

DSC Change Proposal Document

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

A1: General Details

Change Reference:	4992		
Change Title:	Modification 0687 - Creation of new charge to recover Last Resort Supply Payments Urgent Modification 0797 - Last Resort Supply Payments Volumetric Charges		
Date Raised:	30/07/2019		
Sponsor Representative Details:	Organisation :	Total Gas and Power	
	Name:	Louise Hellyer	
	Email:	louise.hellyer@totalgp.com	
	Telephone:	+44 (0) 17 37 27 56 38	
Xoserve Representative Details:	Name:	Ellie Rogers	
	Email:	Ellie.rogers@xoserve.com	
	Telephone:	0121 229 2138	
	Business Owner:		
Change Status:	<input type="checkbox"/> Proposal	<input type="checkbox"/> With DSG	<input type="checkbox"/> Out for Review
	<input type="checkbox"/> Voting	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Rejected

A2: Impacted Parties

Customer Class(es):	<input checked="" type="checkbox"/> Shipper	<input checked="" type="checkbox"/> Distribution Network Operator
	<input 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>Shippers will be impacted as a new charge will be included within their invoice which is specifically for the DNOs recovery of the Last Resort Supply Payments (LRSP).</p> <p>DNOs are impacted as this charge will be added to their charging statements and explicitly stipulated within the Shipper invoice.</p>	

A3: Proposer Requirements / Final (redlined) Change

<p>Problem Statement:</p>	<p>Transporters are able to recover LRSP via transportation charges. This change seeks to create an explicit charge and to remove the risk that customers in one market sector cross-subsidise Supplier of Last Resort (SoLR) events from other market sectors.</p>	
<p>Change Description:</p>	<p><u>UPDATE TO ORIGINAL CHANGE PROPOSAL:</u></p> <p><u>In December 2021, Urgent Modification 0797 was raised which proposed a slightly different logic to how the new SoLR charge is calculated.</u></p> <p><u>Modification 0687 proposed the charge on a Supply Meter point basis, will be calculated to recover the costs originating from each market sector, with mixed portfolios allocated by market sector.</u></p> <p><u>Modification 0797 proposed the charge based on a volumetric basis so that customers are charged in line with their consumption, as opposed to a flat rate.</u></p> <p><u>As directed by Ofgem, Modifications 0797 (Urgent) and 0687V were treated as Alternatives (meaning both cannot be approved).</u></p> <p><u>Ofgem approved the implementation of Modification 0797 to become effective as of 01 April 2022.</u></p> <p><u>To confirm, in order to align with the required implementation date of 01 April 2022 and based on the similarity with the design for the 0687 and 0797, it was agreed to utilise the existing Change Proposal XRN4992.</u></p> <p>This change seeks to create a new charge [SoLR customer charge], through which the Gas Distribution Networks (DNOs) will recover any LRSP arising from a SoLR event.</p> <p>It is proposed that the SoLR customer charge is introduced into the Gas Transportation charging statements. This new charge will be split by domestic and non-domestic Charging Codes and will be calculated by each DNO.</p> <p>The charge, which will be on a Supply Meter Point basis and will be calculated to recover the costs originating from each market sector, with mixed portfolios allocated by market sector code as held within UK Link (domestic or I&C).</p>	
<p>Proposed Release:</p>	<p>Currently unknown whether it will be a Minor or Major Release. This will be dependent on the change development and the preferred invoicing solution option.</p>	
<p>Proposed Consultation Period:</p>	<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:	Shippers would have clarity around exactly what they are being charged for a SoLR LRSP recovered by DNOs. Shippers would be charged based on the market sector code within their portfolio.
	<i>What, if any, are the tangible benefits of introducing this change? What, if any, are the intangible benefits of introducing this change?</i>
Benefit Realisation:	When there is a SoLR event which requires the DNOs to recover a LRSP post implementation.
	<i>When are the benefits of the change likely to be realised?</i>
Benefit Dependencies:	SoLR event which requires the DNs to recover a LRSP
	<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	A new Service Line will be required for this new charge type to be added and for the CDSP to invoice this on behalf of DNOs.		
	As it has been indicated by the proposer as a Shipper funded change, the Service Area is likely to be 1 – Manage supply point registration.		
Level of Impact	Medium		
If None please give justification	n/a		
Impacts on UK Link Manual/ Data Permissions Matrix	Impacts to the UK Link Manual to add the new charge type to the 'Comprehensive Invoices and Charge Types' list.		
Level of Impact	Minor		
If None please give justification	n/a		
Funding Classes :	Customer Classes/ Funding	Delivery of Change	On-going Budget Amendment
	<input checked="" type="checkbox"/> Shipper	100 %	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:	As part of the modification development a high level view on the invoicing options and the cost/effort for each of these has been		

	<p>provided. On the basis of this high level assessment, a ROM was not required.</p> <p>Please see attached the high level cost/efforts for Xserve systems and efforts only found here.</p>
Funding Comments:	The proposer has indicated this should be a Shipper funded change therefore is likely to go under Service Area 1 – Manage supply point registration.

A7: ChMC Recommendation – 7th August 2019

Change Status:	<input type="checkbox"/> Approve	<input type="checkbox"/> Reject	<input checked="" type="checkbox"/> Defer
Industry Consultation:	<input checked="" type="checkbox"/> 10 Working Days		<input type="checkbox"/> 15 Working Days
	<input type="checkbox"/> 20 Working Days		<input type="checkbox"/> Other [Specify Here]
Expected date of receipt for responses (to Xoserve)	27/08/2019		

DSC Consultation Issue:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Date Issued:	12/08/2019	
Comms Ref(s):	2404.1 - RT – JR	
Number of Responses:	4	
DSC Consultation Issue:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Date Issued:	October Change Pack	
Comms Ref(s):	2456.2 - RT – PO – Solution Review	
Number of Responses:	1 approval Option 4 3 approvals for Option 1 (enduring) and 4 (interim)	
DSC Consultation Issue:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Date Issued:	14/04/2020 Detail design	
Comms Ref(s):	2566.10 – MT - JR	
Number of Responses:	3 approvals	

A8: DSC Voting Outcome November ChMV

Solution Voting:	<input checked="" type="checkbox"/> Shipper	Defer
	<input type="checkbox"/> National Grid Transmission	Please select.

	<input type="checkbox"/> Distribution Network Operator	Please select.
	<input type="checkbox"/> IGT	Please select.
Meeting Date:	13/11/2019	
Release Date:	Deferred pending Ofgem decision on Mod 0687 – Panel being held on Thursday 21 st November. Extraordinary meeting to be arranged on Friday 22 nd November at 9am which had another deferred outcome till February.	
Overall Outcome:	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes If [Yes] please specify <Release>

DSC Voting Outcome February – Solution Review

Solution Voting:	<input checked="" type="checkbox"/> Shipper	Approve
	<input type="checkbox"/> National Grid Transmission	Please select.
	<input type="checkbox"/> Distribution Network Operator	Please select.
	<input type="checkbox"/> IGT	Please select.
Meeting Date:	12/02/2020	
Release Date:	Approved to go forward to Detail Design and will go back to ChMC in May with Nov 20 approval to see if MOD implemented.	
Overall Outcome:	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes November 2020

DSC Voting Outcome May 4th

Solution Voting:	<input checked="" type="checkbox"/> Shipper	Approve
	<input type="checkbox"/> National Grid Transmission	Please select.
	<input type="checkbox"/> Distribution Network Operator	Please select.
	<input type="checkbox"/> IGT	Please select.
Meeting Date:	04/05/2020	
Release Date:	November 2020	
Overall Outcome:	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes

DSC Voting Outcome May 13th

Solution Voting:	<input checked="" type="checkbox"/> Shipper	Defer
	<input type="checkbox"/> National Grid Transmission	Please select.
	<input type="checkbox"/> Distribution Network Operator	Please select.
	<input type="checkbox"/> IGT	Please select.

Meeting Date:	13/05/2020		
Release Date:			
Overall Outcome:	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	As the MOD is yet to be approved ChMC decided to pull this change from November 20 Release.

A9: ChMC Recommendation – Detailed Design

Change Status:	<input checked="" type="checkbox"/> Approve	<input type="checkbox"/> Reject	<input type="checkbox"/> Defer
Industry Consultation:	<input checked="" 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Date Issued:	13/11/2021		
Comms Ref(s):	2566.10 - MT - JR		
Number of Responses:	3 Approvals		
Voting:	<input checked="" type="checkbox"/> Shipper	Approve	
	<input type="checkbox"/> National Grid Transmission	Please select.	
	<input checked="" type="checkbox"/> Distribution Network Operator	Approve	
	<input type="checkbox"/> IGT	Please select.	
Meeting Date:	08/12/2021		
Release Date:	By 1 st April 2022		

A9: ChMC Recommendation – 4992a Detailed Design Interim

Change Status:	<input checked="" type="checkbox"/> Approve	<input type="checkbox"/> Reject	<input type="checkbox"/> Defer
Industry Consultation:	<input checked="" 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Date Issued:	17/01/2022		
Comms Ref(s):	2955.2 - MT - PO		
Number of Responses:	3 approvals		
Voting:	<input checked="" type="checkbox"/> Shipper	Approve	
	<input type="checkbox"/> National Grid Transmission	Please select.	
	<input checked="" type="checkbox"/> Distribution Network Operator	Approve	
	<input type="checkbox"/> IGT	Please select.	

Meeting Date:	09/02/2022
Release Date:	Release: Adhoc April 22

Section B: Change Proposal Initial Review

To be removed if no consultation is required; or alternatively collated post consultation

B1: User Details

User Contact Details:	Organisation:	WWU
	Name:	Smitha Coughlan
	Email:	smitha.coughlan@wwutilities.co.uk
	Telephone:	02920278838

B1: ChMC Industry Consultation

1. Do you think the change proposed poses a material risk/cost to your organisation and / or the market? Please can you provide the rationale for your response
No
2. Do you think the change proposed will benefit your organisation and / or the market? Please provide any quantifiable outputs as well as any assumptions.
Yes – will allow DNs and shippers to identify how much has been recovered in respect of supplier of last resort claims. This will allow for matching of costs and revenues by DNs. Details of SOLR costs and revenues are required to be confirmed to Ofgem each July.
3. Considering any functional changes as a result of this change, would your organisation support this to be implemented within a minor/major release as proposed in section A3 (Proposer Requirements / Final (redlined) Change)? Based on your answer how long a lead time would your organisation require to implement this change (for example minimum of 4 months, minimum of 6 months)
<p>We would support option 2 to be implemented: Add a new charge type to Scheduled Ancillary Invoices</p> <ul style="list-style-type: none"> • There are currently a number of claims in progress, with the potential for more in the next 12 months, therefore we would welcome delivery of the solution as soon as possible. • A scheduled invoice with nil return where applicable, is preferable for planning and checking purposes. • We would also prefer for invoices to be entered onto the billing calendar for cash management purposes. • Additionally, if the Last Resort Supply claimant could be identified on the invoice against each line, that would enable us to clearly identify the amounts recovered in respect of each claim (where there are more than one claims ongoing at the same time). • We acknowledge that a minor release would mean that there would be no associated testing. We will be interested in shipper views on this matter.
4. Do you agree with the principles of this funding as indicated in section A6 (Service Lines and Funding)?

