



Case Study

Xoserve and the Energy Price Guarantee (EPG) Scheme

Executive summary

The Energy Price Guarantee (EPG) scheme was a critical UK government intervention introduced in October 2022 to protect domestic energy consumers from unprecedented increases in gas prices. The scheme shielded the average dual-fuel household from circa £1,000 in additional energy costs and is estimated to have prevented more than one million households from falling into fuel poverty during a period of acute economic pressure.*

Xoserve played a central role in the design and delivery of the EPG scheme, working collaboratively with code administrators and central bodies to ensure a similar scheme could be delivered for the benefit of both gas and electricity consumers. Acting as the independent data service provider for the gas market, Xoserve enabled £9.6bn of gas subsidies to be distributed accurately and securely to suppliers, benefiting approximately 24 million domestic supply points across Great Britain.

The scheme was designed and mobilised in an unprecedented short period of time – six weeks, demonstrating how trusted data infrastructure and collaborative delivery can support government policy at pace.

Data integrity was maintained throughout, supporting audit, transparency, and public confidence.

Key figures



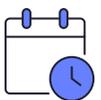
£9.6bn

government subsidies for gas



£24m

domestic supply points benefitted



1 October 2022 - 30 June 2023 – scheme duration, with

14 months

of reconciliation

[*Link to the source.](#)



EPG background and objectives

The objective of the EPG was to cap the unit price paid by domestic consumers, insulating households from volatility in wholesale markets. The scheme operated from 1 October 2022 to 30 June 2023, with a further 14 months of reconciliation to ensure accurate settlement based on actual energy consumption.



The government reimbursed suppliers for the difference between the affordability price cap charged to consumers and the true price cap used for reconciliation. This approach ensured that customers saw immediate reductions on their bills while maintaining market accuracy and financial integrity.

Why Xoserve was critical to delivery

In August 2022, Ofgem approached Xoserve to explore how existing gas data and processes could be used to rapidly inject government funding into the supply chain to reduce customer bills. Xoserve was uniquely positioned to deliver this because it already operated the central gas data systems, had strong, well-established relationships with all market participants, and held no commercial interest in the outcome. Xoserve formed a critical part of a collaborative working group to ensure that the design was feasible and implementable for stakeholders across the sector.

Xoserve provided independent advice to government and the regulator, designed the gas EPG mechanism using existing allocation and reconciliation processes, and coordinated delivery across shippers, suppliers, transporters, and system providers.

By adapting proven processes, Xoserve enabled rapid implementation without the need for a new data ecosystem – saving time and money. This demonstrated Xoserve’s expertise and ability to deliver innovative solutions efficiently.

Xoserve’s role in scheme design and operation

Xoserve designed the gas EPG scheme to align with existing commodity billing and allocation arrangements, ensuring that compensation was calculated using actual gas consumption data. The scheme applied a fixed pence-per-kilowatt-hour reduction linked to the price cap tariff, rather than wholesale prices, and incorporated two price cap rates to support affordability and reconciliation.

Xoserve facilitated the creation of secure supplier payment accounts ensuring controlled, auditable payment flows. It provided trusted data, reporting, and assurance to central government throughout the scheme and managed ongoing reconciliation for 14 months after scheme implementation.

Delivery challenges

Xoserve enabled the EPG scheme to be delivered under exceptional constraints, completing the end-to-end design and implementation in just six weeks. The scheme covered the entire domestic gas market, requiring scalable data processing across 24 million supply points and accurate handling of exceptions, disputes, and late submissions.

Data quality and integrity were paramount, as small inaccuracies could have resulted in significant financial misallocation. Assurance to central government and the public was critical given the scale of public expenditure involved.

Collaboration with industry stakeholders

Xoserve leveraged existing systems and processes to minimise delivery risk and enable rapid mobilisation. Cross-functional teams were established, with technical delivery supported by Correla, Xoserve's trusted delivery partner. Frequent industry meetings enabled rapid issue resolution.

Close collaboration with Ofgem, DESNZ, suppliers, shippers, transporters, code administrators and central bodies ensured policy intent was translated into operable market arrangements. Urgent UNC modification and funding approval from DSC Customers enabled the scheme to go live for winter 2022.

Legacy and readiness for future reform

The EPG scheme strengthened Xoserve's operational capability, delivery agility, and cross-industry collaboration. System enhancements and governance improvements implemented during the scheme have left a lasting legacy, improving readiness for future government interventions and large-scale market change.

To find out more, please email:
communications@xoserve.com





Lansdowne Gate, 65 New Rd, Solihull B91 3DL | 0121 229 2000

www.xoserve.com

XOSERVE