

Section C: DSG Discussion

C1: Delivery Sub-Group (DSG) Recommendations

DSG Date:	16/09/2019
DSG Summary:	<p>Ellie Rogers (ER) provided a background of the change and an overview of the mod discussions and an indication of different solution options identified.</p> <p>ER explained that this XRN is a supporting modification 0687 which to create a new charge, the SoLR Customer Charge, through which Gas Distribution Networks (Transporters) will recover any Last Resort Supply Payments arising from a Supplier of Last Resort event. ER explained that at present there is little detail around how the LRSP costs are recovered from wider Shipper community, outside of it being recovered via transportation charges. ER outlined that this Mod0687 looks to introduce a new SOLR customer charge type into the Gas transportation charging statements and for the new charge types to be introduced to clearly invoice what Shippers are paying for a SOLR event.</p> <p>XRN4992 outlines there will be a new charge types for domestic and non-domestic charges. Furthermore transporters will be expected to provide the domestic and non-domestic rate per supply meter point and this rate will be applied based on the market sector code as well as detailed through the new charge codes.</p> <p>ER explained the modification has been out for consultation and received 11 responses, 9 in support and 3 opposing the proposal. This modification is due to go out to UNC panel this Thursday 19th September for their approval on whether to implement this Mod. Post meeting update – the majority vote was for the modification to be implemented. This is now with Ofgem for a decision. ER explained that this was flagged at ChMC that the modification has not received approval as of yet, therefore to not give too much effort in case of rejection. ER added that this is still important as there are system changes expected to be implemented by 1st April alongside the change to the GDN charging statements.</p> <p>Solution Options:</p> <p>ER explained there are 4 solution options which have been discussed to date:</p> <ul style="list-style-type: none"> - Option 1:- Add a New Charge Type to Core Invoices <ul style="list-style-type: none"> o This option is not preferred as it'll require major release implementation; a major release implementation is not achievable prior to the desired implementation date of 1st April 2020. - Option 2:- Add a New Charge Type to Scheduled Ancillary Invoices <ul style="list-style-type: none"> o Transportation Invoices would be sent as a generic invoice via IX o Ad-hoc invoice issued on specific day each month to be agreed by the industry - Option 3:- Add a New Charge Type to Unscheduled Ancillary Invoices <ul style="list-style-type: none"> o The only difference with this compared to option 2 is that the unscheduled invoices are not issued on a specific/agreed date within the month.

	<ul style="list-style-type: none"> ○ There is no scheduled date and the invoice would be issued on a best endeavors basis - Option 4:- Add a New Charge Type to a RTB Invoice <ul style="list-style-type: none"> ○ This would be a manually generated invoice using the RTB template by the CDSP on behalf of the Transporters. <ul style="list-style-type: none"> ○ The Invoice Type, 'INR', would be utilised <p>ER explained that the 2nd, 3rd and 4th options are possibilities to be implanted into a minor release. This is dependent on the HLSO results and ChMC agreeing they could be within a Minor Release.</p> <p>Shanna Barr (SB) asked what would the invoice types be like for option 2 and 3. ER stated she believed the invoices types would be the ANC. ER added that this will be identified and communicated within the HLSO. IB asked a question whether it has always been 4 options as he recalled only seeing 3 options. ER replied stating that at mod development, there were 3 options, but involved adding the manually generated using the RTB. IB asked if the RTB would be non IX invoice. ER stated the RTB would be issued via the normal IX route within the INR Invoice Type.</p> <p>Sally Hardman asked depending on which option is moved forward, if one of the interim options is selected, would an enduring solution be implemented later on?</p> <p>ER stated it hasn't been decided but has been mentioned, and that would be better for ChMC and DSG to provide recommendations and approval. ER added that it would be beneficial that when the HLSO is received back for parties to have a look at the assessment and decide whether to implement an interim solution as well as work on the enduring solution. IB asked a question on the Core invoices, which invoice is likely to be impacted. ER stated it will be within the HLSO but suggested it could be Capacity that is impacted.</p> <p>ER asked if DSG are happy for this to be sent to HLSO, this can be sent off be bought back to DSG to discuss and prefer a recommended option to take to ChMC.</p> <p>DSG were happy for this to be taken to HLSO, no objection was received from DSG.</p>
Capture Document / Requirements:	<Insert where appropriate>
DSG Recommendation:	<input type="checkbox"/> Approve <input type="checkbox"/> Reject <input type="checkbox"/> Defer
DSG Recommended Release:	Release: Feb / Jun / Nov XX or Adhoc DD/MM/YYYY