Yes	
Change Proposal in principle:	Approve
Publication of consultation response:	Publish

B1: User Details

User Contact Details:	Organisation:	Northern Gas Networks
	Name:	Helen Chandler
	Email:	Hchandler@notherngas.co.uk
	Telephone:	07580704123

B1: ChMC Industry Consultation

1. Do you think the change proposed poses a material risk/cost to your organisation and / or the market? Please can you provide the rationale for your response	
We believe that option 3 would cause the biggest risk/cost to NGN. Due to the time constraints to implement option 1, which would have been our preferred option, we support option 2 as having the lowest material risk.	
2. Do you think the change proposed will benefit your organisation and / or the market? Please provide any quantifiable outputs as well as any assumptions.	
We believe the introduction of a new Supplier of Last Resort (SoLR) Customer Charge should be a positive benefit to the market.	
3. Considering any functional changes as a result of this change, would your organisation support this to be implemented within a minor/major release as proposed in section A3 (Proposer Requirements / Final (redlined) Change)? Based on your answer how long a lead time would your organisation require to implement this change (for example minimum of 4 months, minimum of 6 months)	
We believe that this Modification Proposal should be implemented within a Major Release, with the caveat that it should align with any charging statement notice period.	
4. Do you agree with the principles of this funding as indicated in section A6 (Service Lines and Funding)?	
We agree with the proposed funding of 100% Shippers.	
Change Proposal in principle:	Approve
Publication of consultation response:	Publish

B1: User Details

User Contact Details:	Organisation:	E.ON
	Name:	Kirsty Dudley
	Email:	Kirsty.Dudley@eonenergy.com
	Telephone:	07816172645

B1: ChMC Industry Consultation

1. Do you think the change proposed poses a material risk/cost to your organisation and / or the market? Please can you provide the rationale for your response	
Depending on the solution design and complexity there could be a risk to the invoicing processes. We would prefer creation of a new charge type rather than creation of a complex process. Further impact assessment is required when detailed design is known. Our approval is based on a new charge type only.	
2. Do you think the change proposed will benefit your organisation and / or the market? Please provide any quantifiable outputs as well as any assumptions.	
As this is an initial review we have not yet completed a full cost/benefit review, we understand the benefit proposed but are yet to quantify it.	
3. Considering any functional changes as a result of this change, would your organisation support this to be implemented within a minor/major release as proposed in section A3 (Proposer Requirements / Final (redlined) Change)? Based on your answer how long a lead time would your organisation require to implement this change (for example minimum of 4 months, minimum of 6 months)	
We would support a major release, we view minor releases as housekeeping or Xoserve impacting changes only, this would impact invoicing and therefore would in our view be a candidate for a major release.	
4. Do you agree with the principles of this funding as indicated in section A6 (Service Lines and Funding)?	
TBC - we will review once design is known.	
Change Proposal in principle:	Approve
Publication of consultation response:	Publish

B1: User Details

User Contact Details:	Organisation:	ScottishPower
	Name:	Claire Roberts
	Email:	Clairelouise.Roberts@scottishpower.com
	Telephone:	01416145930

B1: ChMC Industry Consultation

1. Do you think the change proposed poses a material risk/cost to your organisation and / or the market? Please can you provide the rationale for your response	
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2. Do you think the change proposed will benefit your organisation and / or the market? Please provide any quantifiable outputs as well as any assumptions.	
.	
3. Considering any functional changes as a result of this change, would your organisation support this to be implemented within a minor/major release as proposed in section A3 (Proposer Requirements / Final (redlined) Change)? Based on your answer how long a lead time would your organisation require to implement this change (for example minimum of 4 months, minimum of 6 months)	
.	
4. Do you agree with the principles of this funding as indicated in section A6 (Service Lines and Funding)?	
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Change Proposal in principle:	Approve
Publication of consultation response:	Publish

Section C: DSG Discussion

C1: Delivery Sub-Group (DSG) Recommendations

(To be removed if no DSG Discussion is required; Xoserve to collate where DSG discussions occur)

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</p>

transportation charging statements and for the new charge types to be introduced to clearly invoice what Shippers are paying for a SOLR event.

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.

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.

Solution Options:

ER explained there are 4 solution options which have been discussed to date:

- **Option 1:- Add a New Charge Type to Core Invoices**
 - 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**
 - 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**
 - 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.
 - o 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**
 - o This would be a manually generated invoice using the RTB template by the CDSP on behalf of the Transporters.
 - o The Invoice Type, 'INR', would be utilised

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.

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>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
DSG Summary:	<p>ER provided and update for this change.</p> <p>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</p>

	<p>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.</p> <p>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.</p> <p>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.</p> <p>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 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>		
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
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DSG Date:	21/10/2019		
DSG Summary:	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.		
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:	24/01/2022		
DSG Summary:	SH confirmed this urgent mod status. Process where the DNs can recover the cost facilitating 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.		
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:	21/02/2022		
DSG Summary:	<p>PO noted that this change has been brought 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>		
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		

Section D: High Level Solution Options

D1: Solution Options

<p>Solution Option Summary:</p>	<p>The Link to the change proposal can be found here</p> <p>The High-Level Solution Option (HLSO) for this change is available and can be found here: HLSO</p> <p>The HLSO outlines that Xoserve have identified four options to deliver the requirements of the change:</p> <p>Option 1: - Add a New Charge Type to Core Invoices</p> <p>Option 2: - Add a New Charge Type to Scheduled Ancillary Invoices</p> <p>Option 3: - Add a New Charge Type to Unscheduled Ancillary Invoices</p> <p>Option 4: - Add a New Charge Type to a RTB Invoice</p> <p>All of the above options look to create four 4 new Charge Types (debit/credit versions of the domestic and non-domestic charges) for the acknowledgement of Supplier of Last Resort (SoLR) payments.</p> <p>The differences between the options are the invoices which the charges are applied within.</p> <p>For options 1, 2 and 3, the HLSO has indicated that the change delivery would need to be within a Major Release. This is due to the overall design, build and testing effort required for these options which mean as currently scoped they are categorised as Major.</p> <p>Option 4 has a lower overall effort and therefore has been categorised as a candidate for delivery within a Minor Release.</p> <p>In terms of costs, option 4 has the lowest cost estimate due to the overall effort being lower. Option 1 has the biggest impact therefore has the highest cost estimate.</p> <p>Option 2 and 3 are very similar in their delivery with the only difference being around the date the invoice is issued with option 2 being on an agreed date and option 3 being ad hoc. Option 2 therefore has a slightly higher cost estimate due to the additional testing efforts required to ensure the invoice is issued on the agreed date.</p> <p>Please note, the proposed implementation date for Modification 0687 - <i>Clarification of Supplier of Last Resort (SoLR) Cost Recovery Process</i> is by April 2020 for the system changes which currently can only be met by Option 4.</p>
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	<p>The Modification was sent to Ofgem in September for a decision. Last week Ofgem have confirmed that they are issuing the Modification back to Panel for consideration due to being unable to make a decision because of concerns raised in the Final Modification Report about the legal text.</p> <p>This is worth the industry being aware of and considering when reviewing the solution options.</p>
<p>Implementation Date Solution Options:</p>	<p>Option 1, 2 and 3 (as currently scoped), would require delivery within a Major Release</p> <p>For Option 4, it can be delivered within a Minor Release before April 2020, however for this to be possible we would need a decision by ChMC in November for the design work to commence. <i>Please note there is a risk with this option and approach that we do not receive an Ofgem decision by November.</i></p>
<p>Xoserve preferred option: (including rationale)</p>	<p>Option 4 This is because it is the only option which would meet the proposed modification implementation, however this is dependent on whether an Ofgem decision is made before the design work to deliver the solution commences (required November 2019). If an Ofgem decision is unknown by end of November 2019, either the ChMC will need to decide if they wish to go with Option 4 and commence design at risk, or alternatively wait until an Ofgem decision and risk that the April 2020 implementation date would not be possible if they choose to approve the Modification.</p> <p>If the industry went with the DSG recommendation, we are comfortable with delivering the phased approach (again dependent on the Ofgem decision).</p>
<p>DSG preferred solution option: (including rationale)</p>	<p>DSG noted that based on the proposed implementation date of the modification, only option 4 could be delivered within the required timescales.</p> <p>Taking the options in isolation, DSG did indicate that option 1 would be the preferred solution. As option 1 cannot be delivered in line with the proposed modification implementation, the DSG recommended approach was:</p> <ul style="list-style-type: none"> • Interim solution – Option 4 (delivery in February 2020 Minor Release) • Enduring solution – Option 1 (to be delivered within the next available Major Release) <p><i>Please note – the DSG recommendation was made before the Ofgem decision letter was published which stated they were sending the Modification back to Panel for further consideration. As stated above, this could impact the recommended solution option.</i></p>

Consultation closeout:	28/10/2019
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Section E: Industry Response Solution Options Review

E1: Organisation's preferred solution option

User Contact Details:	Organisation:	Northern Gas Networks
	Name:	Helen Chandler
	Email:	Hchandler@northerngas.co.uk
	Telephone:	07580704123
Organisation's preferred solution option, including rationale taking into account costs, risks, resource etc.	<p>Option 1, Add New Charge Type to Core Invoices, is NGN's first preference, but as it cannot be delivered within the required timeframe, our second preference would be the DSG preferred solution of Option 4, Add a New Charge Type to a RTB Invoice, as an interim solution and Option 1 as the enduring, with the following caveats:</p> <ul style="list-style-type: none"> For interim Option 4, we would support the use of the RTB template to produce an INR invoice if it is completed by the CDSP on behalf of the Transporters, which Xserve advised was the proposal at the 16 Sept DSG meeting. For enduring Option 1, we believe that implementation should align with any charging statement notice period. <p>Option 3, Add New Charge Type to Unscheduled Ancillary Invoices, is still considered the biggest risk and cost to NGN.</p>	
Implementation Date:	Approve	
Xserve preferred solution option:	Reject	
DSG preferred solution option:	Approve	
Publication of consultation response:	N/A	

E2: Xserve's Response

Xserve Response to Organisations Comments:	Thank you for your representation, we will feed this into ChMC for a final decision
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E1: Organisation's preferred solution option

User Contact Details:	Organisation:	EDF Energy
	Name:	Eleanor Laurence
	Email:	eleanor.laurence@edfenergy.com
	Telephone:	07875117771
Organisation's preferred solution option, including rationale taking into account costs, risks, resource etc.	Option 4 is our preferred option	
Implementation Date:	Approve	
Xoserve preferred solution option:	Approve	
DSG preferred solution option:	Approve	
Publication of consultation response:	N/A	

E2: Xoserve's Response

Xoserve Response to Organisations Comments:	Thank you for your representation, we will feed this into ChMC for a final decision
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E1: Organisation's preferred solution option

User Contact Details:	Organisation:	Npower
	Name:	Ikram Bashir
	Email:	IKRAM.BASHIR@NPOWER.COM
	Telephone:	07539808244
Organisation's preferred solution option, including rationale taking into account costs, risks, resource etc.	Npower would prefer option 1 as an enduring solution, we appreciate that this is not achievable for MOD implantation date of 01/04/2019 therefore we propose option 4 as an interim workaround to facilitate this change until option 1 delivered.	
Implementation Date:	Approve	
Xoserve preferred solution option:	Reject	
DSG preferred solution option:	Approve	

Publication of consultation response:	N/A
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E2: Xserve' s Response

Xoserve Response to Organisations Comments:	Thank you for your representation, we will feed this into ChMC for a final decision
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E1: Organisation's preferred solution option

User Contact Details:	Organisation:	ScottishPower
	Name:	Claire Roberts
	Email:	Clairelouise.Roberts@ScottishPower.com
	Telephone:	01416145930
Organisation's preferred solution option, including rationale taking into account costs, risks, resource etc.	As option 1 cannot be delivered within the timescales, option 4 is our preferred option as an interim solution. As this would be done in two stages does this mean the industry is charged twice.	
Implementation Date:	Approve	
Xoserve preferred solution option:	Reject	
DSG preferred solution option:	Approve	
Publication of consultation response:	N/A	

E2: Xoserve' s Response

Xoserve Response to Organisations Comments:	If ChMC agree to a phased approach with option 4 being implemented in the interim and option 1 in the long term, the industry will be required to fund the implementation of both solutions. Please note, the cost for the long term solution will not include any work already implemented within the interim solution, therefore there will be no duplication of costs.
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Section F: Approved Solution Option

F1: Approved Solution Option

XRN Reference:	XRN4992
Solution Details:	Option 1: - Add a New Charge Type to Core Invoices
Implementation Date:	06/11/2020
Approved By:	Change Management Committee
Date of Approval:	12/02/2020

Section G: Change Pack

G1: Communication Detail

Comm Reference:	2566.10 – MT - JR
Comm Title:	XRN4992 - Modification 0687 Clarification of Supplier of Last Resort (SoLR) Cost Recovery Process
Comm Date:	14/04/2020

