

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: RWE npower
Representative: Amie Charalambous
Date of Representation: 01 April 2014

Do you support or oppose implementation?

Support

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

RWE npower believes the delivery of Nexus and EU CAM Network codes changes in time for 1st October 2015 implementation, poses a high level risk of failure. We are concerned that there are no contingency plans in place and therefore, no room for delays or failures. We feel that major changes of this scope should have a contingency built into such a project to provide the industry with reassurance that a robust solution will be delivered on time.

By moving the delivery date of Nexus to 4th April 2016, it will provide Xoserve with the chance to build in room for contingency, reducing the level of risk of failure to deliver either change completely and on time.

Our view is that by separating the two programmes, it will reduce both risk level and probability of failure considerably. However, since the extent of the EU changes are not yet fully documented, we are assuming that the scale of change for Nexus is the greater and as such, opting to deliver Nexus first without contingency plans, could have significant impacts on the EU changes in the event of failure.

The delivery of two significantly large industry changes at the same time, increases the need for risk mitigation. The current implementation would reduce the available resource and project space to develop and implement the required mitigation. By moving the implementation date to 4th April 2016, this would allow time to build in contingency for Nexus and de-couples the two programmes of work.

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

Npower believes that Project Nexus will bring significant benefits to both our customers and to the Industry. However, given the scale of changes due for implementation for October 2015, including DCC go live, we consider the options that propose to deliver Nexus at the same time, without built in contingency plans, poses the greater risk to our organisation.

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Version 1.0

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Self Governance Statement:

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

We believe this should not be a self governance modification as there will be significant material impacts to the industry

Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

We believe this modification fulfils relevant objective C and G.

By moving the implementation date to 4th April 2016, it will allow for the efficient discharge of the licensee's obligations and is aligned to the Compliance Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.

Impacts and Costs:

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

To deliver two large concurrent changes of this scale will mean significant project, system, resource and processing costs. The costs and risks will be far greater should implementation of these changes remain at 1st October 2015 and delivery of either the EU or Nexus changes fails.

Implementation of this modification to move the delivery date to 4th April 2016 provides a level of mitigation of the risk of failure and associated costs for both these changes to the industry.

Implementation:

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

These changes require major development of npower systems, and therefore we request that the maximum available implementation lead time is given.

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