

# Transforming Together

Business Plan 2027-30 (BP27):  
**Statement of Planning Principles | Final**



# Making Energy Data Work

## Contents

|                                       |           |
|---------------------------------------|-----------|
| <b>CEO Introduction</b>               | <b>02</b> |
| <b>Executive Summary</b>              | <b>04</b> |
| Transforming Together                 | 04        |
| Strategic Journeys                    | 05        |
| <b>Vision and Customer Commitment</b> | <b>08</b> |
| Building Capacity and Capability      | 09        |
| Communication & Customer Engagement   | 14        |
| Proposed Investment Areas for BP27    | 20        |
| <b>Core Service Delivery</b>          | <b>26</b> |
| Service Enhancements                  | 27        |
| UK Link Sustain                       | 30        |
| General Change                        | 31        |
| Gemini                                | 31        |

|                                                                        |           |
|------------------------------------------------------------------------|-----------|
| <b>Strategic Delivery</b>                                              | <b>32</b> |
| Project Trident                                                        | 33        |
| Service Development                                                    | 36        |
| Data Best Practice and Digitalisation Readiness                        | 36        |
| Artificial Intelligence (AI)                                           | 37        |
| Enterprise Architecture                                                | 38        |
| Code Manager                                                           | 41        |
| Code Reform                                                            | 41        |
| <b>Financials</b>                                                      | <b>42</b> |
| ‘5E’ Value for Money Framework                                         | 42        |
| <b>Appendices</b>                                                      | <b>47</b> |
| SPP Compliance Mapping to Budget and Charging Methodology Requirements | 47        |
| <b>About Xoserve</b>                                                   | <b>48</b> |
| Our Services                                                           | 49        |
| Links to further useful information                                    | 54        |



# CEO Introduction



‘Transforming Together’ reflects our shared commitment to work across the industry to deliver meaningful change and lasting value for our Customers.

Steve Brittan, CEO

## Transforming Together

**The pace of change across the gas market and wider society continues to accelerate. In BP26, this was captured in the theme ‘Embracing Change’, recognising the scale, speed and complexity of the transformation underway. Since then, both Xoserve and our Customers have moved beyond simply responding to change, with greater emphasis on proactive engagement to help shape outcomes.**

BP27 marks an important evolution in this journey.

Over the coming period, several major transformation initiatives will progress in parallel: Code Reform, Project Trident, DSC+ Replacement, and the development of a new Operating Model. Together, these programmes will redefine how data, systems, services, and governance operate across the gas market, creating a more modern, integrated, and future ready ecosystem.

In this context, the theme for BP27, ‘**Transforming Together**’, reflects both the scale of ambition and the way in which it must be delivered.

It signals a shift from change as something to be managed, to transformation as something we collectively own. Success will depend not on isolated initiatives, but on deep collaboration across the industry, bringing together Xoserve, Customers, Stakeholders, regulators, and partners to align on shared goals and deliver meaningful outcomes.

‘**Transforming Together**’ also recognises that this is not a single programme or fixed end state. It is an ongoing journey of continuous improvement, and one that recognises that people, behaviours and ways of working, systems and technology all are critical to success. It reflects a commitment to break down silos, foster cross-industry collaboration, and ensure shared accountability for delivery and impact.

This approach sets a clear strategic tone for BP27: **inclusive** rather than directive, **collaborative** rather than hierarchical, **progressive** rather than reactive, and **engaging** rather than purely technical.

By working together, we will navigate the complexity of transformation, and unlock its full value, delivering better outcomes for our Customers, Stakeholders, and the wider Gas Industry.



# Executive Summary

**This Final Statement of Planning Principles (SPP) initiates Xoserve’s Business Plan 2027-30 (BP27). This SPP sets the strategic context, defines the framework for Customer collaboration, and establishes the principles that will guide and shape delivery of the Central Data Services Provider (CDSP) role for the GB gas market.**

This document is organised into three core sections:

- 1. Vision and Customer Commitment:** Our vision, what we commit to, how we engage, and how we enable delivery
- 2. Core Services Delivery:** How value is delivered today and prioritised for tomorrow
- 3. Strategic Delivery:** How we deliver major change programmes and prepare Xoserve for future industry and regulatory changes.

The financial summary follows these sections, and outlines our approach to delivering value for money through a robust, transparent framework combining bottom up budgeting, efficient cost management, CPIH inflation, clear Service & Operate (S&O) and investment drivers, strong governance, and equitable, Customer-aligned cost allocation.

## Transforming Together

BP27 builds on the BP26 theme of ‘Embracing Change’, recognising that both Xoserve and its Customers are now moving beyond responding to change and proactively shaping outcomes. Over this period, several major initiatives, including Code Reform, Project Trident, DSC+ Replacement and the development of a new Target Operating Model, will progress in parallel, redefining how data, systems and services operate across the gas market.

In BP27, ‘Transforming Together’ reflects the need for a coordinated, collaborative approach to delivery. It demonstrates a shared ownership across Xoserve, Customers and Stakeholders, recognising that success will depend on continuous improvement across people, processes, systems, and technology, with a clear focus on delivering tangible outcomes for the wider industry.



**Clive Nicholas**, Executive Director of Strategy and Development

## Strategic Journeys

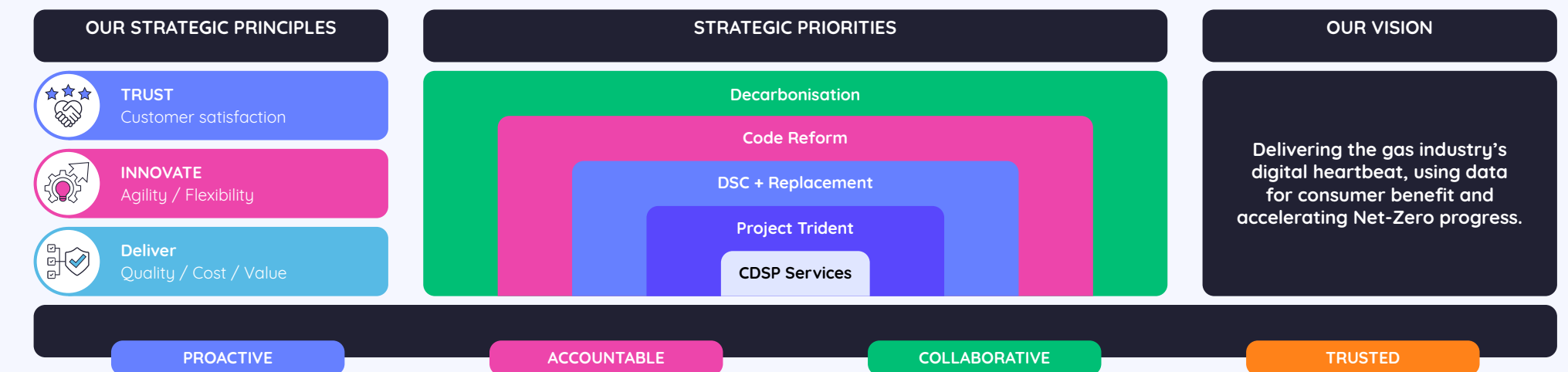
In 2024, we defined three Strategic Principles and five supporting journeys. These provided a framework to improve the Business Planning process and its content. They also helped demonstrate progress to Customers and enabled us to track delivery against our strategy and our ambition to evolve from an assurance and contract management company to an intelligent customer.

Over the past two years, we have made material progress against these journeys.

They have now largely served their purpose and are no longer the most effective way to describe our future direction. We will therefore pivot to three Strategic Principles: **Trust, Innovate and Deliver**.

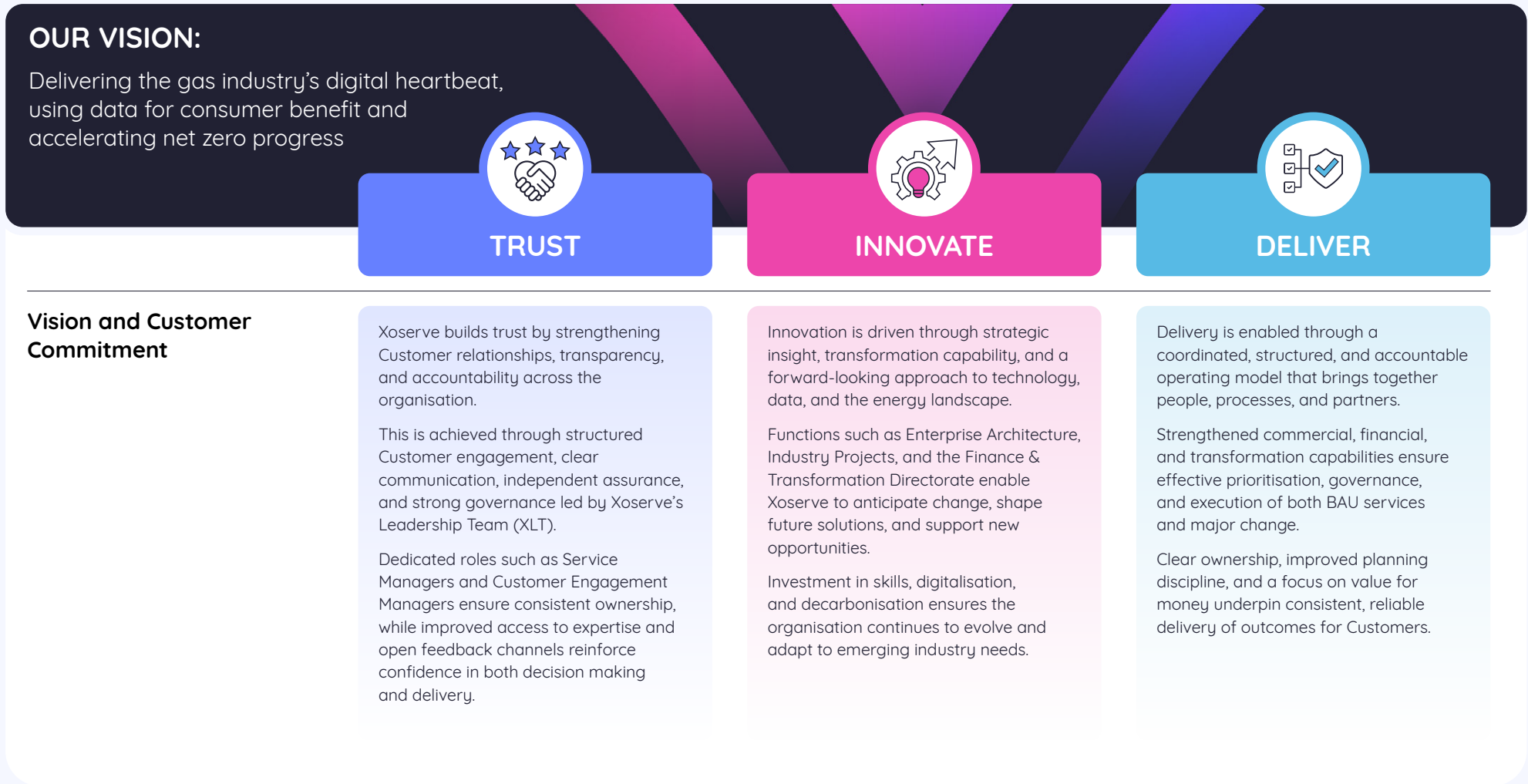
These three Strategic Principles were the themes set out in BP26. In BP27 these will be woven throughout the Business Plan, guiding every aspect of our approach. While not presented as standalone sections, they continue to underpin our commitment to strengthening trust, unlocking maximum value through innovation, and consistently delivering high quality CDSP services. Together, they articulate a clear and enduring statement of intent: to support and accelerate our broader strategic ambition of **Making Energy Data Work**.

