

Representation – Urgent Modification 0548

Project Nexus - deferral of Implementation Date

Responses invited by: **31 July 2015**

Representative:	Angela Love
Organisation:	ScottishPower Energy Management Limited
Date of Representation:	31 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)

ScottishPower would like to provide qualified support for this modification. Whilst ScottishPower is fully behind the introduction of Project Nexus, at the earliest opportunity, it has some significant concerns around the solution and requirements outlined within this Proposal:

- “PWC Implementation Plan”** - As yet the industry has not seen the “PWC Implementation Plan” referenced in the modification, so are unable to agree or disagree with what is proposed. As a result Shippers are being asked to support a modification, which outlines milestones that they will be required to meet on best endeavours basis, whilst the delivery of these milestones may not be fully within their control. ScottishPower believes that there is a requirement to clearly define the criteria associated with each key milestone and to which party they relate. Moreover Xoserve have still to advise that they can provide the full Nexus solution, (including retrospective and unique functionality), for 1st October 2016. Therefore it is unclear that the full Nexus solution can be implemented by the date proposed.
- Providing Ofgem with the right to modify the implementation date in the future** – ScottishPower would expect that any further change to the implementation date would be subject to another (urgent) UNC modification and as such have the normal transparency, rigour and justification, whilst taking into account industry views of the proposal. ScottishPower does not want to see any slippage beyond this newly proposed date and therefore believes that this date should only move again in the most extreme of circumstances, with the industry having the ability to consider mitigating options to avert further slippage.
- Energy Act 2004 Right of Appeal** – if this modification allows the Authority the autonomy to vary the Nexus Implementation Date, then it has the effect of removing the Licencee’s right to appeal under the Energy Act 2004. ScottishPower strongly disagrees with this precedent.

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

ScottishPower would like to see the modification implemented as soon as possible following an Ofgem decision, to give early certainty to those building systems to interface with Xoserve's Nexus system.

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

ScottishPower would expect that a more structured approach to the management of the Nexus Programme would be beneficial. However ScottishPower will have more costs associated with prolonging the internal Nexus programme over a further 12-month period.

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

As the "PWC Implementation Plan" has not been provided as yet, ScottishPower cannot give a view on whether the legal text will deliver the intent of the Solution. In addition, whilst the modification advises that the Authority would be allowed to vary the implementation date in the future, where there is an "exceptional event", the legal text allows the Authority total autonomy to vary the date (in any circumstance).

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.*

There is no recognition in the modification that Xoserve have not been able to confirm that they can deliver the entire Nexus solution for 1st October 2016.

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

None.