

DSC Change Proposal Document

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 Xoserve to fill out all of the information in the sections coloured ■

A1: General Details

Change Reference:	XRN5443		
Change Title:	Urgent Modification 0788 - Minimising the market impacts of 'Supplier Undertaking' operation		
Date Raised:	27/10/2021		
Sponsor Representative Details:	Organisation:	National Grid NTS	
	Name:	Jennifer Randall	
	Email:	Jennifer.Randall@nationalgrid.com	
	Telephone:	07768 251404	
Xoserve Representative Details:	Name:	Ellie Rogers	
	Email:	Ellie.rogers@xoserve.com	
	Telephone:	+44 1212 292 185	
	Business Owner:	TBC	
Change Status:	<input type="checkbox"/> Proposal	<input checked="" type="checkbox"/> With DSG	<input type="checkbox"/> Out for Review
	<input type="checkbox"/> Voting	<input type="checkbox"/> Approved	<input type="checkbox"/> Rejected

A2: Impacted Parties

Customer Class(es):	<input checked="" type="checkbox"/> Shipper	<input type="checkbox"/> Distribution Network Operator
	<input checked="" type="checkbox"/> NG Transmission	<input type="checkbox"/> IGT
	<input type="checkbox"/> All	<input type="checkbox"/> Other <Please provide details here>
Justification for Customer Class(es) selection	<p>National Grid NTS are impacted as the responsible party for securing the delivery of the gas to the Total System (for the required volumes) in its role as residual balancer.</p> <p>Shippers are impacted as the party that can elect to source gas and make trade nominations to the Terminated Shipper User account on behalf of a Supplier to offset some of the shortfall between demand and supply in the relevant portfolio.</p>	

A3: Proposer Requirements / Final (redlined) Change

<p>Problem Statement:</p>	<p>Extract from Modification 0788 'Why': Where a Shipper User has been terminated from the UNC, there may be a period where its supply meter points have no Registered User and the supplier is required to pay transportation and energy balancing charges under a Deed of Undertaking pursuant to its supplier licence. The Deed of Undertaking recognises that a Supplier will not have established commercial arrangements to secure delivery of gas to the Total System to balance the demand of its consumers. Hence the Energy Balancing Charges payable by the Supplier operate on the assumption of the relevant Supplier delivering no (zero) gas to the Total System on each of the relevant days. Consequently, the Supplier is effectively required to pay for all its consumers' gas demand at the SMP buy price ('cashout').</p>
<p>Change Description:</p>	<p>Modification 0788 - Minimising the market impacts of 'Supplier Undertaking' operation has been raised and been granted Urgent status by Ofgem.</p> <p>The Modification seeks to provide the ability for Suppliers who are operating under a Deed of Undertaking following the Termination of the Shipper User, to make arrangements with another Shipper User to source additional supplies of gas and make trade nominations to the Terminated Shipper User account to balance that portfolio and mitigate increased costs, until a new 'Registered User' is appointed.</p> <p>This Change Proposal has been raised to implement the solution required to deliver what is set out within the Modification. Please note, Modification 0788 is progressing under the Ofgem directed Urgent Timetable. Ultimately the Modification will require an Ofgem decision on approval and implementation however we are proposing that this CP is progressed ahead of the final Ofgem decision to ensure immediate implementation is possible if the Modification is approved.</p> <p>In summary, please see at high level what is required from the CDSP to deliver the Modification solution:</p> <ul style="list-style-type: none"> • Following confirmation from National Grid NTS that a Supplier has authorised another User to supply the gas demand for its Terminated Supply Meter Points (TSMPs), the CDSP will be required to provide certain information in relation to the TSMPs (defined in UNC as TSMP Information) to the User at a frequency to be determined by the Shipper/Supplier but could be on each working day until such time as a new Registered User is in place. <ul style="list-style-type: none"> ○ An existing report that is currently used to provide TSMP Information during the Supplier of Last Resort (SoLR) process will be utilised to provide the required TSMP Information to the relevant User. ○ Please see below an example template for the TSMP Information which would be provided to the User: <div style="text-align: center;">  <p>Example Terminations_Portfoli</p> </div>