G2: Change Representation

Action Required:	For representation
Close Out Date:	28/04/2020

G3: Change Detail

Xoserve Reference Number:	XRN4992
Change Class:	Functional System and File Format Changes
ChMC Constituency Impacted:	Shipper Users Distribution Networks (DNs)
Change Owner:	Ellie Rogers Ellie.rogers@xoserve.com +44 1212 292 185
Background and Context:	<p>UNC Modification 0687 – ‘Creation of new charge to recover Last Resort Supply Payments’ seeks to create a new charge, the Supplier of Last Resort (SoLR) Customer Charge, through which Distribution Networks (DNs) will recover any Last Resort Supply Payment (LRSP) arising from a SoLR event. To provide some context, the SoLR Supplier can make a claim for a LRSP to cover its costs once the customers have been transferred. This can include credit balances outstanding for domestic customers.</p> <p>The Modification seeks to make it clear what costs DN's recover from Shippers in a SoLR event and looks to ensure appropriate cost apportionment is applied across the industry.</p> <p>Change Proposal XRN4992 was raised to deliver the system requirements set out within this Modification:</p> <p>Link to XRN4992 Change Proposal</p> <p>The Modification seeks to introduce the new specific charge (SoLR Customer Charge) to be applied within a SoLR event. There will be a separate charge for domestic and non-domestic sites which will be determined based on the Market Sector Flag (D or I) recorded in</p>

	<p>the UK Link system. The charge will be invoiced by the CDSP on behalf of the DNs within the Core Capacity Invoice.</p> <p>XRN4992 introduces the new charge set out within Modification 0687 and establishes the process for this charge to be invoiced.</p> <p>For the full Modification 0687 details, please see the link to the Joint Office Website: https://www.gasgovernance.co.uk/index.php/0687</p> <p><i>Please note, approval has not been granted for Modification 0687 yet. The industry are awaiting an Ofgem decision on whether the Modification is approved or rejected.</i></p> <p><i>The delivery of XRN4992 is dependent on the Ofgem decision for Modification 0687. ChMC agreed for XRN4992 to be included within scope of the November 2020 Major Release, however if Ofgem have not provided a decision on Modification 0687 by May, ChMC will be asked to decide if the CDSP continues to progress XRN4992 at risk or to remove it from November 2020 scope.</i></p>
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G4: Change Impact Assessment Dashboard (UK Link)

Functional:	Invoicing
Non-Functional:	None
Application:	AMT, SAP ISU, SAP BW, SAP PO
User(s):	Shipper Users Distribution Network (DN)
Documentation:	File Formats, Comprehensive Invoices Charge Types list <i>See below</i>
Other:	None

Files				
File	Parent Record	Record	Data Attribute	Hierarchy, File Format or Record
ZCS	N/A	K68	New Record added to the hierarchy	Hierarchy
ZCS	N/A	K68	New Record added to the file format	File Format

G5: Change Design Description

<p>XRN4992 introduces the new Supplier of Last Resort (SoLR) charge set out within Modification 0687 and seeks to establish the process for this charge to be invoiced.</p> <p>This Change Pack will detail how the process is proposed to work and detail explicitly impacts to Shipper Users and DNs.</p>

For the avoidance of doubt, the current process where a Supplier 'fails' will remain the same whereby:

- Ofgem appoint a SoLR
- SoLR can claim the Last Resort Supply Payment (LRSP)
- If approved by Ofgem, DNs will pay the SoLR the LRSP

The above will not be changed as part of XRN4992, however, the way in which DNs recover the LRSP will. Currently, DNs recover the LRSP through Transportation Charges via the Shippers. XRN4992 proposes to implement the new charge set out under Modification 0687 which will make it clear where the Shippers are being charged for the LRSP recovered by DNs.

High level process overview and impacts

1. Supplier 'fails' triggering the SoLR process

As detailed above, this process will not be changed as part of XRN4992

2. Ofgem confirm the SoLR and agree to the LRSP

As detailed above, this process will not be changed as part of XRN4992

3. CDSP issues reports to each DN

Each DN will receive a report from the CDSP detailing the total number of domestic and non-domestic sites of the 'failed' Supplier.

Each DN will also receive a report detailing the total number of domestic and non-domestic sites on their network

The count of domestic and non-domestic sites will be based on the Market Sector Code of the Supply Meter Points as held in UK Link. This will either be Domestic (D) or Industrial (I).

4. SoLR Customer Charge rates calculated by DNs

The DNs will use the reports detailed under point 3 to calculate the specific SoLR rate. The rate will be a charge per Supply Meter Point, per DN and there will be a domestic and non-domestic rate.

For the avoidance of doubt, the CDSP will not be involved in the process of calculating the domestic and non-domestic Supply Meter Point rate per DN. For information on the calculation for the DNs to provide the domestic and non-domestic rate per Supply Meter Point, please see the link to the Joint Office and Modification 0687 where this is detailed:

<https://www.gasgovernance.co.uk/index.php/0687>

Please be aware that the calculation to create the domestic and non-domestic SoLR rate will remain as stated under Modification 0687, however the actual rate will differ across different SoLR events based on the counts within the reports provided to DNs.

Each DN will be required to send the SoLR domestic and non-domestic rates to the CDSP. An example of the template with the information required is provided below:

Network Operator Short code	Failed Supplier Organisation Name	Date of SoLR Event	Charge Type	Charge Type Description	Rate (Pence per Unit)
XXX	Supplier Name	XX/XX/XXXX	LRI	LRSP Industrial Charge	X.XXXX
XXX	Supplier Name	XX/XX/XXXX	LRD	LRSP Domestic Charge	X.XXXX
Total Recovery Amount (£) (Excluding VAT)					

Please note that the final template will be confirmed and agreed with DNs following the completion of detailed design.

5. CDSP Recovery on behalf of DNs

Once we have received the SoLR rates from all DNs, the CDSP will commence the recovery of the LRSP. Please see below the following information related to this:

- The LRSP for each SoLR event will be recovered over a 12-month period. The recovery period will commence the following calendar month to be invoiced M+1 after we have received the SoLR rates from all DNs.
- There will be two new Charge Types created and added to the Comprehensive Invoices Charge Types list for Shippers and DNs and to the Request to Bill template:
 - **LRD – LRSP Domestic Charge**
 - **LRI – LRSP Industrial Charge**
Both will be under the CAZ – CORE CAPACITY INVOICE and included within the ZCS – CORE CAPACITY INVOICE SUPPORTING INFORMATION

Please see below the updated Comprehensive Invoices Charge Types list for Shippers and each DN for review and approval:

[Comprehensive Invoices Charge Types V6FA](#)
[Xoserve Comprehensive Invoices Charge Types GT2 V4FA](#)
[Xoserve Comprehensive Invoices Charge Types GT3 V4FA](#)
[Xoserve Comprehensive Invoices Charge Types GT4 V4FA](#)
[Xoserve Comprehensive Invoices Charge Types GT5 V4FA](#)
[Xoserve Comprehensive Invoices Charge Types TGT V4FA](#)

Please note that the Shipper and DN Comprehensive Invoices Charge Types list have also been updated with proposed amendments as part of another change in scope of November 2020 (XRN4871B).

The changes to the Comprehensive Invoices Charge Types lists within XRN4871B and XRN4992 will be treated independently (therefore the proposed amendments for XRN4871B are not present within the attached lists). Once the outcome of the changes are known, the proposed amendments will be amalgamated into one version for each ready to be set live.

- Shippers will be charged monthly over the period of 12 months for one SoLR event.
- The count of domestic and non-domestic Supply Meter Points per Shipper will be based on a portfolio snapshot view of the month we are charging for.
Please note that IGT sites and NTS sites will be out of scope and not included within the count.
- Using the rates provided by the DNs, the CDSP will calculate the monthly charge per Shipper based on their portfolio count.
- The two new charges (LRD and LRI) will be included in the Capacity Invoices received on the 4th working day of the following month.

6. Supporting Information

Shippers will receive first level supporting information for the new Charge Types (LRI and LRD).

This will be included within the ZCS – Core Capacity Invoice Supporting Information. A new record K68 has been created to provide this supporting information.

Please see below the updated ZCS file format which includes the new K68 record to provide the relevant supporting information for these new charges. This is for review and approval:

[ZCS Core Capacity Invoice Supporting Information V3 For Approval](#)

The ZCS hierarchy must also be updated to take account of this new record. Please see below the updated ZCS hierarchy for review and approval:

[ZCS Hierarchy V3FA](#)

Please note that second level supporting information will not be required for these Charge Types. Second level supporting information is at MPRN level and this is not available for these Charge Types.

DNs will receive confirmation on what has been invoiced to the Shippers as per the existing process via the Accounts Receivable files (SIF and SIR).

Key things to note

1. If there are multiple SoLR events which overlap in terms of the recovery period, the charges will be calculated separately, however Shippers will receive one domestic and non-domestic charge per DN in the Invoice which amalgamates all the SoLR charges together.
Please note that the first level supporting information will provide the lower level information and charges per SoLR event.
2. There will be no adjustments process managed by the CDSP for the SoLR charges.
3. Any under or over recovery through the SoLR charge will be managed by the Distribution Networks via the K balancing mechanism. The CDSP will not be involved in this process.

- | | |
|----|---|
| 4. | If a new Shipper joins the market during a SoLR event recovery period, they will still be charged based on their portfolio count at the time that we calculate the invoice charge type. |
|----|---|

G6: Associated Changes

Associated Change(s) and Title(s):	Modification 0687 - Creation of new charge to recover Last Resort Supply Payments
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G7: DSG

Target DSG discussion date:	Click here to enter a date.
Any further information:	XRN4992 has previously been discussed and developed at SDG with a proposed option and approach recommended.

G8: Implementation

Target Release:	November 2020 Major Release
Status:	For Approval

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

Section H: Representation Response

H1: Change Representation

(To be completed by User and returned for response)

User Contact Details:	Organisation:	NGN	
	Name:	Helen Chandler	
	Email:	HChandler@northerngas.co.uk	
	Telephone:	07580704123	
Representation Status:	Support		
Representation Publication:	Publish		
Representation Comments:	We support the addition of two new charge types for LRSP Domestic (LRD) and LRSP Industrial (LRI), under the CAZ – Core Capacity Invoice type and included in the ZCS – Core Capacity Invoice Supporting Information, within both the Comprehensive Invoices Charge Types List and the Request to Bill template.		
Confirm Target Release Date?	Yes	«h1_userDataAlternative»	

H1: Xoserve' s Response

Xoserve Response to Organisations Comments:	Thank you for your representation, we will feed this into ChMC for a final decision.
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Please send the completed representation response to uklink@xoserve.com

H1: Change Representation

(To be completed by User and returned for response)

User Contact Details:	Organisation:	Npower
	Name:	Sasha Pearce

	Email:	sasha.pearce@npower.com
	Telephone:	07881617634
Representation Status:	Support	
Representation Publication:	Publish	
Representation Comments:	No comments	
Confirm Target Release Date?	Yes	«h1_userDataAlternative»

H1: Xoserve' s Response

Xoserve Response to Organisations Comments:	Thank you for your representation, we will feed this into ChMC for a final decision.
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Please send the completed representation response to uklink@xoserve.com

H1: Change Representation

(To be completed by User and returned for response)

User Contact Details:	Organisation:	Scottish power
	Name:	Helen Bevan
	Email:	Helen.Bevan@scottishpower.com
	Telephone:	01416145517
Representation Status:	Approve	
Representation Publication:	Publish	
Representation Comments:	N/A	
Confirm Target Release Date?	Yes	«h1_userDataAlternative»

H1: Xoserve' s Response

Xoserve Response to Organisations Comments:	Thank you for your representation, we will feed this into ChMC for a final decision.
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Please send the completed representation response to uklink@xoserve.com

Section G: Change Pack

G1: Communication Detail

Comm Reference:	2955.2 – MT – PO
Comm Title:	XRN4992a - Clarification of Supplier of Last Resort (SoLR) Cost Recovery Process (Interim Solution)
Comm Date:	17/01/2022