## Our evolved strategy





Our Strategic Foundation



|                              | TRUST                                                                                                                                                                                                                                                                                                                                                                                                                                                                | INNOVATE                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | DELIVER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Core Service Delivery</b> | <p>Core Service Delivery builds trust by ensuring the safe, reliable, and consistent operation of critical CDSP services that the gas market depends on every day.</p> <p>Through a focus on stability, resilience, and transparent engagement with Customers, Xoserve demonstrates accountability while maintaining strong governance and responsiveness to operational and regulatory demand.</p>                                                                  | <p>Innovation is embedded through the continuous improvement of core platforms and services, ensuring they evolve alongside changing market, regulatory, and Customer needs.</p> <p>By modernising systems such as UK Link and Gemini, reducing technical risk, and enabling more flexible approaches to change delivery, Xoserve creates a foundation that supports future capabilities and industry evolution.</p>                                                             | <p>Delivery is achieved by maintaining high performing, resilient services today while systematically enhancing them for the future.</p> <p>Through structured investment, proactive maintenance, and coordinated change delivery, Xoserve ensures that core platforms remain secure, compliant, and fit for purpose, enabling dependable day to day operations alongside the efficient implementation of ongoing Service Enhancements.</p>                                                                                                |
| <b>Strategic Delivery</b>    | <p>Strategic Delivery builds trust by providing clear direction, governance, and oversight of complex, large scale change across Xoserve and its partners.</p> <p>By strengthening commercial capability, establishing more robust multi supplier arrangements, and ensuring alignment with regulatory priorities such as Code Reform, the organisation demonstrates control, transparency, and accountability in how major programmes are shaped and delivered.</p> | <p>Innovation is driven through the orchestration of transformation programmes that respond to evolving industry, regulatory, and market demands.</p> <p>By integrating strategic initiatives such as transformation partnerships, future service models, and emerging roles like Code Manager, Xoserve is positioning itself to enable new capabilities, embrace new technologies, and support the transition to a more dynamic, data driven and sustainable energy system.</p> | <p>Delivery is achieved through a coordinated, portfolio led approach that brings together commercial, technical, and operational change into a single, aligned roadmap.</p> <p>By strengthening governance, supplier management, and programme execution, Strategic Delivery ensures that complex initiatives, such as major system transformation and new market arrangements, are delivered in a controlled, sequenced, and outcome focused way, balancing risk while enabling long term value for Customers and the wider industry</p> |



## Vision and Customer Commitment



“

BP27 articulates a clear vision centred on strengthening our commitment to and engagement with our Customers through transparency, structured dialogue, and accountable delivery. By reinforcing governance, improving how we listen and respond to Customer insight, and aligning our capabilities to industry needs, Xoserve is positioned to deliver sustained value. I am confident that this approach will enable the organisation to build on its strong foundations and effectively support the future direction of the gas market that we will work on Transforming Together.”

**Mike Hogg**, Xoserve Board Chair

## Building Capacity and Capability

**Upskilling our people remains a critical enabler of Xoserve’s strategic priorities and supports our transformation journey. By investing in capability, and leadership depth, we are ensuring we can successfully deliver our priorities today while building the capacity to adapt and evolve for the future.**

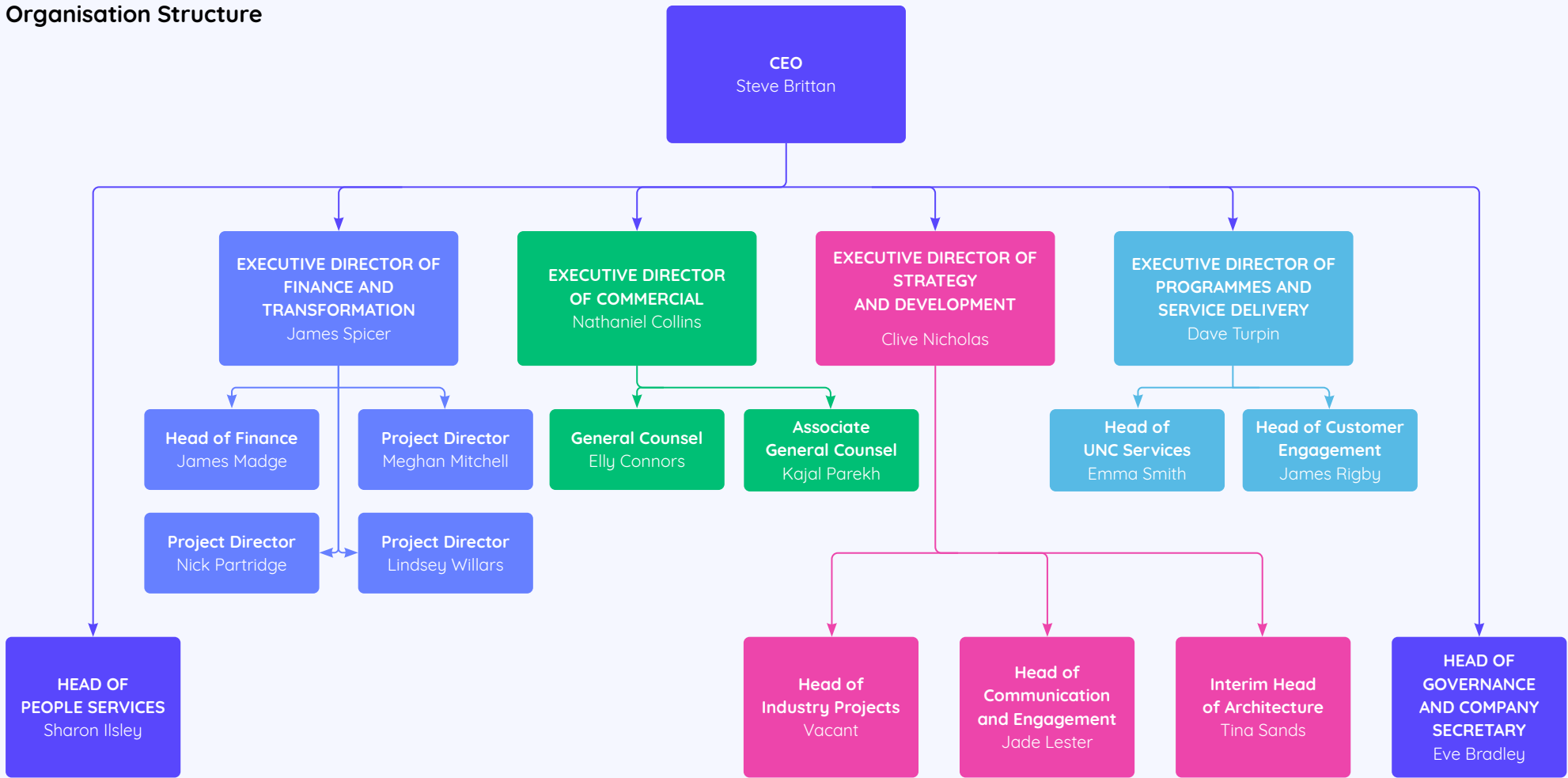
As we continue to evolve as an organisation, driven by regulatory change, digital advancement, and increasing stakeholder expectations, it is essential that we proactively develop the skills, behaviours, and mindsets required to operate in a more dynamic, Customer-focused environment.

The creation of a Finance & Transformation Directorate, alongside the appointment of a new Commercial Director, reflects the evolution of our Executive Leadership Team to support this transformation. This has enhanced our ability to lead complex programmes, strengthen financial stewardship, and embed a transformative approach across Xoserve. Collectively, these changes ensure we are structured, equipped, and aligned to deliver sustained value for our Customers.





Organisation Structure



Commercial Function

The Commercial team is evolving from a single supplier contract function into a strategic, data-driven capability that delivers within a more complex, multi-supplier environment, shaping sourcing, contract management, supplier relationships, and governance across the business. By strengthening procurement and commercial operations while embedding new behaviours, skills, and collaborative ways of working, the team will play a central role in delivering transition outcomes, managing risk, and driving continuous improvement across the organisation.

Finance and Transformation Function

This function sets out a coordinated, portfolio-driven approach that brings clarity, control, and alignment across Xoserve’s change agenda, ensuring work is prioritised, governed, and delivered as a single, coherent journey. By strengthening governance, visibility, and shared ownership, while embedding consistent standards, forward planning, and collective accountability, Xoserve is better positioned to deliver trusted outcomes, orchestrate complex programmes, and drive confident, joined up delivery across partners and internal teams.

Finance capability ensures strong financial stewardship, and cost control, supporting both Service & Operate activity and investment delivery. It provides robust planning, forecasting and cost visibility, enabling informed decision-making and effective prioritisation aligned to Customer outcomes.

Enterprise Architecture Function

This function was established to help ensure that CDSP platforms are more efficient, responsive, secure, and Customer focused. Alongside maintaining the stability and security of the current estate, the team is defining a forward-looking roadmap through new technical, data, and hosting strategies, strengthening governance via the Architecture Review Board, and building closer collaboration with service providers and vendors, ensuring change is delivered cohesively, with reduced risk and aligned to wider transformation and investment priorities.





### Decarbonisation Team

The Xoserve Decarbonisation team focuses on interpreting the changing external energy landscape and translating policy, regulatory, and market developments into clear strategic insight for the organisation.

The team plays a key role in helping Xoserve understand how future energy scenarios, low-carbon gases, data sharing, and market changes may affect its services, systems, and capabilities. It also supports and delivers green gas trials, studies, and industry initiatives, working closely with the wider gas ecosystem to explore practical pathways for decarbonisation.

Through strong engagement with gas networks, regulators, industry bodies and wider stakeholders, the team supports innovation and helps identify the changes needed to enable the transition to a lower-carbon gas system.

By connecting external developments with Xoserve's strategic priorities, the Decarbonisation team helps ensure the organisation remains aligned to regulatory expectations, responsive to industry change, and well positioned to evolve its role and capabilities within a transitioning energy system.

### Customer Engagement Team

The Customer Engagement Team focuses on strengthening Xoserve's relationship with its Customers by driving a more strategic, insight-led approach to engagement and continuous improvement. By using structured Customer feedback, benchmarking, and service insights, the team identifies priorities, shapes improvements, and ensures Customer needs are better understood and reflected across the organisation. Working closely with Customers and internal teams, they help enhance communication, reduce effort, and improve overall experience, building trust, supporting key initiatives, and enabling a more responsive, Customer-centric organisation.

