

DSC Business Evaluation Report (BER)



Change Title	UK Link June 21 Major Release
Xoserve reference number (XRN)	5253
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Target Change Management Committee date	10 th March 2021

Section 1: In Scope

UK Link June 21 Major Release

This BER requests approval for the full revised delivery costs of this UK Link Release, which consists of 1 XRN, and is proposed to be implemented in June 2021. The delivery costs included are firm costs and include a risk margin of £23,000

1. XRN5093

Uniform Network Code (UNC) [Modification 0711 – Update of AUG Table to reflect the new EUC bands](#) has been raised to update the Allocation of Unidentified Gas (AUG) Table set out in UNC TPD Section E Annex E-1 to include the new End User Categories (EUC) brought in by DSC Change Proposal [XRN4665 Creation of New End User Categories](#).

The AUG is required to populate the AUG Table as set out in UNC TPD Section E Annex E-1. Any mismatch between the Adjustment Factors developed by the Allocation of Unidentified Gas Expert (AUGE) and the EUCs that are utilised by the CDSP in demand estimation processes will reduce the accuracy of the AUGE process.

When the AUG Table was last revised as part of Project Nexus, there were 9 End User Categories and 4 Product Classes, which the table reflected. This allows the AUGE to align the Adjustment Factors it calculates with each End User Category. Since then, EUC Bands 1 & 2 have each been split into four new categories by Change Proposal XRN4665 Creation of New End User Categories:

- Non-Prepayment/Domestic
- Prepayment/Domestic
- Non-Prepayment I&C
- Prepayment I&C

As a result, the AUG Table does not currently fully align with the EUCs in effect for demand estimation. The implementation of Modification 0711 will update the AUG table to reflect the new EUCs introduced through XRN4665.

Change Proposal XRN5093 was raised to deliver the system solution associated with Modification 0711 changes which involves ensuring the new EUCs have an individual UIG weighting factor which are applied in UIG calculation, apportionment and invoicing processes within CDSP systems.



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3-update-of-aug-tat

2. XRN4941

This change has been raised in line with the ongoing development of MOD0692 which looks to grant the CDSP permission to update a Supply Meter Point's (SMP) Meter Read Frequency (MRF) under the following circumstances:

- 1) Where a SMP AQ increases past the threshold of 293,000KWh and site is not on a monthly meter read frequency, the MRF should be set to Monthly
- 2) Site has either a Smart or AMR meter installed and is not on a monthly meter read frequency

NOTE: This change was de-scoped at Change Management Committee on 11th November and will not be implemented in line with June 21 Release

3. XRN4992

There have been a number of Supplier of Last Resort (SoLR) events that have resulted in claims from SoLR suppliers for their outstanding costs (Last Resort Supply Payment or LRSP). At present there is little detail in the gas Transporter licence on how these costs are recovered from the wider shipper community, outside of it being recovered via transportation charges.

This change has been raised to essentially provide clarity on how any costs incurred by the Gas Distribution Networks (GDNs) as part of a Last Resort Supply Payment(LRSP) arising from a Supplier of Last Resort(SoLR) event are recovered from Shippers fairer and clearer.

NOTE: This change was de-scoped at Change Management Committee on 26th October and will not be implemented in line with June 21 Release

Inclusion of AUG E Set Up Costs (March 2021)

At present the AUG Table does not fully reflect the combination of End User Categories (EUC) and Classes that are utilised by the CDSP to meet its Uniform Network Code (UNC) and Data Services Contract (DSC) requirements.

The UNC requires that the Allocation of Unidentified Gas Expert (AUGE) populates the AUG Table as set out in UNC. Any mismatch between the Weighting Factors developed by the AUGE and the EUCs that are utilised by the CDSP in demand estimation processes will reduce the accuracy of the AUGE process.

The scope of this set up work is to be covered as part of XRN5093 delivery costs however was not included in original BER approved at Change Management Committee in December 2020.

Section 2: Out of Scope

- Any other changes other changes than the changes specified above are out of scope.

