> <p>Mitigation A fix plan is defined for the non-data defects identified, working to close prior to the need date in cutover.</p>

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CSA commentary on the success of IDR3

- Good progress has been made through IDR3 with all key milestones achieved.
- Robust management and governance has been in place throughout, with key recommendations on tests of the Incident management processes completed.
- Key variations between IDR2/3 and cutover are known and understood – The perceived risk that these place on cutover processes is low.
- Minimal changes are expected in the Low Level cutover Plan (LLCP) between IDR3 and cutover.
- At the time of writing 35 lessons have been captured in IDR3 (as of 11 May 17) – 10 of these relate to LLCP updates indicating a high degree of stability within the plan.
- Xoserve did experience a hardware issue during IDR3. Confidence should be gained from the fact that this was identified and resolved without impact to the IDR3 delivery plan.
- It is recommended that a summary of changes to Xoserve's internal LLCP is produced post IDR3 and that remaining Lessons Learned are tracked to completion, providing status through Xoserve's internal cutover entry tracking.

Fallout



Fallout

Readiness summary: The Xoserve data and functional defect position is considered acceptable for Go Live. All remaining data defects from IDR3 are scheduled to be fixed prior to their required cutover date. The level of functional defects to be fixed Post Go Live (PGL) is considered manageable and has been prioritised for PGL fix by the industry. The manual workaround position has been operationally impact assessed by Xoserve and is also confirmed to be manageable.

Quantitative summary: No Xoserve data defects are expected to be outstanding at cutover commencement. At 13 May 17, there were 128 Xoserve P3 functional defects requiring PGL fix and 168 workarounds of which 60 were identified through Market Trials. Of the 168 workarounds, 161 have been assessed by Xoserve as 'Low' or no operational impact with 2 as 'High' impact and '5' as 'Medium'. The business impact equates to 5.8 FTE. Of the 60 MT workarounds, 49 have been approved by industry with 11 to proceed to the 16 May 17 industry defect call for approval. The defect and workaround position is planned to be finalised on 16 May 17.

Purpose

This report gives an overview of Xoserve defects and their fallout for the transition to the new UKLink SAP system. This report is intended as a source of information for PNSG and PNDG representatives.

A ‘snapshot’ view of the defect position has been given at key programme milestones (following IDR2, IDR3) and will be provided at cutover. Defects are categorised into Data, Functional, and Non-Functional. The report will highlight defects that will impact cutover or will not be fixed until post Go Live (PGL) and if there is an impact on live operations it will be flagged.

The defects summarised here are shared with and discussed in:

- Data Management Group (DMG) - data defects
- Defect and Release Working Group (MTWG) – functional and non-functional defects.
- In Flights Group

Version Control

Version Number	Date	Comments
0.7	10/04/17	Draft Post-IDR2 Report
1.0	12/05/17	Draft Post IDR3 Report

Data Defects - Scope

All data defects from all data sources, from all phases of data testing that are not due to be resolved before Go Live will be included in this report. The fallout impact on MPRNs will be summarised. These defects and impacts are publicised and discussed at the Data Management Group (DMG).

Functional and Non-Functional Defects - Scope

All functional and non-functional defects identified in all phases of testing that are not due to be fixed before Go Live will be included in this report. These defects are discussed and agreed between Market Participants, Xoserve and PwC through the Market Trials Working Group (MTWG) and weekly defect calls.

Objective

The objective of this report is to provide visibility of defects that will impact cut over or live operations. This report will be updated at the key points shown below, and will be used as an input for entry decisions.

Impact Overview

Post IDR3 Position
Functional and non-functional: Functional defects have been shared at Industry Group meetings throughout MT/MTR. Outstanding defects that need to be fixed before Go Live have a fix date and are on track. The latest defect position was discussed with the industry on 12 May 17 there will be a further defect call on the 16 May 17 to finalise the defect position for the Go Live decision. Manual workarounds have been agreed with industry through the weekly industry defect call with 11 outstanding MT workarounds planned to be finalised w/c 15 May 17.
Data: All known data defects are currently planned to be fixed before or ahead of their need date giving no impact to cutover operations. It is possible that new data defects of varying criticality and impact could be identified during cutover activities. Mitigation plans are in place to prioritise and manage fallout. However, as these defects and volumes are not yet known it cannot be guaranteed that all data defects will be fixed prior to Go Live

Key Activities Timeline

The following timeline shows the key points where updates will be reported regarding defects and fallout.

