Project Nexus Delivery Group Minutes (Lite)

1.1. Purpose

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

1.2. Meeting Details

Meeting Name:	Project Nexus Delivery Group
Meeting Date:	11/04/2017
Meeting Time:	10:00 – 12:00
Meeting Format/Location:	Solihull Crowne Plaza, WebEx
Chaired by:	Nicola Garland (Ofgem) & Brett McGowan (PwC)
Minutes recorded by:	PwC

1.3. Meeting Attendees

Company	Representatives	Company	Representatives
British Gas	Kelly Docherty	PwC	Colin Bezant Richard Shilton Martin Crozier Brett McGowan Phil Russ Alison Cross
Corona Energy	Rebecca Greer		
Dataserve	Graham Smillie		
DONG Energy	Biju Varkey		
ES Pipelines	Katy Binch	SSE	Mark Carlin
EON	Carl Knight	SGN	Sara Neal
First Utility Limited	Chris Tucker Greg Cook	Spark Energy	Endre Merai
Flow Energy	Pradeep Chaubey Kirsty Lowe	The Renewable Energy Company	Jodie Humphries
Gazprom	Jane Woart	Utiligroup	Julie King
Northern Gas Networks	James Marrington	Utility Warehouse	Kevin Dunne
Npower	Chris Harden	Xoserve (Baringa)	Steve Nunnington Emma Lyndon (part meeting) Padmini Duvvuri (part meeting) Matthew Adams
Ofgem	Nicola Garland		
Opus Energy	Samantha Heaton		

1.4. Meeting Agenda

1. Opening of PNDG meeting
2. Approval of PNDG minutes
3. Review of the Current PNDG Report
4. Risks and Actions
5. Baringa Programme Board Report
6. Hot Topics: IRG Principles
7. IDR Fallout Summary
8. AOB

1.5. Meeting Minutes

Item1: Opening of PNDG meeting

1. Nicola Garland (Ofgem) opened the meeting and provided the following opening remarks;

   - PNSG agreed to exit IDR2 and enter IDR3 with a caveat on 06 Apr 17.
   - There has been an improvement in the overall programme status to Amber / Green and this has been largely driven by the improvement in the Transition and Data workstreams.
   - Some Market Participants have provided insufficient or no evidence in support of their GONG 2 assessments. Ofgem asks that Market Participants treat the provision of this evidence with appropriate seriousness as it is important to the overall assessment of the market. Nicola asked that Market Participants who still have outstanding information please respond to the request for information from PwC promptly.

Item2: Approval of PNDG minutes

2. No comments or questions were received on the 28 Mar 17 set of meeting minutes. These were 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

Item3: Review of the Current PNDG Report

PNDG Report covering the period 24 Mar 17 – 06 Apr 17

3. Brett McGowan (PwC) provided an overview of the Programme Status Report (slide 3) noting;

   - The overall programme status has returned to Amber / Green which reflects the completion of IDR2 and the exit of Market Trials Regression with caveats.
   - The Market Trials workstream status has improved to Amber / Green due to the small number of remaining test lines and the tracking of the close out of the four exit caveats.
   - The Data workstream has improved to Amber / Green due to the progress made on iGT data inconsistencies, the performance of inflight testing during IDR2 and reduction across other risk areas.
   - The Transition workstream has also improved to Amber / Green as the risk related to the close proximity of IDR2 and IDR3 has decreased due to the completion of IDR2 with very few issues.
   - The GONG workstream remains Amber / Green following the completion of G2 with work ongoing around noted exceptions.
   - Post Go Live is a new workstream, its status is Amber due the level of engagement required with industry to develop the Post Go Live plans prior to Go Live.

4. Brett McGowan presented the Market Trials POAP supported by Richard Shilton (PwC) presenting the wider workstream (slides 4 - 7) noting;

- Milestone MT2.6 'Regression Complete' is the last remaining milestone for the Market Trials workstream. This is being held at Amber / Green whilst the residual testing is completed.
- The caveats to the decision to exit Market Trials Regression are being tracked to completion.

5. Nicola Garland noted that the 'code chill' came into effect on 10 Apr 17. This means that the threshold for deployment of defect fixes is ratcheting up and only critical issues will be fixed prior to Go Live. Such defects will need to be escalated via the current defect escalation process, which requires interested parties completing a defect escalation template in order to justify fix and deployment.

