

PNSG Meeting Minutes

1.1. Purpose

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

1.2. Meeting Details

Meeting Name:	Project Nexus Steering Group (Interim)
Meeting Date:	13 Apr 17
Meeting Time:	10:00 am – 12:00 pm
Meeting Format/Location:	PwC London, F2F and Webex
Chaired by:	Rob Salter-Church
Minutes recorded by:	PwC

1.3. Meeting Attendees

Group	Company	Representatives	Company	Representatives
6 Largest Suppliers	Npower	Chris Harden	Ofgem	Rob Salter-Church James Soundraraju Nicola Garland
	Scottish Power	Angela Love		
Challenger	Utilita	Alison Russell	PwC	Steve Mullins Richard Shilton Melisa Findlay Alison Cross
GT	SGN	Steve Simmons		
I&C	DONG Energy	Lorna Lewis		
	ICoSS Group	Emily Wells (webex)		
iGT	Brookfield Utility	Mike Harding	Xoserve	Lee Foster Steve Nunnington
	National Grid	Chris Warner	Baringa	Matt Adams

1.4. Meeting Agenda

1. Agenda and Opening Remarks
2. GONG G3 Early View
3. GONG Decision Materials
4. Scenarios
5. IDR3 Update
6. AOB

1.5. Actions arising from the meeting on 13 Apr 17

Action #	Pillar/ Milestone	Action	Action Owner	Status	Date Raised	Due Date
A261	GONG	Reach out to BEIS (Department of Business, Energy and Industrial Strategy) regarding communication protocols in the event of an energy emergency during or immediately following cutover.	Ofgem	Open	13 Apr 17	4 May 17
A262	GONG	Confirm the requirements under the UNC should an emergency change need to be made to the Project Nexus Implementation Date (PNID) during the cutover.	Ofgem	Open	13 Apr 17	4 May 17
A263	GONG	Issue communication to all Market Participants noting the importance of engaging in the PNSG constituent meetings ahead of the GONG focused PNSGs on the 17 and 19 May 17.	Ofgem	Open	13 Apr 17	4 May 17
A264	GONG	Representatives to advise Project Nexus PMO (projectnexus.pmo@uk.pwc.uk) on their schedule for constituency meetings pre the 17 and 19 May PNSGs.	Constituents	Open	13 Apr 17	28 Apr 17
A265	GONG	Ofgem to consider what support can be made available to constituency meetings pre the 17 and 19 May.	Ofgem	Open	13 Apr 17	04 May 17
A266	GONG	Prepare a list of contingency scenarios around go-live decision making logistics and present to the 04 May 17 PNSG.	PwC	Open	13 Apr 17	04 May 17

1.6. Meeting Minutes

Item 1: Opening remarks and approval of minutes

1. Rob Salter-Church (Ofgem) opened the PNSG by welcoming attendees and outlining the structure and objectives of today's meeting noting;
 - There are to be no decisions taken today. The purpose of the meeting is to consider the Go Live decision making process, focussing on the structure and nature of the Go Live pack material and the process rather than the specific content.
 - The meeting is intended to be collaborative and allow constituency representatives the opportunity to understand what information will be presented at the decision point and make suggestions on any further information they or their constituents will need to inform the decision.
 - By the time of the PNSG meeting on 17 May 17, the vast majority of the information will be complete. The 19 May 17 meeting will be used for any final updates or tracking of

- actions.
 - It is likely that the GONG decision made on 17 May 17 will have caveats to be followed up. A draft of the caveats will be provided in the report but the finalised wording must be agreed by the PNSG before the end of meeting on 17 May 17. The intention then is to circulate the Go Live decision and the respective caveats directly after the meeting.
 - Ofgem noted its expectation that no new issues (other than unforeseen matters) should be raised at either the 17 or 19 May 17 meetings. If any Market Participant has concerns they should be raised prior to the PNSG meeting on the 17 May 17.
2. Comments from one PNSG member were received on the 06 and 10 Apr 17 set of meeting minutes, which have been addressed. The minutes will be taken as approved and will be posted on the Ofgem website:

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

Item 2: GONG G3 early view

3. Ahead of the main discussion regarding GONG decision making, Richard Shilton (PwC) provided an update on the latest analysis on the 06 Apr 17 GONG G3 submissions (slide 3) as an early view. The analysis from the GONG portal noted that;
- Overall, there is a reduction in Red statuses compared to G2, and is a positive place to be in as we head towards Go Live.
 - There is currently only one organisation who is reporting a Red status, however this is the first time that this organisation has submitted to the GONG portal.
 - The other organisations with Amber statuses have a small percentage of AQ and supply points.
 - Some iGTs are still performing data cleanse activities and some organisations have ongoing work on their dress rehearsals and transition planning.
 - There have not been submissions from every Market Participant but those who have not submitted have a very small market share.
 - The next portal submission is on 20 Apr 17.

Question	Response
1. Why are some organisations not engaging with the portal submissions process? Are there lessons that can be learned for other similar programmes such as faster switching?	In most cases, the reason an organisations is not engaging is because Project Nexus has little impact on them, for example they only use manual processes and will not need to make IT system changes. In other cases, organisations are planning to exit the market. Lessons learned from this programme are/will be shared with other relevant industry programmes.

Item 3: GONG Decision Materials

4. Melisa Findlay (PwC) walked through the structure of the decision making materials and the reports that input into the decision making materials(slides 5-8) noting;
 - There are several different ways to present and consider this information. This pack has used two lenses i) the Project Nexus success factors and ii) the readiness reports.
 - Slides 9 onwards replicate what is proposed will be in the Go Live decision pack. Some information is similar to what PNSG members have seen before but in other cases, new information is provided. This PNSG is being used to collect feedback as to whether this is the appropriate information and level of detail to enable PNSG to make the Go Live decision.