### Service Management Team

The Service Managers, established in 2024, play a key role in providing clear ownership and coordination of service delivery across Xoserve, acting as a consistent point of alignment between Customers, operational teams, and suppliers. With defined focus across DSC functions and industry codes, they support the effective delivery of the Business Plan by ensuring services are well managed, Customer needs are understood, and delivery remains joined up and accountable.

In their role, Service Managers help strengthen oversight, improve communication, and embed a more structured, service-focused approach across the organisation.

### Communications and Engagement Team

The Communications and Engagement Team are the core of connecting Xoserve with its Customers, stakeholders, and the wider industry by ensuring clear, consistent, and effective communication.

The team focuses on shaping messaging, supporting strategic engagement, and improving transparency, helping to build understanding, trust, and alignment across key initiatives. Through proactive communication and stakeholder engagement, they enable Xoserve to better share its direction, respond to feedback, and support successful delivery of its plans, playing a critical role in the Business Planning process.

### Xoserve Leadership Team (XLT)

The Xoserve Leadership Team (XLT) provides strategic direction, oversight, and decision-making to ensure BP27 aligns with organisational priorities and industry expectations. It sets ambition, prioritises investment, and drives alignment across functions, sponsoring delivery to ensure the plan is coherent, achievable, and executed with impact.



“

Communications will power BP27 – bringing our plan to life, driving engagement, and delivering real value for customers and the industry”

**Jade Lester**, Head of Communications and Engagement

## Communication & Customer Engagement

### Customer Engagement

Engagement with Customers during the development of any Business Plan is a critical success factor. BP27 will be developed in collaboration with Customers, via an array of engagement opportunities and feedback channels. This will include face-to-face and online sessions, group meetings and opportunities for individual briefings and Q&A.

The [Business Plan online portal](#) has been updated, ensuring BP27 content is easily accessible and an engaging experience. Through the BP26 Business Planning cycle, Customers main preference was to provide feedback via letter and therefore, due to its limited use and the cost to maintain, the Online Forum functionality will be removed.



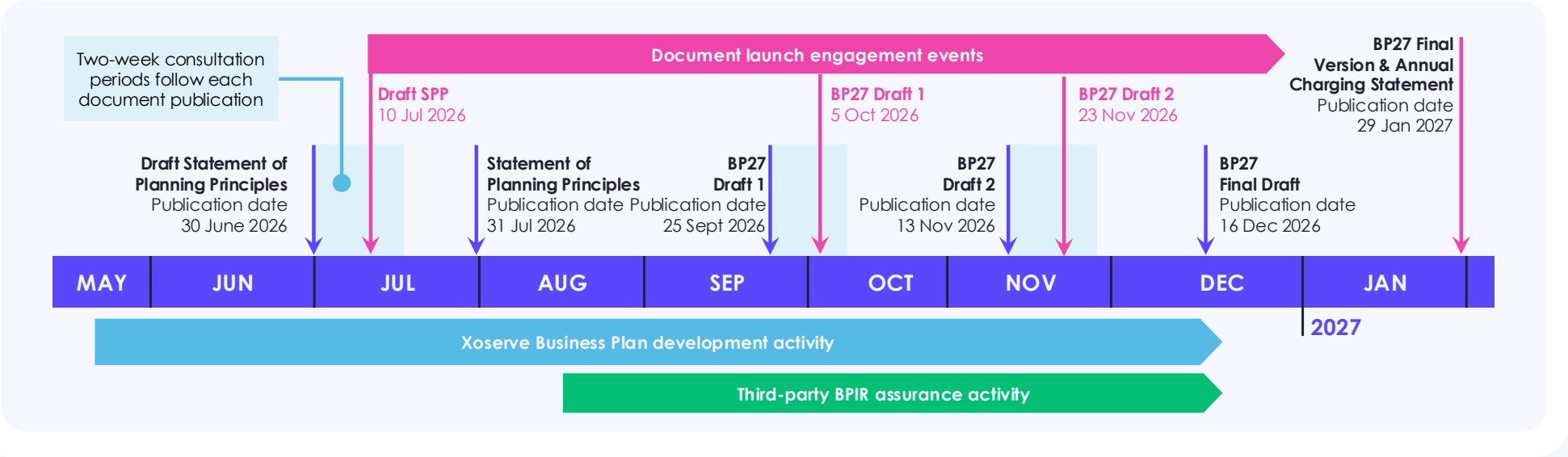
To ensure that the process of developing BP27 is consistent and robust, our dedicated Business Plan Manager will manage the end-to-end process and will be available to assist Customers throughout development of the Business Plan. We will ensure that Customer feedback is understood, reflected in the drafting process, and shared as we release versions of BP27, unless stated as being confidential.

During BP26, we shared a ‘You Said / We Did’ summary with Customers, demonstrating how feedback gathered through webinars, emails, bilateral meetings, letters, and our online forum was translated into action. This approach was well received, and we will continue to use ‘You Said / We Did’ updates throughout the BP27 planning cycle.





BP27 Timeline



Access to Expertise

We recognise that Customers value timely access to Xoserve expertise at key stages of the business planning process. To support this, we will provide access to subject matter experts who can clearly explain specific elements of the plan, including individual Investment Proposals and changes to Service & Operate costs.

The Xoserve Leadership Team (XLT) and Board will remain actively engaged throughout the development of BP27 and all related Customer interactions, ensuring a transparent, efficient, and effective process. Customer feedback, sentiment, and priorities will be regularly communicated across Xoserve to foster a shared understanding of BP27.

Presentation of Content

The Business Plan online portal will be enhanced to improve usability, accessibility, and engagement, including a more intuitive homepage, improved and with more visual, digestible content, while updated archive pages will separate previous years' materials into dedicated spaces.

The Business Plan Information Rule (BPIR) categories 'Current Performance' and 'Outputs' will continue to be provided in supplemental documents, and we will evolve the Business Plan to ensure it is more structured and concise, enabling stronger engagement, more effective stakeholder reviews, and better-informed decision-making.

Following Customer feedback, we have standardised the investment proposal template to provide a consistent structure for the information presented, with a shift towards more narrative-led content to enhance clarity and understanding of the options analyses.

Independent Assurance Approach

An independent third-party will again be instructed to assess BP27, ensuring that the information presented to Customers meets compliance with the Business Plan Information Rules (BPIRs). The approach will align with that of Business Plan 2026 – 2029 (BP26), which is an assessment at each iterative draft of BP27 with recommended actions considered, and where appropriate, included in further iterations of the plan.

In response to BP26 Customer feedback, the assessor will enhance its BP27 assessment by delivering a compliance report that clearly evidences scoring, identifies gaps, and provides transparent, actionable insight.

- **Compliance scores:** The final draft of BP26 achieved a 94% 'adjusted' compliance score, a 3% uplift on BP25's score, recognising that full compliance is not achievable during the Business Planning cycle. 'Adjusted' compliance was highlighted across all investment proposals as uncertainty and incomplete information are inherent at the planning stage. All other sections of the assurance report were fully compliant.



- **Investment Proposals:** The content of investment proposals will be strengthened, clearly setting out what is known, and what is unknown through explicit assumptions, transparent option analysis, and clear links to Customer outcomes. Evidence will be presented, enabling robust, assessment to build Customer and stakeholder confidence in funding decisions.

- **Project and Programme Delivery:** As projects and programmes are incrementally delivered following Business Plan approval, we continue to use the investment-related BPIRs to assess value for money.

The Annual Report 2025/26, to be published in August / September 2026, will provide Customers with an overview of our investment delivery phase, which commences in April following Business Plan approval.

It sets out the governance framework used for investments, reporting expenditure against approved budgets, and summarising outputs achieved.

An independent assurance assessment has been undertaken against a single BP25 investment proposal, highlighting to Customers how investments are managed through project and programme delivery using the BPIR framework.

- **Financial accuracy:** The assessor will again conduct sampling checking to confirm consistency between BP27 financials and the budget model calculations.
- **Access to the assessor:** As with BP26, we will facilitate Customer access to the independent assessor throughout the development cycle of the Business Plan.



## Engagement so Far

### Statement of Planning Principles

Following the publication of Xoserve's Draft Statement of Planning Principles (SPP) on 30 June, we launched a two-week consultation period to seek Customers' views on our strategic approach and proposed investments for BP27. As part of this consultation, Customers were invited to provide feedback on three key questions: What would give them greater confidence that BP27 will be delivered successfully? What additional investments should be considered to ensure BP27 remains fit for the future? Are there any other important outcomes that BP27 could deliver?

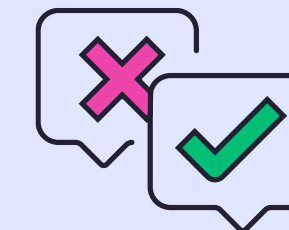
To support this engagement, we also hosted a live Q&A webinar on 10 July, providing Customers with an overview of the SPP alongside a more detailed explanation of the proposed Code Manager and Transforming Together investment proposals. You can access the content of this webinar on our dedicated [online portal](#).

Overall, the feedback received was supportive of our approach and identified opportunities to further strengthen BP27, including consideration of how the General Change budget could be used to support early-stage innovation, feasibility assessments and industry-wide exploration of emerging requirements and future challenges.

This feedback will be considered and, where appropriate, be incorporated in BP27 during the Business Planning process. As with previous Business Plans, all non-confidential feedback and our responses will be uploaded to the [Consultation](#) section on our online portal, including a BP27 [Q&A log](#), and a [‘You Said / We Did’ summary](#).

### PROMPTING YOUR FEEDBACK

What would give you greater confidence and assurance that BP27 will be delivered successfully?





## Proposed Investment Areas for BP27

**The following investment areas set out how Xoserve intends to deliver targeted change and improvement across BP27.**

Each Investment Proposal (IP) is designed to address specific regulatory, operational, or strategic drivers, ensuring that investment is clearly aligned to Customer priorities, industry obligations, and long term capability needs.

For BP27, emphasis will be placed on strengthening the clarity, consistency, and transparency of IPs, clearly articulating the problem being addressed, the options considered, and the assumptions made, with efficiencies and value for money (VfM) explicitly demonstrated as part of a robust, evidence-based approach. This will support more informed decision making, stronger linkages between strategy and cost, and greater confidence that proposed investments represent an appropriate, evidence-based approach to delivering outcomes for Customers and the wider industry.

Feedback received through the Draft SPP consultation identified a desire for clearer measures of success within Investment Proposals. In response, we will look to develop appropriate success measures, baseline performance metrics and target outcomes, providing Customers with greater transparency of expected delivery and benefits.

### Project Trident

The Project Trident investment will focus on completing final procurement activity and mobilising our selected Core Services Partner, before commencing Design, Build, Test and Migrate (DBTM) activities. The investment will be underpinned by the Final Business Case (FBC), to be published to Customers in Summer 2027, setting out confirmed delivery arrangements, market-tested costs, funding approach, governance, and implementation timelines.