DSG Date:	07/10/2019
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<p>DSG Summary:</p>	<p>ER provided and update for this change. ER mentioned there were 4 options that were discussed during the last meeting and DSG agreed to have them sent off for high level solution options assessment. These high-level solution options have returned from being reviewed. ER explained that she would like to provide a view and highlight over key areas of each option. ER made DSG aware that the full list of solution options will be added into a change pack and sent out for industry review.</p> <p>Option 1 – Add a New Charge Type to Core Invoices</p> <p>This option involves adding a new charge type to core invoices. ER explained that the effort involved in this option would mean it can only be delivered within a major release. The high-level cost estimate is between £80,000 - £90,000.</p> <p>IB asked if this option would still not be able to be delivered by the 1st April 2020. ER advised that this option would not be possible to deliver by the 1st April 2020.</p> <p>Option 2 – Add a new charge type to Scheduled Ancillary Invoices</p> <p>This option would involve adding a new charge type to scheduled ancillary invoices. ER advised DSG that we initially thought this option could be a Minor Release candidate however due to the effort and testing involved based on the HLSO, it would need to be a Major Release. This has an overall impact as high and a high-level cost estimate between £33,000 - £36,000</p> <p>Option 3 – Add a New Charge Type to Unscheduled Ancillary Invoices</p> <p>This option involves adding a new charge type to unscheduled ancillary invoices. ER explained that this option is very similar to option 2 with the difference being around the date the invoice is issued. With option 2, the invoice is issued on an agreed date and option 3 it is ad hoc. It was confirmed that this again would require a Major Release to deliver this option. IB asked a question if this will be scheduled in Xoserve calendar every month? ER responded that she is unsure if ancillary invoices are added into the calendar. ER added that an invoice will only be generated as and when a Shipper needs it. ER explained that if there was a SoLR event and it was a scheduled invoice, it would be sent on an allocated day each month. E.g. 2nd day of the month etc. Whereas if it was unscheduled it would be ad hoc. PO asked if the payment terms are set in stone and will not be changed. ER confirmed the payment terms are not being changed as a result of this XRN. It is similar the charge type and invoice for SoLR events. This is still looking at a major release with a high-level cost estimate of between £30,000 - £33,600. It is slightly lower than option 2 due to less testing being involved due to the invoice being issued on an ad-hoc basis.</p> <p>Option 4 – Add a new Charge Type to a RTB invoice</p> <p>ER outlined that this option will involve adding a new charge type to RTB invoice. There are some system changes, however it involves a more manual solution. This option has an overall impact</p>
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	<p>as high and a high-level cost estimate £26,000 - £30,000. It was highlighted that this is the only option which is a candidate for a Minor Release and can be delivered by April 2020 in line with the modification implementation date.</p> <p>ER asked DSG for considerations of a preferred solution option IB responded that his view is that option 1 would lend to an enduring solution and option 4 as an interim solution. PO asked DSG members on the call if there are any early views on options for this change. DSG members on the call advised that they would need to review it the Modification alongside the options. ER stated the next steps will be to Change Pack these high-level solution options for relevant industry review and discussion of the options. ER stated that following this change pack, the change will go to November's ChMC meeting for discussion and approval of the preferred solution option and implementation date.</p> <p>DSG members agreed that the recommendation within the Change Pack could be option 4 as the interim solution and option 1 as the enduring.</p>		
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DSG Recommendation:	<input type="checkbox"/> Approve	<input type="checkbox"/> Reject	<input type="checkbox"/> Defer
DSG Recommended Release:	Release: Feb / Jun / Nov XX or Adhoc DD/MM/YYYY		