Key Activity	Planned Report Date
Post-IDR2	10/04/17
Post-IDR3	12/05/17
Post cutover	09/06/17

Data Defects Industry Awareness

The data defect fallout position for each phase of data testing has been shared at DMG, PNDG and PNSG at the end of IDR2 and at the end of the 3 pre defined phases in IDR3. Data defects are discussed fortnightly at the DMG. A positive data assurance assessment was performed by PwC on the Bulk data load. A further data assurance assessment on IDR3 is underway with PwC and expected to complete 15 May 17. During cutover operations we will continue to provide updates to the Industry as per the planned schedule

Functional and Non-Functional Defects Industry Awareness

The Xoserve functional defect position was baselined at the code stability milestone on 6 Jan 17 prior to entry to MTR. During MTR, the weekly industry defect call has operated to escalate code stability impacting defects for fix during the phase, accept and prioritise defects for PGL fix and approve workarounds.

Market Trials Regression (MTR) was formally exited with caveats at PNSG on 22 Mar 17, with final completion of testing during the MTR close down period to 21 Apr 17.

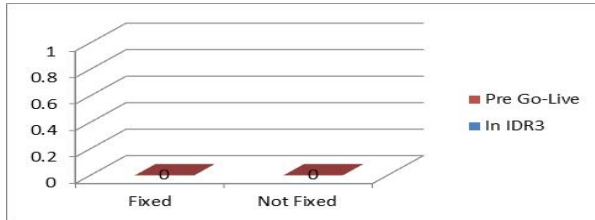
A industry defect call is scheduled to be held on 16 May 17 to finalise the list of defects to be fixed PGL and the workaround list. The list of defects to be fixed PGL is being used to support the PIS release plan. Defects found during the cutover and post Go Live periods will be managed using the defect prioritisation principles that have been agreed and fixed as either a break fix, allocated to one of the PIS releases or allocated to the next major release.

Post-IDR3 - Summary

Data defects and fallout were experienced in IDR3 as anticipated with reduced volumes as compared to IDR2. The snapshot of defects at the end of IDR3 shows that all data defects have a fix plan before Go Live so will not impact cut over. The functional defects planned for fixing post Go Live will either not impact cut over or live operations or are having a workaround put in place to address their impact. There are no non-functional defects targeted for fixing Post Go Live.

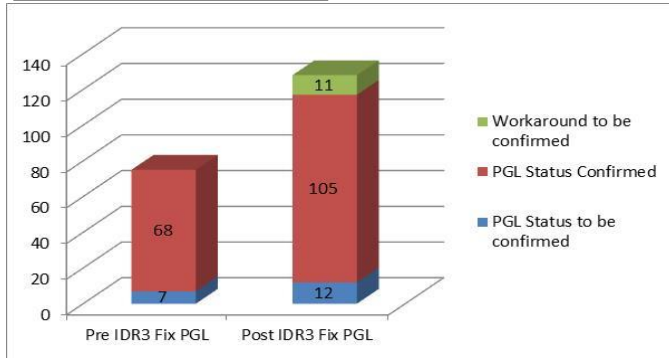
Defect and Fallout Position (as at 12 May 17)

Data Defects: Current PGL Position



Note: 0 known data defects are expected to be open post cut over. From IDR3 there are 14 In Flight Data quality issues that need to be addressed by affected parties, who are already aware of them.

Functional and Non Functional Defects: Current PGL Position



Data Defects

The Post IDR3 data defect position has been shared with DMG and was included in the 06 May 17 PNDG. The resolution path for all defects found in IDR3 has been defined and all are on track to be fixed ahead of their need date in cutover. No known defects from IDR3 are planned to be carried into Go Live. We identified 128 defects during IDR3, a reduction of 73 against IDR2 (a reduction of 37%). Of the 128, 95 were fixed within IDR3, the remaining 33 are due to be fixed and deployed by 17 May 17. It is anticipated that the volume of defects likely to be experienced in cutover will again be lower than IDR3, therefore there is a higher degree of confidence they will be fixed, however, as defects volumes are not yet known it cannot be guaranteed that all defects will be fixed prior to Go Live.

