Coronavirus (COVID-19) Customer Update - 14th April 2020

Dear Customers,

I'd like to share my latest update as we continue to support you through the ongoing challenges and impacts of the COVID-19 outbreak.

The availability our workforce remains strong, with absences because of illness or caring responsibilities continuing to impact less than 5% of our overall capacity. Operationally, our processes continue to be fulfilled without any significant impact or change and our key support partners are now fully mobilised to operate on a remote basis.

Since my last update, we've been engaging with Distribution Networks and building a change to include billing AQ & SOQ on the REC121 report. This is intended to mitigate the financial impacts of AQ corrections applied to sites with significant changes in gas consumption. We're also working with all Customer Segments and Industry Bodies to explore the options that might be available to bring flexibility to payment terms for some invoices.

We are continuing to monitor Unidentified Gas (UIG) trends closely. The trend of negative UIG on weekdays and a return to positive levels at weekends has continued. On weekdays the UK sees demand behaviours similar to a Bank Holiday on every weekday, with increasing Domestic load, but a significant drop in Industrial/Commercial use. However, at weekends, when the allocation profiles would expect homes to be occupied and many businesses to be empty anyway, usage is closer to normal. Several other factors are still influencing UIG, including theft of gas, missing sites and incorrect or missing reads at Daily Metered sites and offtakes into the Local Distribution Zone. The weather also plays a significant role; the warm weather that we saw over the Easter weekend in many areas may also have reduced Domestic demand.

The Joint Office has arranged the follow-on Distribution Workgroup meeting to discuss impacts of COVID-19 on Allocation, UIG, AQs etc. This meeting is scheduled for today, Tuesday April 14th, and you can find the supporting material for this meeting here.

Our continued focus on finding practical and pragmatic solutions to support you all is the subject of an additional customer and consumer update from our CEO Sian Jones, which you can read on our website here.

Our <u>Customer Advocates</u> will continue to talk to you all over the coming weeks. If you have any queries about our continuity planning, please email <u>Covid19Enquiries@xoserve.com</u>. We'll respond to every email we receive within 24 hours.

If you have any concerns about the support you're receiving from Xoserve in the coming weeks, please do not hesitate to contact me directly.

Kind regards,

Andrew Szabo | Chief Customer Officer

Andrew.Szabo@xoserve.com | 07484 614 712 | Skype 4 Business: +44 121 2292 044

PA: <u>lisa.edmond@xoserve.com</u> | 0121 229 2378