DSG Date:	21/10/2019		
DSG Summary:	<p>PO presented this agenda item. PO stated that we are proposing to scope this into February 2020 documentation release. PO explained that there is an option to look at more automated invoice solutions as an enduring solution. Furthermore, PO informed DSG that the Change Pack for the detailed design is out for industry consultation. PO also added that the design detail that Ofgem had requested in regard to the MOD, has been submitted and is now awaiting an Ofgem decision. In addition, with that in mind, PO urged DSG to provide responses to the change pack that has been issued out to industry. PO concluded the discussion by asking DSG if there were any views or questions that they would like to raise.</p>		
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DSG Recommended Release:	Release: Feb / Jun / Nov XX or Adhoc DD/MM/YYYY		

DSG Date:	24/01/2022
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DSG Summary:	SH confirmed this urgent mod status. Process where the DNs can recover the cost felicitating Supplier of last resort activity. At the time of writing there 2 modifications (0687v & 0797) out for approval with Ofgem. Ofgem have since approved 0797 for implementation on the 1 st of April. SH plans to issue a revised change pack in Feb following Ofgems decision for information purposes. SH confirmed Xoserve will be implementing changes in readiness for the mod to become effective on the 1 st of April.		
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DSG Date:	21/02/2022		
DSG Summary:	<p>PO noted that this change has been bought to attention today due to the change pack being revised and reissued for information to shipper and DN customers. Simon Harris added that the arrangements and the charging takes effect on the 1st of April, the 1st billing run will be done in May. JW questioned the first billing date and wanted clarification on this. SHA noted it will be the 5th business day, in line with the capacity invoice. It will be going out on the RTB invoice. SH asked if the new charge types will have their own invoicing under the enduring solution, or will it be included in the capacity invoice. SHA noted the XRN 4992b is currently going through detailed design phase. The current working assumption is these new charge types will be contained on the capacity invoice.</p> <p>*SHA noted post meeting, the billing date is the 4th business day, rather than the 5th business day as noted above.*</p>		
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DSG Recommended Release:	Release: Feb / Jun / Nov XX or Adhoc DD/MM/YYYY		

DSG Date:	23/05/2022		
DSG Summary:	Richard Hadfield (RH) presented slides 18-22 of the DSG presentation, which provided a key summary of the most relevant points to customers associated to this change. RH drew out customer impacts that have been identified in the Detailed Design Change Pack, and confirmed that the change has been issued for consultation for parties to consider. PO asked if there were any Shipper representative views to the change - no comments were received from DSG attendees.		
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Version Control

Document

Version	Status	Date	Author(s)	Remarks
V1	With DSG	24/09/2019	Xoserve	CP updated with discussion from DSG 16 th September 2019.
V2	With DSG	18/10/2019	Xoserve	CP updated with discussion from DSG 7 th October 2019.
V3	With DSG	29/10/2019	Xoserve	Cp updated with discussion from DSG 21 st October 2019
V4		15/11/2019	Jai Le Resche	CP updated with discussions from ChMC 13 th November 2019. To be voted upon in Extraordinary meeting on 22 nd November 2019

V5	Approved	20/02/2020	Rachel Taggart	Updated with ChMC outcome from the meeting on 12 th February 2020
V6	Deferred	15/05/2020	Rachel Taggart	Updated with ChMC outcome from the meetings on 04 th and 13 th May 2020
V7	Approved	08/12/2021	Chan Singh	Updated with Detailed Design Outcome from ChMC 08/12/2021
V8	With DSG	02/02/2022	Chan Singh	Updated with discussions from DSG 24 th January 2022
V9	Approved	14/02/2022	Molly Haley	Updated with Detailed Design Change Pack & voting outcome from ChMC on 09/02/22
V10	With DSG	03/05/2022	Chan Singh	CP updated with discussions from DSG 21 st February 2022
V11	With DSG	23/05/2022	Megan Troth	CP updated with discussions from DSG 23 rd May