Note: the Fallout process and actual Fallout detail has been proven and shared with DMG.

Functional Defects

128 defects are marked for fix Post Go Live (PGL):

- 105 have been reviewed and had this status confirmed by the weekly Market Trials industry progress calls
- 12 are under review to confirm PGL status;
- 11 are awaiting manual workaround decision

60 defects have been identified that require or may require workarounds:

- 49 have been approved and 11 are pending approval on 16 May 17.

Analysis of potential cumulative impact of P3 defects to be fixed PGL:

- Analysis showing the number of PGL defects by functional area and by fix priority was discussed on the weekly defect call 12 May 17.
- SPA and Billing and Invoicing functional areas have the highest number of 'High' priority defects when compared to other areas at 10 and 7 respectively. However, this is still considered manageable and defects are spread across different functional areas as opposed to being concentrated in one area.
- 'High' priority defects have been prioritised in PIS release planning and the DMG provides a mechanism to prioritise defect fixes PGL. 32 have been currently identified as priority fixes .
- SPA and Billing and Invoicing processes are included in Xoserve first run monitoring.

Non-functional Defects

There are no non-functional defects currently targeted for Post Go Live fixing.

Xoserve Defect Position @ 13 May 17

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Note: To be updated following defect call on 16 May 17 and presented to PNSG on 17 May 17.

TICKETS	Total	Notes
Participant Raised MTR Tickets:	262	Information taken from IT360
Currently being assessed	4	All tickets are raised at P3 in IT360. Includes items being processed as defects.
Resolved	114	
Rejected (55%)	144	Either after initial triage, or following further analysis.

DEFECTS (all test areas included)	External / (Internal)	Total	Severity				Notes
			P1	P2	P3	P4	
Total Defects Opened at and since 09-Jan:	106 (454)	560					Information taken from HPQC
Total active and PGL	40 (99)	139		0 (12)	40 (77)	0 (10)	
Total active:	0 (11)	11		0 (9)	0 (2)		
To be assigned	0 (0)	0					
Following assessment process	0 (1)	1		0 (1)			To proceed for PGL approval on 16 May
Awaiting fix decision	0 (0)	0					
Fix approved and in progress	0 (5)	5		0 (4)	0 (1)		
N/A – Xoserve internal impact only*	0 (5)	5		0 (4)	0 (1)		See definition on subsequent slide*
Total PGL:	40 (88)	128		0 (3)	40 (75)	0 (10)	
PGL – Manual workaround – In progress	3 (8)	11			3 (8)		
PGL – Manual workaround – Approved	20 (29)	49			20 (25)	0 (4)	
PGL – Manual workaround not required	17 (51)	68		0 (3)	17 (42)	0 (6)	
Total Closed:	66 (355)	421	0 (4)	3 (108)	62 (226)	1 (17)	
Post-RDB status	1 (5)	6		- (3)	1 (2)		
Closed as Passed / Dup / Rejected	65 (350)	415	0 (4)	3 (105)	61 (224)	1 (17)	Includes deployed fixes.; 3 x CI as CR

Xoserve Defect Position @ 13 May 17

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Breakdown of defects by Test Area									Notes
Defects Open at and since 09-Jan:	Active External / (Internal)	Total Active	P1	P2	P3	P4	Total PGL	Total Closed	Information taken from HPQC
AMT Testing	0 (0)	0					1	0	
CR Testing	0 (0)	0			0 (0)		0	33	
IDR1 / IDR1 Migration	0 (9)	9		0 (8)	0 (1)		7	69	
Market Trials / Market Trials Regression	0 (0)	0		0 (0)	0 (0)		85	164	
Operational Readiness	0 (2)	2		0 (1)	0 (1)		35	147	
SMART	0 (0)	0					0	8	
Total :	0 (11)	11		0 (9)	0 (2)		128	421	

Note: 'N/A Xoserve Internal Impact Only' defects on the previous slide cover activity which is not common code impacting and deployment would not impact on the testing already performed by the industry.

