

UNC Modification 0602 “Implementation of Non Effective Days and Variant Non-Business Days for Project Nexus Implementation (Project Nexus transitional modification)” – Paper for consideration in support of a Transition Progress Group (TPG) Recommendation

Executive Summary

This paper describes options leading to the proposal for modification 0602 to define 9 Non Effective Days in advance of Project Nexus Implementation on 1st June 2017, and for 2 Variant Non Business Days of 1st and 2nd June 2017.

An updated modification has been provided to reflect this for consideration by the UNC Workgroup.

Purpose of the Paper

This paper is intended to assist participants of TPG (and other stakeholders) to assess the proposed options for UNC Modification 0602, and to enable wider communication within their organisations to assess impacts. Following a short period for assessment parties are requested to provide any matters for clarification or concerns so that the UNC 0602 workgroup can consider views from TPG members. It was indicated at TPG on 6th December that in the absence of any views submitted to the contrary, Option 1 described within this document would be described as the ‘TPG Recommendation’.

Background

Modification 0602 has been raised to provide sufficient time to undertake a controlled transition to the new UK Link System that incorporates the Project Nexus Requirements. This modification requests a series of Non Effective Days and Variant Non Business Days. Definition of these days and further detail is available in the modification: <http://www.gasgovernance.co.uk/0602>.

In selecting the number of NEDs and VNBDs, it is assumed that we should take the lowest number of such days whilst effectively mitigating the risk that we are unable to perform the necessary transitional and catch up activities without impacting ‘business as usual’ transactions.

This modification was originally raised, based on initial transition planning, with 7 Non Effective Days (NEDs) and 2 Variant Non Business Days (VNBDs) of 1st and 2nd June 2017.

Timings for these activities have been assessed through the first Implementation Dress Rehearsal (IDR1) which took place in November 2016. Results of IDR1 highlighted that the transition of iGT Data overran beyond the target timescale within the plan of 2.5 days. Actual performance was 4 days.

Following conclusion of IDR1 the results were analysed and a number of logistical and technical improvements were identified to try and achieve the target timing.

A further iGT data load testing cycle was undertaken between 28th November and 5th December 2016 to assess the efficacy of the logistical improvements and technical enhancements. A preliminary view of the findings were presented at TPG:

- Extraction activities within ETL were completed to target, representing a significant improvement to timings as technology improvements put in place were realised.
- Transformation and Load within ETL were considerably longer than 7 NED target timings. Whilst timings realised for load were slightly better than IDR1 this did not perform at the requisite levels for the 7 NED window.

Results from this test cycle suggest that the net time of this activity remains approximately two days greater than requisite levels to maintain the 7 NED option.

Conclusions from this further cycle were limited as it was not conducted on a 'production like' environment, as these environments are being used for Bulk Load and MT activities. Whilst some estimation of potential performance gains from a production environment could be undertaken, such gains would need to be offset against degradation of the production environment in the transition window due to other activities such as delta loads. The next planned opportunity to obtain representative timings will be in IDR2 and IDR3, in March and April 2017 respectively.

Thu 18 May	Fri 19 May	Sat 20 May	Sun 21 May	Mon 22 May	Tue 23 May	Wed 24 May	Thu 25 May	Fri 26 May	Sat 27 May	Sun 28 May	Mon 29 May	Tue 30 May	Wed 31 May	Thu 01 Jun	Fri 02 Jun	
IDR1 Plan -->							Receive Data	TRANSFER	iGT & DM CSEPs ETL		iGT VAL					
IDR1 Performance -->							Receive Data	TRANSFER	iGT & DM CSEPs ETL					iGT VAL		
IDR2/3/GL Target Performance -->							Receive Data	TRANSFER	iGT & DM CSEPs ETL		iGT VAL					
iGT Test Cycle 4 Performance -->							Receive Data	TRANSFER	iGT & DM CSEPs ETL				iGT VAL			
Projection -->							Receive Data	TRANSFER	iGT & DM CSEPs ETL		iGT VAL	Contingency				
Week 1 [Pre NED]							Week 2 [NED]							Week 3 [Post NED]		
							< iGT DB Closeout							< MDS / AAQ Gen Deadline for Load		

At TPG we indicated that further assessment of this testing cycle would be conducted to identify further enhancements that could be implemented. A further testing cycle is planned to start at the beginning of January.

Risks

During the discussion at TPG members requested that a risk be raised to reflect that uncertainty exists with respect to the timings of the activity. In particular the group focussed upon the risk that even with an extended NED period of 9 days that this may not provide sufficient time to achieve the transition objectives. We support this approach as this will enable parties to get assurance and enable us to document mitigations that are currently being undertaken and provide further feedback upon iGT data load cycles and IDR timings.

Options considered:

1. **Proceed with Amended Modification – 9 NEDs + 2 VNBDs - Recommended**

Pros	Cons
Provides earliest decision date – approval targeted for end of January	Further testing may realise transition performance benefits, therefore unnecessary NED day(s) have been taken
Provides certainty to industry participants for transition planning and IDR scheduling	Potentially adds complexity to the minimum Objection window solution in Legacy
Provides certainty to industry participants for broader planning activities	Other options result in probable deferral of decision which may allow consideration of subsequent test cycle outcomes - further performance information may become available to refine modification
Impacts to Consumer of this option: Number of Supply Point Registration Dates days which cannot be completed in 21 days ⁱ : 3 (12 th – 14 th June 2017)	

2. Defer decision:

Pros	Cons
Further performance information may become available to refine modification	Delay to modification progression – approval unlikely prior to end February 2017
	Does not provide certainty to industry participants for planning for transition, including IDR scheduling
	Does not provide certainty to industry participants for broader planning activities
	Requires production of multiple products for industry parties in support of multiple options
Impacts to Consumer of this option: Number of Supply Point Registration Dates days which cannot be completed in 21 days: 7+2 if achieved – 1 (14 th June 2017) / otherwise as per other options.	

3. Assess further options – e.g. [10] NEDs + [2] VNBDs

Pros	Cons
Further performance information may become available to refine modification	Risks earliest decision date – consensus on alternative approach unlikely to support approach targeted for end of January
Reduces risk of insufficient time in transitional period	Further testing may realise transition performance benefits, therefore unnecessary NED day(s) have been taken
	Further testing may realise transition performance benefits, therefore unnecessary <i>additional</i> NED day(s) have been taken
	Potentially adds material number of elapsed days to plans to accommodate extended timings of transition and IDRs
	Potentially adds complexity to the minimum Objection window solution in Legacy
Impacts to Consumer of this option: Number of Supply Point Registration Dates days which cannot be completed in 21 days: 6 (9 th – 14 th June 2017)	

Summary:

Participants of Regulatory and 'Technical' groups have placed great emphasis upon the need to achieve the earliest confirmation of the planned NED and VNBDs. It was indicated at TPG that in the absence of any views to the contrary, the option described within this document would be described as the 'TPG Recommendation'. As a consequence of this, the current UNC modification proposal (version 2.0) requests 9 NEDs from 23rd May to 31st May 2017 and 2 VNBDs of 1st and 2nd June 2017.

ⁱ timescales set out in Supplier's Standard Licence Condition 14A: 'Customer Transfer'