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| Date: | 06.10.09 | |
| Chair: | Michael Atkinson, NIE | Walter Keady ESBN |
| Attendees: | <i>CER</i> – Paul Fuller <i>IBM</i> – Paul Merkens <i>NIE</i> – Michael Atkinson, Nigel Wray <i>NIE Energy</i> – Clifford Morrison <i>ESB</i> – Colette McEvoy <i>ESBN</i> – Walter Keady, Clifford Morrison <i>ESB CS</i> – Gerry McDonald, Bernie Byrne | <i>RMDS</i> – Conor Garrigan <i>Gemserv</i> – Malcolm Rowley <i>Firmus Energy</i> – Mary O’Kane <i>Energia</i> – Mandy Reid, Thomas Heasley <i>Airtricity</i> – Siobhan Leane, Karen Cahill <i>BGE</i> – Mark Speers, Ger Harnett <i>ESB IE</i> – Bernadette Jennings |
| Apologies: | | |
| Version Number | | |
| Change Made | | |

Slides of the meeting are issued separately

| Agenda: | | |
|----------------|------------------------------------|-----------------------|
| 1. | Introduction | Karen Kavanagh, CER |
| 2. | Context | Michael Atkinson, NIE |
| 3. | Approach | Paul Merkens, IBM |
| 4. | Schedules and Deliverables | Paul Merkens, IBM |
| 5. | Progress | Nigel Wray, NIE |
| 6. | Next Steps and Supplier Engagement | Michael Atkinson, NIE |

1. Introduction

K Kavanagh introduced the first meeting of the Working Group. The aim is for both network companies to review messages and processes and to work towards a harmonised set of messages in December. This will be approved by the Steering Group (SG) and implemented.

2. Context

M Atkinson presented an overview.

Slide 1: Context

ESB Implemented Market Facing Systems in December 2004, NIE Implemented Enduring Solution in December 2007

ES Project in NI to Deliver Dually Dynamic Retail Market – 11 New Messages in Place in Rol

The recent focus was on a more substantive level of alignment, and the harmonisation project was launched.

Slides as presented.

Slide 2: What is Harmonisation?

Harmonisation Considered in Context of: Alignment with Other Jurisdictions, Focus on Market Operations from Perspective of Suppliers

The initial scope was relatively wide, but it is now focused on an alignment with Rol.

Objective – Common Set of Messages, Market Procedures to Describe Consistent Set of Rules, Integrated Governance Mechanism.

Slides as presented.

Slide 3: Governance

Governance Through Harmonisation SG to Provide Overall Direction; WG to Provide Detailed Proposals

Aligned Governance from End 2009 to Ensure Alignment does not Drift, Further

2. Context**Convergence****Common Set of Principles, Single Change Control Process**

A participant asked who would sit on the steering group, and whether suppliers were represented. M Atkinson replied that it would consist of representation from NIE, ESB, and the primary regulators. K Kavanagh stated that the SG would approve the work of the Working Group (WG), where suppliers were represented and would engage. G Harnett asked whether the SG would be able to initiate a proposal, or whether this could only be done through the WG. K Kavanagh replied that the detailed proposals would probably be dealt with by the WG. W Keady stated that the RoI scheme would be used as a template.

K Cahill asked whether the harmonisation of MPCCs was being represented at the SG. W Keady replied that one strand was a review of the technical solutions. M Atkinson added that the more detailed discussions would take place at WG level, and that the SG would address any problems with this arrangement.

Slide 4: Harmonisation Options

ESSG and MOSSG Considered Five Alignment Options – Three Aimed at Full Harmonisation, One Aligning Schema Only, One Deferment

Alignment will be on MMs and Supplier-Facing Processes

General Consensus on Aligning to RoI Template – Outstanding Issues to be Resolved. Strong Level of Engagement at Senior Levels

Slides as presented.