	<p><i>Please note, the data in the example report would only be provided for the Supply Meter Points (SMPs) which the User agreed with the Supplier to supply gas to meet the demand for.</i></p> <p><i>Please also note the data within the report will be D-1 (where in this case 'D' will be the day the report is produced/ran).</i></p> <ul style="list-style-type: none"> The CDSP will ensure the relevant access is available to [National Grid and/or the CDSP] within Gemini for the Terminated User's account to ensure the trades for the demand for the agreed TSMPs are approved. (note the Terminated User's access will be revoked). <ul style="list-style-type: none"> <u><i>Please note, it has yet to be agreed whether National Grid or the CDSP have the responsibility to manage the Terminated User account within Gemini. If this role is required to be performed by the CDSP, please see the funding section of the CP for information on what is required.</i></u> The CDSP will ensure the required invoices are processed and issued to the relevant parties. <ul style="list-style-type: none"> For the avoidance of doubt, the existing process to invoice in a Termination scenario will be utilised. <p>To ensure a solution can be implemented as soon as possible following the approval of the Modification, the CDSP where possible will look to utilise existing reports, processes and system functionality to deliver the change.</p>	
Proposed Release:	We are not anticipating any central or customer system impacts and based on the Urgent Status of Modification 0788, we are proposing delivery outside of a scheduled release as soon as possible following a decision from Ofgem (if approved).	
Proposed Consultation Period:	<input type="checkbox"/> 10 Working Days	<input type="checkbox"/> 15 Working Days
	<input type="checkbox"/> 20 Working Days	<input type="checkbox"/> Other [Specify Here]

A4: Benefits and Justification

Benefit Description:	<p>Extract from Modification 0788: To provide the ability for Suppliers who are operating under a Deed of Undertaking following the Termination of the Shipper User, to make arrangements with another Shipper User to source additional supplies of gas and make trade nominations to the Terminated Shipper User account to balance that portfolio and mitigate increased costs, until a new 'Registered User' is appointed.</p> <p><i>What, if any, are the tangible benefits of introducing this change? What, if any, are the intangible benefits of introducing this change?</i></p>
Benefit Realisation:	<p>Following the Termination of a Shipper User and a Supplier is operating under its Deed of Undertaking.</p> <p><i>When are the benefits of the change likely to be realised?</i></p>

Benefit Dependencies:	Urgent Modification 0788 must be approved by Ofgem in order for this CP to be implemented and the benefits realised.		
	An amendment to the Supplier Deed of Undertaking is agreed by GDNs and Suppliers.		
	<i>Please detail any dependencies that would be outside the scope of the change, this could be reliance on another delivery, reliance on some other event that the projects has not got direct control of.</i>		

A5: Final Delivery Sub-Group (DSG) Recommendations – Removed

(see Section C for DSG recommendations)

A6: Service Lines and Funding

Service Line(s) Impacted - New or existing	TBC – Based on the proposal for the solution to utilise existing functionality and processes, we expect there will be an existing Service Line to cover the required activities. This will need to be checked and confirmed.		
Level of Impact	Unclear		
If None please give justification	n/a		
Impacts on UK Link Manual/ Data Permissions Matrix	TBC – We understand that the data made available through the existing SoLR process for TSMPs which will look to be provided under this change is already authorised therefore no changes are anticipated to the DPM. This will need to be checked and confirmed and if there are any required updates to the DPM the standard process via DSC Contract Management Committee (CoMC) will be followed.		
Level of Impact	Unclear		
If None please give justification	n/a		
Funding Classes :	Customer Classes/ Funding	Delivery of Change	On-going Budget Amendment
	<input type="checkbox"/> Shipper	XX %	XX %
	<input type="checkbox"/> National Grid Transmission	XX %	XX %
	<input type="checkbox"/> Distribution Network Operator	XX %	XX %
	<input type="checkbox"/> IGT	XX %	XX %
	<input type="checkbox"/> Other <please specify>	XX %	XX %
ROM or funding details:	n/a		
Funding Comments:	In light of the Urgent Status of this change, implementation of the required solution should be as soon as possible following an Ofgem decision to approve the Modification. Based on this, the CDSP are proposing to utilise existing reports, processes and system functionality and supported by existing resource where possible. With this in mind, we would be looking to implement this change at a 0 cost.		

	<p>However, please note, if it is confirmed by National Grid that the <u>CDSP should be the responsible party to manage the Terminated User account within Gemini, there will be an expected cost to ensure there is appropriate CDSP resource to manage this activity 7 days a week (which isn't currently something the CDSP are funded to provide).</u></p>
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A7: ChMC Recommendation – Initial Review

Change Status:	<input checked="" type="checkbox"/> Approve	<input type="checkbox"/> Reject	<input type="checkbox"/> Defer
DSC Consultation Issue:	<input type="checkbox"/> Yes		<input checked="" type="checkbox"/> No