Question from PNDG Attendee:	Response:
1. Were further defects escalated at the defect call on 07 Apr 17?	Yes, six were escalated, of which two were approved for fix. The industry is aware of the code chill on 10 Apr 17 and that only absolutely necessary fixes are to be deployed before Go Live as there will be no opportunity for industry to retest defect fixes and will have to rely on regression test evidence produced by Xoserve.
2. Are there any significant risks relating to the ongoing regression testing or defects that have been highlighted at this point?	The 37 test lines that have continued into the contingency window were approved as they were considered to be important to test. Until the testing is complete it is difficult to know what the level of risk is. If defects are found then there will be a process to determine the most appropriate way to mitigate the risk based on the anticipated impact of the specific defect.

6. Brett McGowan presented the Data POAP supported by Colin Bezant (PwC) presenting the wider workstream (slides 8 - 12) noting;

- Milestone D3.4 'iGT Data Reconciliation – Activities completed to GONG requirements' has been closed.
- Milestone D1.6 'Pre IDR3 Inflight Transaction Testing Complete' has deteriorated from Green to Amber due to de-prioritisation of testing during IDR2. The focus is now on completing this work by the 'need date' on 14 Apr 17. The In Flights group have indicated that this will not impact the Go Live date as these tests are low impact.
- The Data workstream previously had two key areas of risk: In Flights and iGT data inconsistency. Progress on both of the areas has been good and therefore the RAG status for the workstream has improved to Amber / Green.
- There have been two mini DMG meetings to address the iGT data inconsistency issues. In general, the inconsistencies were due to a difference in the timing of reporting extracts. Although there is more work to do on this issue, it is now not considered to be a significant risk.
- There will be an extra DMG meeting in May to walkthrough any fallout from IDR3.

7. Brett McGowan presented the Transition POAP supported by Philip Russ (PwC) presenting the wider workstream (slides 13 - 14) noting;

- Milestone T1.4 'IDR0 Completed', T1.5 'IDR2 Complete' and T2.4 'Playbook Final' are now closed.
- Milestone T1.6 'IDR3 Complete' has improved from Amber to Amber / Green as a result of the confidence gained in IDR2.

- Milestones T3.3 'Project Nexus Implementation Date' and T3.4 'Catch up Batch Complete' are both now Amber / Green.
- Milestones SO1.2 'Xoserve Support Model in Place' and SO2.2 'Market Participant Support Model in Place' are Green and Amber / Green respectively.
- The improvement of the workstream status from Amber to Amber / Green is driven by the success of IDR2 including Xoserve's transition activity in cutover period.
- The key messages from IDR2 were that Xoserve identified approximately 100 lessons learned which are feeding into IDR3. These are minor refinements not fundamental changes, in areas such as communication and scheduling.
- IDR2 demonstrated catch up could be completed in the required timescale.
- During IDR3 there will be daily Xoserve calls to update the industry on progress as well as a daily dashboard.
- The next TPG meeting will cover how the IRG will operate, and there is a hot topic later in this PNDG meeting to discuss IRG operation.
- The TPG agreed to run a smoke test prior to the start of the catch up to ensure that catch up works on end to end basis.

Question from PNDG Attendee:	Response:
3. How will the NED period impact the effective date of an end customer's change of supply?	This has been discussed at TPG and will be the process that is followed post NED period. The dates can be found in the CNF Effective Date table: http://www.xoserve.com/wp-content/uploads/NED-Catch-up-CNF-File-Approach-v1.0-2401201721.xlsx

8. Brett McGowan presented the GONG POAP supported by Martin Crozier (PwC) presenting the wider workstream (slides 15 - 16) noting;

- Milestone G4.0 'GONG Assessment 2 Complete' is now complete.
- The analysis of the first G3 portal submissions from 06 Apr 17 is ongoing, however the initial view is that there has been an improvement from G2.
- There remain some concerns about Post Go Live governance and Market Participants transition plans and dress rehearsals.
- Market Participants are strongly encouraged to work with their PwC GONG account manager to provide the necessary evidence to support their self-assessment.
- A gas supplier workshop was held on 03 Apr 17. This provided confidence that information is reaching gas suppliers and they are generally well informed about Project Nexus and shippers are undertaking activities to assist suppliers during the Transition period.
- The next steps for the GONG workstream are to complete the G3 analysis and complete the assurance activity in the run up to the GONG decision.