Workarounds - Xoserve Operability Assessment

- As at 12 May 17, 168 manual workarounds have been identified through the Xoserve UK Link programme. These have been assessed and are being managed as follows:
 - 60 presented through the market trials industry review process for industry assessment
 - the remaining 108 managed through the internal process with Xoserve impact .
- Of the 168 assessed only 28 workarounds have a business FTE impact which equates to 5.8 FTEs. Xoserve will be resourced to manage this additional requirement.

Xoserve Operational Impact	High	Medium	Low	None	Total FTE Impact
	2	5	32	129	5.8

- Of the 60 presented through the market trials defect process 11 are still going through the agreement process:
 - 7 are with the industry for review and will be taken for approval to the industry defect call on 16 May 17
 - 4 are due to be issued for review and approval w/c 15 May 17.
- Of the 60 presented through the Market Trials defect process 36 have been assessed by Xoserve to be potentially industry impacting with a low or minimal impact.
- All industry workarounds are assessed and approved by the Market Trials defect review meeting and are subsequently published on the external web site for reference.

Final Risk Position



Final Risk Position

Readiness summary: All remaining risks contained within the programme risk log have been proposed to be accepted (ie., where the risk is tolerable by the industry and/or mitigation options have been exhausted) or closed by RIAG. None of the accepted risks are considered to present a material risk (high probability/high impact) to Go Live The Issues Resolution Group (IRG) will be in operation from 16 May 17 to address emerging risks and issues.

Quantitative summary: Of the 25 risks proposed to be accepted, none of those were above a risk score/rating of 12 'Amber' (out of 25 based on probability x impact) and an average risk rating/score of eight.

Process

Over the past month the Risks and Issues Advisory Group has reviewed all open risks and undertaken one of two actions.

- 1. Closed the risk:** Where the mitigation actions have resulted in the risk being (for all intensive purposes) eliminated, where the passage of time has meant that the risk is no longer valid as it related to activities in the plan that are now completed or where the risk was a duplicate.
- 1. Marked the risk as “Accepted”** meaning that there are no further mitigating actions beyond those already noted that can be undertaken prior to Go Live.

Accepted risks will be picked up by RIAG Post Go Live (PGL) and moved into a new operational risk register which will be managed by RIAG until such time as the new governance arrangements are in place.

The table on the next slides shows a summary of the “Accepted” risks. Risks are grouped thematically into a Residual Project group and various categories of PGL. A summary of the mitigations undertaken is also provided.

Further details are provided in attachment file titled ‘E. Accepted Risks Extract’ and RAID Log (N1.0) on the Project Nexus Portal.

Programme Risk Landscape

Landscape	Risks		Synopsis	Mitigating Actions Taken
Residual Project Risk (cutover)	R071		<p>This landscape area covers residual risks to the programme that relate to the cutover process. There are specific risks relating to various parts of the process e.g. ILL file generation and catch-up and more general risks around Market Participant behaviour and coordination. The progressive GONG assessments have shown Market Participants having increasing confidence in their transition plans and the information Xoserve has provided.</p>	<p>Significant progress has been made since the beginning of the year on defining, communicating and testing the cutover process. This has included:</p> <ul style="list-style-type: none"> - a transition deep dive attended by over 40 Market Participants representatives in early January 17. - publication of a transition single source document that pulls together all the transition artefacts into one place. - successful execution of IDR2 and IDR3. - continued communication to Market Participants through PNDG, PNDSG and one-to-one interactions on the importance of following the agreed principles (especially that pertaining to normal behaviour). - establishment of an Issues Resolution Group (IRG) to provide a clear escalation route for issues arising during cutover. - testing of the IRG during IDR3 with two incidents (one internal to Xoserve and one involving a Market Participant). - establishment of a Market Participant cutover monitoring function to track Market Participant cutover completion to be centrally managed by the Programme.
	R078			
	R086			
	R098			
	R102			
	R107			
	R109			

