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Donna Townsend - DCUSA Chair
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Our Ref:PR-No11

Your Ref:

31 October 2014

Dear Donna,

Northern Powergrid derogation request from the implementation date to incorporate changes to the half-hourly use of system billing system - Project update report 11

Further to Northern Powergrid's derogation request in relation to the implementation date for incorporating changes to their half-hourly use of system billing system to facilitate DCP144 - 'rounding of consumption in the HH DUoS system, DCP 148 - 'HH revision billing to be carried out via credit and re-bill' DCP 149 - 'Prohibiting HH invoices containing data from two different clock time calendar months' and the DCUSA panel's subsequent request for regular updates, please see below this month's project status report.

This is the eleventh project update provided to The Panel and I am pleased to say that we remain on plan to go-live with the new system early November. The first DURABILL live half-hourly billing run will incorporate two of three DCUSA changes (DCP144 and DCP149). The progress over the month of October has gone very well both from a testing and parallel running perspective and commercially as the Contract has been duly signed by both parties.

October progress:

The project remains on track and is running to plan against the expected go-live date of the 5th November 2014. Key activities over October included; the second parallel run which included mirroring the September operational billing runs. Further acceptance testing including; faults raised against the functionality, regression testing and the remaining data migration aspects of the project. Northern Powergrid's own IT service provider initialized the target production environment, ran in test data and completed data-pump timings and tuning activities.

Operational change activities have included new 'KPI' and 'KFI' reports, local working practices and process development and the review process included internal audit. Assurance activities have included overseeing parallel run two, statistics were produced to monitor progress, final results showed only minor discrepancies which were fully explained.

The October project board meeting scheduled for Thursday, 2nd October went ahead as planned and following the results of the parallel two testing a formal go/no go decision meeting was held on Thursday, 23rd October. The Executive project sponsor agreed to a 'conditional go' decision based on receiving a fully signed SCS contract. On the 28th October a signed version of the Contract was received by Northern Powergrid, this went for final legal review and on the 29th of October Contracts were exchanged with SCS.

Northern Powergrid held an energy supplier and IDNO stakeholder conference call on Thursday the 30th October which was well represented. The call covered a number of areas with special focus on reasons why Northern Powergrid had to make these changes and what the changes to the billing service means to both energy suppliers and IDNO's.

Areas of major risk/concern:

There are only critical path activities left to carry out between now and the go-live date of the 5th November. The table below sets out the key development milestones which are based on the agreed project plan.

Project Phase	RAG Status	Start Date	Finish Date	Commentary
Procurement/IT supplier appointment	Completed late	Nov-13	28-Oct-14	Formal procurement phase, e.g. invitation to tender, contract award.
Budget spend authorisation	Completed	Dec-13	Jan-14	Director authorisation of investment appraisal signed-off
Project Initiation	Completed	Apr-15	May-15	Scope, Sign-off, Quality Plan and Project Initiation Document
System development - user requirements	Completed	Nov-13	Apr-14	Detailed requirements drawn up by the IT developer following clarification work shops
Functional Specification Change Document	Completed	Apr-14	May-14	Document Functional changes to Core Product
System development - detailed design development	Completed	Jun-14	Jul-14	Carryout actual changes to core product in line with requirements
System Testing - Contractor	Completed	Jun-14	Aug-14	Carryout initial system testing re changes to core product
User Acceptance Testing - Northern Powergrid	Completed	Sep-14	Sep-14	Northern Powergrid carryout User Acceptance testing witnessed by Contractor

Development of Data Migration	Completed	Jan-14	Oct-14	This includes all data from Apr-08 being moved into new system including carrying out parallel running as a comparison between current system and new system
Parallel Run activities	Completed	Sep-14	Oct-14	New development system runs alongside current system and mirrors inputs and outputs.
Go-live	In progress	Nov-14	N/A	New system goes live with new requirements matching the DCUSA changes

Sort term outlook:

Final critical path activities continue in the first few days of November to get the production environment set up and carry out the first live billing runs. First half-hourly billing runs are scheduled for Wednesday 5th November followed by the non-half hourly billing run on Friday 21st November.

I hope this update continues to meet with the panel's requirements and if at any time you would prefer that I give my summary in person then I could easily dial into your meeting at a given point within the agenda (or even attend in person) and provide this.

Yours sincerely,

Gary Marshall

Northern Powergrid, Income Manager