G2: Change Representation

Action Required:	For approval
Close Out Date:	31/01/2022

G3: Change Detail

Xoserve Reference Number:	XRN4992a
Change Class:	Functional System and File Format Changes
ChMC Constituency Impacted:	Shipper Users Distribution Networks (DNs)
Change Owner:	Ellie Rogers ellie.rogers@xoserve.com +44 1212 292 185
Background and Context:	<p><i>Please be aware that, at the time of writing, Ofgem have yet to make a decision on which UNC Modification (0687V or 0797) is to be approved and implemented. As per discussions at ChMC, the CDSP have issued this Detail Design Change Pack out for approval to impacted parties, making them aware of the process and details being introduced under XRN4992a following approval of either Modification 0687V or 0797. The difference in the Modification proposals on the process to be delivered under XRN4992a are minimal, however any differences are called out explicitly within this Change Pack A revised Detail Design Change Pack will be issued in February 2022 for information only, following the Ofgem decision on which Modification has been approved and will be implemented. Please note this decision is expected no later than the 20th January 2022.</i></p> <p>Please see the links to the Joint Office website for additional detail regarding each Modification.</p> <p>UNC Modification 0687V – Creation of new charge to recover Last Resort Supply Payments (Variation) https://www.gasgovernance.co.uk/index.php/0687</p> <p>UNC Modification 0797 - (Urgent) - Last Resort Supply Payments Volumetric Charges</p>

	<p>https://www.gasgovernance.co.uk/0797</p> <p>Both UNC Modifications are seeking to introduce a new Supplier of Last Resort (SoLR) Customer Charge through which the Distribution Networks (DNs) will recover any Last Resort Supply Payment (LRSP) arising from a SoLR event. To provide some context, the SoLR Supplier can make a claim for a LRSP to cover its costs once the customers have been transferred into their portfolio. This can include credit balances outstanding for domestic customers.</p> <p>Both Modifications referenced above seek to make it clear what costs DN's are to recover from Shippers in a SoLR LRSP claim and looks to ensure appropriate cost apportionment is applied across the industry. Differences within these Modifications are centred around how the LRSP rates are calculated by the DN's, however the overriding process remains the same.</p> <p>Change Proposal XRN4992 was originally raised to deliver the system requirements for UNC Modification 0687 but was placed on hold by ChMC until a decision was made by Ofgem on the Modification. Over recent weeks, UNC Modification 0687V & 0797 have been proposed to be considered by Ofgem and as per ChMC discussions and agreement, XRN4992 has been re-visited to consider the process and solution from these Modifications. XRN4992 has also, in light of the implementation timescales and industry need, been agreed to be split into two parts, with an interim solution (RTB Invoicing) being delivered initially and an enduring solution (Core Invoice) to be considered by ChMC subsequently.</p> <p>All details relating to XRN4992 can be found on our website (link below).</p> <p>Link to XRN4992 Change Proposal</p> <p>This Detail Design Change Pack is for XRN4992a interim solution only, XRN4992b enduring solution will be progressed separately in accordance with ChMC governance procedures and will be considered as a Major Release candidate at a later point in time, as per previous ChMC discussions.</p>
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G4: Change Impact Assessment Dashboard (UK Link)

Functional:	Invoicing
Non-Functional:	None
Application:	AMT, SAP ISU, SAP PO
User(s):	Shipper Users Distribution Network (DN)
Documentation:	Comprehensive Invoices Charge Types Lists
Other:	None

Files				
File	Parent Record	Record	Data Attribute	Hierarchy, File Format or Record
n/a	n/a	n/a	n/a	n/a

G5: Change Design Description

The below details outline the end to end process for the introduction of the new Supplier of Last Resort (SoLR) Customer Charge being implemented under XRN4992a. This will take into account both UNC Modifications that are being considered by Ofgem for implementation and the impacts to Shippers & DNs. The overriding process will largely remain the same between the Modifications, however any differences will be called out explicitly.

Overview

Currently, DNs recover the LRSP costs through the invoicing of Transportation Charges via the Shippers, however this is largely invisible and not transparent. XRN4992a proposes to introduce and implement a new invoice charging process (as per the considered UNC Modifications) which will make it clear where the Shippers are being charged for SoLR LRSP Claims to be recovered by DNs.

XRN4992a is seeking to implement an interim solution that will introduce a new process for invoicing the SoLR Customer Charges to Shippers via the Request To Bill (RTB) Invoice.

High-Level Process

The below outlines the high-level process relating to SoLR LRSP Claims and the newly introduced SoLR Customer Charge. In subsequent sections these high-level steps are expanded on to provide additional detail and variations between Modifications (where appropriate).

Supplier 'fails', triggering the SoLR process, Ofgem confirm the SoLR and agree to the LRSP

DNs receive SoLR LRSP Claim from SoLR Supplier for the LRSP

DNs calculate SoLR Customer Charges for individual SoLR LRSP Claims

DNs publish Aggregated SoLR Customer Charge rates

CDSP Recover LRSP Charges (via SoLR Customer Charge) on behalf of the DNs

1. Supplier 'fails', triggering the SoLR process, Ofgem confirm the SoLR and agree to the LRSP

Where a Supplier 'fails', Ofgem receives and assesses SoLR requests for the 'failed' Supplier portfolio as well as proposals for the LRSP. Ofgem then appoints a SoLR by way of Gas Direction and approves the associated LRSP. This step will remain the same as per existing SoLR process for all parties.

However, for XRN4992a, the CDSP will be introducing an additional step in the SoLR process to provide the DNs with a new report. This report will assist them in the calculation of the SoLR Customer Charges (details provided in a subsequent section). The

requirements for this new report frequency and delivery timelines will differ depending on the UNC Modification that is ultimately approved to be implemented, details below.

- Modification **0687V**: Snapshot of the DN portfolio
 - *Summary*: Count of Supply Meter Points split by Market Sector Code for the DN at the date of the SoLR appointment
 - *Frequency*: Each time a SoLR appointment takes place (*if multiple SoLR appointments occur on the same day, then only a single report for that date will be provided*)
 - *Delivery Timelines*: As soon as possible post SoLR event (*in line with existing report provision timescales*)
- Modification **0797**: Snapshot of the DN portfolio
 - *Summary*: Count of Supply Meter Points & Sum of Quantity Values split by Market Sector Code for the DN as at 1st December each year
 - *Frequency*: Annually - Snapshot as of 1st December
 - *Delivery Timelines*: In line with existing DN reporting (e.g. BOPRI) to aid in rate calculation activities to feed into the DN Charging Statements

2. DNs receive SoLR LRSP Claim from SoLR Supplier for the LRSP

Once all SoLR activities have been completed (e.g portfolio has been moved over to the SoLR), the DNs may then receive a claim from the SoLR for the LRSP costs (SoLR LRSP Claim). Ofgem will, in accordance with the appropriate Modifications, provide the DNs the LRSP details that are needed to be recovered split by Domestic & Non-Domestic, if no split of Domestic/Non-Domestic is provided by Ofgem, the DNs will use the reports provided by the CDSP in the calculation of the SoLR Customer Charge rates. *Please note that not all SoLR events will result in a SoLR LRSP claim to the DNs.*

No changes to this element of the process are being made as part of XRN4992a.

3. DNs calculate SoLR Customer Charges for individual SoLR LRSP Claims

Where an SoLR LRSP Claim is made by a SoLR, the DNs are required to calculate the SoLR Customer Charge rates for each individual SoLR LRSP Claim. The way the DNs are required to calculate the SoLR Customer Charge rates are set out within the UNC Modification/legal text.

Please be aware that UNC Modification 0687V and 0797 use different metrics for the DNs to use while calculating the SoLR Customer Charge rates. Please go to the Joint Office website to see the specific differences in the recovery rates for each respective Modification.

The DNs are required, using the report(s) provided by the CDSP (along with other data) to calculate an appropriate SoLR Customer Charge for each SoLR LRSP Claim that will look to recover the LRSP. Each claim is required a Domestic SoLR Customer Charge rate and a Non-Domestic SoLR Customer Charge rate from each DN (*rates are not to be split/provided by LDZ but are to cover all LDZs within a recognised DN entity, i.e. GT2, GT3, GT4, GT5 & TGT*).

The DNs will then aggregate the SoLR Customer Charge rates for all qualifying SoLR LRSP Claims into a single rate for Domestic and a single rate for Non-Domestic. This is then needed to be provided to the CDSP to facilitate the recovery of all LRSP costs over a 12-month period (details in the following section).

4. DNs publish Aggregated SoLR Customer Charge rates

The DNs are required to publish the SoLR Customer Charge rates within their annual Changing Statements that cover the forthcoming Financial Year (April-March). To achieve this, they will take all calculated SoLR Customer Charge rates for all qualifying SoLR LRSP Claims that have been received/approved up to the deadline for publication (expected Mid-January) and aggregate these into a single SoLR Customer Charge rate for Domestic and a single SoLR Customer Charge rate for Non-Domestic.

Please note:

1. The CDSP will have no visibility on the number of SoLR LRSP Claims being worked on/ processed by the DNs for the forthcoming Financial Year (not all SoLR events result in a SoLR LRSP Claim), the CDSP will only receive two rates (Domestic & Non-Domestic) from each DN covering all SoLR LRSP Claims to be recovered from the Shippers.
2. If no qualifying SoLR LRSP Claims are received/processed to feed the SoLR Customer Charge rate Calculations or claims only apply to one particular Market Sector Code, then it is expected that the DNs will publish rate(s) of Zero (0.0000) for the SoLR Customer Charge rates within their Charging Statements. *The CDSP will still run the invoicing cycle, but no invoice/charge will be issued from applying the Zero rate.*

The DNs will, along with the publication of their Charging Statements, be required to submit to the CDSP the aggregated Domestic & Non-Domestic SoLR Customer Charge rates via a new Pricing Template. This new Pricing Template will be created and provided to the DN Pricing Managers for use of updating the SoLR Customer Charge rates throughout the period of the interim solution being in situ. Changes to the rates expected to be once per annum with the publication of the DN Charging Statements.

Once received, the Pricing Template will be validated against the individual DN Charging Statements, with queries being raised if discrepancies occur. If the provided SoLR Customer Charge rates pass validation, these will be loaded into UK Link, ready to be used in downstream invoicing processing (details in the following section).

5. CDSP Recover LRSP Charges (via SoLR Customer Charge) on behalf of the DNs

Once the SoLR Customer Charge rates have been published and provided to the CDSP, the recovery process will commence. The LRSP recovery period is defined as, in accordance with the Charging Statements, the proceeding Financial Year (April-March) with the invoicing cycle being carried out monthly, so a full 12 invoicing runs will be observed to recover the LRSP charges.

The LRSP charges (via the SoLR Customer Charge) will be recovered in line with the Capacity Invoice process in relation to **timelines only**. This is because, as for XRN4992a interim solution, the SoLR Customer Charges will appear on a Request To Bill (RTB) invoice and not the Core Capacity Invoice. However, the SoLR Customer Charges will be issued out on the 4th Business Day in line with the Capacity Invoice.

Invoice Summary

The SoLR Customer Charges will be invoiced a month in arrears, so the RTB invoice for a given billing month will be issued out on the 4th Business Day of the following month.

Example: April invoice covering the Billing Period of 1st – 30th April will be invoiced to Shippers on the 4th Business Day of May.

To facilitate the invoicing of the SoLR Customer Charges, there will be two new Charge Types created and added to the Comprehensive Invoices Charge Types list for Shippers and DNs (and also to the Request to Bill Template), these are as follows:

LRD – LRSP Domestic Charge (20% VAT)

LRI – LRSP Industrial Charge (20% VAT)

The new LRSP Charge Types (to invoice SoLR Customer Charges) are being added to the **ANC** (Ancillary Invoice) section for the interim solution, however they will be invoiced via the Generic Request To Bill Invoice (**INR**) Invoice Type and issued out to Shippers (via the IX) on the **.INV** file (as per standard Request to Bill invoices).

Please see the below section “File Formats for Approval” for the proposed updated Comprehensive Invoices Charge Types list.

Calculation Summary

For the monthly calculation of the SoLR Customer Charges to be invoiced to the Shippers, for both Modification proposals the CDSP will take a Shipper portfolio snapshot once per month. **This Shipper Snapshot will be the portfolio position as of the 1st of the Billing Period Month.**

Example, Billing Period 1st – 30th April, will have the Shipper Portfolio snapshot as of the 1st April.

