

Representation – Urgent Modification 0548

Project Nexus - deferral of Implementation Date

Responses invited by: **31 July 2015**

Representative:	Mark Jones
Organisation:	SSE Supply
Date of Representation:	30 July 2015
Support or oppose implementation?	Qualified Support
Relevant Objective:	f) Positive

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

We support the intent of the modification to defer the implementation of Project Nexus to October 1st 2016 and to put in place proper milestones relating to market testing. However, we have a number of concerns.

The modification allows the Authority to change the date of Project Nexus. Given the history of Project Nexus this provision has been presumably put in on the assumption that the Authority may need to defer the Project Nexus implementation date further. However, nothing in this modification prevents the Authority from bringing forward the date of project Nexus implementation from 1st October 2016. Given the scrutiny being given to Project Nexus by the CMA, should testing go much better than expected, this is not a possibility that can be totally ruled out and gives uncertainty to Parties. We require certainty around the go live date as we have to do a large re-planning exercise involving considerable resources and costs.

There needs to be a fixed date with a high level of rigour around it. Retrospective updates and unique site functionality needs to have the same implementation date as the Project Nexus implementation date and a delay to these is not acceptable. Therefore, we feel that milestones should be added into the plan for the design and build of this functionality by the Transporter's Agent and the testing programmes linked to them.

The PwC Implementation Plan has not yet been finalised and so the modification is creating an obligation on parties by referring to a document that hasn't yet been created. Creating legal text to obligate Parties to as yet unknown plan is not, we feel, good governance.

It is not clear how the dates of the market trials can be changed and the criteria for changing them should this eventuality happen. Furthermore, should retrospective update functionality be deferred this whole area may have to be revisited for testing of this functionality at a later date.

The legal text in section 9.2.3 places a best endeavours obligation on Parties to complete systems trials, which we feel is too strong a legal burden, especially given the point above about the plan not yet being finalised.

In our opinion it would have been better to have raised 2 modifications, with the first being a straightforward urgent modification to change the implementation date to 1st October 2016, and a second modification to specify the system trials requirements. This second modification could have been sent to the Nexus Workgroup for a short development process and would have allowed PwC to develop the implementation plan prior to the modification being sent out for a consultation assessment.

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

This modification should be implemented as soon as possible to give assurance to the industry of the revised Project Nexus implementation date. However, we feel that our comments above should be taken into account and the modification amended as necessary.

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

None identified over and above those already anticipated for as we are already planning for the deferred implementation date and the revised testing schedule.

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 that you think should be taken into account? *Include details of any impacts/costs to your organisation that are directly related to this.*

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