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Donna Townsend - DCUSA Chair
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Our Ref:PR-No7

Your Ref:

30 June 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 7

Further to Northern Powergrid's derogation request in relation to the implementation date for incorporating changes to the half-hourly use of system billing system to facilitate DCP144 - 'rounding of consumption in the HH DUoS system' and DCP 148 - 'HH revision billing to be carried out via credit and re-bill' and the DCUSA panel's subsequent request for regular updates, detailed below is the sixth update on the progress made so far.

This is the seventh project update provided to the Panel and I am pleased to say that work continues at pace within the project and that all critical path work streams are on track to the agreed plan timescales. In last month's update I made reference to the fact that the Project Manager for Northern Powergrid had tendered her resignation to the Company and that I was in the process of looking for a suitable replacement. I am pleased to say that I have successfully found a replacement and the knowledge transfer is well under way and so there will be no impact or risk to any of the projects deliverables.

The main areas of progress this month were against a successful review of all the documents relating to the functional changes we want incorporating into the current application. We have also completed the data migration document review and are now working on finalising the data cleansing activities. Preparation has also started for Factory and User Acceptance Testing along with mapping out all of the external and internal business change activities that will be required.

Another area of positive movement is that we have procured and currently installing the hardware that will be used for testing and go-live. With regard to the Contract, the final version has been approved by Northern Powergrid and we await approval coming back to us from the IT service provider which should be any day now.

We continue to manage the project under formal PRINCE2 methodology (projects in a controlled environment) with full project governance including executive sponsorship and to date; we have held eight formal project board meetings since December 2013.

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	Final stages	Nov-13	15-Jul-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	In progress	Jun-14	Jul-14	Carryout actual changes to core product in line with requirements
System Testing - Contractor	In progress	Jun-14	Jul-14	Carryout initial system testing re changes to core product
Acquire Hardware / System Configuration	In progress	Jun-14	Aug-14	Work with internal IT service provider to acquire new hardware to host software
Factory Acceptance Testing - Contractor	Not Started	Jul-14	Aug-14	Enter formal factory acceptance testing witnessed by NPg
User Acceptance Testing - Northern Powergrid	Not Started	Aug-14	Sep-14	Northern Powergrid carryout User Acceptance testing witnessed by Contractor
Development of Data Migration	In progress	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
Go-live	Not Started	Dec-14	N/A	New system goes live with new requirements matching the DCUSA changes

The short term outlook for July is to finalise the hardware configuration, finish off all data cleansing activities and prepare User Test Specification, associated test scripts and test data. In addition we expect the commercial Contract to be fully signed.

Again for completeness I have attached the project Gantt chart.

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