Slide 5: Aspiration and Approach

Joint Project Between NIE and ESB

Aspiration – Harmonisation Brings Real Benefits to Suppliers

Principal Scope is MMs and Associated Processes – Alignment of Technical Solutions also Considered

K Cahill asked whether it would be possible to share the same technical solution. W Keady

2. Context

replied that the opportunities were being considered at this point.

Overall Approach: Must Recognise Existing Differences Between Jurisdictions, Consider Alignment Options, Engage with Stakeholders, Develop Pragmatic Outcomes, be Cost Effective and Efficient

Slides as presented.

3. Approach

P Merkens described the Approach.

Slide 6: Process Considerations

Words – Supplier Facing Processes and Messaging – Common Set of Messages and Message Population

Tests – Is Harmonisation Supplier Facing? Pre-agreed Exclusions; Potential Exclusions.

Proposals Subject to Impact Assessment – Costs, Benefits

An example is required for data processing, and the costs vs. benefits of harmonising it.

Pre-agreed Areas, Included or Excluded:

Harmonisation and DuoS Tariff and Transaction Charges; Different Metering Thresholds; Metering Configurations and Codes; Prepayment Meters; Meter Read Cycles; Supplier of Last Resort

S Leane asked whether the messages around metering intervals would be harmonised. P Merkens replied that the 341 and 342s would be looked at for harmonisation, and that the structure would probably be the same in both markets but with different intervals. K Cahill asked whether the versioning would be based on RoI. P Merkens replied that RoI was being looked at as a basis, and any issues arising from this would be brought to the WG. A participant asked which version of RoI would be used. C McEvoy stated that v7 was the basis. A participant asked whether there would be change requests on the May RoI schema change. W Keady replied that the decision on how to proceed would have to be made after December. The participant asked whether there would be schema freezes in RoI until the ES. W Keady stated that there may be some changes in RoI, but the details were not clear yet.

K Cahill asked what the benefits were to suppliers. P Merkens replied that the focus was on bringing the markets closer together, and that a number of suppliers at the NI WG had

3. Approach

expressed the same intention. K Cahill said that there were costs involved for suppliers. P Merkens replied that this was why the process had to be gone through, and that suppliers had to judge whether the benefits outweighed the costs. M Atkinson added that suppliers had been able to do a sense test, and that the view from a senior level was that it was a good thing to do on balance. K Cahill said that suppliers had thought that DuoS, for example would be aligned, and that they needed to weigh up the benefits. P Merkens replied that there were physical issues that could not be harmonised, but that the process areas could be evaluated from the viewpoint of benefits.

Proposal – Not to Harmonise in Exclusions

K Cahill said that meter reads in NI had a three-month cycle and are not estimated. P Merkens replied that part of ES was that there would be an estimated read.

Participants Agreed on Exclusions**Slide 7: Areas Where Inclusion in Harmonisation is to be Reviewed**

New Connections – Energisation without Registration Removed for NI, in Line with Non-Domestic Market; Energisation Possible in RoI.

Fieldwork Appointments – RoI, Request Appointment; NI, Schedule Appointment

Data Publication – Different Data Protection Regimes

Debt Management – RoI, Objection Excluded from MPD; NI, Objection Requested by Suppliers – Decision Needed on Whether to Retain/Remove Processes

K Cahill asked whether, even though the default for harmonisation is RoI, it might be possible to add elements to RoI if the NI system worked better. W Keady stated that some elements would have to be changed regardless, and that it depended on the ease of making such changes. P Merkens added that each case would be considered on its merits. MOSSG have agreed to harmonise with RoI as a basis, but that does not necessarily mean elements of suppliers value in NI will be thrown out. However, adapting those elements to RoI might involve significant investment.

A participant stated that any changes made to the schema must not prevent harmonisation sometime in the future. Some differences could be harmonised, and that should be supplier-driven rather than distribution-driven.

3. Approach**Cooling-off Period – Encouraged for domestic market in NI; Not Required in RoI**

The big impact is that suppliers can go back to the customer twice for a reading. One way to avoid that would be to allow a supplier to collect an initial reading and estimate forward to the contract start date.