The Shipper Portfolio will contain the counts of the Supply Meter Points along with the sum of the Rolling & Formula Year SOQ values split between Domestic & Non-Domestic. The CDSP will use this information within the invoice calculation.

Please note that the calculation of the SoLR Customer Charges remains the same for both Modifications, however the determination of the ‘unit’ will differ, details below.

SoLR Customer Charge Calculation: **Unit x number of days in that billing period x Rate / 100**

Modification 0687V will use the **Count of Supply Meter Point** as the **Unit**

Modification 0797 will use the **Sum of the Formula Year SOQ** as the **Unit** (*please be aware that for Class 1 & 2 SMPs they do not have a FY SOQ, so the Rolling SOQ will be used in the sum*)

Please also note that IGT and NTS sites will be out of scope and not included within the count/sum within the Shipper portfolio snapshot.

Supporting Information

Shippers will not receive supporting information as part of the interim RTB solution being implemented under XRN4992a.

DNs will receive confirmation on what has been invoiced to the Shippers as per the existing process via the Accounts Receivable files (SIF and SIR). No reporting is being

providing as part of XRN4992a for total recovered costs as part of the invoicing of LRSP Charges.

Key things of note

1. Any under or over recovery through the SoLR Customer Charge will be managed by the Distribution Networks via the K balancing mechanism. The CDSP will not be involved in this process.
2. If a Shipper takes on a Supply Meter Point midway through a Billing Month, this will not be reflected in the SoLR Customer Charges until the following Billing Month. Unlike the Capacity Invoice process, the SoLR Customer Charge calculation will be driven from a single snapshot of a Shipper portfolio as at the 1st on the month. This snapshot will be used for the entire Billing Month and therefore any changes to a Shippers portfolio post this snapshot date will not be taken into account until next month's snapshot is taken.
3. If a new Shipper joins the market during the LRSP recovery period, they will still be charged based on their portfolio count/sum at the time that we take the Portfolio Snapshot to feed the SoLR Customer Charge calculation.

File Formats for Approval

Please see below link to the amended Comprehensive Invoices Charge Types lists that have been marked up with track changes to include the new SoLR Customer Charge (LRSP recovery) Charge Types. The CDSP will be seeking approval of these at February's ChMC.

- [Comprehensive Invoices Charge Types V8FA](#)
- [Xoserve Comprehensive Invoices Charge Types GT2 V4FA](#)
- [Xoserve Comprehensive Invoices Charge Types GT3 V4FA](#)
- [Xoserve Comprehensive Invoices Charge Types GT4 V4FA](#)
- [Xoserve Comprehensive Invoices Charge Types GT5 V4FA](#)
- [Xoserve Comprehensive Invoices Charge Types TGT V4FA](#)

G6: Associated Changes

Associated Change(s) and Title(s):	<ul style="list-style-type: none"> • Modification 0687V - Creation of new charge to recover Last Resort Supply Payments (Variation) • Modification 0797 - (Urgent) - Last Resort Supply Payments Volumetric Charges
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G7: DSG

Target DSG discussion date:	24/01/2022
Any further information:	XRN4992a has previously been discussed and developed at DSG with a proposed option and approach recommended to ChMC, however it's proposed to run through the Detail Design Change Pack at DSG for awareness only.

G8: Implementation

Target Release:	AdHoc Release (April 2022) <i>Ready for first invoice to be issued May 2022</i>
Status:	For Approval

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

Section H: Representation Response

H1: Change Representation

(To be completed by User and returned for response)

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

User Contact Details:	Organisation:	EON	
	Name:	Clare Manning	
	Email:	clare.manning@eonnex.com	
	Telephone:	01234567890	
Representation Status:	Qualified support		
Representation Publication:	Publish		
Representation Comments:	<p>We are concerned at the tight timescales for shippers to be able to implement the changes required in time for an April delivery. As per our representation on modification 0687V and 0797 our preference would be to focus on a robust, enduring solution, taking time to properly understand the solution and its impacts.</p> <p>We will require test files to be made available to test ensure we can process the invoices successfully prior to implementation; will Xoserve be able to confirm when we could be provided with these?</p> <p>We understand that the enduring solution is a candidate for Nov '22 release; solution design should commence as soon as possible for this so that we are not again faced with the same situation regarding timescales; equally, we would not want an interim solution to be in any longer than absolutely necessary.</p> <p>Whilst shippers will not be provided with any backing/additional data for the interim solution, we would expect to be provided with this for the enduring so that we may validate the charges more easily.</p> <p>Finally, the modification title requires amendment to reflect the fact this is now related to 0797 not 0687V</p>		
Confirm Target Release Date?	Yes	«h1_userDataAlternative»	

H1: Xoserve' s Response

<p>Xoserve Response to Organisations Comments:</p>	<p>Thank you for your comments and confirming your approval of the change solution.</p> <p>We appreciate the concern with the tight timescales to implement this XRN which is not typical of DSC change. As you know, in light of the unprecedented market conditions and the number of SoLR events occurring, the industry has reacted very quickly to this issue and the CDSP are looking to accommodate this and deliver a solution as recommended by the UNC Panel and directed by Ofgem through the approval of Modification 0797. XRN4992a seeks to provide the simplest solution with minimal customer system impacts to implement the change for 01 April 2022 as per industry and Ofgem expectations.</p> <p>Regarding test files for XRN4992a, this is not usually provided for amendments/additional charge types to RTB invoices as this is a BAU process with a defined file format. However we will reach out to discuss any requirements to assist you with readiness for the proposed implementation date.</p> <p>XRN4992b (enduring solution) is, as per ChMC approval of EQR for design phase scope approved in December-21, is currently going through Detail Design and we are working with our service providers for the publication of a Detail Design Change Pack in the standard timeframes for a Major Release (dependent on ChMC approval of scope/progression into formal delivery). Also please note that Supporting Information is currently in scope of XRN4992b as it is proposed to be included within a core transportation invoice.</p> <p>Thank you for highlighting the XRN title update. This is something we will get updated for clarity.</p>
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H1: Change Representation

(To be completed by User and returned for response)

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

User Contact Details:	Organisation:	Northern Gas Networks
	Name:	Helen Chandler
	Email:	hchandler@northerngas.co.uk
	Telephone:	07580704123

Representation Status:	Support	
Representation Publication:	Publish	
Representation Comments:	Northern Gas Networks supports the solution for MOD0797 and agrees with the targeted implementation date.	
Confirm Target Release Date?	Yes	«h1_userDataAlternative»

H1: Xoserve' s Response

Xoserve Response to Organisations Comments:	Thank you for your comments and confirming your approval of the change solution.
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H1: Change Representation

(To be completed by User and returned for response)

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

User Contact Details:	Organisation:	WWU
	Name:	Smitha Coughlan
	Email:	Smitha.coughlan@wwutilities.co.uk
	Telephone:	07814584576
Representation Status:	Approve	
Representation Publication:	Publish	
Representation Comments:	WWU supports this change. We deem the change to be necessary given that on 20 January 2022, Ofgem approved UNC modification 0797 which sought to create a new specific charge type which is to be added to the current Distribution Network Transportation Charging Methodology for first use in the 2022/23 charging year. Given the short timeframe the above change appears to be a pragmatic solution to implement the required changes.	
Confirm Target Release Date?	Approve	«h1_userDataAlternative»

H1: Xserve' s Response

Xoserve Response to Organisations Comments:	Thank you for your comments and confirming your approval of the change solution.
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Section G: Change Pack

G1: Communication Detail

Comm Reference:	2955.2 – MT – PO
Comm Title:	XRN4992a - Clarification of Supplier of Last Resort (SoLR) Cost Recovery Process (Interim Solution)
Comm Date:	17/01/2022

G2: Change Representation

Action Required:	For approval
Close Out Date:	31/01/2022

G3: Change Detail

Xoserve Reference Number:	XRN4992a
Change Class:	Functional System and File Format Changes
ChMC Constituency Impacted:	Shipper Users Distribution Networks (DNs)
Change Owner:	Ellie Rogers ellie.rogers@xoserve.com +44 1212 292 185
Background and Context:	<p><i>Please be aware that, at the time of writing, Ofgem have yet to make a decision on which UNC Modification (0687V or 0797) is to be approved and implemented. As per discussions at ChMC, the CDSP have issued this Detail Design Change Pack out for <u>approval</u> to impacted parties, making them aware of the process and details being introduced under XRN4992a following approval of either Modification 0687V or 0797. The difference in the Modification proposals on the process to be delivered under XRN4992a are minimal, however any differences are called out explicitly within this Change Pack A revised Detail Design Change Pack will be issued in February 2022 for <u>information only</u>, following the Ofgem decision on which Modification has been approved and will be implemented. Please note this decision is expected no later than the 20th January 2022.</i></p> <p>Please see the links to the Joint Office website for additional detail regarding each Modification.</p> <ul style="list-style-type: none"> • UNC Modification 0687V – Creation of new charge to recover Last Resort Supply Payments (Variation) https://www.gasgovernance.co.uk/index.php/0687 • UNC Modification 0797 - (Urgent) - Last Resort Supply Payments Volumetric Charges

	<p>https://www.gasgovernance.co.uk/0797</p> <p>Both UNC Modifications are seeking to introduce a new Supplier of Last Resort (SoLR) Customer Charge through which the Distribution Networks (DNs) will recover any Last Resort Supply Payment (LRSP) arising from a SoLR event. To provide some context, the SoLR Supplier can make a claim for a LRSP to cover its costs once the customers have been transferred into their portfolio. This can include credit balances outstanding for domestic customers.</p> <p>Both Modifications referenced above seek to make it clear what costs DN's are to recover from Shippers in a SoLR LRSP claim and looks to ensure appropriate cost apportionment is applied across the industry. Differences within these Modifications are centred around how the LRSP rates are calculated by the DN's, however the overriding process remains the same.</p> <p>Change Proposal XRN4992 was originally raised to deliver the system requirements for UNC Modification 0687 but was placed on hold by ChMC until a decision was made by Ofgem on the Modification. Over recent weeks, UNC Modification 0687V & 0797 have been proposed to be considered by Ofgem and as per ChMC discussions and agreement, XRN4992 has been re-visited to consider the process and solution from these Modifications. XRN4992 has also, in light of the implementation timescales and industry need, been agreed to be split into two parts, with an interim solution (RTB Invoicing) being delivered initially and an enduring solution (Core Invoice) to be considered by ChMC subsequently.</p> <p>All details relating to XRN4992 can be found on our website (link below).</p> <p>Link to XRN4992 Change Proposal</p> <p>This Detail Design Change Pack is for XRN4992a interim solution only, XRN4992b enduring solution will be progressed separately in accordance with ChMC governance procedures and will be considered as a Major Release candidate at a later point in time, as per previous ChMC discussions.</p>
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G4: Change Impact Assessment Dashboard (UK Link)

Functional:	Invoicing
Non-Functional:	None
Application:	AMT, SAP ISU, SAP PO
User(s):	Shipper Users Distribution Network (DN)
Documentation:	Comprehensive Invoices Charge Types Lists
Other:	None

Files				
File	Parent Record	Record	Data Attribute	Hierarchy, File Format or Record
n/a	n/a	n/a	n/a	n/a

G5: Change Design Description

The below details outline the end to end process for the introduction of the new Supplier of Last Resort (SoLR) Customer Charge being implemented under XRN4992a. This will take into account both UNC Modifications that are being considered by Ofgem for implementation and the impacts to Shippers & DNs. The overriding process will largely remain the same between the Modifications, however any differences will be called out explicitly.

Overview

Currently, DNs recover the LRSP costs through the invoicing of Transportation Charges via the Shippers, however this is largely invisible and not transparent. XRN4992a proposes to introduce and implement a new invoice charging process (as per the considered UNC Modifications) which will make it clear where the Shippers are being charged for SoLR LRSP Claims to be recovered by DNs.

XRN4992a is seeking to implement an interim solution that will introduce a new process for invoicing the SoLR Customer Charges to Shippers via the Request To Bill (RTB) Invoice.

High-Level Process

The below outlines the high-level process relating to SoLR LRSP Claims and the newly introduced SoLR Customer Charge. In subsequent sections these high-level steps are expanded on to provide additional detail and variations between Modifications (where appropriate).

