High Level Solution Options Change Pack

# Communication Detail

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| Comm Reference: | 3050.4 - RT - PO |
| Comm Title: | XRN 5469 Increasing the Frequency of FSG Payments |
| Comm Date: | 13/06/2022 |

**Change Representation**

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| Action Required: | For Approval |
| Close Out Date: | 27/06/2022 |

# Change Detail

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| Xoserve Reference Number:  | XRN5469  |
| \*ChMC Constituency Impacted: | Distribution Networks, Shippers |
| Change Owner:  | Steve Pownall |
| Background and Context: | The Failure to Supply Gas (FSG) process is undertaken by the CDSP on behalf of all Distribution Networks. Following a Failure to Supply Gas event, Distribution Networks issue an instruction to the CDSP, who in turn process the request. The successful processing of an FSG instruction by the CDSP results in invoices to the Shipper – these include relevant FSG compensation payment information. Shippers are in turn responsible for ensuring that these compensation payments are made available to their contracted Supplier, who in turn ensures that the end consumer receives the appropriate compensation payment. The FSG process operated by the CDSP is scheduled to take place on a weekly basis, with agreed timescales for submission and processing of FSG instructions in place between Distribution Networks and the CDSP. In addition, on an unscheduled basis, the CDSP supports the Distribution Networks by processing adhoc FSG instructions – this is primarily used in extreme weather events that have caused disruption to gas supply.  |

# Solution Options

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| Solution Option Summary: | To support the desired outcome for customers, a single solution option has been identified. This option seeks to bolster CDSP Invoicing Team capability, ensuring daily FSG requests can be actioned if required within 1 business day of receipt. This solution leverages the existing adhoc technical processing capability that is available to the CDSP, with enhanced Invoicing team resource to ensure a daily service is available on a scheduled basis.Where FSG templates are submitted by Distribution Networks and received by the CDSP by 10am on a business day, these will be validated and actioned. The relevant compensation payments will be then issued to Shipper customers on the next business day – in line with the current invoice provisions. Further detail on the proposed High Level Solution Option is available within the attached document: [HLSO](https://umbraco.xoserve.com/media/43348/hlso-xrn5469-increasing-the-frequency-of-fsg-payments_v10_final.pdf)  |
| Proposed Implementation Date: | Approx. 3 months from DSC funding approval |
| Xoserve preferred option:(including rationale) | Single Solution Option as defined above |
| DSG preferred solution option:(including rationale) | N/A |

# Service Lines and Funding – for each option

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| Service Line(s) Impacted - New or existing | Service Area 10 – Invoicing Customers |
| Level of Impact | Low |
| Impacts on UK Link Manual/ Data Permissions Matrix  | None Identified  |

Industry Response Solution Options Review

# *Please consider any commercial impacts to your organisation that Xoserve need to be aware of when formulating your response*

# Organisation’s preferred solution option

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| --- | --- | --- |
| User Contact Details: | Organisation: | Cadent |
| Name: | Andy Clasper |
| Email: | andy.clasper@cadentgas.com |
| Telephone: | 07884113385 |
| Organisation’s preferred solution option, including rationale taking into account costs, risks, resource etc. | We are supportive of the solution which will allow all DNs to submit Failure to Supply Gas payments more frequently (daily) This will support swifter payments to customers, hopefully leading to greater levels of customer satisfaction. |
| Implementation Date: | Approve |
| Xoserve preferred solution option: | Approve |
| DSG preferred solution option: | Approve |
| Publication of consultation response: | N/A |

# Xoserve’ s Response

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| Xoserve Response to Organisations Comments: | Thank you for your representation, we will feed this into ChMC for a final decision. |

# *Please consider any commercial impacts to your organisation that Xoserve need to be aware of when formulating your response*

# Organisation’s preferred solution option

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| User Contact Details: | Organisation: | Wales & West Utilities |
| Name: | Richard Pomroy |
| Email: | Richard.pomroy@wwutilities.co.uk |
| Telephone: | 07812973337 |
| Organisation’s preferred solution option, including rationale taking into account costs, risks, resource etc. | We support the proposed, single, solution. We agree with the proposer that increasing the frequency of the Falilure to Supply Gas payment process is necessary given the shorter timescales DNs have to make the payments. |
| Implementation Date: | Approve |
| Xoserve preferred solution option: | Approve |
| DSG preferred solution option: | Approve |
| Publication of consultation response: | N/A |

# Xoserve’ s Response

|  |  |
| --- | --- |
| Xoserve Response to Organisations Comments: | Thank you for your representation, we will feed this into ChMC for a final decision. |

Change Management Committee Outcome

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| --- | --- | --- | --- |
| Change Status: | [x]  Approve | [ ]  Reject | [ ]  Defer |
| Industry Consultation: | [x]  10 Working Days | [ ]  15 Working Days |
| [ ]  20 Working Days | [ ]  Other [Specify Here] |
| DSC Consultation Issue: | [x]  Yes | [ ]  No |
| Date Issued: | 13/06/2022 |
| Comms Ref(s): | 3050.4 - RT - PO |
| Number of Responses: | 2 |
| Solution Voting: | [ ]  Shipper | Please select. |
| [ ]  National Grid Transmission | Please select. |
| [x]  Distribution Network Operator | Approve |
| [ ]  IGT | Please select. |
| Meeting Date: | 13/07/2022 |
| Release Date: | September 22 |

Approved Solution Option

# Approved Solution Option

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| Solution Details: | Option 1: Supplement exiting team to run process daily on behalf of all Distribution Networks |
| Implementation Date: | September 22 |
| Approved By: | ChMC |
| Date of Approval: | 13/07/2022 |