Section 3: Funding required to deliver the change

The following section outlines the proposed costs for XRN5253, including the agreed EQR for Design

BER Costs

The table below shows:

- Approved EQR costs for Design included
- Firm third party UAT and main delivery costs included

- The costs are inclusive of the 40k sanctioned in the EQR
- The revision in cost is for the inclusion of AUGE Set Up Costs previously omitted from the original BER. The AUGE (the independent Allocation of Unidentified Gas Expert) develops the UIG Weighting Factors each year that populate the AUG Table. The AUGE has had to enhance its processes to produce 60 factors instead of 36. There is a one-off set-up cost for this enhancement.

XRN Ref	Design EQR	Delivery	UAT	AUGE Set Up Costs	Delivery Total	Risk Margin	Shipper	DN	IGT	Total
5093	£ 20,000	£ 250,768	£ 40,295	£19,000	£ 330,063	23,000	100%			£ 353,063
4941	£ 10,000						100%			£ 10,000
4992	£ 10,000						100%			£ 10,000
Total	£ 40,000	£ 250,768	£ 40,295	£ 19,000	£ 330,063	23,000			Total	£ 373,063

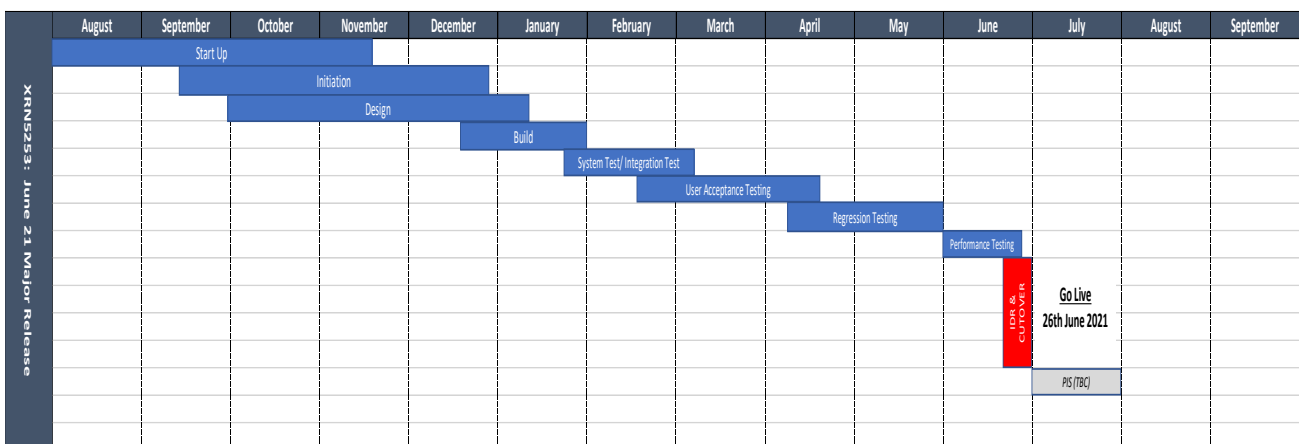
Section 4: Estimated impact of the service change on service charges

Xoserve Service Area	Xoserve Service Line	(+/-) Projected Change in Annual Cost
Customer Performance Analysis	We do not anticipate an additional Service Line being necessary. This should be covered under an existing line as it is simply added the need for further weighting factors.	£0

Customer Benefits:

Each EUC will have an individual weighting factor. This has been suggested to improve the accuracy of UIG allocation and so further competition in the market.

Section 5: Project plan for delivery of the change





High Level Plan BER
Picture.odp

Section 6: Additional information relevant to the proposed service change

Risks:

- There is a risk of increased project spend if unforeseen issues occur which result in additional work, rework or delays to the project schedule.
- There is a risk that there could be resource constraints throughout the project lifecycle because of multiple UK Link deliveries running in parallel.
- There is a risk to delivery timescales and resource constraints due to the ongoing Covid-19 pandemic.

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Document Version History

Version	Status	Date	Author(s)	Summary of Changes
0.1	Draft	18/11/20	Tom Lineham	Initial draft
1.0	Approved	27/11/20	Tom Lineham	Document Approved
1.1	For Approval	23/02/21	Tom Lineham	Inclusion of AUGÉ Set Up costs
2.0	Approved	26/02/21	Tom Lineham	Document Approved

Template Version History

Version	Status	Date	Author(s)	Summary of Changes
1.0	Approved	15/06/18	Rebecca Perkins	Document approved at CHMC External Workgroup
2.0	Approved	19/12/18	Heather Spensley	Moved onto Xoserve's new Word template in line with new branding