### UK Link Sustain

This Investment Proposal seeks to secure continued investment in the UK Link platform to maintain its security, stability, and performance while preparing for its future replacement through Project Trident. It aims to ensure that all components remain within vendor support, reduce operational and technical risk, and sustain reliable CDSP service delivery, while also taking early steps to rationalise the estate and align it with the target architecture to enable a smoother and more cost-effective transition in the future.

### Gemini

This Investment Proposal seeks to establish continued investment in the Gemini platform to ensure it remains secure, compliant, and capable of supporting critical gas market processes, while enabling it to evolve in line with increasing regulatory and market driven change. The investment focuses on three core areas: regulatory compliance, to meet evolving industry obligations; system sustainment and enhancement, to maintain performance, resilience, and reliability; and data provision, to support growing demand for timely, high quality market data.

### General Change

As with previous Business Plans, this investment provides funding for the design and delivery of changes to UK Link systems and processes which are driven by industry Code Modifications. This ensures ongoing compliance and adaptability of the solutions operated by the CDSP and utilised by DSC parties. In BP27 the General Change budget will continue to be required to fund the design and delivery of three UK Link Major Releases (in February, June, and November). It will also be required for ad hoc project delivery activities that need to be performed throughout the Business Plan year, and for the development of new data industry requirements through reporting and visualisation services.





CDSP Service Enhancement

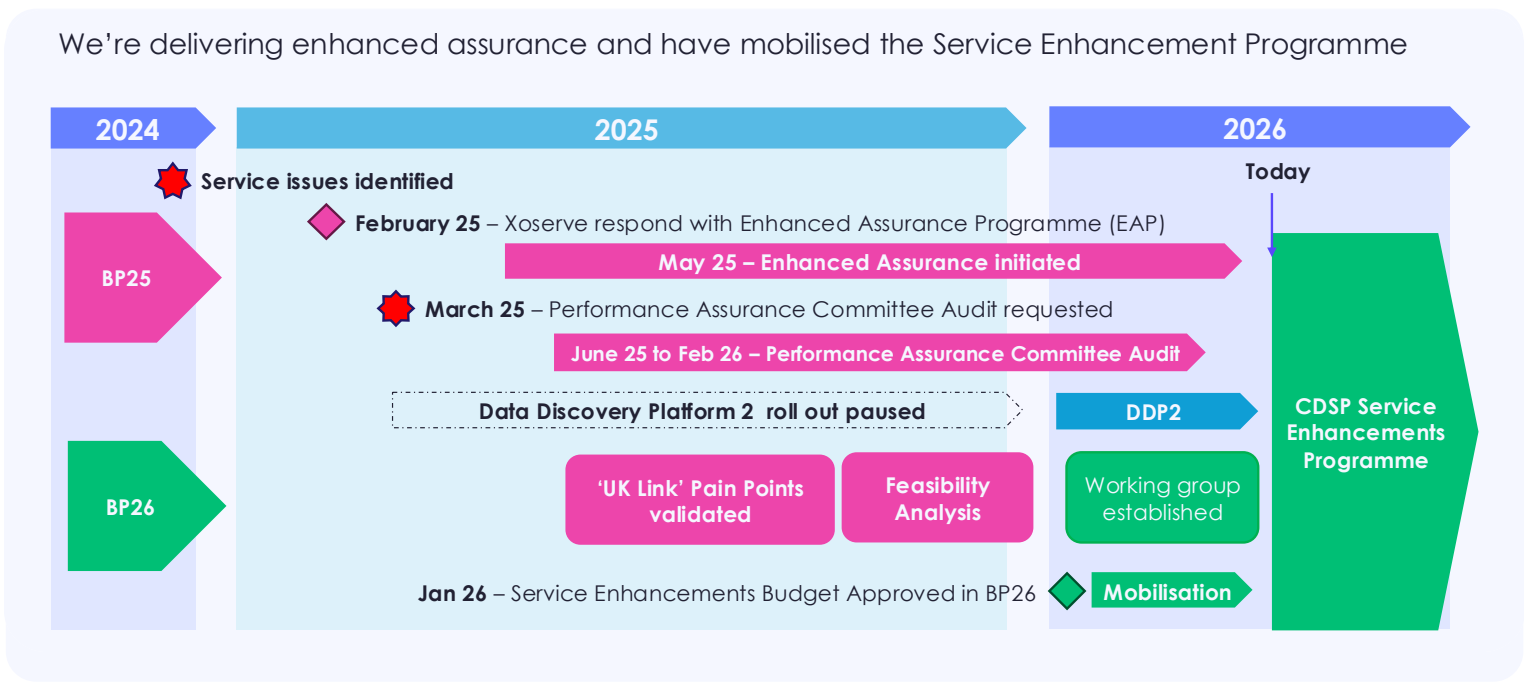
The CDSP Service Enhancement Programme (CDSP SEP) mobilised in April 2026 following extensive Customer engagement during 2025-26, including dedicated workshops that enabled us to validate known pain points with existing central service provision.

Following Customer consultation, we took the decision to merge this programme with ongoing ‘Enhanced Assurance’ activity, thereby driving efficiency by utilising existing resources, and effectiveness by maximising the potential for solutions to address both Customer pain points and findings resulting from assurance activity.

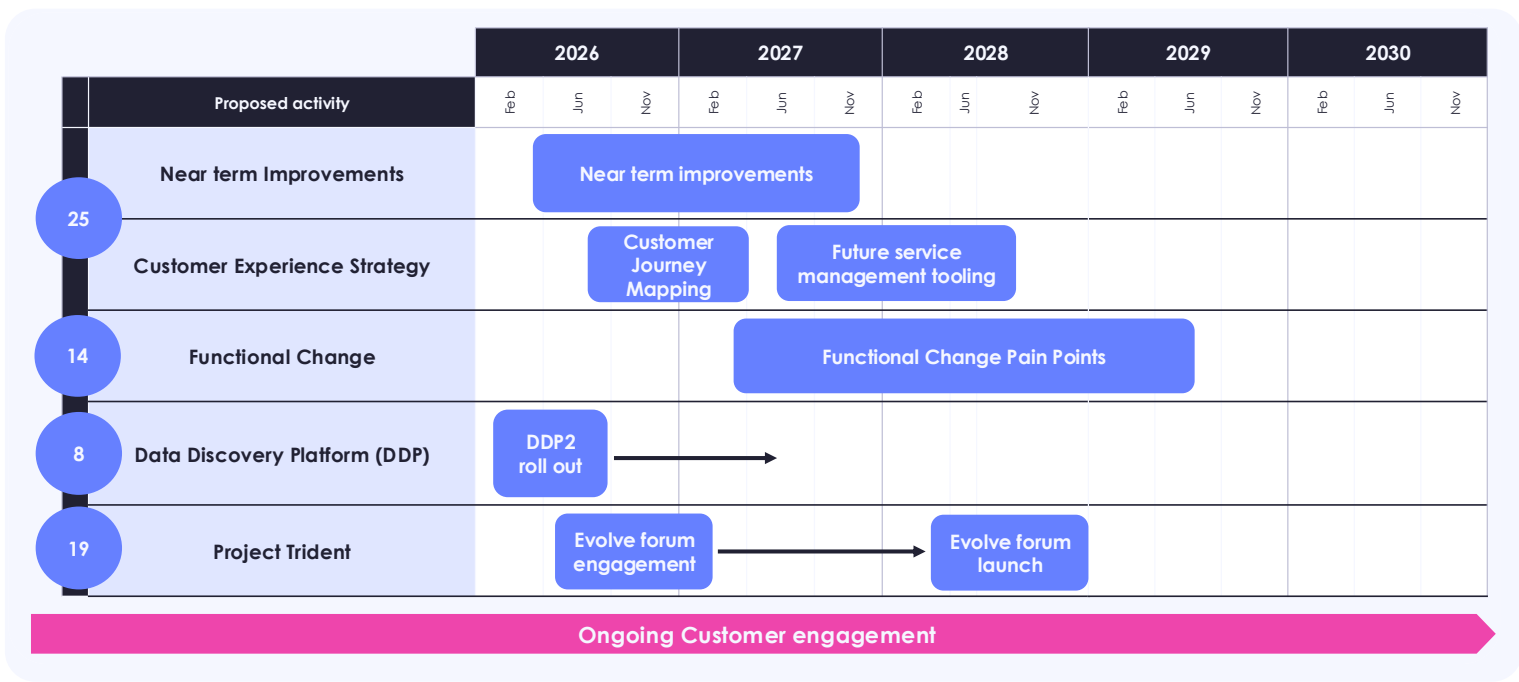
The investment proposed for BP27 will allow us to continue to develop and deliver Near-Term Improvements. The solutions to these pain points are typically tactical, with tangible improvements that do not pose any requirement on Customer organisations to deliver functional changes to their internal IT / processes.

In line with our BP26 forecast, funding will also be sought to make further progress with pain points that sit within the Functional Change swim lane. We are fully committed to continuing the high levels of Customer engagement that the programme has provided to date.

The Story so Far



Pain Point Plan





### CDSP Service Development

CDSP Service Development will support Xoserve in preparing for future data, digitalisation and regulatory expectations, including Ofgem’s Data Best Practice direction and the potential evolution of open data obligations across the energy sector. The work will build on the Draft Digitalisation Strategy, Open Data Discovery, Project Trident, and the CDSP Service Enhancement Programme to improve the transparency, accessibility, governance, and interoperability of CDSP held data.

During BP27, this investment would enable Xoserve to assess CDSP data ownership, permissions, metadata and access routes; improve the handling and triage of data requests; support any future UNC, DSC or governance changes linked to Data Best Practice; and progress discovery and proof-of-concept activity for future open data capability.

Overall, the investment will help provide Customers with confidence that Xoserve is proactively preparing for future obligations and expectations, while ensuring that any broader data sharing is delivered through robust governance and aligned with the wider transformation activities.

Artificial Intelligence (AI) investment for BP27 is expected to focus on progressing from discovery into controlled delivery, including funding for AI proof-of-concept development. It may also include integrating AI with existing data platforms to enable improved insight generation, operational intelligence, and decision support, while maintaining strict separation from core deterministic processes. This will ensure scalable, compliant, and resilient adoption of AI capabilities aligned to Xoserve’s broader data strategy.

### DSC Contract Budget

This Investment Proposal provides a dedicated, ring-fenced budget that enables Xoserve to efficiently deliver ad hoc, non-technical assurance and contract related activities requested by DSC Customers, ensuring activities can be delivered flexibly and incrementally in line with Customer needs.

### Preparing for Code Manager

Ofgem decided to progress our Code Manager Expression of Interest proposal into the Licensing Assessment phase as directed on 1 June 2026.

Xoserve’s partnership with Encodar and Talan brings together complementary strengths across governance, operational delivery and digital transformation – combining proven code administration expertise, deep gas market knowledge, and modern capability to create a stable, effective and future-ready Gas Code Manager.

It is understood that a minded to position will be forthcoming towards the latter end of the 2026 calendar year with full Licence award within the 2027 calendar year. Investment decisions will be guided by this timeline and associated implementation phases.