Programme Risk Landscape

Landscape	Risks		Synopsis	Mitigating Actions Taken
PGL (exceptions)	R112		<p>This landscape area covers the overarching point that a number of the accepted risks could combine to create a high number of exceptions post Go Live. There is a risk that if the number of exceptions becomes too large that the operation of the overall Nexus solution (Xoserve and/or Market Participant portions) could be impaired. This impairment could mean missing SLAs or a reduction in accuracy and quality.</p>	<p>On the Xoserve side there have been a number of activities undertaken to mitigate this risk including:</p> <ul style="list-style-type: none"> - performance testing of the systems. - testing contingency and crisis scenario response. - agreeing extendable contracts with 3rd parties that allow Xoserve to flex resources to cope with exceptions. - assessment of readiness against GONG Hypercare criteria and assurance of this by Baringa. <p>On the Market Participant side, Market Participants have self assessed against the GONG hypercare criteria (3.6) with 40 of 40 Market Participants who submitted rating themselves as 'Green' and no Market Participants rating themselves 'Amber'. Assurance of G3 assessments (on a sample basis) was conducted by PwC.</p>

Programme Risk Landscape

Landscape	Risks	Synopsis	Mitigating Actions Taken
PGL (Xoserve readiness)	R075	<p>This landscape area relates to the readiness of Xoserve to support post Go Live operations. Risks include:</p> <ul style="list-style-type: none"> - risk to code stability of the lack of a fully confirmed release approach for post Go Live. - the risk to operations of confusion around governance post Go Live. - the ability of Xoserve to support the workarounds required as a result of defects being deferred to post Go Live. <p>All these risks could have implications to post Go Live operations and stability,</p>	<p>The release approach is for P1/P2 defects to be fixed as required and for priority P3 defects (e.g time bound defects) to be escalated for early fix. All other P3 defects will be deferred to a future release. The approach includes milestone checkpoints in July where, if conditions allow, the PNSG may agree to allow for some or all of the deferred P3 defects to start being fixed ahead of the release. The PNSG's decision at that time will be based upon the stability of the system in production and the ability of Xoserve and Market Participants to manage additional defect deployments. This approach provides for a period of code stability PGL which can be extended if required by the PNSG. A preliminary list of the P3 defects deemed priority has been established but this must be confirmed by the Defects Group. Similarly, any P3 escalations for immediate fix during the code stability period will also need to be confirmed by the Defects Group. There is broad agreement that the proposed approach is reasonable.</p> <p>In regard to the post Go Live governance Ofgem have instituted a governance freeze up to the end of June at least. This will provide stability and continuance of the existing programme governance structure and decision making processes, will help avoid confusion post Go Live and allow for continued agility. A specific example of this is the need for clarity around operational crisis management. To this end Xoserve will be undertaking a crisis management workshop with Market Participants prior to Go Live.</p> <p>Regarding workarounds, Xoserve have confirmed that they have evaluated the impact of workarounds both singularly and collectively and have resourced accordingly. This is part of their GONG assessment which has been assured by Baringa. At 13 May 17, 49 Market Trials workarounds had been accepted by industry through the industry weekly defect call. A further 11 'in progress' workarounds are planned to proceed to the 16 May 17 defect call for acceptance by industry.</p>
	R076		
	R106		

Programme Risk Landscape

Landscape	Risks	Synopsis	Mitigating Actions Taken
PGL (solution)	R052	<p>This landscape area relates to the integrity of the new UKLink solution itself. Risks include:</p> <ul style="list-style-type: none"> - The fact that Market Trials was not a full operational dry run and that some data and processes were simulated. - The fact that some processes around invoicing had defects open until late in Market Trials Regression meaning that there were limited runs of this functionality. - Risks around volumetrics. <p>Again, if these risks materialise the implication will be felt in terms of operational issues and exceptions.</p>	<p>Market Trials Level 3/4 ran up to the end of September and then was followed by a period of Managed Market Trials up to the end of November. Market Trials Regression (MTR) commenced in January and finally concluded in April. 36 organisations participated in MTR with 93% of the in-scope test lines across the industry critical processes being passed. The remaining test lines were accepted as 'incomplete' by individual Market Participants as they were not considered critical for Go Live.</p> <p>Regarding differences between the Market Trials test environment and production these were considered by working groups such as Market Trials Working Group (MTWG) and Data Management Group (DMG) and the Risks and Issues Advisory Group (RIAG). All these groups concluded that the differences, while presenting a risk, did not amount to a significant impairment in the confidence of the system to meet functional requirements post Go Live.</p> <p>For volumetrics, while the original requirement for meter read processing was not met the system was able to process 32 million reads/day. The RIAG, the PNDG and the PNSG all concluded that this did not present a Go Live risk as the current level of daily processing is well below this ceiling and there would be adequate time to expand the system capacity in advance of the ceiling being hit.</p>
	R059		
	R100		
	R111		

