

Representation - Draft Modification Report 0531

Provision of an Industry User Test System

Responses invited by: **5pm 09 September 2016**

To: enquiries@gasgovernance.co.uk

Representative:	Angela Love
Organisation:	ScottishPower Energy Management Limited
Date of Representation:	9 th September 2016
Support or oppose implementation?	Support
Relevant Objective:	d) Positive f) Positive

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

ScottishPower believes that it is imperative that there is an option to have an industry test environment going forward post Nexus as a means of testing any subsequent changes to the Nexus baseline. Indeed with the significant industry change that is expected going forward, with developments to the switching process and centralisation of registration, it is obvious that the industry will need this facility to ensure that these changes are fully tested before being enacted. It is in the interest of the consumer and the wider market that there is a facility to test such wide scale changes ahead of implementation to ensure that there is no risk of system or market failure.

Given that the retrospective adjustment aspect of the Nexus solution is not going to be delivered at the same time as the core solution, it is also obvious that there will be a need for a test environment after the Project Nexus Implementation Date.

Self-Governance Statement: *Please provide your views on the self-governance statement.*

ScottishPower agrees with that this proposal does not meet the self-governance criteria.

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

ScottishPower would like to see an Authority decision on this proposal as soon as possible to provide clarity on the arrangements.

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

ScottishPower believes that there will be a requirement for a test environment for the RAASP part of the Nexus solution, which is due to be introduced 12 months after the core Nexus solution. Ofgem has confirmed that the Transporters have already received funding for the Project Nexus solution¹ therefore ScottishPower believe that the test environment needed for the RAASP has already been funded. ScottishPower therefore wants to ensure that any costs incurred by the Shippers should only be the incremental cost of the environment, over and above that which the Transporters will require for RAASP and that has already been funded.

For this reason ScottishPower does not agree that the Transporters will not make use of the test environment and would welcome clarity from Ofgem on whether or not it should just be the incremental costs that Shippers should fund.

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 Report 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

¹ FGO POB Minutes 5th August 2016 – “Ofgem noted that as far as consumers are concerned, they’ve paid for Nexus in its entirety already.”