

Representation - Draft Modification Report 0531

Provision of an Industry User Test System

Responses invited by: **5pm 09 September 2016**

To: enquiries@gasgovernance.co.uk

Representative:	Colette Baldwin
Organisation:	E.ON Energy Solutions
Date of Representation:	9 th September 2016
Support or oppose implementation?	Oppose
Relevant Objective:	d) Negative f) Negative

Reason for support/opposition: Please summarise (in one paragraph) the key reason(s)

We don't believe that the benefit case for the creation of an industry testing system has been met. It's not clear that there is a sufficiently justified and defined future use of the system, and while we agree it would be a "nice to have", provisioning these arrangements in advance of understanding a business need means that we have to build it, maintain it, and keep it uncorrupted, in the expectation of a possible future need. Parties, who wished to use it, would either have to build and mirror those environments and keep them aligned in anticipation of their use, or be capable of deploying their own environments "just in time" to the match the environment available. This also assumes that testing is delivered on today's technology, rather than considering the best available and most cost effective solutions at the time the need arises.

The future testing of changes should be evaluated and considered during the development of changes, which will mean that the case for testing will be demonstrated as a strong need; it will challenge the effective and usefulness of the resource and will ensure that the requirements are time-relevant. No doubt we will consider the lesson's learned from Project Nexus in future changes and ensure that for larger scale industry changes a robust testing solution is encompassed as part of the requirements. However, the industry has so far made decisions about testing on a case by case basis, and we consider that the most effective use of the resources. The alternative proposition put forward was that the environment is then available, not to support industry implementations but to support individual parties own system development, however, should the industry collectively fund the building of a test environment to provide for uncertain future developments of individual parties' systems – that would surely be considered a cross subsidy.

Self-Governance Statement: *Please provide your views on the self-governance statement.*

We don't agree that the modification meets the criteria for self-governance, as the costs of the service (in excess of £2m) have to be met by all users, despite not having demonstrated an industry wide agreed requirement. This would be a sunk cost that consumers would ultimately meet, without having demonstrated a clear business case.

Implementation: *What lead-time do you wish to see prior to implementation and why?*

We don't support the modification, therefore we would not wish to see it implemented.

Impacts and Costs: *What analysis, development and ongoing costs would you face?*

The costs in the ROM are material and we would face our share of those costs if the modification is implemented. We would not face any additional costs unless we wished to participate in any testing.

Legal Text: *Are you satisfied that the legal text will deliver the intent of the Solution?*

Yes

Are there any errors or omissions in this Modification Report that you think should be taken into account? *Include details of any impacts/costs to your organisation that are directly related to this.*

None

Please provide below any additional analysis or information to support your representation