XServe

UIG Resolution

Weekly Progress Update – 13 Oct 2017

Progress Summary

Key messages:

DM Read Rejections:

- Progress continues to be made in reducing DM read rejections
- Additional analysis has been performed to identify priority sites to be worked on
- Xoserve have identified activities which may accelerate the resolution of DM issues and are working with industry to implement these

Analysis UIG Level/Volatility:

- Based on analysis conducted to date, fixing known causes of UIG is expected to only partially eradicate level and volatility.
- Xoserve have increased the focus and resource in analysing other potential causes of UIG volatility and are performing further assessment of the calculations pre and post Nexus

Confidence dashboard over resolution timeline

Industry engagement and action required:

- Response to information issued to DM Shippers relating to improving the accuracy of DM estimates for impacted sites is required
- Bilateral calls will continue weekly to ensure there is momentum in resolving the root causes of DM Read rejections
- Communication issued to industry providing advice on RGMA flows including additional support that Xoserve may be able to provide
- PAC determined that a separate UIG sub group was not required. Additional PAC meetings will be established to discuss the UIG issue which will be open to industry

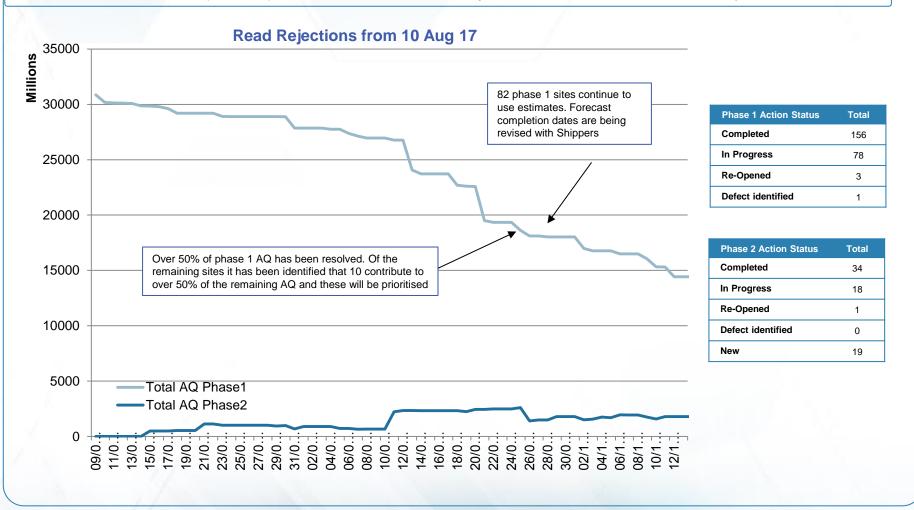
Key: Increasing Confidence

Decreasing Confidence Maintaining Confidence

Action Area	Key confidence indicator	Prior	Current	Commentary
DM Reads Rejections	Resolution of DM Read Rejections Read rejections reasons are known for all sites so Pot 1 and Pot 2 have been combined			 190 sites resolved and started to record actual reads since 10 Aug Process to improve estimates continues Pending agreement from Shippers additional support can be provided to resolve issues with RGMA flows
NDM Large Sites	Impact of large NDM sites on UIG volatility is understood and actions identified as required.	+	1	 There has been an improvement of around 10% in the amount of AQ now allocated a WAR Band. This means that consumption profile is more appropriate should help reduce UIG However, there is still 25% of AQ nationally in the generic B band these may be increasing the amount of UIG. Xoserve are preparing educational material to assist Shippers in reviewing and updating WAR band EUC where possible.
Impact on UIG	Stabilisation of the UIG volume	₽	₽	- UIG Level and volatility has continued to increase in September. Based on analysis to date this is not expected to be removed when known causes are resolved. Xoserve continue to analysis possible causes
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DM Read Rejections - Resolution Glide Paths

The graph below shows the volume of AQ that has been resolved to date. Phase 1 refers to sites identified at Go Live, Phase 2 are new sites that have been identified. It shows that over 50% of impacted AQ has been rectified for Phase 1 and that of the new sites (Phase 2) that have been identified they are less material in terms of AQ impacted.



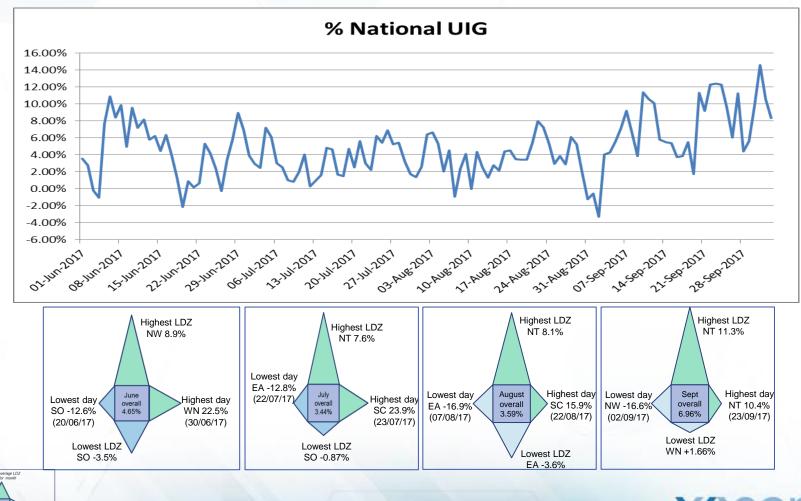
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* Data Accurate as 14 Sept 17

Impact on UIG Volatility to 8 Oct 2017

Lowest individua daily LD. value

The graphs below show the national UIG % by from 1 June –8 Oct 2017. September and October has seen a continued increase in National UIG volume and volatility. Xoserve have increased the focus and resource in analysing other potential causes of UIG volatility and are performing further assessment of the calculations pre and post Nexus



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