Estimation at CoS – Generally Allowed in RoI; Allowed in NI only in Exceptional Circumstances

K Cahill asked whether it was because suppliers did not estimate reads in NI. P Merkens said that reads were estimated, but the estimation takes place at month end. NI is moving away from month-end billing as part of ES. Estimation in CoS is different, because it is in line with the change in supplier dates. One of the downsides is disputes between the suppliers. A participant stated that the more accurate a meter reading is, the better settlements will work. The meter reading should therefore take place at change of supply. K Cahill stated that this was already done, but in some cases customers could not access their meters. P Merkens stated that once the process in both jurisdictions is understood, the proposal will be brought to the table.

Supplier Requested a Deenergisation – Generally Allowed in RoI; Prohibitions in NI Domestic Market**Other Areas May be Identified as Analysis Proceeds****Slide 8: Examples of Supplier Facing Processes****Messaging – May Differ in Way Network Providers Handle Messages**

Usage type is a mandatory field in NI, but not used in RoI. The choice for the supplier is whether to leave this in place.

K Cahill stated that the choice to map certain fields in 320s from both networks was currently up to the supplier. P Merkens stated that it might be possible to move to one system over time, but not in every area. Making all messages look the same would be feasible. However, the codes will be more difficult to harmonise.

New Connection, Connection T&Cs, MIC, MEC – Not Supplier Facing**Registration is Supplier Facing, Including Registration of New Connections****Customer Data Provision – Not Supplier Facing**

3. Approach

G Harnett stated that the customer data provision is probably customer facing. P Merkens replied that it is not between networks and supplier. K Cahill stated that suppliers can act as agents on behalf of the customers, so the data provision does affect suppliers. G Harnett added that it affects the supplier indirectly, so it is supplier facing.

4. Schedules and Deliverables

Paul Merkens continued with the Schedule and Deliverables.

Slide 9: Joint Arrangements with NIE, ESB**Messages Clustered in Six Groups.**

Three Key Steps – Schema Analysis, Business Process Implications, Industry Engagement

Working Together on Schema and Process Alignment – Three-Month Timeline, Networks Team Established and Engaged

Proposals to be Discussed at Harmonisation WG

Slides as presented.

Slide 10: Working Approach**Approach Similar to that in ESSG and SIG to Develop Previous Set of Changes**

Slides – Registration Discussed at WG Two and Three; Objection, Cancellation and Responses at Two and Three; Fieldwork at Three and Four; Customer Details at Four and Five; Meter Readings, Data Aggregation and Unmetered Supplies at Five and Six

Most of the issues will be around registration and fieldwork.

K Cahill asked about additional meetings for extra topics. P Merkens replied that all MMs and all supplier-facing procedures are dealt with in the agenda, except for SoLR. 507 and 507C will be dealt with towards the end.

4. Schedules and Deliverables

Provisional HWG Schedule – Participants Agreed to Fallback Dates for Contingency Meetings

B Jennings suggested a contingency meeting between the third and fourth and fourth and fifth meetings. G Halligan indicated that there is potential for items to be moved around between meetings. S Leane asked whether the Third Energy Package is on the agenda. G Halligan noted that there will need to be enabling legislation in both jurisdictions. P Merkens stated that it might be useful to have presentations on this from the regulatory authorities. M Rowley indicated that a joint schema has to be agreed before the end of the year so that ES can start developing, but that the ES cannot start delivering for two years, so implementation of the schema has to be discussed. P Merkens said it would be worth considering whether it would generate a change request down the line.

S Leane asked whether receipt acknowledgements for MMs are being considered, and P Merkens replied that all the messages will be considered. K Cahill asked about CDA changes, which had tried to circumvent a schema change. P Merkens replied that CDA representation had to be ensured. S Leane asked about MPRN website harmonisation, and P Merkins replied that this issue would be raised as well, though the focus at the moment was on the schema.