### Transforming Together

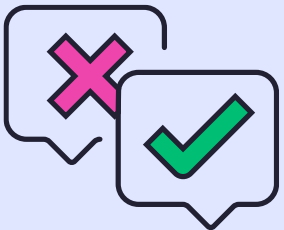
This investment seeks funding to design, mobilise and implement a future Operating Model that enables Xoserve to evolve its existing delivery model, which combines internal capability with strategic supplier partnerships, towards a more integrated, capability-led intelligent customer organisation.



It will deliver the people, process, governance, and technology readiness required to support future service arrangements, DSC+ Replacement, and a more complex multi-supplier environment, while strengthening internal capability across service management, commercial oversight, and operational delivery. The investment enables early mobilisation of the operating model transformation, avoiding compressed delivery timelines and ensuring Xoserve can implement a controlled, scalable and sustainable operating model aligned to the 2030 transition horizon.

### PROMPTING YOUR FEEDBACK

What additional investments should we be considering now, to ensure BP27 remains fit for the future?





## Core Service Delivery



“

Core delivery goes beyond maintaining stability, it's about strengthening trusted CDSP Core services while continuously improving how we deliver value to our Customers and the wider Gas Industry.”

**Dave Turpin**, Executive Director of Programmes and Service Delivery

**Our ambition remains the same: to make energy data work by continuing to build Trust, Innovate to drive maximum value, and Deliver excellent CDSP services, both now and in the future.**

In BP27, this role continues to be critical, but it is also evolving. Through the theme **‘Transforming Together’**, Core service delivery is not just about maintaining existing services, it represents a shared commitment between Xoserve and Customers to sustain, enhance and develop these services in line with changing market needs.

It ensures that the industry continues to operate effectively throughout that journey whilst maintaining stability and resilience in critical systems, responding to operational challenges and regulatory requirements, identifying opportunities to improve services, whilst aligning enhancements with Customer priorities and the future direction of the gas industry.

## Service Enhancements

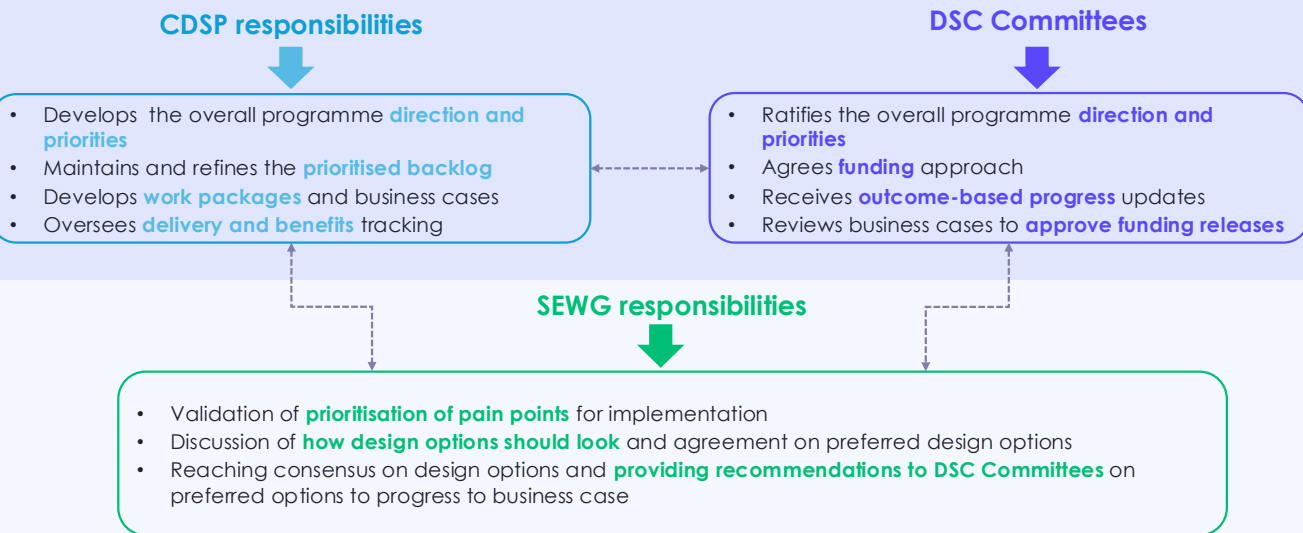
In 2026 the Enhanced Assurance Programme and the new CDSP Service Enhancement Investment, which was approved in BP26, were brought together into a new CDSP Service Enhancements Programme (CDSP SEP) with the key focus on delivering incremental, Customer-driven improvements across CDSP services. In 2026, CDSP SEP activity is focused on delivering a prioritised roadmap of enhancements addressing identified Customer pain points, with a newly created CDSP Service Enhancements Working Group (SEWG) set up to enable DSC Customers to monitor, influence, and contribute to the delivery of Xoserve's CDSP SEP.



## Governance and Prioritisation

### Governance and Prioritisation Approach

Governance will be split across the DSC Committees and CDSP. This approach ensures that strategic control remains with DSC Committees, whilst delivery can progress at pace within agreed parameters.



Looking ahead to 2027, the CDSP SEP will continue to deliver iterative improvements, aligned to wider transformation initiatives and evolving market needs, with an increased focus on digital user experience, data accessibility and operational efficiency.

“

In BP27, we will continue to ensure that our core platforms and change services reliably deliver the outcomes our Customers depend on. Through targeted investment in UK Link and Gemini, alongside a responsive General Change capability, we will maintain compliance with industry codes while enabling timely delivery of regulatory and Customer-driven change. Building on the successful implementation of Gemini, we will continue to enhance performance, resilience, and data provision, ensuring our services remain effective, adaptable, and focused on meeting evolving Customer needs.”

**Emma Smith**, Head of UNC Services





## UK Link Sustain

UK Link Sustain supports the continued operation of the platform that underpins core CDSP services by maintaining its security, stability, and performance over the BP27 period. It ensures that system components remain within vendor support, vulnerabilities are addressed through essential maintenance and upgrades, and day to day service delivery remains reliable, thereby reducing the risk of service degradation or disruption to Customers. Through targeted improvements to the existing estate, including technology upgrades, removal of legacy components and optimisation of key capabilities, technical and operational risk are reduced, improving efficiency and resilience. This ensures UK Link remains fit for purpose while supporting ongoing market operations and future system evolution.



## General Change

General Change represents our structured approach to designing and delivering system and process changes to UK Link in response to industry Code Modifications. As modifications progress through governance and reach sufficient maturity, activities such as requirements definition, solution design, and release scoping are developed and approved through the appropriate DSC governance forums. This capability enables the delivery of both planned, release-based changes and more flexible in year activity, supporting ongoing compliance, adaptability, and service improvement. It ensures that UK Link continues to meet evolving regulatory requirements while also enabling enhancements to reporting, data, and operational processes.

## Gemini

Gemini is an industry critical platform that underpins key gas market processes, operating within a highly interconnected ecosystem across UK Link and wider market systems. As regulatory and market-driven change continues to increase in both volume and complexity, it is essential that changes are delivered reliably and at pace across three core areas: regulatory compliance, system sustainment and enhancement, and data provision. Effective governance, planning, and resource mobilisation ensure Gemini continues to operate efficiently, remains compliant, and supports stable, resilient market operations.





## Strategic Delivery



Through our Transformation approach, we are bringing clarity, control and discipline to an increasingly complex change landscape, aligning investment, governance, and delivery into a single, portfolio led journey. By working in close alignment with our Strategic Delivery capability, we are ensuring that major programmes are not only well governed and value driven, but orchestrated as one coherent roadmap, delivering sustainable outcomes for Customers and building confidence in how transformation is planned, prioritised and executed.”

**James Spicer**, Executive Director of Finance and Transformation

## Project Trident

### Overview

**In July 2024, we launched Project Trident, a multi-year project which will modernise the UK Link platform, in response to SAP’s planned discontinuation of standard support for IS-U ECC6 in 2027, with extension of support opportunity to 2030.**

This project is a key enabler for the provision of enduring, robust and secure future CDSP services. Our goal is to deliver, as a minimum, a like-for-like capability for our Customers, minimising impacts to them. We will also consider improvement options which may enhance the way Customers interact with UK Link data by considering innovation and future-proofing when deciding on the technical solution.

We continue to use HM Treasury’s Green Book approach to business cases to create the case for change, identify our preferred solution, and to optimise our cost, risk and timeline profile. We published the first iteration, our Strategic Outline Case (SOC), in September 2024, and the second iteration, the Outline Business Case (OBC), in January 2026. We have also initiated our procurement with an initial Pre-Qualification Questionnaire (PQQ) in February 2026 leading to a shortlist of 3 bidders who will receive a Request for Proposal (RFP) in the summer of 2026.



Our supplier market engagement process has provided strong competition for delivery partners to support Project Trident.”

**Nick Partridge**, Project Director





## What progress have we made?

Project Trident has made significant progress developing our proposed solution and delivery approach. Through a combination of our own and third-party analysis, we identified a ‘Preferred Option’ of SAP Hybrid, a core solution based on modern SAP capabilities, with the potential to integrate best of breed components for other areas (e.g. integration and reporting capabilities). This analysis included running our own pilot conversion of our existing UK Link application code and data to the more modern S/4 HANA environment using recommended automated tooling – Solution Definition. This confirmed that a brownfield migration using industry standard migration tooling, followed by a series of architectural improvement releases (“Evolve”) to deliver the flexibility and agility to underpin Trident through to 2040, is the lowest risk approach. We have summarised decisions to date in January 2026 in the OBC.

We have also defined, agreed, and are now executing against a procurement plan aligned to an approved Commercial Model. The initial procurement stage, the PQQ, allowed us to down select from 23 potential partners to three bidders to receive the RFP when published. Preparation of the RFP is well advanced.

If at any point in procurement we establish information that renders our Preferred Option technically, commercially, or financially unviable, we will revisit the shortlist options in our OBC Economic Case to establish a revised approach for Project Trident moving forward.

While the primary goal of Project Trident is a like-for-like, but supported UK Link, we have also gathered potential scope items that could enhance the way Customers interact with UK Link data. Through a series of workshops, 73 opportunities were identified and aligned to delivery streams. 19 have been identified for consideration via Project Trident and are now subject to further evaluation ahead of consideration/re-validation for inclusion as part of Evolve; the remainder are being progressed through other initiatives (e.g. CDSP Service Enhancement Programme).

## What progress do we expect to make in the next 12 months?

In the next 12 months, we will launch the Request for Proposal (RFP) to our shortlisted vendors and progress procurement, with the aim of identifying our Preferred Bidder and moving into final negotiations by the end of FY27.

We will continue to build our understanding of delivery risks and further de-risk the programme through a second Solution Definition phase, expanding to include related SAP products and exploring options for enhanced data and reporting capabilities.

Customer engagement will remain a core focus, including continued updates through forums, communications, and newsletters, alongside development of Terms of Reference for future Customer forums to support the Evolve stage.

## What to expect in BP27

Our BP27 Trident investment will support completion of final procurement activity and mobilisation of our chosen Core Services Partner. We expect to be in the final stages of our procurement as we enter FY28, aiming to confirm our Core Services Partner and complete contract signature by Summer 2027.