5. Nicola Garland (Ofgem) talked through the Ofgem indicative decision (slide 9) noting;
 - It is proposed that the Ofgem indicative slide will explain how each of the Project Nexus success factors have been met / not met.
 - The feedback from RIAG was that industry will want to know what the business and consumer risks there are of proceeding or not with a 01 Jun 17 PNID.
 - Ofgem plans to provide a view of the Success Factors with impact on consumers and the market as a whole. Ofgem is considering issuing a more detailed letter to accompany the indicative decision.
 - The report will be issued on 15 May 17. Shortly before this Ofgem / PwC will hold a webex broadcast to explain the report structure and walkthrough the key information with the entire PNSG/PNDG distribution list. This will be a one way broadcast with no opportunity to raise questions on the call. Any questions should be directly via the PNSG representative through the relevant constituency meetings.

6. The meeting attendees provided the following comments on the structure of the Go Live decision pack;
 - If the assurance of Market Participant or Xoserve readiness identifies any disagreement, then this should be highlighted early in the report. This will mean there are four views of readiness (i.e., Market Participant self-assessment, Xoserve self-assessment, PwC assurance of Market Participants and Baringa assurance of Xoserve).
 - The report should be drafted bearing in mind that some readers will not have been closely involved with Project Nexus. These readers will want to understand the main reasons for the decision, what the risks associated with the decision are and why these risks are considered to be acceptable.
 - The report should seek to address any reasons why Nexus should not go-live.
 - Suggest formatting the PNSG pack so it is clear which slides are critical to look at, e.g., the Ofgem indicative decision slide.

7. Richard Shilton, Lee Foster (Xoserve) and Matt Adams (Baringa) presented the information to describe the success factors, Xoserve readiness, Participant readiness, aggregated market readiness, IDR3, fallout, the final risk position and the milestone status and assurance activity (slide 10 - 34). The meeting attendees provided the following comments;
 - The report needs to be clear on what is meant by “solution meets industry requirements” otherwise this could be challenged by parties who aren’t completely satisfied with the solution. It was noted that this is defined in the GONG criteria, but it is worth making sure that the link between the Success Factor and the GONG criteria is clear.
 - The views from parties giving assurance should be clear and direct.
 - There is a need to consider how Xoserve resources will be rationed if there is one or more Market Participants that require extra support. This is likely to be done on a case-by-case basis and take into consideration, amongst other factors, the impact to consumers and the market, their share of AQ / supply points and their engagement with the programme.

- The Department of Business Energy and Industrial Strategy should be engaged on communications process in the case of an energy emergency.
- The aggregate industry readiness perspective should come before the individual organisation perspective.
- The final number of defects that won't be fixed before Go Live needs to be very clear.
- RIAG should advise which risks need to be escalated to PNSG. The risks with higher impact should be presented with greater detail.

Item 4: Scenarios

8. Melisa Findlay presented some examples of scenarios that could jeopardise the Go Live decision making process. The meeting attendees presented the following comments;
- Xoserve / Ofgem / PwC / Baringa should be aware of when constituency meetings are taking place and determine whether and how these meetings can be supported. Constituency representatives should report back to the PMO when they have scheduled these meetings.
 - Ofgem should consider communicating to all Market Participants the importance of attending their constituency meetings.
 - The PNSG terms of reference does not have a quorum requirement. The final GONG decision will sit with Ofgem. The approach throughout the programme has been to seek consensus, where possible, for any decisions taken.
 - Ofgem should be clear on the requirements under the UNC should an emergency change to the Project Nexus Implementation Date be required. UNC General Terms defines *Project Nexus Implementation Date* as “1 June 2017 or such other date as determined by the Authority”, which gives Ofgem the flexibility to determine PNID. This has been amended in the past by a Consent to Modify (e.g. see C055).¹
 - Ofgem should consider distributing the final GONG decision as widely as possible including use of Ofgem's distribution lists for licence holders.
 - Ofgem already have a plan in place with their media relations team should there be a need for wider communication beyond the industry. There are a number of scenarios in the Contingency Playbook, developed by the TPG, which have specific communications plans.
 - There is a risk around low engagement particularly in the challenger community. The representatives cannot inform PNSG of the views of their constituents if they do not engage.
 - In case of a supplier of last resort (SOLR) situation, Xoserve will be pulling legacy files ahead of the cutover to enable the SOLR process to run as required.
 - Post Go Live performance monitoring and communication at an industry level needs to be considered.
 - A list of contingency actions should be prepared for discussion at the next PNSG.

Item 5: IDR3 Update

9. Lee Foster provided an update on IDR3 noting;
- The status is currently Green with progress slightly ahead of schedule.

¹ [http://www.gasgovernance.co.uk/sites/default/files/Consent%20to%20Modify%20C055%20-%20Project%20Nexus%20Implementation%20Date%20\(Approved\).pdf](http://www.gasgovernance.co.uk/sites/default/files/Consent%20to%20Modify%20C055%20-%20Project%20Nexus%20Implementation%20Date%20(Approved).pdf)

- The quality of the Delta 1 data load will be known by 18 Apr 17.
- The daily IDR dashboards can be found at:
<http://www.xoserve.com/index.php/our-change-programme/uk-link-programme/uk-link-programme-workstream-updates/uk-link-programme-transition/>

Item 6: **AOB**

10. Rob Salter-Church drew the meeting to a close by thanking participants for their contributions.

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