Supplier 'fails', triggering the SoLR process, Ofgem confirm the SoLR and agree to the LRSP

DNs receive SoLR LRSP Claim from SoLR Supplier for the LRSP

DNs calculate SoLR Customer Charges for individual SoLR LRSP Claims

DNs publish Aggregated SoLR Customer Charge rates

CDSP Recover LRSP Charges (via SoLR Customer Charge) on behalf of the DNs

1. Supplier 'fails', triggering the SoLR process, Ofgem confirm the SoLR and agree to the LRSP

Where a Supplier 'fails', Ofgem receives and assesses SoLR requests for the 'failed' Supplier portfolio as well as proposals for the LRSP. Ofgem then appoints a SoLR by way of Gas Direction and approves the associated LRSP. This step will remain the same as per existing SoLR process for all parties.

However, for XRN4992a, the CDSP will be introducing an additional step in the SoLR process to provide the DNs with a new report. This report will assist them in the calculation of the SoLR Customer Charges (details provided in a subsequent section). The

requirements for this new report frequency and delivery timelines will differ depending on the UNC Modification that is ultimately approved to be implemented, details below.

- Modification **0687V**: Snapshot of the DN portfolio
 - *Summary*: Count of Supply Meter Points split by Market Sector Code for the DN at the date of the SoLR appointment
 - *Frequency*: Each time a SoLR appointment takes place (*if multiple SoLR appointments occur on the same day, then only a single report for that date will be provided*)
 - *Delivery Timelines*: As soon as possible post SoLR event (*in line with existing report provision timescales*)
- Modification **0797**: Snapshot of the DN portfolio
 - *Summary*: Count of Supply Meter Points & Sum of Quantity Values split by Market Sector Code for the DN as at 1st December each year
 - *Frequency*: Annually - Snapshot as of 1st December
 - *Delivery Timelines*: In line with existing DN reporting (e.g. BOPRI) to aid in rate calculation activities to feed into the DN Charging Statements

2. DNs receive SoLR LRSP Claim from SoLR Supplier for the LRSP

Once all SoLR activities have been completed (e.g portfolio has been moved over to the SoLR), the DNs may then receive a claim from the SoLR for the LRSP costs (SoLR LRSP Claim). Ofgem will, in accordance with the appropriate Modifications, provide the DNs the LRSP details that are needed to be recovered split by Domestic & Non-Domestic, if no split of Domestic/Non-Domestic is provided by Ofgem, the DNs will use the reports provided by the CDSP in the calculation of the SoLR Customer Charge rates. *Please note that not all SoLR events will result in a SoLR LRSP claim to the DNs.*

No changes to this element of the process are being made as part of XRN4992a.

3. DNs calculate SoLR Customer Charges for individual SoLR LRSP Claims

Where an SoLR LRSP Claim is made by a SoLR, the DNs are required to calculate the SoLR Customer Charge rates for each individual SoLR LRSP Claim. The way the DNs are required to calculate the SoLR Customer Charge rates are set out within the UNC Modification/legal text.

Please be aware that UNC Modification 0687V and 0797 use different metrics for the DNs to use while calculating the SoLR Customer Charge rates. Please go to the Joint Office website to see the specific differences in the recovery rates for each respective Modification.

The DNs are required, using the report(s) provided by the CDSP (along with other data) to calculate an appropriate SoLR Customer Charge for each SoLR LRSP Claim that will look to recover the LRSP. Each claim is required a Domestic SoLR Customer Charge rate and a Non-Domestic SoLR Customer Charge rate from each DN (*rates are not to be split/provided by LDZ but are to cover all LDZs within a recognised DN entity, i.e. GT2, GT3, GT4, GT5 & TGT*).

The DNs will then aggregate the SoLR Customer Charge rates for all qualifying SoLR LRSP Claims into a single rate for Domestic and a single rate for Non-Domestic. This is then needed to be provided to the CDSP to facilitate the recovery of all LRSP costs over a 12-month period (details in the following section).

4. DNs publish Aggregated SoLR Customer Charge rates

The DNs are required to publish the SoLR Customer Charge rates within their annual Changing Statements that cover the forthcoming Financial Year (April-March). To achieve this, they will take all calculated SoLR Customer Charge rates for all qualifying SoLR LRSP Claims that have been received/approved up to the deadline for publication (expected Mid-January) and aggregate these into a single SoLR Customer Charge rate for Domestic and a single SoLR Customer Charge rate for Non-Domestic.

Please note:

3. The CDSP will have no visibility on the number of SoLR LRSP Claims being worked on/ processed by the DNs for the forthcoming Financial Year (not all SoLR events result in a SoLR LRSP Claim), the CDSP will only receive two rates (Domestic & Non-Domestic) from each DN covering all SoLR LRSP Claims to be recovered from the Shippers.
4. If no qualifying SoLR LRSP Claims are received/processed to feed the SoLR Customer Charge rate Calculations or claims only apply to one particular Market Sector Code, then it is expected that the DNs will publish rate(s) of Zero (0.0000) for the SoLR Customer Charge rates within their Charging Statements. *The CDSP will still run the invoicing cycle, but no invoice/charge will be issued from applying the Zero rate.*

The DNs will, along with the publication of their Charging Statements, be required to submit to the CDSP the aggregated Domestic & Non-Domestic SoLR Customer Charge rates via a new Pricing Template. This new Pricing Template will be created and provided to the DN Pricing Managers for use of updating the SoLR Customer Charge rates throughout the period of the interim solution being in situ. Changes to the rates expected to be once per annum with the publication of the DN Charging Statements.

Once received, the Pricing Template will be validated against the individual DN Charging Statements, with queries being raised if discrepancies occur. If the provided SoLR Customer Charge rates pass validation, these will be loaded into UK Link, ready to be used in downstream invoicing processing (details in the following section).

5. CDSP Recover LRSP Charges (via SoLR Customer Charge) on behalf of the DNs

Once the SoLR Customer Charge rates have been published and provided to the CDSP, the recovery process will commence. The LRSP recovery period is defined as, in accordance with the Charging Statements, the proceeding Financial Year (April-March) with the invoicing cycle being carried out monthly, so a full 12 invoicing runs will be observed to recover the LRSP charges.

The LRSP charges (via the SoLR Customer Charge) will be recovered in line with the Capacity Invoice process in relation to **timelines only**. This is because, as for XRN4992a interim solution, the SoLR Customer Charges will appear on a Request To Bill (RTB) invoice and not the Core Capacity Invoice. However, the SoLR Customer Charges will be issued out on the 4th Business Day in line with the Capacity Invoice.

Invoice Summary

The SoLR Customer Charges will be invoiced a month in arrears, so the RTB invoice for a given billing month will be issued out on the 4th Business Day of the following month.

Example: April invoice covering the Billing Period of 1st – 30th April will be invoiced to Shippers on the 4th Business Day of May.

To facilitate the invoicing of the SoLR Customer Charges, there will be two new Charge Types created and added to the Comprehensive Invoices Charge Types list for Shippers and DNs (and also to the Request to Bill Template), these are as follows:

LRD – LRSP Domestic Charge (20% VAT)

LRI – LRSP Industrial Charge (20% VAT)

The new LRSP Charge Types (to invoice SoLR Customer Charges) are being added to the **ANC** (Ancillary Invoice) section for the interim solution, however they will be invoiced via the Generic Request To Bill Invoice (**INR**) Invoice Type and issued out to Shippers (via the IX) on the **.INV** file (as per standard Request to Bill invoices).

Please see the below section “File Formats for Approval” for the proposed updated Comprehensive Invoices Charge Types list.

Calculation Summary

For the monthly calculation of the SoLR Customer Charges to be invoiced to the Shippers, for both Modification proposals the CDSP will take a Shipper portfolio snapshot once per month. **This Shipper Snapshot will be the portfolio position as of the 1st of the Billing Period Month.**

Example, Billing Period 1st – 30th April, will have the Shipper Portfolio snapshot as of the 1st April.

The Shipper Portfolio will contain the counts of the Supply Meter Points along with the sum of the Rolling & Formula Year SOQ values split between Domestic & Non-Domestic. The CDSP will use this information within the invoice calculation.

Please note that the calculation of the SoLR Customer Charges remains the same for both Modifications, however the determination of the ‘unit’ will differ, details below.

SoLR Customer Charge Calculation: **Unit x number of days in that billing period x Rate / 100**

Modification 0687V will use the **Count of Supply Meter Point** as the **Unit**

Modification 0797 will use the **Sum of the Formula Year SOQ** as the **Unit** (*please be aware that for Class 1 & 2 SMPs they do not have a FY SOQ, so the Rolling SOQ will be used in the sum*)

Please also note that IGT and NTS sites will be out of scope and not included within the count/sum within the Shipper portfolio snapshot.

Supporting Information

Shippers will not receive supporting information as part of the interim RTB solution being implemented under XRN4992a.

DNs will receive confirmation on what has been invoiced to the Shippers as per the existing process via the Accounts Receivable files (SIF and SIR). No reporting is being

providing as part of XRN4992a for total recovered costs as part of the invoicing of LRSP Charges.

Key things of note

4. Any under or over recovery through the SoLR Customer Charge will be managed by the Distribution Networks via the K balancing mechanism. The CDSP will not be involved in this process.
5. If a Shipper takes on a Supply Meter Point midway through a Billing Month, this will not be reflected in the SoLR Customer Charges until the following Billing Month. Unlike the Capacity Invoice process, the SoLR Customer Charge calculation will be driven from a single snapshot of a Shipper portfolio as at the 1st on the month. This snapshot will be used for the entire Billing Month and therefore any changes to a Shippers portfolio post this snapshot date will not be taken into account until next month's snapshot is taken.
6. If a new Shipper joins the market during the LRSP recovery period, they will still be charged based on their portfolio count/sum at the time that we take the Portfolio Snapshot to feed the SoLR Customer Charge calculation.

File Formats for Approval

Please see below link to the amended Comprehensive Invoices Charge Types lists that have been marked up with track changes to include the new SoLR Customer Charge (LRSP recovery) Charge Types. The CDSP will be seeking approval of these at February's ChMC.

- [Comprehensive Invoices Charge Types V8FA](#)
- [Xoserve Comprehensive Invoices Charge Types GT2 V4FA](#)
- [Xoserve Comprehensive Invoices Charge Types GT3 V4FA](#)
- [Xoserve Comprehensive Invoices Charge Types GT4 V4FA](#)
- [Xoserve Comprehensive Invoices Charge Types GT5 V4FA](#)
- [Xoserve Comprehensive Invoices Charge Types TGT V4FA](#)

G6: Associated Changes

Associated Change(s) and Title(s):	<ul style="list-style-type: none"> • Modification 0687V - Creation of new charge to recover Last Resort Supply Payments (Variation) • Modification 0797 - (Urgent) - Last Resort Supply Payments Volumetric Charges
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G7: DSG

Target DSG discussion date:	24/01/2022
Any further information:	XRN4992a has previously been discussed and developed at DSG with a proposed option and approach recommended to ChMC, however it's proposed to run through the Detail Design Change Pack at DSG for awareness only.