Following contract signature, we will go through a mobilisation period with our selected vendor, and then start our Design, Build, Test, and Migrate activity (DBTM). We expect a substantial uptick on project spend at this stage as vendors come on board and we start building and licensing our environments.

We will use the third iteration of the HM Treasury Green Book, the Final Business Case (FBC), to summarise our key decisions to date, publishing this to Customers in late summer 2027. This will build on our OBC and will confirm final delivery arrangements including market-validated costs and solution from our preferred vendor, agreed funding arrangements, and detail on the governance and timeline to deliver Project Trident.





# Service Development

## Data Best Practice and Digitalisation Readiness

### Overview

The energy data landscape has continued to evolve since the Energy Data Taskforce set the direction for more open, accessible, and better structured energy data. Ofgem’s Data Best Practice Guidance has reinforced this direction, with increasing expectations around how energy organisations govern, describe, discover, access, and share data. For Xoserve, this is strategically important given our role as the Central Data Services Provider for the gas market and the volume of industry data we hold and manage.

### 2026/27

Xoserve has already started to prepare for this journey. In June we shared the first draft of our Digitalisation Strategy with Customers for comment, setting out how we intend to improve transparency, accessibility, interoperability, and stakeholder experience in relation to the data and digital services we provide.

This strategy is not the end point; it is the foundation for a more structured conversation with Customers and Stakeholders on data access, digitalisation, and future value. It will evolve further as regulatory expectations mature, with a Digitalisation Action Plan developed alongside it to provide clearer actions, milestones, and measures of success.

It is important to recognise that future obligations are likely to develop in two connected areas. The first is the requirement to act in accordance with Ofgem Data Best Practice Guidance. Xoserve has already started preparations to understand how its data governance, permissions, access processes, and data management arrangements align with those expectations. The second is the expected requirement to publish and maintain a Digitalisation Strategy and Action Plan. By publishing the first version of our Digitalisation Strategy in June 2026, Xoserve is already taking early steps to prepare for this future requirement.

### What to expect in BP27

During BP27, we propose to continue this work through a structured Data Best Practice and Digitalisation readiness programme. This would include assessing CDSP-held data against Data Best Practice principles, clarifying data ownership and permissions, improving dataset descriptions, reviewing data access request processes, and developing clearer triage and prioritisation routes for future data requests. It would also support any future UNC, DSC or governance changes required to implement Data Best Practice obligations across the gas sector.

This activity will be closely linked to the refresh of Xoserve’s internal Data Strategy. While Data Best Practice does not, in itself, require a standalone Data Strategy, refreshing our internal approach will help demonstrate how Data Best Practice principles are being embedded into the way we govern, steward, describe, and share data. This will provide a clearer line of sight between our legal and regulatory obligations, our Digitalisation Strategy, and the practical improvements needed to strengthen data quality, security, discoverability, access, and interoperability.

## Artificial Intelligence (AI)

### Overview

During 2025, Xoserve explored the use of generative AI within internal operations, beginning with a controlled pilot outside the CDSP estate to assess productivity gains in a low-risk, enterprise-protected environment. The pilot, supported by training on responsible AI use and data handling, demonstrated clear efficiency benefits with minimal risk, leading to a phased rollout governed by robust controls and regular reviews. In parallel, an AI governance group was established with cross-functional representation to oversee use cases, tools, vendors, and risk management, supported by internal and supplier-facing policies aligned to Ofgem guidance and the EU AI Act. This structured approach is reinforced by ongoing training and a network of AI champions to support safe, consistent, and value-driven adoption across the business.

### 2026/27

Following a successful AI Pilot, we are moving into a discovery phase during 2026, engaging with Customers and stakeholders to take a structured, risk-based approach to AI within the CDSP environment, where careful governance and consent are essential. The focus will be on using AI to support insight generation and decision-making rather than core deterministic processing, while consulting on potential use cases and developing an AI Strategy aligned to improving efficiency, service quality, and resilience. As we progress into late 2026 and 2027, controlled proof-of-concepts will be delivered with full oversight, alongside ongoing refinement of the strategy to reflect the evolving AI landscape.

### What to expect in BP27

In 2027/28 we will continue to evolve our governance framework and adoption as the CDSP, proactively refining our approach in line with advancements in areas such as agentic AI, where both opportunities and risks are rapidly developing.



## Enterprise Architecture

“

Enterprise Architecture has strengthened its foundations and matured its capabilities, increasing our knowledge base ready to help shape a secure, future-ready architecture that enables informed decision making and delivers improved outcomes for our Customers.”

**Clive Nicholas**, Executive Director  
of Strategy and Development



### Overview

During 2025, the Enterprise Architecture team has continued to lay the foundations for the function, embarking on work to mature capabilities and assisting in the delivery of enhanced business and technical outcomes, providing key information and critical information to foster informed decisions.

The Architecture Review Board (ARB) continues to evolve, improving the way we process front door requests, govern changes, make/record decisions and approve Xoserve’s technical and business architecture changes, whilst continuing to provide counsel and direction. Extension of the Open Group Architectural Framework (TOGAF) continues, with the number of artefacts and key documents increasing, helping hone and document our knowledge of Xoserve’s people, processes and technologies.

The team’s participation in the evolution of Project Trident has been key, helping shape the scope of the technical and business change through technology reviews, workshops, vendor meetings, and market engagement. A vision of Xoserve’s future architecture was shared ahead of the Project Trident PQQ and RFP to market test concepts with those potential partners that have delivered these transformation changes before on a global stage. This provided early insight and views into the possibilities of our ‘without constraints’ proposed future architectures.

Enterprise Architecture also continues to ensure that the existing CDSP platforms are supported, secure and responsive whilst gearing up to accept Project Trident into the estate. This involves looking at the various components within the estate and mapping their end of support timescales to Project Trident’s delivery to negate any form of disruption to the phases of Project Trident.

Through the combination of these activities, the creation of Xoserve’s future roadmap of change across the estate has been possible. This is supported by the development of Enterprise Architecture’s first Technology Strategy, Data Strategy and Hosting Strategy, with each presenting a forward view as to where the business intends to utilise technology to increase capability offerings to our Customers, provide added estate security and rationalise the number of components currently deployed in the UK Link estate. This enhanced set of living artefacts will support future investment proposals and has already highlighted several opportunities, which the team will be working through with our Service Provider during 2026 and beyond.



## Strategic Focus on CDSP Capabilities

### AI (Safe & Strategic) •

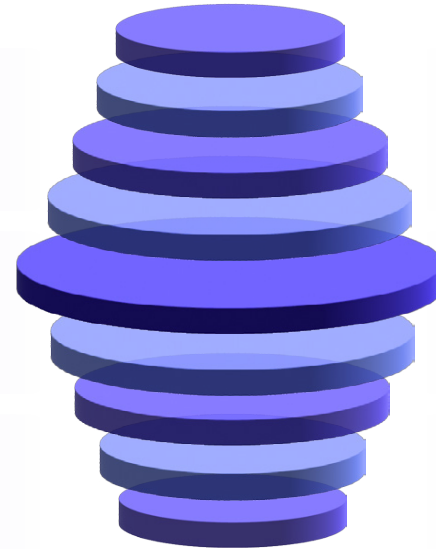
Adopt facilitative AI in a controlled, ethical, and regulator-aligned manner

### Digital Experience

Improve digital services and simplify end-to-end journeys for industry participants

### Post-2030 Readiness

Prepare a flexible, sustainable operating model that reduces dependency and supports future change



### Modernise Core Platforms

Secure and modernise UK Link through a hybrid S/4HANA core with controlled change at the edges.

### Resilience & Cyber

Strengthen resilience, security, and operational assurance for market-critical services.

### Data Platforms & Architecture

Elevate data into a governed, accessible strategic asset that supports transparency and assurance.

## 2026/27

Over the course of 2026, the Enterprise Architecture Team will establish closer technical relationships with vendors whose products are active in the CDSP estate. Our architectural collaboration with our Service Provider will continue to strengthen too, building on an already stable foundation with their Architecture team through the sharing of ideas, concepts, and TOGAF artefacts and documentation.

In addition to this we will deliver the Solution Definition Phase 2 work which will support Project Trident Migrate and explore tooling options and approaches for the architectural modernisation planned for the Evolve phase.

## What to expect in BP27

In 2027/28 we will continue to build our capability and maturity to support Sustain, CDSP enhancements and to support the Project Trident and associated Transformation activities including greater definition of Evolve, and continuation of Solution Definition development.

## Code Manager

### Overview

Ofgem's decision on 1 June to progress the Code Manager Expression of Interest into the Licensing Assessment, opens a 13-week window in which to develop a response in collaboration with Customers.

Our approach, timelines and investment needs will evolve during the BP27 Business Planning cycle, and we will engage with Customers throughout this process.

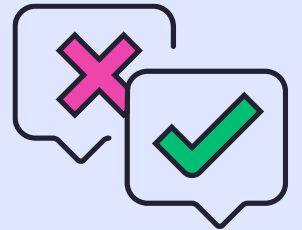


## Code Reform

Ofgem's second Strategic Direction Statement (SDS-2) sharpens the focus on implementation across the energy sector, as long-term ambition is translated into practical delivery. It emphasises the need for governance, market arrangements, and data frameworks to be ready to deliver against both immediate priorities and longer-term decarbonisation goals. For Xoserve, SDS-2 will play a central role in shaping our direction, reinforcing the importance of aligning policy, code governance, and operational delivery as we focus on 'Act Now' priorities and support a more resilient, efficient, and future-ready gas market.

## PROMPTING YOUR FEEDBACK

Are there any other important outcomes that BP27 could deliver?

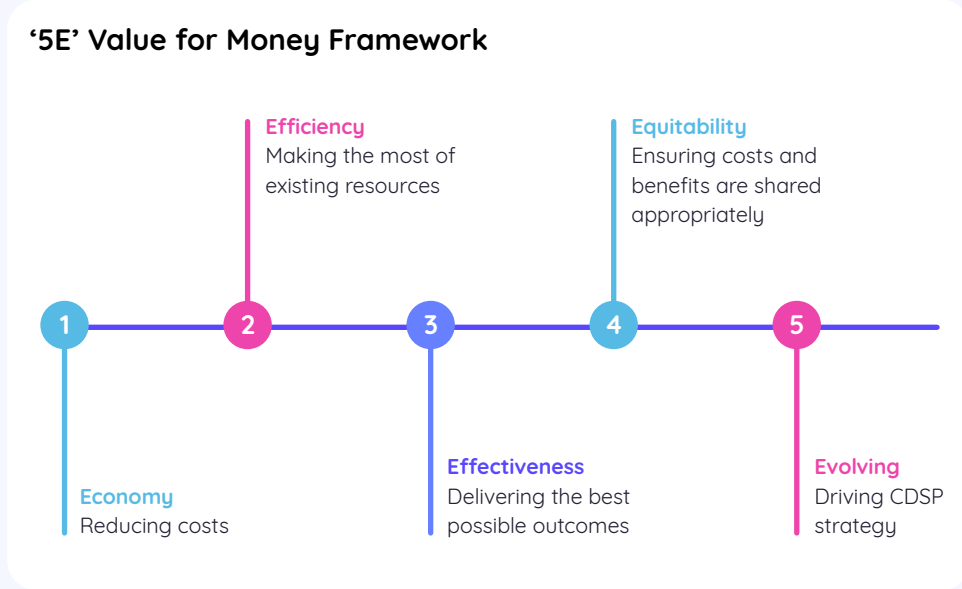




# Financials

## ‘5E’ Value for Money Framework

Our commitment to clearly articulating the value delivered through CDSP services remains a key priority for BP27. We will continue to apply the 5E Value for Money (VfM) framework, enabling us to demonstrate how value is delivered across five equally important and weighted areas.

