

Representation – Urgent Modification 0548

Project Nexus - deferral of Implementation Date

Responses invited by: **31 July 2015**

Representative:	Edward Hunter
Organisation:	RWEnpower
Date of Representation:	31 st July 2015.
Support or oppose implementation?	Qualified Support
Relevant Objective:	f) Positive

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

RWEnpower was ready to deliver its Project Nexus solution in October 2015 and is very disappointed by the delay. However whilst we support this modification and its intent to change the Go-live date of Project Nexus, we feel it goes beyond the simple change of Implementation date that was envisaged by the Industry.

We are concerned that the modification states that implementation date is "*1st Oct 2016 or such other date determined by the authority (rather than the existing reference to the UNCC.)*"

The Industry needs to ensure there is a clear process to be followed by Ofgem, including consultation with the Project Nexus Steering Group and with support from the Programme Assurance Manager to make the decision objectively should such a situation arise. This should then be followed by a formal urgent modification to prevent any bypass of established governance routes. Without this, party's right to appeal under the code will be removed.

As a result of this modification Shippers are asked to agree to milestones on a best endeavours basis when the PWC Implementation Plan has not been published. It is not in our opinion a principle of good governance to create unclear obligations on parties. The testing steps required in this modification lack detail and therefore it is difficult for a Gas Shipper to know what they are agreeing to deliver as best endeavour.

To support Shippers in achieving the milestones there is a need for Xoserve to meet their own deliverables on time which will in turn enable Shippers to deliver theirs. It is essential Xoserve works collaboratively and transparently with Shippers and provides early information on the feasibility of delivery of the two key deliverables of Nexus; Core Programme and Retrospective Adjustments

It is also imperative that Xoserve works collaboratively with the industry in the early stages of any further design work as designs developed in isolation are likely to result in

later rework and changes to build that are not only costly but also likely to cause further delays to the programme.

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

This modification should be implemented as soon as possible following Ofgem decision to enable Gas Shippers to build their systems effectively and give certainty to the costs associated with this.

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

Gas Shippers have already incurred significant costs associated with extending internal programmes to manage the changes required for Project Nexus and welcome a more robust structure and plan to mitigate the likelihood of extending these further.

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

As drafted RWEnpower is unable to give a view on the legal text as wording such as the described “exceptional event” are not defined terms and seem provide a carte blanche for future implementation date changes.

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.*

None

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

None