Question from PNDG Attendee:	Response:
4. What is the timing of information for the GONG decision? It is important for Market Participants to know to ensure that internal decisions and meeting can be held in a timely way.	The PNSG report will be issued on 15 May 17. This will give constituencies two days to consult before the PNSG meeting on 17 May 17. The decision on 17 May 17 will be ratified on 19 May 17.

The purpose of the PNSG 13 Apr 17 meeting if to rehearse the GONG decision so Market Participants understand the type of information they will have to base the decision on. If there is information they will want to have at the GONG decision that is not currently planned to be provided, this can be raised at the meeting on 13 Apr 17. |

9. Steve Nunnington (Xoserve) presented the Post Go Live workstream and PIS Industry Governance POAP (slides 17 - 20) noting;

- All the milestones are marked Green and on track. However, in discussion with the meeting attendees it was identified that the first Milestone defining governance Terms of Reference (ToRs) will be missed. These are expected to be disseminated to industry for comment shortly. Xoserve will extend the period of consultation for industry on these ToRs to ensure that there is sufficient time for industry to consider the proposals.
- The PIS release management session held on 06 Apr 17 received positive feedback but further detail is required to develop the plans.
- There are six elements to the Post Go Live Plan.
  - Key BAU processes.
  - PIS industry governance.
  - PIS Release Plan.
  - Fallout / Close down (GONGs, defect fallout management).
  - Transition from PIS to BAU operations.
  - Future release plan.

Question from PNDG Attendee:	Response:
5. Have the governance groups Terms of Reference been circulated yet? If not should that milestone be shown as red or moved as there should also be sufficient time for consultation with industry?	The Terms of Reference will be finalised and shared with Ofgem and PwC in the next day. The information on the slide was correct as of the date of the report (03 Apr 17) however Xoserve will consider the governance around changes to milestone dates.
6. When will further detail be provided on the governance arrangements immediately after Go Live?	This is currently a lot of work going on at Xoserve to develop these plans. The outputs are expected to be shared by 13 Apr 17.

Item4:   Risks and Actions

9. Nicola Garland provided a summary of risks and actions (slides 21 - 23).

1.6. Actions arising from previous meetings

12. Nicola Garland reviewed actions under each Workstream. All the actions which were proposed to close have been closed.

Action #	Action	Progress	Owner	Status	Due	Forum
A200	Xoserve to develop a draft release plan for anticipated deployment of defects etc post 01 May 2017.	This is being addressed within the development of the Post Go Live POAP that is now being reported to PNDG. **CLOSED**	Xoserve		30 Mar 17 → 28 Apr 17	RIAG
A202	Xoserve to propose a process for the	A meeting is scheduled for 6 Apr 17 with a working	Xoserve		15 Apr 17	RIAG

	governance of defect releases in the Post Go Live context. This is part of a broader risk with respect for the need for clarity on governance in the Post Go Live context.	group to determine the governance requirements for PIS release / defect fix solution. This action is now being tracked through the Post Go Live workstream milestones. **CLOSED**			
A203	Xoserve to develop a framework for governance during the post-Implementation period to return gas settlement to business as usual. Framework due by end of March 17. Ofgem to review and accept this proposal by 15 April 17. This should include aspects such as the protocols for managing and testing changes, defect drops and future releases.	A meeting is scheduled for 6 Apr 17 with a working group to determine the governance requirements for PIS release / defect fix solution. This action is now being tracked through the Post Go Live workstream milestones. **CLOSED**	Xoserve	15 Apr 17	RIAG
A223	Provide an update on the plans for Post Go Live release(s) at the next PNSG.	Action A252 covers further development of Post Go Live release management strategy. **CLOSED**	Xoserve	22 Mar 17	PNSG
A230	Confirm whether there is a need for an invoice run in April and the nature of such a run if it is required.	An additional invoice run will not be required. **CLOSED**	PwC	24 Mar 17	Xoserve Plan Management Meeting
A234	Undertake high-level contingency analysis of the options when different participant types do not meet the final GONG criteria and are not ready to cutover. Ensure Ofgem understand the process and criteria that will be applied in this event. This	The principles for performing the analysis have been created and are being presented at RIAG on 11 Apr 17. **CLOSED**	Ofgem	31 Mar 17	RIAG