G8: Implementation

Target Release:	AdHoc Release (April 2022) <i>Ready for first invoice to be issued May 2022</i>
Status:	For Approval

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

Section H: Representation Response

H1: Change Representation

(To be completed by User and returned for response)

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

User Contact Details:	Organisation:	EON	
	Name:	Clare Manning	
	Email:	clare.manning@eonnex.com	
	Telephone:	01234567890	
Representation Status:	Qualified support		
Representation Publication:	Publish		
Representation Comments:	<p>We are concerned at the tight timescales for shippers to be able to implement the changes required in time for an April delivery. As per our representation on modification 0687V and 0797 our preference would be to focus on a robust, enduring solution, taking time to properly understand the solution and its impacts.</p> <p>We will require test files to be made available to test ensure we can process the invoices successfully prior to implementation; will Xoserve be able to confirm when we could be provided with these?</p> <p>We understand that the enduring solution is a candidate for Nov '22 release; solution design should commence as soon as possible for this so that we are not again faced with the same situation regarding timescales; equally, we would not want an interim solution to be in any longer than absolutely necessary.</p> <p>Whilst shippers will not be provided with any backing/additional data for the interim solution, we would expect to be provided with this for the enduring so that we may validate the charges more easily.</p> <p>Finally, the modification title requires amendment to reflect the fact this is now related to 0797 not 0687V</p>		
Confirm Target Release Date?	Yes	«h1_userDataAlternative»	

H1: Xoserve' s Response

<p>Xoserve Response to Organisations Comments:</p>	<p>Thank you for your comments and confirming your approval of the change solution.</p> <p>We appreciate the concern with the tight timescales to implement this XRN which is not typical of DSC change. As you know, in light of the unprecedented market conditions and the number of SoLR events occurring, the industry has reacted very quickly to this issue and the CDSP are looking to accommodate this and deliver a solution as recommended by the UNC Panel and directed by Ofgem through the approval of Modification 0797. XRN4992a seeks to provide the simplest solution with minimal customer system impacts to implement the change for 01 April 2022 as per industry and Ofgem expectations.</p> <p>Regarding test files for XRN4992a, this is not usually provided for amendments/additional charge types to RTB invoices as this is a BAU process with a defined file format. However we will reach out to discuss any requirements to assist you with readiness for the proposed implementation date.</p> <p>XRN4992b (enduring solution) is, as per ChMC approval of EQR for design phase scope approved in December-21, is currently going through Detail Design and we are working with our service providers for the publication of a Detail Design Change Pack in the standard timeframes for a Major Release (dependent on ChMC approval of scope/progression into formal delivery). Also please note that Supporting Information is currently in scope of XRN4992b as it is proposed to be included within a core transportation invoice.</p> <p>Thank you for highlighting the XRN title update. This is something we will get updated for clarity.</p>
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H1: Change Representation

(To be completed by User and returned for response)

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

User Contact Details:	Organisation:	Northern Gas Networks
	Name:	Helen Chandler
	Email:	hchandler@northerngas.co.uk
	Telephone:	07580704123

Representation Status:	Support	
Representation Publication:	Publish	
Representation Comments:	Northern Gas Networks supports the solution for MOD0797 and agrees with the targeted implementation date.	
Confirm Target Release Date?	Yes	«h1_userDataAlternative»

H1: Xoserve' s Response

Xoserve Response to Organisations Comments:	Thank you for your comments and confirming your approval of the change solution.
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H1: Change Representation

(To be completed by User and returned for response)

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

User Contact Details:	Organisation:	WWU
	Name:	Smitha Coughlan
	Email:	Smitha.coughlan@wwutilities.co.uk
	Telephone:	07814584576
Representation Status:	Approve	
Representation Publication:	Publish	
Representation Comments:	WWU supports this change. We deem the change to be necessary given that on 20 January 2022, Ofgem approved UNC modification 0797 which sought to create a new specific charge type which is to be added to the current Distribution Network Transportation Charging Methodology for first use in the 2022/23 charging year. Given the short timeframe the above change appears to be a pragmatic solution to implement the required changes.	
Confirm Target Release Date?	Approve	«h1_userDataAlternative»

H1: Xoserve' s Response

Xoserve Response to Organisations Comments:	Thank you for your comments and confirming your approval of the change solution.
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Section G: Change Pack

G1: Communication Detail

Comm Reference:	2973.2 - MT - PO
Comm Title:	XRN4992a - Modification 0797 (Urgent) – Last Resort Supply Payments Volumetric Charges (Interim Solution)
Comm Date:	14/02/2022

G2: Change Representation

Action Required:	For Information Only
Close Out Date:	28/02/2022

G3: Change Detail

Xoserve Reference Number:	XRN4992a
Change Class:	Functional System and File Format Changes
ChMC Constituency Impacted:	Shipper Users Distribution Networks (DNs)
Change Owner:	Ellie Rogers ellie.rogers@xoserve.com +44 1212 292 185
Background and Context:	<p><i>Please be aware that, as previously agreed at ChMC in January-22, this Detail Design Change Pack is being issued for information only. An original detail design change pack was issued out in January-22 that outlined the detailed solution/process that included both proposed modifications, but since issuing, an Ofgem decision has been made to approve UNC Modification 0797, so a revised Detail Design Change Pack is being issued for information only.</i></p> <p><i>At ChMC on the 9th February 2022, it was approved to move XRN4992a into delivery for implementation under the November 2021 Major Release within its PIS period (planned for April-22) for the introduction of an Invoicing process that supports UNC Modification 0797 implementation.</i></p> <p><i>Please also note a title change for XRN4992 as a result of approval to UNC Modification 0797:</i></p> <ul style="list-style-type: none"> <i>Old Title: XRN4992 - Modification 0687 - Creation of new charge to recover Last Resort Supply Payments</i> <i>New Title: XRN4992 - Modification 0797 (Urgent) - Last Resort Supply Payments Volumetric Charges</i>

	<p>UNC Modification 0797 seeks to introduce a new Supplier of Last Resort (SoLR) Customer Charge through which the Distribution Networks (DNs) will look to recover any Last Resort Supply Payment (LRSP) arising from a SoLR event. To provide some context, the SoLR Supplier can make a claim for a LRSP to cover its costs once the customers have been transferred into their portfolio. This can include credit balances outstanding for domestic customers.</p> <p>Change Proposal XRN4992 was originally raised to deliver the system requirements for UNC Modification 0687 but was placed on hold by ChMC until a decision was made by Ofgem on the Modification. Over recent months, UNC Modification 0687V & 0797 have been proposed to be considered by Ofgem and as per ChMC discussions and agreement, XRN4992 has been re-visited to consider the process and solution from these Modifications.</p> <p>In recent weeks, Ofgem have approved UNC Modification 0797 for an implementation date of 1st April 2022.</p> <p>XRN4992 has also, in light of the implementation timescales and industry need, been agreed to be split into two parts, with an interim solution (Part A - RTB Invoicing) being delivered initially and an enduring solution (Part B - Core Invoice) to be considered by ChMC subsequently under a later release.</p> <p>All details relating to XRN4992 can be found on our website (link below).</p> <p>Link to XRN4992 Change Proposal</p> <p>This Detail Design Change Pack is for XRN4992a interim solution only, XRN4992b enduring solution will be progressed separately in accordance with ChMC governance procedures and will be considered as a Major Release candidate at a later point in time, as per previous ChMC discussions.</p>
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G4: Change Impact Assessment Dashboard (UK Link)

Functional:	Invoicing
Non-Functional:	None
Application:	AMT, SAP ISU, SAP PO
User(s):	Shipper Users Distribution Network (DN)
Documentation:	Comprehensive Invoices Charge Types Lists
Other:	None

Files

File	Parent Record	Record	Data Attribute	Hierarchy, File Format or Record
n/a	n/a	n/a	n/a	n/a

G5: Change Design Description

The below details outline the end to end process for the introduction of the new Supplier of Last Resort (SoLR) Customer Charge being implemented under XRN4992a in accordance with approved UNC Modification 0797.

Overview

Currently, DNs recover the LRSP costs through the invoicing of Transportation Charges via the Shippers, however this is largely invisible and not transparent. XRN4992a proposes to introduce and implement a new invoice charging process (as per UNC Modification 0797) which will make it clear where the Shippers are being charged for SoLR LRSP Claims to be recovered by DNs.

XRN4992a is seeking to implement an interim solution that will introduce a new process for invoicing the SoLR Customer Charges to Shippers via the Request To Bill (RTB) Invoice.

High-Level Process

The below outlines the high-level process relating to SoLR LRSP Claims and the newly introduced SoLR Customer Charge. In subsequent sections these high-level steps are expanded on to provide additional detail.

1. *Supplier 'fails', triggering the SoLR process, Ofgem confirm the SoLR and agree to the LRSP*
2. *DNs receive SoLR LRSP Claim from SoLR Supplier for the LRSP*
3. *DNs calculate SoLR Customer Charges for individual SoLR LRSP Claims*
4. *DNs publish Aggregated SoLR Customer Charge rates*
5. *CDSP Recover LRSP Charges (via SoLR Customer Charge) on behalf of the DNs*

1. Supplier 'fails', triggering the SoLR process, Ofgem confirm the SoLR and agree to the LRSP

Where a Supplier 'fails', Ofgem receives and assesses SoLR requests for the 'failed' Supplier portfolio as well as proposals for the LRSP. Ofgem then appoints a SoLR by way of Gas Direction and approves the associated LRSP. This step will remain the same as per existing SoLR process for all parties.

However, for XRN4992a, the CDSP will be introducing an additional step in the SoLR process to provide the DNs with a new report. This report will assist them in the calculation of the SoLR Customer Charges (details provided in a subsequent section).

- Modification **0797**: Snapshot of the DN portfolio (*excluding IGT/NTS SMPs*)
 - *Summary*: Count of Supply Meter Points & Sum of Quantity Values split by Market Sector Code, Class & LDZ for the DN's as at 1st December each year
 - *Frequency*: Annually - Snapshot as of 1st December

- *Delivery Timelines:* In line with existing DN reporting (e.g. BOPRI) to aid in rate calculation activities to feed into the DN Charging Statements
- *Delivery Method:* Email to the DN Pricing Managers (in line with existing process)

2. DNs receive SoLR LRSP Claim from SoLR Supplier for the LRSP

Once all SoLR activities have been completed (e.g. portfolio has been moved over to the SoLR), the DNs may then receive a claim from the SoLR for the LRSP costs (SoLR LRSP Claim). Ofgem will, in accordance with Modification 0797, provide the DNs the LRSP details that are needed to be recovered split by Domestic & Non-Domestic, if no split of Domestic/Non-Domestic is provided by Ofgem, the DNs will use the reports provided by the CDSP in the calculation of the SoLR Customer Charge rates. *Please note that not all SoLR events will result in a SoLR LRSP claim to the DNs.*

No changes to this element of the process are being made as part of XRN4992a.

3. DNs calculate SoLR Customer Charges for individual SoLR LRSP Claims

Where an SoLR LRSP Claim is made by a SoLR, the DNs are required to calculate the SoLR Customer Charge rates for each individual SoLR LRSP Claim. The way the DNs are required to calculate the SoLR Customer Charge rates are set out within UNC Modification 0797 documentation and legal text.

The DNs are required, using the report(s) provided by the CDSP (along with other data) to calculate an appropriate SoLR Customer Charge for each SoLR LRSP Claim that will look to recover the LRSP. Each claim is required a Domestic SoLR Customer Charge rate and a Non-Domestic SoLR Customer Charge rate from each DN (*rates are not to be split/provided by individual LDZ but are to cover all LDZs within a recognised DN network area, i.e. GT2, GT3, GT4, GT5 & TGT (EOE, LDN, NW & WM).*)

The DNs will then aggregate the SoLR Customer Charge rates for all qualifying SoLR LRSP Claims into a single rate for Domestic and a single rate for Non-Domestic. This is then needed to be provided to the CDSP to facilitate the recovery of all LRSP costs over a 12-month period (details in the following section).

4. DNs publish Aggregated SoLR Customer Charge rates

The DNs are required to publish the SoLR Customer Charge rates within their annual Changing Statements that cover the forthcoming Financial Year (April-March). To achieve this, they will take all calculated SoLR Customer Charge rates for all qualifying SoLR LRSP Claims that have been received/approved up to the deadline for publication (generally Mid/End-January) and aggregate these into a single SoLR Customer Charge rate for Domestic and a single SoLR Customer Charge rate for Non-Domestic.

Please note:

5. The CDSP will have no visibility on the number of SoLR LRSP Claims being worked on/ processed by the DNs for the forthcoming Financial Year (not all SoLR events result in a SoLR LRSP Claim), the CDSP will only receive two rates (Domestic & Non-Domestic) for each Network Area from each DN covering all SoLR LRSP Claims to be recovered from the Shippers.
6. If no qualifying SoLR LRSP Claims are received/processed to feed the SoLR Customer Charge rate Calculations or claims only apply to one particular Market

Sector Code, then it is expected that the DNs will publish rate(s) of Zero (0.0000) for the SoLR Customer Charge rates within their Charging Statements. *The CDSP will still run the invoicing cycle, but no invoice/charge will be issued from applying the Zero rate.*

The DNs will, along with the publication of their Charging Statements, be required to submit to the CDSP the aggregated Domestic & Non-Domestic SoLR Customer Charge rates via a new Pricing Template. This new Pricing Template will be created and provided to the DN Pricing Managers for use of updating the SoLR Customer Charge rates throughout the period of the interim solution being in situ. Changes to the rates expected to be once per annum with the publication of the DN Charging Statements.