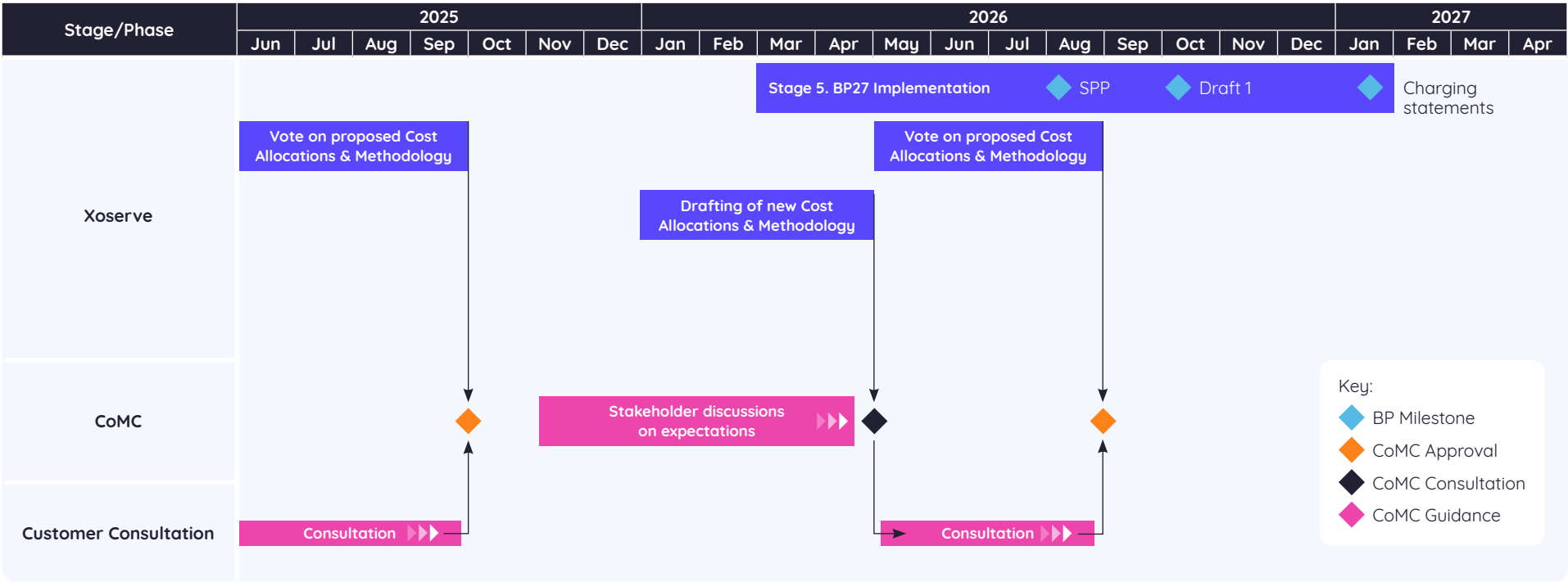


## Equitability Review

Customers were consulted on proposed changes to the Budget and Charging Methodology during Q2/Q3 2025 and presented at the appropriate DSC committees, where the proposals were rejected. Further work has been undertaken and stakeholder discussions on expected outcomes have now concluded.

The new Cost Allocations & Methodology drafting is now being consulted on with Customers and depending on the outcome of this consultation it is possible that some changes to how costs are allocated in some service areas may be included in the first draft of BP27 (published September 2026). The Equitability Review Milestone Plan is focused on the elements of the review that may impact BP27.

## Equitability Review Milestone Plan





## Cost Principles

Xoserve takes a disciplined, value-led approach to budget setting, aligned to the nature and strategic priority of spend.

From a Service & Operate (S&O) perspective, budgets are driven by deltas to the prior year. S&O spend underpins the consistent delivery of CDSP services and what was delivered in the prior year is generally expected to be delivered in the future. Increases or decreases arise as and when the scope of these services, or the associated supporting services change, or where cost efficiencies can be shared with Customers. An underlying principle is that where possible, a ‘bottom-up’ approach to budgeting is applied. Where the maturity of the scope change is low, but required, and ‘bottom-up’ costing is not feasible, then Rough Order of Magnitude (ROM) and ‘T-shirt’ sizing is typically applied, using similar previous scope changes as a guide.

For the majority of investment projects, high level requirements are provided to our third-party Suppliers at the preliminary Business Plan stages, who subsequently provide ROM costs to support budget requests. Xoserve again undertake T-shirt sizing to ensure that the funding requested is economical, but that sufficient funding is secured minimising the risk of reopening the Business Plan in year and reducing the impact on Customers.

Once the Business Plan year has commenced, Statements of Work (SoW) are developed to confirm scope and costs. Where investment projects underspend against the ROM provided for Business Plans, or are generally unutilised, funds are returned to Customers via the usual annual rebates against future charges or agreed to be rolled forward against future delivery.

## Inflation Approach

Business Plans are prepared and communicated in price terms applicable to the drafting year (Y 1). When producing the Annual Charging Statement for the relevant Business Plan year, Xoserve applies CPIH, based on the 12 month period to the December preceding the start of that year, to S&O costs and to non drawdown Investment budgets.

## Key Cost Drivers

S&O cost drivers relate to scope changes. This can be the result of investments delivered in the prior year, other specific S&O changes outside of Investments, and the sharing of cost efficiencies delivered directly by Xoserve or by its third-party Suppliers.

The majority of Investment costs are driven by the marginal costs to Xoserve and our third-party Suppliers of designing, building, and testing change to industry supporting systems and platforms. Non-change related investments do also occur, such as for transformation or CDSP Service Enhancements, but the underlying cost drivers remain.

## Efficiency Assumptions

BP27 and BP28 will continue to benefit from the 1% annual S&O efficiency savings first introduced in BP26. Savings are passed through to Customers where Investments reduce the underlying cost of service delivery (for example within S&O), where contractual negotiations deliver savings from third-party suppliers, or where Xoserve generates indirect efficiencies. This is achieved through a combination of rebates and reductions to baseline charges in subsequent years, ensuring that efficiency gains are transparently shared and reflected in future charges.

## Investment vs Service and Operate Split

Investments and their associated delivery include the operation and management of change in accordance with the Change Management Procedure and the DCC Contract Change Procedures, assessment and implementation of Retail Energy Code change, and the renewal, replacement or upgrade of Xoserve Assets employed by Xoserve in its provision of the CDSP services. Short to medium term transformation and CDSP Service Enhancement may also be treated as Investment where enduring costs are unknown or unnecessary.

S&O is typically BAU type expenditure for delivering day to day CDSP operations as well as associated back-office functions and overheads.

## Financial Governance Approach

Expenditure, irrespective of type, is subject to the Xoserve Delegation of Authority (DoA) which aims to provide the right balance of governance and oversight with practicality and accountability. The Xoserve DoA has been reviewed and approved by the Xoserve Board.

All purchase orders (POs) go through several levels of approval, with the Finance team having oversight of 100% of POs. Contractual documentation is required to be provided in support of all POs being raised. Xoserve operates a ‘no PO, no pay’ policy.

S&O costs are subject to standard management accounting and reporting practices. Actuals versus Budgets reports are prepared monthly and reported to Executive management and are subject to open discussion and challenge. Forecasting is performed to highlight risks and opportunities and allow mitigation and management.

Investments are subject to best practice financial management, with SoWs underpinning all delivery, milestones, and payments. Retentions are withheld on all investments and only paid when time and quality metrics are achieved. Risk margins are also withheld, and drawdown is by mutual agreement between Xoserve and the supplier.

Quarterly reporting of the Xoserve management accounts is provided to the DSC Contract Management Committee (CoMC), covering both S&O and Investments, in line with Code obligations. Xoserve’s annual financial accounts are subject to independent external audit, with frequent updates provided by the auditors to Xoserve’s Audit and Risk Committee (ARC) throughout the process.



### Cost Benefit Analysis (CBA)

Xoserve’s Cost Benefit Analysis (CBA) approach provides a robust, transparent, and proportionate framework for demonstrating Value for Money, by combining structured option appraisal, the 5E VfM framework, Green Book alignment (for major multi-year investments) and ongoing refinement and governance.

The methodology ensures that investment decisions are evidence-led and aligned with Customer interests, while remaining sufficiently flexible to accommodate uncertainty and evolving industry requirements.

### Cost Allocation Methodology (CAM)

Xoserve applies a formal Cost Allocation Methodology (CAM) to ensure that all costs are consistently attributed to CDSP activities, services, and Customer groups. Costs are allocated based on a number of ‘inputs’, with a clear distinction maintained between S&O and Investment expenditure.

These allocations are then translated into Charge Bases and apportioned across, firstly Service Areas, then Customer Classes in accordance with the Budget & Charging Methodology, ensuring that charges reflect the underlying drivers of cost. The approach is designed to be robust, traceable, and auditable. Details of the CAM and its associated methodology have been made available to stakeholders, and is subject to ongoing governance, reconciliation, and Contract Assurance Audit.



