

Project Name: Legacy Application Replacement Program – IT29

Description: Multinet Gas has two business critical applications in the Asset and Network Management space that are currently unsupported, were built on technology that is no longer current and have a significant risk of failure. The applications identified for a capability refresh are the Incidents Database and CAPMAIN. The Incidents Database is a MS Access based application which tracks and manages faults and incidents on the network. CAPMAIN is a regulator capacity estimation program that was developed on DOS.

In accordance with MG's "IT Asset Management Policy v2.0", MG is proposing to upgrade these applications to maintain their currency and supportability. The costs are limited to software and resource costs associated with collectively refreshing these applications by bringing them onto a more up to date and robust IT platform. By doing so, this will ensure that system maintenance and support costs are kept to a minimum, while maintaining system reliability in business critical Asset and Network Management applications.

Strategic Alignment: This project allows MG to maintain these applications into the future and supports the following key strategic themes:

1. Ensure ongoing performance, resilience and safety of the changing distribution network – mitigating against the increased business risk associated with failure of key Asset and Network monitoring systems
2. Maintain systems to industry standard – mitigating against risk of disruption to customers and retaining levels of efficiency
3. Deliver new capability to meet changing customer needs and growing expectations – by refreshing applications and IT platform to deliver reliable asset and network management functions
4. Ensure readiness to achieve regulatory requirements

The capital expenditure for this project is justified as it is:

- Prudent and efficient in line with accepted good industry practice: and
- Necessary to maintain the integrity and safety of MG's services.

Options: All credible options have been assessed the options considered include:

1. Do Nothing – leave the applications at their current build state until 2022. This increases the risk of application failure ultimately resulting in disruption to customers.
2. **Perform Technology Upgrade** – upgrade these business critical applications to a current technology platform taking into account criticality/risk to the business and the cost to MG of operating applications with limited or no support.
3. Replace with an alternative solution

Rationale: The proposed option is:

Option 2 – Perform technology upgrade to move business critical applications onto a more up to date and robust IT platform while reducing maintenance and support costs as well as risk of failure in the long term.

The target technology platforms for these applications are detailed below:

Incidents Database – Seamless end-to-end incident management process supported by SAP Service Notifications to capture incidents, SAP Service Orders for work order issue, and integrated with the Mobility Integration solution (IT08) for work order scheduling and management.

Project Overview



CAPMAIN – replace current out-of-date technology platform with new software Aspen Hysys. This is an application that provides gas process simulation and optimization functionality.

This project aims to deliver the following benefits:

- Customer benefits – reliable Asset and Network management applications will provide MG with the ability to ensure ongoing safety and reliability of the distribution network
- Cost reductions – MG's ability to keep OPEX costs down will ultimately translate to cost savings for the end customer

Timing: Q1 2019 to Q3 2019

Cost: \$355,816

Notes: CAPMAIN replacement: OPEX from Year 3 onwards will be \$24,025 p.a. for licensing and software maintenance and support. However, increased IT opex will be absorbed, no IT Opex step change will be sought.

Applications:

Application	Description / Use	Proposed Technology Platform
Incidents Database	Incident/Fault recording system used by the Network Coordination Centre (NCC) to record and communicate gas incidents to Gas Network field personnel. The database also records the events and remedial action taken to rectify the incident/fault. The application is built on MS Access.	SAP – Service Notifications to capture incidents/faults SAP – Service Orders to dispatch field crew to remediate incident/fault Works Scheduling and Despatch (IT08) – schedule work and obtain work order status and completion
CAPMAIN	Application used to calculate regulator capacities, pressure on the network, velocity of gas, etc. Provides a view of the entire gas network.	Aspen Hysys – gas process simulation software used for calculating and monitoring gas pressure through the network, including regulator capacities.