Once received, the Pricing Template will be validated against the individual DN Charging Statements, with queries being raised if discrepancies occur. If the provided SoLR Customer Charge rates pass validation, these will be loaded into UK Link, ready to be used in downstream invoicing processing (details in the following section).

Example Pricing Template can be found [here](#) for information purposes only.

5. CDSP Recover LRSP Charges (via SoLR Customer Charge) on behalf of the DNs

Once the SoLR Customer Charge rates have been published and provided to the CDSP, the recovery process will commence. The LRSP recovery period is defined as, in accordance with the Charging Statements, the proceeding Financial Year (April-March) with the invoicing cycle being carried out monthly, so a full 12 invoicing runs will be observed to recover the LRSP charges.

The LRSP charges (via the SoLR Customer Charge) will be recovered in line with the Capacity Invoice process in relation to **timelines only**. This is because, as for XRN4992a interim solution, the SoLR Customer Charges will appear on a Request To Bill (RTB) invoice and not the Core Capacity Invoice. However, the SoLR Customer Charges will be issued out on the 4th Business Day in line with the Capacity Invoice.

Invoice Summary

The SoLR Customer Charges will be invoiced a month in arrears, so the RTB invoice for a given billing month will be issued out on the 4th Business Day of the following month.

Example: April invoice covering the Billing Period of 1st – 30th April will be invoiced to Shippers on the 4th Business Day of May.

To facilitate the invoicing of the SoLR Customer Charges, there will be two new Charge Types created and added to the Comprehensive Invoices Charge Types list for Shippers and DNs (and also to the Request to Bill Template), these are as follows:

LRD – LRSP Domestic Charge (20% VAT)

LRI – LRSP Industrial Charge (20% VAT)

The new LRSP Charge Types (to invoice SoLR Customer Charges) are being added to the **ANC** (Ancillary Invoice) section for the interim solution, however they will be invoiced via the Generic Request To Bill Invoice (**INR**) Invoice Type and issued out to Shippers (via the IX) on the **.INV** file (as per standard Request to Bill invoices).

Please see the below section “Approved File Formats” for the approved Comprehensive Invoices Charge Types list to be set live in line with UNC Modification 0797 in preparation for implementation of XRN4992a.

Calculation Summary

For the monthly calculation of the SoLR Customer Charges to be invoiced to the Shippers, the CDSP will take a Shipper portfolio snapshot once per month. **This Shipper Snapshot will be the portfolio position as of the 1st of the Billing Period Month.**

Example, Billing Period 1st – 30th April, will have the Shipper Portfolio snapshot as of the 1st April.

The Shipper Portfolio will contain the counts of the Supply Meter Points along with the sum of the Rolling & Formula Year SOQ values split between Domestic & Non-Domestic. The CDSP will use this information within the invoice calculation.

SoLR Customer Charge Calculation:

Unit x number of days in that billing period x Rate / 100

Modification 0797 will use the **Sum of SOQ** as the **Unit** (*please be aware that for Class 1 & 2 SMPs the Rolling SOQ will be used and for Class 3 & 4 the Formula Year SOQ will be used*)

Please also note that IGT and NTS sites will be out of scope and not included within the count/sum within the Shipper portfolio snapshot.

Supporting Information

Shippers will not receive supporting information as part of the interim RTB solution being implemented under XRN4992a.

DNs will receive confirmation on what has been invoiced to the Shippers as per the existing process via the Accounts Receivable files (SIF and SIR). No reporting is being providing as part of XRN4992a for total recovered costs as part of the invoicing of LRSP Charges.

Key things of note

7. Any under or over recovery through the SoLR Customer Charge will be managed by the Distribution Networks via the K balancing mechanism. The CDSP will not be involved in this process.
8. If a Shipper takes on a Supply Meter Point midway through a Billing Month, this will not be reflected in the SoLR Customer Charges until the following Billing Month. Unlike the Core Capacity Invoice process, the SoLR Customer Charge calculation will be driven from a single snapshot of a Shipper portfolio as at the 1st on the month. This snapshot will be used for the entire Billing Month and therefore any changes to a Shippers portfolio post this snapshot date will not be taken into account until next month’s snapshot is taken.

9. If a new Shipper joins the market during the LRSP recovery period, they will still be charged based on their portfolio count/sum at the time that we take the Portfolio Snapshot to feed the SoLR Customer Charge calculation.

Approved File Formats

Please see below links to the amended Comprehensive Invoices Charge Types lists that have been marked up with track changes to include the new SoLR Customer Charge (LRSP recovery) Charge Types. These have been approved at ChMC on the 9th February 2022 and will be set live in line with UNC Modification 0797 in preparation for implementation of XRN4992a.

[Comprehensive Invoices Charge Types V8FA](#)
[Xoserve Comprehensive Invoices Charge Types GT2 V4FA](#)
[Xoserve Comprehensive Invoices Charge Types GT3 V4FA](#)
[Xoserve Comprehensive Invoices Charge Types GT4 V4FA](#)
[Xoserve Comprehensive Invoices Charge Types GT5 V4FA](#)
[Xoserve Comprehensive Invoices Charge Types TGT V4FA](#)

G6: Associated Changes

Associated Change(s) and Title(s):	Modification 0797 - (Urgent) - Last Resort Supply Payments Volumetric Charges
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G7: DSG

Target DSG discussion date:	N/A
Any further information:	XRN4992a has previously been discussed and developed at DSG with a proposed option and approach recommended to ChMC.

G8: Implementation

Target Release:	AdHoc Release (April 2022) <i>Ready for first invoice to be issued in May 2022</i>
Status:	For Information

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

Section H: Representation Response

H1: Change Representation

(To be completed by User and returned for response)

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

User Contact Details:	Organisation:	Northern Gas Networks	
	Name:	Helen Chandler	
	Email:	hchandler@northerngas.co.uk	
	Telephone:	07580704123	
Representation Status:	Support		
Representation Publication:	Publish		
Representation Comments:	As per our response to the January 2022 Change Pack for XRN4992a, Northern Gas Networks supports the solution for MOD0797 and agrees with the targeted implementation date.		
Confirm Target Release Date?	Yes	«h1_userDataAlternative»	

H1: Xoserve' s Response

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

Appendix 1

Change Prioritisation Variables 30%

Xoserve uses the following variables set for each and every change within the Xoserve Change Register, to derive the indicative benefit prioritisation score, which will be used in conjunction with the perceived delivery effort to aid conversations at the DSC ChMC and DSC Delivery Sub Groups to prioritise changes into all future minor and major releases.

Change Driver Type	<input type="checkbox"/> CMA Order <input type="checkbox"/> MOD / Ofgem <input type="checkbox"/> EU Legislation <input type="checkbox"/> License Condition <input type="checkbox"/> BEIS <input checked="" type="checkbox"/> ChMC endorsed Change Proposal <input type="checkbox"/> SPAA Change Proposal <input type="checkbox"/> Additional or 3 rd Party Service Request <input type="checkbox"/> Other <i>(please provide details below)</i>
Please select the customer group(s) who would be impacted if the change is not delivered	<input checked="" type="checkbox"/> Shipper Impact <input checked="" type="checkbox"/> iGT Impact <input checked="" type="checkbox"/> Network Impact <input type="checkbox"/> Xoserve Impact <input type="checkbox"/> National Grid Transmission Impact
Associated Change reference Number(s)	XRN4996
Associated MOD Number(s)	
Perceived delivery effort	<input checked="" type="checkbox"/> 0 – 30 <input type="checkbox"/> 30 – 60 <input type="checkbox"/> 60 – 100 <input type="checkbox"/> 100+ days
Does the project involve the processing of personal data? <i>'Any information relating to an identifiable person who can be directly or indirectly identified in particular by reference to an identifier' – includes MPRNS.</i>	<input type="checkbox"/> Yes <i>(If yes please answer the next question)</i> <input checked="" type="checkbox"/> No
A Data Protection Impact Assessment (DPIA) will be required if the delivery of the change involves the processing of personal data in any of the following scenarios:	<input type="checkbox"/> New technology <input type="checkbox"/> Vulnerable customer data <input type="checkbox"/> Theft of Gas <input type="checkbox"/> Mass data <input type="checkbox"/> Xoserve employee data <input type="checkbox"/> Fundamental changes to Xoserve business <input type="checkbox"/> Other <i>(please provide details below)</i> <i>(If any of the above boxes have been selected then please contact The Data Protection Officer (Sally Hall) to complete the DPIA.</i>
Change Beneficiary <i>How many market participant or segments stand to benefit from the introduction of the change?</i>	<input checked="" type="checkbox"/> Multiple Market Participants <input type="checkbox"/> Multiple Market Group <input type="checkbox"/> All industry UK Gas Market participants <input type="checkbox"/> Xoserve Only <input type="checkbox"/> One Market Group <input type="checkbox"/> One Market Participant
Primary Impacted DSC Service Area	Service Area 1: Manage Supply Point Registrations
Number of Service Areas Impacted	<input type="checkbox"/> All <input type="checkbox"/> Five to Twenty <input type="checkbox"/> Two to Five <input checked="" type="checkbox"/> One
Change Improvement Scale? <i>How much work would be reduced for the customer if the change is implemented?</i>	<input type="checkbox"/> High <input checked="" type="checkbox"/> Medium <input type="checkbox"/> Low
Are any of the following at risk if the change is not delivered?	
<input type="checkbox"/> Safety of Supply at risk <input type="checkbox"/> Customer(s) incurring financial loss <input type="checkbox"/> Customer Switching at risk	
Are any of the following required if the change is delivered?	
<input type="checkbox"/> Customer System Changes Required <input type="checkbox"/> Customer Testing Likely Required <input type="checkbox"/> Customer Training Required	
Known Impact to Systems / Processes	
Primary Application impacted	<input type="checkbox"/> BW <input checked="" type="checkbox"/> ISU <input type="checkbox"/> CMS <input type="checkbox"/> AMT <input type="checkbox"/> EFT <input type="checkbox"/> IX <input type="checkbox"/> Gemini <input type="checkbox"/> Birst <input type="checkbox"/> Other <i>(please provide details below)</i>
Business Process Impact	<input type="checkbox"/> AQ <input type="checkbox"/> SPA <input type="checkbox"/> RGMA <input type="checkbox"/> Reads <input type="checkbox"/> Portal <input checked="" type="checkbox"/> Invoicing

	<input type="checkbox"/> Other <i>(please provide details below)</i>
Are there any known impacts to external services and/or systems as a result of delivery of this change?	<input type="checkbox"/> Yes <i>(please provide details below)</i> <input checked="" type="checkbox"/> No
Please select customer group(s) who would be impacted if the change is not delivered.	<input checked="" type="checkbox"/> Shipper impact <input checked="" type="checkbox"/> Network impact <input checked="" type="checkbox"/> iGT impact <input type="checkbox"/> Xoserve impact <input type="checkbox"/> National Grid Transmission Impact
Workaround currently in operation?	
Is there a Workaround in operation?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes who is accountable for the workaround?	<input type="checkbox"/> Xoserve <input type="checkbox"/> External Customer <input type="checkbox"/> Both Xoserve and External Customer
What is the Frequency of the workaround?	
What is the lifespan for the workaround?	
What is the number of resource effort hours required to service workaround?	
What is the Complexity of the workaround?	<input type="checkbox"/> Low <i>(easy, repetitive, quick task, very little risk of human error)</i> <input type="checkbox"/> Medium <i>(moderate difficult, requires some form of offline calculation, possible risk of human error in determining outcome)</i> <input type="checkbox"/> High <i>(complicate task, time consuming, requires specialist resources, high risk of human error in determining outcome)</i>
Change Prioritisation Score	30%

Document Control

Version History

Version	Status	Date	Author(s)	Summary of Changes
1	Draft	27/04/18	Anesu Chivenga	
2	With ChMC	05/09/19	Xoserve	Initial Consultation Change Pack and responses added