Programme Risk Landscape

Landscape	Risks	Synopsis	Mitigating Actions Taken
PGL (Market Participant readiness)	R085	<p>This landscape area relates to any Post Go Live implications of a lack of Market Participant readiness. Such lack of readiness could be caused by a number of risks including:</p> <ul style="list-style-type: none"> - lack of understanding on the part of the Market Participant of business processes. - lack of attainment of GONG criteria or misrepresentation of readiness. - lack of readiness of gas suppliers (specifically those using a separate shipper). - co-dependence by some smaller shippers on a single IT provider. <p>If they materialise, the impact of these risks will be felt in operational issues and potentially exceptions.</p>	<p>The GONG assessment process that has been undertaken has allowed a progressive measurement of Market Participant readiness from December 16 through to the Go Live decision point. This has allowed early identification of key issues affecting multiple Market Participants (i.e. market wide issues) along with issues impacting specific Market Participants (e.g internal defects, disaster recover). As of the final GONG submission on 11 May 17, 37 Market Participants rated themselves overall as 'Green' and 3 rated themselves as 'Amber'. No Market Participants rated themselves as RED. On a sample basis, PwC undertook assurance of Market Participants self-assessments at both G2 and G3 and found only one instance where a small shipper had slightly overstated their readiness. GONG criteria include criteria around Market Participants awareness and training on business processes. As of production of this report one Market Participant is judged to be at risk of readiness and this is discussed in Section 2 of this report.</p> <p>For gas suppliers, Ofgem held an awareness session on 03 Apr 17, 17 suppliers attended and the overall feedback was that suppliers were well informed of Nexus and its implications and were ready.</p> <p>With respect to co-dependence on 3rd party IT suppliers, PwC have undertaken specific calls and/or meetings with two key suppliers to help ensure they are aware of and understand both Nexus and the steps to Go Live.</p>
	R089		
	R090		
	R093		
	R104		
	R108		

Programme Risk Landscape

Landscape	Risks		Synopsis	Mitigating Actions Taken
PGL (iGT data)	R073		<p>This landscape area relates to the fact that iGT data is being included within UKLINK for the first time. As such there has been elevated concern around data quality and consistency. There are risks that there are inconsistencies between iGT data recorded by Xoserve and the details held by shippers and iGTs. In addition, there are risks relating to the 'first use' of this data in production and risks that IDL files that are used to maintain alignment between the iGT and Xoserve systems could suffer a failure.</p> <p>All of these risks could lead to operational issues and exceptions PGL.</p>	<p>In relation to data inconsistencies and 'first use', significant work has been undertaken by the industry and Xoserve to arrive at a point where data is well reconciled. This was led by the Data Management Group (DMG) and supported by a number of specific deep dive sessions of this group. In the recent portal submission on data 31/32 Market Participants that responded had identified root causes of any remaining iGT consistencies and had resolutions in place. The one that had not is not a major Market Participant and iGT sites were less than 2% of their portfolio.</p> <p>In relation to IDL files, the production of these was tested during MTR and the recovery process in the event of a failure has been documented and tested.</p>
	R074			
	R084			
	R110			