Participants agreed on additional meetings between the third and fourth and fourth and fifth meetings.

Slide 11: Process

First Meeting – Schema Proposals – Changes and Summary of Process

Supplier Review Comments Five Working Days After HWG

Documentation of Agreements – Message Guide, Summary of Process

Market procedure documentation will not be updated as part of this process. A second document will be produced to summarise changes. The message guide will summarise the validation done in each market. M Rowley stated that the regulator will have to agree on how to take the schema forward if there is no agreement, so it would be useful to get a consensus. G Harnett said that there needs to be input from both the regulators and the WG as regards regulatory changes. S Leane stated that a supplier representative should be at the SG to represent issues on which suppliers are in general agreement. P Merkens replied that the WG

4. Schedules and Deliverables

chairman must represent the WG views in an unbiased manner.

Slide 12: Schema Proposals**Presented Through Excel Spreadsheets**

Describe Common Schema and Changes in Each Jurisdiction – Some Fields Shown as Missing; Fields Introduced as Part of ES Highlighted; Aligned are Colour Coded

Slides as presented.

Slide 13: Sample Schema Proposal

K Cahill asked whether there was an alphanumeric flag, and S Leane indicated that many field links are SAP, not the actual value. Both points were taken on board as needing to be clarified. S Leane also asked whether the order of the fields mattered in a particular market. P Merkens replied that the segments were being harmonised. K Cahill asked whether the dates were the same format in both markets, and C McEvoy replied that different data codes and formats are being considered.

Slide 14: Proposed Timeline

Slides as presented.

Slide 15: Working Arrangements

Message by Message Analysis, Within Group Structure and Overall Alignment Approach

Presentation to HWG will State which Message will be Changed – Circumstances in which Message Used, Proposals for Message and Process Alignment, List of Areas

Slides as presented.

Slide 16: Outputs

Message Guides – Message Content and Network Validations – Documentation to Support Agreed Changes – Document to Support Instructions to SIG in NI Only

4. Schedules and Deliverables

Later in Harmonisation - Common Set of Message Schema, Updated Market Procedures

Slides as presented.

Slide 17: Technical Infrastructure

Slide held over for discussion.

5. Progress

N Wray gave an overview of progress to date.

The ESB and NIE teams are established, and appropriate documentation will accompany the work plan for each meeting. There will be two workshops per week. The initial part of the analysis is based on the schema, starting with a wide area of difference and narrowing to an agreed level, with good progress so far. 27 messages have been analysed so far in the registration, objection and cancellation space. These 27 messages will be adopted in full for NI with the required changes. The process side is likely to present more challenges than the schema alignment.

S Leane indicated that messages were populated in the NI market that are not recorded in the schema or the market processes, such as in the case of withdrawal messages. N Wray replied that those involved in the process analysis are expected to pick up such issues. K Cahill stated that it was only by comparing messages and questioning the missing registers that it was discovered what was going on. P Merkens replied that some things will slip through, which is why the WG is so important. K Cahill emphasised the importance of getting the documents as early as possible before the meetings.

The first and second workstreams have been covered; processes in these workstreams are next. A schema analysis meeting for workstream three is taking place. The work is on schedule so far.

6. Next Steps and Supplier Engagement

M Atkinson presented the Next Steps and Supplier Engagement.

The main priority is to ensure that participants are on the same page in order to work to the timetable. There is some fine tuning to be done regarding the governance of the WG and SG

6. Next Steps and Supplier Engagement

and some final definitions are to be put out by the regulators. However, the general sense is that the target is achievable.

Supplier engagement is best managed at WG level, and it is up to the chair to bring the consensus views and issues to the SG. There is ongoing engagement with the MOSSG group, and both regulators are engaged in a connected way with the process.

S Leane asked whether the RMDS website can be used to publish any of the associated documentation. Participants agreed that this was desirable.