

0531:

Provision ~~and Development~~ of Industry Testing ~~Prior to Post~~ Nexus Go-live

- 01 Modification
- 02 Workgroup Report
- 03 Draft Modification Report
- 04 Final Modification Report

This ~~'transitional'~~ modification seeks to put an obligation on the Transporters to provide a testing system ~~and regime that will provide flexibility~~ to Shipper Users to support their testing requirements for ~~changes post~~ Project Nexus. This will enable all parties to gain confidence that ~~changes to their systems post Nexus are ready and capable of participating under the Nexus Arrangements from the implementation date and after~~ will not have any detrimental impacts to the ~~new systems implemented at Project Nexus go live.~~



The Proposer recommends that this modification should be:

- assessed by a Workgroup










High Impact:
Shippers, Transporters' Agent



Medium Impact:



Low Impact:

| Contents | |  Any questions? |
|--|---------------|--|
| 1 Summary | 3 | Contact: Code Administrator |
| 2 Why Change? | 4 |  enquiries@gasgovernance.co.uk |
| 3 Solution | 5 |  0121 288 2107 |
| 4 Relevant Objectives | 76 | Proposer: Mark Jones |
| 5 Implementation | 7 |  mark.jones@sse.com |
| 6 Impacts | 7 |  02920249135 |
| 7 Legal Text | 7 | Transporter: Chris Warner National Grid Distribution |
| 8 Recommendation | 87 |  chris.warner@nationalgrid.com |
| About this document: | | Systems Provider: Transporters' Agent |
| This modification will be presented by the proposer to the panel on 19 February 2015. | |  commercial.enquiries@Transporters' Agent.com |
| The panel will consider the proposer's recommendation and agree whether this modification should be: | | |
| <ul style="list-style-type: none"> referred to a workgroup for assessment. | | |
| The Proposer recommends the following timetable: | | |
| Initial consideration by Workgroup | 10 March 2015 | |
| Workgroup Report presented to Panel | 08 May 2015 | |
| Draft Modification Report issued for consultation | 21 May 2015 | |
| Consultation Close-out for representations | 11 June 2015 | |
| Final Modification Report presented to Panel | 18 June 2015 | |
| UNC Modification Panel decision | 18 June 2015 | |

1 Summary

Is this a Self-Governance Modification?

No. This is not a self-governance modification because it is expected to have a material effect on commercial activities connected with the shipping of gas.

Is this a Fast Track Self-Governance Modification?

No. It is not a Fast Track self-governance modification as it is not a housekeeping modification.

Why Change?

The Transporters and Shippers all need confidence that as they implement [changes to](#) their systems ~~to meet the needs of the post~~ UK LINK Replacement Programme (Project Nexus), that they can assure themselves and gain confidence that their systems are [still](#) fit for purpose and that they will be able to ~~implement~~ [be amended](#) successfully without unexpected impacts.

~~This can be delivered partially by ensuring that an appropriate level of testing has been conducted.~~ This modification seeks to ensure that a test ~~plan, regime and~~ environment is available ~~before and~~ after the Nexus go-live date (currently the 01 October 2016~~5~~) to ensure that all parties can conduct testing to the levels required and expected for high impact system ~~deliveries~~ [changes](#) in any Industry.

This ~~'Transitional'~~ Modification of the UNC is required to mandate Transporters to offer the level of support in an [enduring](#) testing regime for the UK LINK Programme that Shipper Users require.

Solution

[To create an enduring solution for managing future changes to UKLink, we ask that the Transporters' Agent stand-up a separate test instance of the solution that is reflective of the production environment. This test instance \(or pre-prod\) should be physically separate from production ensuring that test / live datasets are not confused and we adhere to the Data Protection Act.](#)

~~The transporters are required to provide a test regime, which must incorporate the following:~~

~~1. A full test strategy, showing~~

- ~~• Phases~~
- ~~• Defect management / co-ordination~~
- ~~• Transporters' Agent 'bug' fix strategy~~
- ~~• Cycles of testing allowing more than one run of end to end Business processes~~

~~2. Governance, including criteria for~~

- ~~• Entry~~
- ~~• Exit~~
- ~~• Success and~~
- ~~• Failure~~

~~3. A detailed plan & schedule~~

~~4. An enduring test environment starting before and going beyond go live (for phased shipper deliveries) with capability to align environment data with the data cut date and time travel capability~~