# Appendices

### SPP Compliance Mapping to Budget and Charging Methodology Requirements

The Budget and Charging Methodology (BCM) sets out the basis on which the CDSP will establish the CDSP Budget for each CDSP Year. The table below highlights where in the Final Statement of Planning Principles document, compliance against each of the BCM requirements is met.

| BCM Requirement                                                                                  | BCM Reference          | Section                                                     |
|--------------------------------------------------------------------------------------------------|------------------------|-------------------------------------------------------------|
| <b>Statement of Planning Principles must be produced for each Charging Year</b>                  | <b>4.2.1</b>           | Executive Summary (intro to SPP and BP27 process)           |
| <b>Planning period definition</b>                                                                | <b>4.2.2</b>           | Executive Summary / Transforming Together (BP27–30 context) |
| <b>Strategic context</b>                                                                         | <b>4.2.2</b>           | Transforming Together / Strategic Journeys / Vision         |
| <b>Scope of CDSP Services</b>                                                                    | <b>4.2.2 and 4.2.3</b> | Section 2 – Core Service Delivery                           |
| <b>Coverage of all CDSP activities (including investments, services, change, infrastructure)</b> | <b>4.2.3</b>           | Proposed Investment Areas / Section 2 / Section 3           |
| <b>Planning assumptions</b>                                                                      | <b>4.2.2</b>           | Financials – Cost principles / Inflation / Drivers          |
| <b>Basis of financial forecasts</b>                                                              | <b>4.2.2</b>           | Financials – Budgeting approach / ROM / cost drivers        |
| <b>Forecast costs framework (service &amp; investment split)</b>                                 | <b>4.3</b>             | Financials + Investment sections                            |
| <b>Inclusion of investment activities (change &amp; infrastructure)</b>                          | <b>2.2 and 4.3</b>     | Proposed Investment areas for BP27                          |
| <b>Customer engagement in SPP development</b>                                                    | <b>4.7</b>             | Communication & Customer Engagement                         |
| <b>Governance and review mechanisms</b>                                                          | <b>1.5 and 4.7</b>     | Independent Assurance / Governance sections                 |
| <b>Cost allocation methodology linkage</b>                                                       | <b>3.2</b>             | Financials – CAM section                                    |
| <b>Alignment to change management and future activities</b>                                      | <b>2.2</b>             | General Change / Strategic Delivery                         |
| <b>Inclusion of infrastructure planning</b>                                                      | <b>2.2.6</b>           | UK Link Sustain / Enterprise Architecture                   |
| <b>Clear linkage between strategy, costs and delivery</b>                                        | <b>4.1 – 4.5</b>       | Whole document structure                                    |

# About Xoserve

Founded in 2005, Xoserve (the Company) is the Central Data Services Provider (CDSP) to Great Britain’s gas market. Established by gas market regulations, the Company provides transactional billing, settlement activities, and other data services on behalf of gas network operators (who are responsible for transporting gas through eight gas distribution networks) and National Gas (previously National Grid Gas Transmission).

In addition, the Company provides essential central services to gas Shippers, retailers and other industry participants as well as maintaining the register for the circa 25 million gas meter points in Great Britain. Services are delivered under an industry wide contract, the Data Services Contract (DSC), between the Company and all Gas Transporters and Shippers.

## Funding Arrangements and Ownership

On 1 April 2017, following a review of its funding, governance and ownership arrangements, Xoserve was formally appointed by the gas Transporters (for whom it had previously acted as agent) as the gas industry’s CDSP, collectively funded and governed by Shippers, gas distribution networks, National Gas, and the independent gas Transporters (all of whom are DSC Parties).

The DSC Parties provide the majority of the Company’s funding through the charges they pay for the Company’s services. Accordingly, they are consulted on the Company’s Business Plan and budget and are represented at governance meetings. Customer constituency nominating bodies also appoint Non-executive Directors to the Board. The CDSP arrangements prohibit the distribution of profits to the Company’s shareholders, with any budget which is no longer needed being returned to DSC Parties.

# Our Services

We are responsible for the provision of various CDSP services, which are categorised based on the nature of the activity:

## General Services

These cyclic operational activities are fundamental to the smooth running of the gas industry. The services are broken down into 18 General Service Areas, which are categorised based on the functional activities being undertaken. We refer to the costs associated with delivering General Services as ‘Service and Operate’ costs.

| Area | Service Area                         | Service Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1    | Manage Shipper transfers             | UK Link automated processing of file flows associated with end consumer registrations, switching and supply point data.<br>Contracting with, and management of the services provided by PAFA and AUGÉ.<br>Includes the provision of reports that supported PAFA’s management of c.40 performance plans across industry and data extracts to enable the AUGÉ to support the analysis of Unidentified Gas (UIG) causes and the development of the annual UIG weighting factors.<br>Provision of insights into industry performance through reporting channels. |
| 2    | Monthly AQ processes                 | UK Link automated processing of file flows associated with Annual Quantities (AQ) and Supply Point Offtake Quantities (SOQ).<br>All activities associated with AQ calculation processes including AQ query resolution.<br>Also includes monitoring, notification and creation of AQ performance dashboards for meter points that have crossed the class 1 threshold.                                                                                                                                                                                         |
| 3    | Manage updates to Customer portfolio | Running and maintaining the Contact Management System (CMS), including the interfaces to and from the UK Link system where updates are required to the supply point register.<br>Progression of any Customer queries raised in CMS, including investigation and resolution.<br>Change to CMS delivered via minor releases.                                                                                                                                                                                                                                   |



| Area | Service Area                     | Service Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4    | Meter read/asset processing      | <p>The automated processing of meter asset and meter read file flows in UK Link. This includes files and notifications associated to:</p> <ul style="list-style-type: none"><li>• exchanges or updates to records for traditional meters, smart meters, automatic meter reading equipment, and datalogger equipment.</li><li>• updates to the metering conversion factors that are used to calculate meter volume and energy.</li><li>• meter readings for all classes of meter points.</li><li>• read replacement processes inclusive of daily read error notices.</li><li>• generation and notification of estimated opening and transfer readings.</li><li>• all activities associated with meter reading processes including meter read validation and rejection, calculating meter volume and energy from the raw meter read data, and calculating consumption adjustments.</li></ul>                                                                                                |
| 5    | Demand estimation obligations    | <p>Demand activities:</p> <ul style="list-style-type: none"><li>• Develop end-to-end methodology to determine gas demand profiles.</li><li>• Manage sampling, collection and validation of daily gas consumption for several thousand-meter points.</li><li>• Analyse consumption data against variables such as weather and events calendar, to build demand models which can be used to calculate the estimated consumption for 25m Non-Daily Metered (NDM) meter points.</li><li>• Industry consultation and engagement with Demand Estimation Sub Committee (DESC).</li><li>• Review and maintain the gas industry’s weather parameter: the composite weather variable (CWV), and its ‘seasonal normal’ version (SNCWV), to reflect the latest consumer and weather patterns.</li></ul> <p>All of the above is necessary for production of demand profiles for the next gas year, to support key industry processes such as NDM nominations/ allocation and capacity forecasting.</p> |
| 6    | Customer relationship management | <p>Provision of Customer relationship management team and services for all Customer constituents.</p> <p>Customer training and education, including induction days for new industry entrants, Customer expert days where Customers are given access to a range of subject matter experts and change awareness sessions for Stakeholders.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

| Area | Service Area                  | Service Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 7    | Customer joiners/leavers      | <p>The management and support for Customers joining and exiting the gas market includes cessation notices, Supplier of Last Resort (SoLR) processes, and invoking deed of undertaking.</p> <p>Adding parties to the Data Services Contract (DSC) and UK Link user agreement, creation and removal of access to UK Link.</p> <p>Management of the Market Domain Data (MDD) and arranging user agent agreements.</p> <p>Information exchange (IX) installation, change and removal of equipment services.</p>                                                                                             |
| 8    | Energy balancing              | All activities in respect of energy balancing credit risk management, debt collection, and management of neutrality.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 9    | Customer reporting            | Creation, maintenance, and distribution of reporting, both for external Customers and management information required internally.                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 10   | Invoicing Customers           | <p>Issue of invoices for:</p> <ul style="list-style-type: none"><li>• Gas transportation on behalf of National Gas Transmission and the distribution networks</li><li>• DSC services provided by Xoserve.</li></ul> <p>Covers: UK Link automated calculation and creation of NTS and LDZ capacity, commodity, reconciliation, balancing and request to bill invoices (e.g. failure to supply gas). Also includes a share of the UK Link support and service desk costs.</p> <p>Validation and approval of invoices prior to issue and management of any Customer queries raised against an invoice.</p> |
| 11   | Management of Customer issues | <p>Management and communication of Customer issues including:</p> <ul style="list-style-type: none"><li>• Incident Management</li><li>• Defects which become apparent through the normal course of business where the functionality implemented does not result in the expected outcome.</li><li>• Data security incidents (including potential data breaches)</li><li>• Process issues and other, non-system issue management to identify underlying causes and prevent recurrence.</li></ul>                                                                                                          |



| Area | Service Area                         | Service Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|------|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 12   | Customer contacts                    | Service desk operation.<br>Telephony service for the domestic enquiry telephone service line.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 13   | Change management                    | Development, governance, delivery, and assurance of change outside major change programmes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 14   | Gemini services                      | Gemini automated processing of file flows between the Gemini and UK Link system, the operation and support of the Gemini system, monitoring performance, and incident management. Includes the provision of essential maintenance.<br>Change management: the development, governance, delivery, and assurance of Gemini change.                                                                                                                                                                                                                                                                                                                                    |
| 15   | Value added services                 | The DDP platform is a data visualisation tool, used to access reporting information. It enables Customers to: <ul style="list-style-type: none"><li>securely query their organisation’s data</li><li>create bespoke reports via a personalised dashboard</li><li>visualise data using a range of chart tools and comparison screens to gain insights on and evaluate responses to industry changes and trends</li><li>use trend analysis to identify opportunities for improving data accuracy or process performance</li><li>access the detail sitting between high-level key performance indicators to support decision making.</li></ul>                        |
| 16   | Central Switching Services           | This service was launched in 2021. It provides a consistent set of arrangements for suppliers of electricity and gas and consumers and governs the operation of faster and more reliable arrangements for consumers to switch their energy supply.<br>The Xoserve Central Switching Service Consequential (CSSC) Programme was set up in 2018 as a result of the launch of Ofgem’s Switching Programme.<br>It delivers all direct and consequential impacts on CDSP systems and services, enabling faster switching services that interface with existing systems and processes, to allow seamless Shipper registration, settlement, and transportation invoicing. |
| 17   | Distribution Network funded services | Services which are wholly funded by Distribution Networks. Costs are associated with delivering the Flow Weighted Average Calorific Value service.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 18   | Decarbonisation                      | Planning, design, coordination and support for decarbonisation projects and cross industry engagement, and the management of a pipeline of related development work.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

### Change Delivery

We assure the delivery of critical transformation programmes and projects on behalf of our Customers. These include multi-year infrastructure programmes aimed at maintaining or improving critical IT platforms such as UK Link and Gemini, and in-year, change projects that are incrementally scoped by Customers.

### Specific Services and Additional Services

These are optional services which are delivered directly to individual organisations on a case-by-case basis. These services include installation of / connection to the Information Exchange (IX), usage of our telephone enquiry services and delivery of Customer-specific reporting.

### How Charges are Calculated

The General Service, Infrastructure and Change charges (both in total and by Customer constituency) are published each January in the CDSP Annual Charging Statement. Each February, Distribution Networks, IGTs and National Gas receive a Charging Schedule which details their individual organisation’s share of the overall constituency charge (split over 12 equal monthly instalments). Shipper organisations receive a schedule which provides indicative annual charges based on a range of meter point totals.

The individual organisation’s shares are calculated using the following rules, which were introduced in 2017 following the Funding, Governance and Ownership industry programme:

- **Shippers** – By percentage share of meter points with the count taken at the start of each month
- **Distribution Networks and IGTs** – By percentage share of meter points with the count taken on a fixed date – 1st December each year
- **National Gas** – Direct charging



## Links to further useful information

[Further information about our role and our Customers](#)



[CDSP service documents](#)



[Xoserve Board](#)



[Business Plan Online Portal](#)



[Xoserve Leadership Team](#)



[Previous Business Plans](#)





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