

External Design Advisory Group - Monthly Highlight Report

Date report updated

May/ Jun 2017



Upcoming Key deliverables	1. Certainty on RFI Data following check/challenge (Blueprint) Jun '17	2. Finalised policy considerations/questions for DB2 Consultation (Blueprint) Jun '17	3. Completion of Wave 2 development of D-4.1.2/3 Design and Data models Jun '17	4. Completion of D-4.1.1 DLS Design Assumptions (updated for Design Baseline 2) Jul '17

Deliverables achieved since last reporting period
Recommended Reform Package and policy variations to Programme Board (Blueprint) Completion of Wave 1 development D-4.1.2/3 Design & Data Models



Programme Progress update

Overall

- * The programme overall remains Amber with DLS development ongoing and good progress made with RFI analysis and the development of recommended Reform package.
- * Energy Switch Guarantee Round Table meeting held 8 May.
- * Next EDAG meeting scheduled for 22 June.
- * Next Steering Group (SPSG) scheduled for 03 July and Delivery Group (SPDG) on 04 July.
- * Additional PMO resource joined the programme in May, with additional Design/Delivery and DIAT resources and Technical Architect also now in place.
- * Programme "Critical Friend" started end April.

Technical Design Authority

- * TDA meeting on 15 May agreed terms of reference and modelling work familiarisation and 24 May discussed Wave 1 Design Modelling. Group now meeting on a fortnightly basis
- * Representation on group from suppliers and Electricity Networks remains outstanding.

Design and Impact Assessment Team

- * Met with stakeholders to validate RFI responses and continuing to manage data resubmissions.
- * Supporting Programme Director bilaterals with stakeholders.
- * Identified with DCC areas where costs may have been overstated.
- * Produced first cut of NPV figures for reform packages.
- * Procured consultancy support to produce a narrative on the dynamic competition benefits.

End to End Design workstream

- * Design Team fully resourced and commenced work on detailed design and data models.
- * Publication of Wave 1 modelling work and commencement of Wave 2
- * Additional Ofgem resource joined team 12 June.
- * Communication platform consultancy - final report received.
- * Design Forums (formerly User Groups) held on 08 May and 12 June. Next meeting on 17 July with September meeting date TBC.

Regulatory Design Workstream

- * Progress being made on several products with a view to having sufficient detail to take papers to RD User Group and Programme Board in June.

Delivery Strategy Workstream

- * Stakeholder Design Forum took place 22 May.
- * Delivery of an assurance map highlighting interlocking relationships between programme assurance and a system integration function.
- * Work packages to fully commence development in July once preferred reform package and supporting assumptions identified.

Commercial workstream

- * Aligned plans and DCC Business Case published.
- * Initial planning in progress with DCC on timings for licence modifications.
- * Workshop on market engagement with SMEs in place.
- * Procurement plan product description agreed and initial work on the product underway.
- * Product descriptions for remaining products in progress and to be completed for June.
- * Template documents for Sourcing Strategy and Tender packs reviewed.
- * Regular procurement design teams and workshops are ongoing.
- * First monthly financial report received from DCC.

External Dependencies to programme

- * CMA remedies - dependency being actively managed.

Design Decisions	
A new TDA Decision Log will be developed and decisions published on the Ofgem website	
Decisions Made (during last reporting period)	Decisions Due (next reporting period)
D-4.1.2 E2E Detailed Design Model (Wave 1) - due 19 June D-4.1.3 E2E Data Architecture and Data Governance (Wave 1) - due 19 June	D-4.1.2 E2E Detailed Design Model (Wave 2) D-4.1.2 E2E Data Architecture and Data Governance (Wave 2) D-4.1.1 DLS Design Assumptions

Top delivery risks and issues				
Risk/issue	Current RAG	Previous RAG	Mitigating actions	For information, action or advice sought from EDAG
I37. Responses to the RFI (Supplier & Central costs) are significantly higher than anticipated (from our previous Impact Assessment) and are making the benefits case more challenging. This is exacerbated by conflicting industry data.			1) Ongoing in-depth reviews of industry RFI submissions and meetings with respondents to check and challenge data. 2) Refining policy proposals in the reform packages in response to RFI impact data. 3) Programme Director to test emerging themes on policy variations and reform packages in bilateral discussions with key stakeholders 4) Conduct qualitative consumer research into the impacts of unreliable switching on direct costs to consumers and willingness to engage with the market.	For information
R72. There is a risk that the DLS Phase will not deliver the right outputs to support the Enactment Phase of the programme			1) Design proving activity to support DLS phase development - test design and indentify gaps. 2) Ongoing testing of design outputs with Regulatory Design and Procurement teams to ensure appropriateness. 3) Engagement with industry during DLS via Market Testing (DCC) and DF/SPDG to further test programme outputs.	For information
R71. There is a risk that the complexity of the RFI analysis (given the responses received) places additional work requirements on the team to consider and validate alternative options (beyond existing Reform Packages)			1) Continued "check & challenge" of RFI responses by DIAT to improve understanding and reduce complexity 2) Ongoing monitoring of RFI progress and related impacts by PMO 3) Re-planning/prioritisation of activity as required 4) Use of consultancy resource to support activity & free up DIAT resources.	For information