

Representation – Urgent Modification 0573

Project Nexus – deferral of implementation of elements of Retrospective Adjustment arrangements

Responses invited by: **16 February 2016**

To: enquiries@gasgovernance.co.uk

Representative:	Richard Pomroy
Organisation:	Wales & West Utilities Ltd
Date of Representation:	16 February 2016
Support or oppose implementation?	Support
Relevant Objective:	f) Positive

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

This urgent modification brings into effect the recommendation of the Project Nexus Steering Group to delay the implementation of RAASP functionality until 1st October 2017. This Modification mitigates a significant delivery risk to the essential Core central System and provides clarity to Users.

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

This modification should be implemented immediately following an Authority direction so to provide maximum notice.

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

Splitting RAASP from the core delivery of Nexus is likely to result in a marginal increase in overall project costs. Xoserve are currently establishing the extent of these costs however we are confident that any deferral costs would be less than the incremental costs of committing to an October 2016 delivery of RAASP, notwithstanding the unacceptable risk this would place on the overall project.

Under the current arrangements of Xoserve funding WWU continues to receive its share of overall costs based on its share of supply points. Consequently any increase in costs would result in an increase in TOTEX spend for WWU and hence customers.

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.*

No

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