

Representation

Draft Modification Report

0491 – Change Implementation Date of Project Nexus to 1st April 2016

Consultation close out date: 01 April 2014
Respond to: enquiries@gasgovernance.co.uk
Organisation: Co-Operative Energy
Representative: Chris Hill
Date of Representation: 01 April 2014

Do you support or oppose implementation?

Not in Support

Please summarise (in one paragraph) the key reason(s) for your support/opposition.

It has been some five or six years since Project Nexus development commenced and we feel that this process has already taken too long given the massive benefits to the ability of smaller market participants to compete on a level playing field that implementation of Nexus modifications UNC 0432, UNC 0434 and UNC 0440 would result in. Any further delay would be unacceptable, particularly given the current signs that Xoserve's systems are already operating at the limits of their capability. This situation can only be expected to worsen as time goes on and further emphasises the need for Project Nexus to be implemented at the earliest possible opportunity. While we understand the Transporters' view that implementation of Project Nexus should be delayed in order to mitigate the risk of failure to deliver both this change and the EU CAM Network Code during 2015, we believe that this is not a suitable reason for delay, particularly as Xoserve has previously expressed confidence that it would be able to deliver both changes within the previously envisaged time window.

Are there any new or additional issues that you believe should be recorded in the Modification Report?

No

Self Governance Statement:

Do you agree with the Modification Panel's decision that this should not be a self-governance modification?

Yes

Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

We are of the view that implementation of UNC 0491 would negatively impact relevant objectives d) i) and ii) (securing of

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effective competition between shippers and suppliers) as a further delay to Nexus implementation will perpetuate the current situation whereby smaller suppliers are disproportionately disadvantaged due to the increased complexity and resource requirements of separate processes for iGTs, the inability to settle and reconcile SSPs on the basis of actual consumption rather than against a profile and the inability to retrospectively update data relating to sites supplied.

Impacts and Costs:

What analysis, development and ongoing costs would you face if this modification were implemented?

Some changes are already being made to our systems as a result of Ofgem's direction to implement UNC 0432 and UNC 0434. Any delay will result in further changes at an additional cost.

Implementation:

What lead-time would you wish to see prior to this modification being implemented, and why?

We do not support implementation of this proposal.

Legal Text:

Are you satisfied that the legal text will deliver the intent of the modification?

Yes

Is there anything further you wish to be taken into account?

Please provide any additional comments, supporting analysis, or other information that that you believe should be taken into account or you wish to emphasise.

No