~~5.—Appropriate considerations for data, including:~~

- ~~•—Synchronisation arrangements for Transporters' Agent and shippers data sets~~
- ~~•—Sharing and acknowledging of data issues~~
- ~~•—Clear definitions about how confidentiality and anonymity is to be assured~~
- ~~•—Population of blank field in the iGT test data set.~~

Relevant Objectives

The proposer considers this modification will provide confidence to Transporters and Shippers that [any changes to](#) the systems developed for implementation ~~of~~ under Project Nexus will have been tested rigorously and that the market will operate effectively when [the changes to the Nexus requirements are](#) implemented ~~and~~ going forward. We, therefore, believe the proposal is positive in respect of c) Efficient discharge of the licensee's obligations, (d): Securing of Effective Competition between Shippers and f) Promotion of efficiency in the implementation and administration of the Code.

Implementation

We would expect this proposal to be implemented in line with Project Nexus Go Live ~~and the enhanced Industry testing activity could form part of the wider Nexus testing activities being co-ordinated by Transporters' Agent.~~

Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

This modification impacts the industry programme for replacement of UK-Link systems. This is because the requirements would facilitate efficient and reliable ~~implementation changes~~ of the supporting UK-Link systems and the supporting systems of Shippers.

It is essential to the [ongoing](#) success of the UK Link Replacement Programme.

2 Why Change?

Project Nexus is due to go live on 01 October 201~~6~~⁵. Whilst the Transporters' Agent has made available a testing window for Industry participants, ~~the testing currently being made available by Transporters' Agent is at its own discretion and is not expected to give Users the reassurance that all Industry participants will have tested and be given the opportunity to test all systems required for full implementation. For example, the regime being proposed does not allow for phased implementations or the use of third party software by Shippers. Also once the testing window offered closes, testing will be unavailable. It is important to be able to test all code and any subsequent fixes for code issues identified. It is being assumed that Shippers will be delivering all the systems to support the implementation by the Nexus go live date and this assumption is not correct.~~

~~The testing has been structured by Transporters' Agent to allow it to test its own systems. Therefore, Project Nexus could go live with new systems without any real testing by Users having been done and with only Transporters' Agent having confidence that their systems have been tested.~~ Project Nexus is introducing new systems which underpin the whole of the gas settlement regime in the UK including invoicing and settlement processes involving billions of pounds per year, and also amending the change of supplier process that covers all gas customers, including putting the iGT customers into single service

provision being done by Transporters' Agent. It is probably the biggest change that has ever been made to the UK's Gas systems. Failure ~~on-day-one~~ of the new systems could lead to catastrophic losses for Users and have a severe detrimental impact on customers. ~~It is unconscionable that the industry could introduce such changes involving dozens of Users' systems, all of which have to talk and communicate with Transporters' Agent, without a rigorous testing regime having been made available and undertaken.~~

~~In previous large system changes in the energy industry such as RGMA in gas or the introduction of NETA in electricity there has been rigorous testing done and a certain level of successful testing that must be achieved, and in some cases participants have had to pass certain tests in order to even participate in the new market arrangements.~~ A large market failure could also impact those users whose shippers were operating correctly under the new arrangements as, due to the way that gas is settled, no User would be immune from a large scale failure. In any event the absence of a ~~rigorous~~ testing programme is likely to lead to a market where the quality of data within it is degraded.

~~*Nexus will go live in October 2016, once live there will not be an option to rollback and any issues will be rectified via a "fix-forward" method. We understand that the launch of Nexus will be implemented by taking the pre-production environment and transitioning this to production. Once this cut-over is made there will be no test solution in place – this is a significant risk.*~~

~~*Once go-live has commenced, if a major production issue is identified all market participants may be required to make changes to their systems. It would be bad practice, and a high risk strategy, to promote such a change directly to production.*~~

3 Solution

~~*To remove this risk, and create an enduring solution for managing future changes to UKLink, we ask that the Transporters' Agent stand-up a separate test instance of the solution that is reflective of the production environment. This test instance (or pre-prod) should be physically separate from production ensuring that test / live datasets are not confused and we adhere to the Data Protection Act.*~~

