

Consultation Response to Authority on Options for Successful Implementation

A Response by Utility Warehouse

This response is provided by Utility Warehouse on behalf of Gas Plus Supply Limited which is a wholly owned subsidiary of Telecom Plus PLC; Utility Warehouse is the trading name for Telecom Plus PLC.

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Thank you for the opportunity to provide feedback on PwC's Deep Dive Review of the Xoserve solution design, build and delivery. OSS recognise that a lot of work and effort has gone into providing detailed insight to the industry in such a compressed time, providing well-formed transparency, understanding and reasoning behind the mitigations associated with the proposed implementation dates.

Following Nexus deferral to October 2016, completion of Phase 2 Market Trials and the re-release of file formats, OSS dedicated business and technical resource into final preparation for Market Trials Phase 3 & 4 as well as preparation for October 2016 go – live (taking into account any fall outs and fixes from MTL3_4). We can confirm that 98% of MTL3 and MTL4 tests have been concluded, with continued participation in keeping up endeavours.

Ahead of the consultation response, we would like to address a number of points from the PwC positioning paper.

Is the solution fit for purpose?

Initial and aspects of the current state of Market Trials (3&4) have led to some uncertainty over the solution at differing stages and whilst most of the issues identified have and continue to be resolved, we note concern over the volume of total defects versus the volume of data used in Trials. There is also special concern on the merging of iGT data into the SAP IS-U system. We further note:

- a) a low percentage of data is being used in testing; just over a tenth of actual industry data
- b) a lower percentage of this data is usable in testing
- c) key scenarios in testing have met significant defects
- d) key functionality have met significant defects e.g. invoicing.

Whilst overall we believe that the solution can be fit for purpose, there is still concern over delivering end-to-end objectives. We believe that the next few months with defect resolution and regression testing will provide certainty on its ability.

Is the solution sustainable without significant impact on consumers, the industry and Xoserve?

Successful completion of Market Trials, US testing, defect resolution, regression testing before and after IDRs, and Performance Testing will allow for more accurate determination on any impacts on parties: consumers, industry and Xoserve.

Is the solution likely to enable a go-live of 1 October 2016?

Given the points above and key risks mentioned in the PwC Position Paper there is concern over the number of significant objectives yet to be detailed, shared and achieved (Performance Testing, Transition & IDRs) that makes it difficult to ascertain the possibility of the solution being likely for 1 October 2016.

Do you agree that the Authority should re-plan the approach to go-live and agree to "continue with a programmed delay", with a new implementation date between 1 February 2017 and 1 April 2017?

With delay of Nexus implementation to 1 October 2016, OSS (Plus Shipping Services) has strived for programme readiness before or by implementation date of 1 October 2016. At 98% with Market Trials (3&4), and (99%) with internal system development, we believe in achieving this goal by the target date of August 31.

Reviewing the deep dive into Xoserve's SAP IS-U and integrated AMT Sybex Market flow systems to analyse the risks to Project Nexus go-live on 1 October 2016, we support the Authority's consideration to "re-plan" with a programmed delay with a new implementation date between 1 February 2017 and 1 April 2017 with preference to a later or latest date in the window, most preferably 1 April 2017.

We appreciate the deep dive undertaken by PwC as PMO promoting detailed transparency, and are further assured by their experience with the SAP IS-U (p.5 of PP). We note the outline of residual risks (p. 6, 7, 10, 11) and breakdown of the planning scenarios (p.16&17); we align these to the Planning paper specifically Scenario C and the summary planning of the key aspects of delivery: **Market Trials, Data migration and cleanse, Performance Testing, Transition & Service Operations** and as a whole find this the nearest or better option to facilitate the Ofgem success factors and as such fully support the Authority's consideration for a programmed delay and re-plan to the approach for go-live.

Winter Season

As a small Shipper we are not negatively impacted internally by a winter implementation but as a market participant, believe that this concern should be viewed on an "Industry" level.

Regression Testing & Transition

We would like to see a robust regression and transition plan ahead of schedule; this would be most beneficial to the timeline identified in the paper.