A8: ChMC Recommendation – Solution Review

Change Status:	<input type="checkbox"/> Approve	<input type="checkbox"/> Reject	<input type="checkbox"/> Defer
Industry Consultation:	<input type="checkbox"/> 10 Working Days	<input type="checkbox"/> 15 Working Days	
	<input type="checkbox"/> 20 Working Days	<input type="checkbox"/> Other [Specify Here]	
DSC Consultation Issue:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Date Issued:	Click here to enter a date.		
Comms Ref(s):			
Number of Responses:			
Solution Voting:	<input type="checkbox"/> Shipper	Please select.	
	<input type="checkbox"/> National Grid Transmission	Please select.	
	<input type="checkbox"/> Distribution Network Operator	Please select.	
	<input type="checkbox"/> IGT	Please select.	
Meeting Date:	Click here to enter a date.		
Release Date:	Release: Feb / Jun / Nov XX or Adhoc DD/MM/YYYY or NA		

A9: ChMC Recommendation – Detailed Design

Change Status:	<input type="checkbox"/> Approve	<input type="checkbox"/> Reject	<input type="checkbox"/> Defer
Industry Consultation:	<input type="checkbox"/> 10 Working Days	<input type="checkbox"/> 15 Working Days	
	<input type="checkbox"/> 20 Working Days	<input type="checkbox"/> Other [Specify Here]	
DSC Consultation Issue:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Date Issued:	Click here to enter a date.		
Comms Ref(s):			

Number of Responses:		
Solution Voting:	<input type="checkbox"/> Shipper	Please select.
	<input type="checkbox"/> National Grid Transmission	Please select.
	<input type="checkbox"/> Distribution Network Operator	Please select.
	<input type="checkbox"/> IGT	Please select.
Meeting Date:	Click here to enter a date.	
Release Date:	Release: Feb / Jun / Nov XX or Adhoc DD/MM/YYYY or NA	

Section G: Change Pack

G1: Communication Detail

Comm Reference:	2934.2 - RT - PO
Comm Title:	XRN5443 – Urgent Modification 0788 - Minimising the market impacts of ‘Supplier Undertaking’ operation – Detailed Design Change Pack
Comm Date:	15/11/2021

G2: Change Representation

Action Required:	For Awareness Only
Close Out Date:	29/11/2021

G3: Change Detail

Xoserve Reference Number:	XRN5443 – Urgent Modification 0788 - Minimising the market impacts of ‘Supplier Undertaking’ operation
Change Class:	Operational processes
ChMC Constituency Impacted:	National Grid NTS Shipper Users
Change Owner:	Ellie Rogers +441212292185 ellie.rogers@xoserve.com
Background and Context:	The link to Change Proposal XRN5443 can be found here . Background Change Proposal XRN5443 has been raised to deliver the changes proposed through 0788 (Urgent) - Minimising the market impacts of ‘Supplier Undertaking’ operation .

	<p>This Modification seeks to provide the ability for Suppliers who are operating under a Deed of Undertaking (DoU), following the Termination of the Shipper User, to utilise other existing Shipper User relationships to source additional supplies of gas and make trade nominations to the Terminated Shipper User account to balance that portfolio and mitigate increased costs, until a new 'Registered User' is appointed.</p> <p>For the full Modification 0788 details, please see the link to the Joint Office website: https://www.gasgovernance.co.uk/0788</p> <p>Please note Urgent Modification 0788 has been approved by Ofgem and was implemented on 01 November 2021.</p> <p><u>With this in mind, this Change Pack is for awareness only. It is to confirm how the process would work if there was a Shipper Termination and a Supplier and Shipper would like to utilise the process implemented under Modification 0788.</u></p> <p>As detailed within the Change Proposal, to align with the urgent Modification timescales, the CDSP are utilising existing reports, processes and system functionality to deliver this change.</p>
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G4: Change Impact Assessment Dashboard (UK Link)

Functional:	None
Non-Functional:	Operational processes
Application:	N/A
User(s):	National Grid NTS Shipper Users
Documentation:	None
Other:	N/A

Files				
File	Parent Record	Record	Data Attribute	Hierarchy or Format Agreed
N/A	N/A	N/A	N/A	N/A

G5: Change Design Description

<p>XRN5443 has been raised to deliver the changes proposed through 0788 (Urgent) - Minimising the market impacts of 'Supplier Undertaking' operation.</p> <p>This seeks to provide the ability for Suppliers who are operating under a DoU following the Termination of the Shipper User, to utilise other existing Shipper User relationships to source additional supplies of gas and make trade nominations to the Terminated Shipper</p>
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User account to balance that portfolio and mitigate increased costs, until a new 'Registered User' is appointed.

As Modification 0788 was approved and implemented on 01 November 2021, the central solution in place to manage this change utilises existing reports, processes and system functionality.

High-level process overview and impacts

1. Shipper Termination occurs

Please note, the Modification 0788 process can only be utilised following a Shipper Termination event and where the Supplier is operating under the DoU for the Terminated Supply Meter Points (TSMPs).