~~*We also believe that that the use of this additional environment could be extended to support the cross over of any fixes from L2 market trials, whilst testing is able to continue on L3 and L4 market trials. Without an adequate environment set-up for test / deployment and continued testing it is likely that the Transporters' Agent will run into significant challenges to support market participants*~~

~~The proposed solution is that Transporters' Agent will provide a testing regime and environment that will allow multiple Users to be able to test different processes that can be started at any time and for Users to be able to restart and redo part of a process that has failed. This will allow Users to test their systems far more rigorously and for the Industry to be in the best overall state of readiness.~~

~~The results of this testing should be fed into the overall Industry go / no go decision making process for Project Nexus.~~

~~The test regime / environment must incorporate the following:~~

- ~~1. A full test strategy, showing~~
 - ~~• Phases~~

- ~~Defect management / co-ordination~~
- ~~Transporters' Agent 'bug' fix strategy~~
- ~~Cycles of testing allowing more than one run of end-to-end Business processes~~

2. ~~Governance, including criteria for~~

- ~~Entry~~
- ~~Exit~~
- ~~Success and~~
- ~~Failure~~

3. ~~A detailed plan & schedule~~

4. ~~An enduring test environment beyond go-live (for phased shipper deliveries and new entrants) with capability to align environment data with the data cut date and time travel capability~~

5. ~~Appropriate considerations for data, including:~~

- ~~Synchronisation arrangements for Transporters' Agent and shippers data sets~~
- ~~Sharing and acknowledging of data issues~~
- ~~Clear definitions about how confidentiality and anonymity is to be assured~~
 - ~~Population of blank field in the iGT test data set.~~

This modification will be an enduring transition-modification. The regime boundaries / conditions of operation, etc., will be published, the environment created and then made available ~~for 4 months~~ after the Nexus implementation date and will be achieved by the introduction of transitional-enduring terms to the UNC TPD.

| User Pays | |
|--|---|
| Classification of the modification as User Pays, or not, and the justification for such classification. | No User Pays service would be created or amended by implementation of this modification and it is not, therefore, classified as a User Pays Modification. |
| Identification of Users of the service, the proposed split of the recovery between Gas Transporters and Users for User Pays costs and the justification for such view. | N/A |
| Proposed charge(s) for application of User Pays charges to Shippers. | N/A |
| Proposed charge for inclusion in the Agency Charging Statement (ACS) – to be completed upon receipt of a cost estimate from Transporters' Agent. | N/A |

4 Relevant Objectives

| Impact of the modification on the Relevant Objectives: | |
|--|-------------------|
| Relevant Objective | Identified impact |
| a) Efficient and economic operation of the pipe-line system. | None |
| b) Coordinated, efficient and economic operation of (i) the combined pipe-line system, and/ or (ii) the pipe-line system of one or more other relevant gas transporters. | None |
| c) Efficient discharge of the licensee's obligations. | Positive |
| d) Securing of effective competition: (i) between relevant shippers; (ii) between relevant suppliers; and/or (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers. | Positive |
| e) Provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards... are satisfied as respects the availability of gas to their domestic customers. | None |
| f) Promotion of efficiency in the implementation and administration of the Code. | Positive |
| , | None |

We believe the proposal will provide confidence to Users that [changes to](#) the systems developed under Project Nexus will have been tested rigorously and that the market will operate effectively [after when](#) Nexus is implemented. We, therefore, believe the proposal is positive in respect of c) Efficient discharge of the licensee's obligations, (d): Securing of Effective Competition between Shippers and f) Promotion of efficiency in the implementation and administration of the Code.

5 Implementation

No implementation timescales are proposed. However, it is expected that this proposal would be implemented in line with Project Nexus Go Live [and the enhanced Industry testing activity could form part of the wider Nexus testing activities being co-ordinated by Transporters' Agent.](#)

6 Impacts

Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

This modification impacts the industry programme for replacement of UK-Link systems. This is because the requirements would facilitate efficient and reliable implementation of the supporting UK-Link systems and the supporting systems of Shippers.

It is essential to the success of the UK Link Replacement Programme.

76 Legal Text

To be developed as part of the Workgroup assessment

87 Recommendation

The Proposer invites the Panel to:

- Determine that this modification should not be subject to self-governance; and
- Progress to Workgroup assessment.