	information on criteria may not be fully published to the market.				7	
A247	Xoserve to confirm if/how they will confirm gas day timing are acceptable to Market Participants.	This will be addressed at the next TPG on 18 Apr 17.	Xoserve		28 Mar 17	PNDG
A252	Xoserve are to deliver a release management strategy and plan, with input from RIAG 30 Mar 17, on the approach to releases of fixes to defects post go-live (This is part of a broader risk with respect to the urgent need for clarity on key aspects of market-impacting Post Go Live arrangements). This should cover, but not limited to: -ToR for Post Go Live governance groups -POAP -Whether there is a need for a separate group to address this issue -Discuss what information is required from MP on their internal constraints on release strategies	A workshop to progress this action has been established for the 06 and 11 Apr 17. A third workshop has been scheduled for 20 Apr 17 to finalise the plan. This action is now being tracked through the Post Go Live workstream milestones. **CLOSED**	Xoserve		30 Mar 17 → 13 Apr 17	PNDG
A253	Report on Post Go Live Pillar in the next PNDG pack onwards	Post Go Live Pillar is included in report on 11 Apr 17. **CLOSED**	Xoserve		05 Apr 17	PNDG

Item5: **Baringa Programme Board Report**

10. Mathew Adams (Baringa) summarised Bargina's assurance of Xoserve presenting (slides 27 - 29) noting;

- The programme status is being held as Green / Amber.
- There has been positive movement in the overall risk profile due to the successful completion of IDR2.
- There is still a risk on data and defects and a likelihood that there will still be defects that need to be dealt with at Go Live. There is a robust fallout management and prioritisation process in place.
- Xoserve have taken action to bolster resourcing in response to the risk around data resourcing.
- There is a continued recognition of business and operational readiness risk. The development of Local Working Instructions (LWIs) is behind plan. Xoserve have recognised this and added management focus to it. They are prioritising LWIs by criticality and the order in which they will be encountered.
- The impact of multiple workarounds is still being finalised, however Xoserve have confirmed that they are able to resource the current approved and under review workarounds.

Item6:   Hot Topic: IRG Principles

11. Philip Russ presented a summary of the Issues Resolution Group structure and operation (slides 31 - 36) noting;

- The IRG will be in operation during the 23 day transition period to rapidly assess problems in the case of a major incident arising. The IRG will have sole decision making responsibility during cutover.
- Incidents will then be classified by urgency and impact to customers or the Project Nexus Implementation Date.
- There will be three levels of the IRG with different memberships. IRG levels 1 and 2 will be on call 24/7 and IRG level 3 will be on call between 7am and 11 pm.
- The members of the Level 3, the industry expert pool, need to have sufficient understanding of Project Nexus and cutover / incident plans. The industry experts may not all be called for every issue; it will depend on the nature of the incident as to who the IRG decides is necessary to seek advice from.

Item7:   Hot Topic: IDR Fallout Summary

12. Emma Lyndon (Xoserve) and Padmini Duvvuri (Xoserve) presented a summary of IDR2 fallout (slides 37 - 41) noting;

- All the data sources that were planned to be migrated during IDR2 were successfully completed. Some defects and fallout was experienced as expected.
- Defects were resolved during IDR2 where possible, and this was done on a priority basis.
- The iGT data load performed better than expected due to the iGT data cleansing efforts over the last few months.
- There were higher delta defects than anticipated but all were either fixed in cycle or have a fix plan in place.

Question from PNDG Attendee:	Response:
7. Do you know why you had higher number of defects than expected?	There were some events that hadn't been observed before. Some of which was due to unusual Market Participant behaviour such as applying retrospective updates. Xoserve asked that Market Participants avoid this type of activity in

	the lead of to Go Live and this should then significantly reduce in IDR3. Market Participants should avoid large scale changes, particularly to data prior to 06 Mar 17.
8. If Market Participants continue to do internal data cleansing does that present a risk to the programme?	So far Xoserve have been able to cope with the increased volumes but it has been communicated to Market Participants that they are expected to behave normally. If any unusual activity is planned then Market Participants are requested to inform Xoserve as soon as possible.

1.7. Actions arising from this meeting

Action #	Action	Action Owner	Status	Date Raised	Due Date
A260	Xoserve are to consider what governance mechanism is required to manage changes to milestones on the PIS Industry Governance POAP.	Xoserve	Open	11 Apr 17	20 Apr 17

Item8:   AOB

13. Nicola Garland drew the meeting to a close thanking attendees for their participation and noting;

   • The latest GONG assessment has shown a general improvement but Market Participants should continue to report honestly, as Ofgem will always view proactive engagement on risks favourably over reactive responses to issues. If any Market Participant has any concerns, they should reach out to their PwC GONG account manager or Ofgem.