Section 3

Decision

ofgem

Go Live Decision

#	Decision	Due Date	Areas of Programme Affected	Comments	Outcome
D029	<p>Go Live Decision</p> <p>The PNSG is asked to approve Go Live for Project Nexus for 01 Jun 17 based on the achievement of the success criteria as outlined on this slide, and in greater detail throughout this PNSG report. This is based on the information available to date (initially 17 May 17, subsequently 19 May 17).</p>	17 May 17	Project Nexus	<p>Decision is based on the following Success Factors, as outlined in the GONG framework:</p> <ol style="list-style-type: none"> 1. Solution meets industry requirements. 2. Stable. 3. Sustainable. 4. Enables a positive consumer experience. <p><i>The PNSG is asked to note the following key ongoing actions:</i></p> <ul style="list-style-type: none"> - <i>A1: Operational crisis scenarios: Prior to Go Live, the development and communication with the industry of the processes and some key scenarios for the management of operational crisis.</i> - <i>A2: PGL Support Processes: Prior to Go Live, the development and communication with the industry of some key scenarios for the management of defects, queries and account management post Go Live.</i> - <i>A3: Go Live functional defect and workaround position: The final position to be agreed with the industry on 16 May 17.</i> - <i>A4: Data defect position: The data defects outstanding at the conclusion of IDR3 are fixed prior to cutover (current plan 17 May 17) or moved to fallout.</i> - <i>A5: GONG closeout: Closeout of remaining actions relating to GONG.</i> <p><i>Further details on these key actions are provided on slides 6 to 9 and 51 to 53.</i></p> <p>The approval of this decision means all Market Participants and Xoserve will continue with all activities in preparation for Go Live on 01 Jun 17.</p>	Pending PNSG Decision

Key ongoing actions

A1: Operational crisis scenarios:

Prior to Go Live, the development and communication with the industry of the processes and some key scenarios for the management of operational crisis. Xoserve have undertaken a considerable amount of crisis scenario planning internally. This identified and tested 150 different scenarios. The final stage of this work is to walkthrough with Market Participants the crisis approach at a workshop that will be scheduled prior to Go Live. Further details are provided on slide 52.

A2: PGL Support Processes:

Prior to Go Live, the development and communication with the industry of some key scenarios for the management of defects, queries and account management post Go Live. This will be a series of simple industry flow chart type documents that show clearly the process such as raising new defects, escalating defects for fix and communicating defect deployments. These will be made available and communicated to the industry prior to Go Live. Further details are provided on slide 53.

A3: Go Live functional defect and workaround position:

The final position to be agreed with the industry on 16 May 17. At 13 May 17, there were 128 P3 functional defects requiring PGL fix and 12 defects are under review for PGL fix and require industry review and acceptance on 16 May 17 and . There are also 60 workarounds identified through Market Trials. 49 workarounds have been approved by industry and the 11 'in progress' are planned to proceed for industry approval in the industry Defect Call on 16 May 17.

A4: Data defect position:

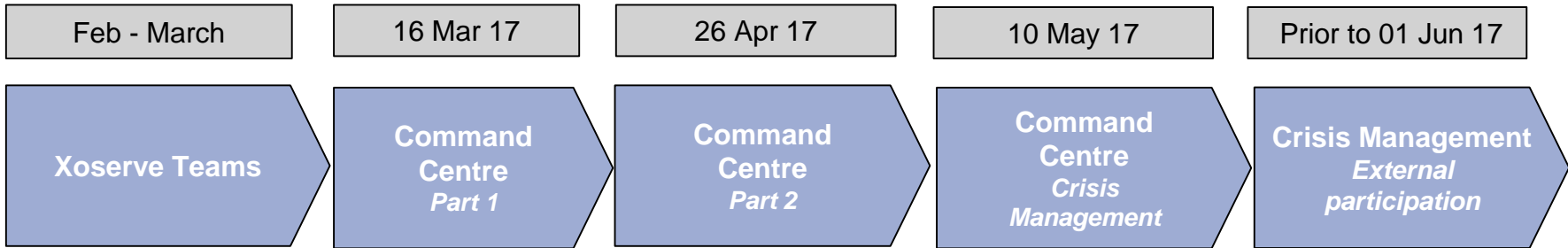
The data defects outstanding at the conclusion of IDR3 will be fixed prior to cutover or moved to fallout. At the conclusion of IDR3, there were 33 data defects outstanding. 29 of these have now been fixed, the remaining 4 are due to be fixed by 17 May 17. All defects are scheduled to be deployed by 17 May 17. If these defects are fixed as planned then this action can be closed. If they are not then the fallout report needs to be updated to identify the non fixed defects. Xoserve are to provide an update to PNSG on 17 May 17.