The arrangements under Modification 0788 can remain in place until a new Registered User takes over the TSMPs.

Following the approval of Modification 0788, the DoU was updated accordingly to reflect this arrangement.

2. Supplier makes arrangements with a Shipper User

Where the Supplier is operating under its DoU for the TSMPs, they can make arrangements with another Shipper User for the provision of gas to satisfy (in whole or in part) the demand of the TSMPs until a new Registered User takes over.

Where this arrangement is put in place between a Supplier and Shipper User, it will need to be confirmed with National Grid and the CDSP.

To do this, the Supplier/Shipper must populate the '*Supplier – Failed Shipper replacement form*' which can be located on Xoserve.com [here](#).

This form requests the Supplier/Shipper provided to National Grid and the CDSP the following information:

- Supplier details
- Replacement Shipper details
- Supplementary information
 - Trade agreement details
- Portfolio data requirements

The details within the form will be sent to National Grid and the CDSP and following receipt and validation, the required information (as agreed between the Shipper and the CDSP) will be sent to the replacement Shipper for the agreed TSMPs.

3. CDSP sharing portfolio data with the relevant Shipper

Once the '*Supplier – Failed Shipper replacement form*' has been submitted and processed, the CDSP will provide the required portfolio data to the Shipper as agreed under the form (frequency and data required will be agreed between the Shipper and the CDSP).

Please note, the requested portfolio data sent to the Shipper will be data as of D-1 (where in this case, D is the report production date).

The method for which the CDSP is to send the portfolio data to the Shipper will be determined between the CDSP and the Shipper. This could be via password protected email or a secured site such as Huddle.

4. Creating the relevant access to the trade account within Gemini

Where arrangements have been put in place between the Supplier and a Shipper, the CDSP will ensure that the relevant access to the Terminated Shipper trade account is available to National Grid.

National Grid will act on behalf of that account to complete any commercial transaction associated with the trades agreed between the Supplier and Shipper for the TSMPs.

Please note, the CDSP will revoke access to the Gemini trade account for the Terminated Shipper.

5. Agreed trades

Where arrangements have been agreed between a Supplier and Shipper for the TSMPs, at the day ahead stage, the Shipper shall trade the agreed volume of gas into the Terminated Shipper Users account.

National Grid will act on behalf of that account to complete any commercial transaction associated with the trades agreed between the Supplier and Shipper for the TSMPs.

Please note, there is no proposed change to the trade process, and this should work as per normal business as usual procedures.

6. Invoicing

Where the arrangement has been put in place between a Supplier and Shipper in order for the Shipper User to provide the provision of gas to satisfy (in whole or in part) the demand of the TSMPs, this will be reflected in the invoicing process.

The Supplier and new Shipper that is taking on a Supplier section of the terminated Shipper's portfolio will be issued with a paper invoice and an excel backup file via email when being issued to a Supplier of Last Resort. When being issued to a Shipper, this will be via IX on a Request to Bill (RTB) invoice (INV invoice type) and an excel backup file via email.

The paper invoice or RTB invoice will give high level totals of charges at charge type level. An excel backup document will be issued via email which will detail the relevant proportion of charges for the Supplier section of the terminated Shipper. These charges will be the daily charges by gas day for all charge types, primarily;

- DCT (Daily cashout taking into account any trade processed to reduce the cashout charge)
- CNU (current month Neutrality charges)
- ADS (historical month Neutrality charges)

7. Ending the Supplier and Shipper arrangements

Once a new Registered User takes over the TSMPs, the arrangements under Modification 0788 will cease and the process will no longer occur.

As mentioned, Modification 0788 was implemented on 01 November 2021, therefore this Change Pack is for awareness only. It is to provide clarity on how the process will work if there was a Shipper Termination and a Supplier and Shipper would like to utilise the process implemented under Modification 0788.

G6: Associated Changes

Associated Change(s) and Title(s):	0788 (Urgent) - Minimising the market impacts of 'Supplier Undertaking' operation.
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G7: DSG

Target DSG discussion date:	N/A
Any further information:	N/A

G8: Implementation

Target Release:	Implemented on 01 November 2021
Status:	For Awareness

Please see the following page for representation comments template; responses to uklink@xserve.com

Modification 0788 was implemented on 01 November 2021, therefore this Change Pack is for awareness only.

Document Version

Version	Status	Date	Author(s)	Remarks
1.0	For Approval	27/10/2021	NTS	CP Raised
2.0	Approved	13/10/2021	Rachel Taggart	Updated with the outcome from ChMC on 01/11/2021
3.0	For Approval	06/12/2021	Chan Singh	Detailed Design Change Pack added to CP.