

Representation

Draft Modification Report 0531 - Provision of an Industry User Test System

Modification Report

1. **Consultation close out date:** 9th September 2016
2. **Respond to:** enquiries@gasgovernance.co.uk
3. **Organisation:** Gazprom Energy
Bauhaus, 5th Floor
27 Quay Street
Manchester
4. **Representative:** Steve Mulinganie
Regulation & Compliance Manager
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0799 097 2568
5. **Date of Representation:** 5th September 2016
6. **Do you support or oppose Implementation:**
We **Support** implementation of Modification
7. **Please summarise (in 1 paragraph) the key reason(s) for your position:**
We support this proposal as it will ensure that Post Nexus Go Live robust central system testing facilities are available for both existing users and new market entrants. We are surprised that having funded circa £90m for a new industry central system the provision of an enduring test environment was not fundamental to this procurement and that instead the test environment funded under NEXUS is considered as temporary.
8. **Are there any new or additional Issues for the Modification Report:**
Xoserve have identified that a test environment will have to be “stood up” in order to test the late delivery of Retrospective Asset functionality (expected to be delivered Nexus Go Live + 12 months). We are unclear as to why this environment cannot become an enduring test environment at marginal cost to the market. The delivery of the Mod 531 solution is estimated to take 12m+ to deliver and thus aligns with the likely timeline for delivering and testing Retrospective Asset functionality.

We would also note that Xoserve have confirmed its intent to remove the Nexus test environment once industry testing is complete and it is unclear how the industry will deal with any requirements for testing post Nexus Go Live either to fix issues that become apparent in live operation or to support new market entrants.

It seems foolhardy and naïve to believe that a project so beset with delays and problems to date will not be subject to corrective action following Go Live. With no test environment available it is unclear how testing corrective action/s from Go Live will be robustly managed.

9. Self-Governance Statement Do you agree with the status?

NA

10. Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

We agree with the proposer that the modification is positive for relevant objective (d)

11. Impacts & Costs:

What analysis, development and on-going costs would you face if this modification was implemented?

We **have not** identified any significant costs associated with this modification

12. Implementation:

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

We would like to see this modification implemented as soon as reasonably practicable to provide certainty that a robust testing environment will be available to market participants on a fair and equitable basis. If such an environment cannot be made available till Nexus Go Live + 12 months we would like to understand how the risk associated with not having a test environment for corrective action and changes will be mitigated post Go Live following the industry implementing its most significant system upgrade in its history.

13. Legal Text:

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

We have no comments on the Legal Text provided.

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

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

No.