A5: GONG closeout:

Closeout of remaining actions relating to GONG. A number of low level actions are in progress for individual Market Participants and Xoserve to complete prior to cutover, as reported through the GONG G3 self-assessment on 11 May 17. These are not considered to impact the Go Live Decision as they are not material in nature and are not anticipated to deteriorate however, the GONG team and the Transition monitoring team will conduct follow up activity ahead of Go Live.

A1: Operational crisis scenarios

The following stages of testing have been/are being undertaken to ensure Xoserve will be ready to crisis manage scenario that could occur during the Governance Stability Period and thereafter during the Post Go Live Governance Period. A walkthrough is planned which will include Market Participants to share how scenarios will be handled across the industry – prioritising the framework that will operate during the Governance Stability Period.



- 150 “What If” Scenarios tested across PIS and Business Operations team processes.
- PIS team incident processes tested to validate their ability to avoid any scenario resulting in a crisis.
- One or more scenarios could invoke Command Centre escalation. However depending on severity, and scale of impact, Crisis Management could be triggered.

- Numerous combinations of “what if” scenarios occurring during PIS could trigger Command Centre escalation.
- Principle roles and responsibilities of the Command Centre tested through mimicking eight key escalated scenarios.
- Scenarios planned and shared with Command Centre prior to testing workshops.

Within Xoserve, a series of three testing workshops are underway . The first of which involved a “blind test” of Command Centre members against a number of different scenarios that could result in one or more risk or issue emerging.

The final step requires engagement with Market Participants. This will be accomplished through a Crisis Management walkthrough involving Market Participants focusing on the Crisis Management approach that will operate during the Governance Stability Period. There will also be an opportunity to test two scenarios; and to provide confidence in the crisis management framework that will describe key processes that the industry will follow in the event of a crisis. These will include processes for industry and external communications.

After Go Live, and consistent with broader engagement planned around Post Go Live Governance, a workshop will be mobilised to ensure that the Crisis Management approach can inter-operate with the approved Post Go Live Governance.

A2: PGL Support Process

To support industry during the early stages of PIS, Xoserve will publish documentation that confirms how key operational PIS processes will interoperate with existing governance. This is to ensure that the PIS processes which have been developed can interoperate within the governance in place during the governance freeze.

Scope of walkthroughs: This documentation will build on the existing PIS processes and cover critical scenarios including the following:

1. Defects

- How to raise, fix and deploy new P1/P2 defects.
- How to raise new P3/P4 defects.
- How to escalate existing P3/P4 defects.
- How to raise and fix data defect.
- How defects will be deployed.

2. Queries

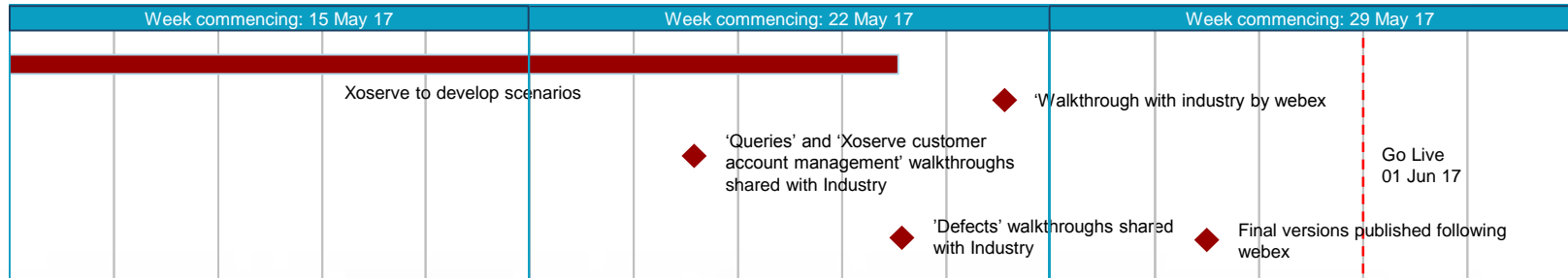
- How to raise a query.

3. Xoserve customer account management

- How to engage with your Individual organisation's account manager.
- Build awareness of the escalation routes within Xoserve.

Timeline of planned activities

The timeline below details the activities required to produce this documentation ahead of Go Live and the touch points between Xoserve and the Industry. It is recognised that scenarios will be subject to refinement based on feedback from industry during the PIS period.



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