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Stephanie Ward
Xoserve Limited
Lansdowne Gate
65 New Road
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B91 3DL

25 August 2021

Sent by email to: stephanie.ward@xoserve.com

Dear Stephanie,

Business Plan 2022 Process

We write in response to the publication of the final version of the Principles and Approach for the 2022-23 Business Plan. We responded to the consultation on the draft version and shared our views on the necessary changes to the process for finalising the Plan and to the content of the Plan. One such change included in our response was a statement from Xoserve's Board setting out that the Board has assured itself that the Plan in relation to Xoserve's role as Central Data Services Provider is in the interests of Xoserve's customers and consumers. We welcome confirmation that the statement of assurance will be produced.

As we explained in our consultation response, the main reasons why changes to the process for finalising the Plan and to the content of the Plan are necessary are because of revised regulatory requirements set out by Ofgem and the sale of Correla. The changes we proposed are intended to increase transparency and to allow the efficiency of the Plan from the consumer perspective to be robustly demonstrated. Increasing transparency and robustly demonstrating efficiency would avoid stakeholders either seeking to meaningfully engage with the proposals in the Plan but not being able to, or stakeholders choosing not to because of the barriers to engaging with the proposals. Either scenario would result in the proposals not being improved based on the insight stakeholders can provide.

We are again writing to request that the recommendations made by Ofgem¹ are considered and implemented in time for the publication of the BP22 1st draft in September.

We recognise that Xoserve aims to deliver a transparent and robust Plan and to improve the value delivered to both customers and consumers. We support these aims. However, our understanding of the final Principles and Approach raises concerns that those aims may not be met, thereby leading to the Plan being less beneficial for consumers than it otherwise could be. We welcome the opportunity to have a detailed discussion to clarify our understanding of how Xoserve believes

¹ Letter sent to Xoserve on 6 April 2021.
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the final version of the Principles and Approach will facilitate delivery of a transparent and robust Plan that increases value for customers and consumers. We would also welcome the opportunity to contribute to the further revision of the Principles and Approach where necessary.

We remain committed to developing a UNC modification that seeks to address the key issues Ofgem raised by, for example, enhanced external challenge/reporting on the draft CDSP Budget for independent scrutiny of the proposed business plan, and we appreciate Xoserve's continued support in the delivery of these proposed solutions.

We look forward to meeting with you on 2nd September ahead of the publication on the first draft of Business Plan 2022 and welcome your thoughts as to how we can together achieve the desired results in this planning process.

Yours sincerely,

Kirsty Ingham
Head of Industry Transformation and Governance
Centrica Regulatory Affairs, UK & Ireland