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Bob Fletcher
Joint Office of the Gas Transporters
Consort House
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13 December 2013

Dear Bob,

Performance Assurance Workgroup

Xoserve fully supports the intention to implement a performance assurance framework and considers itself well placed to deliver services in support of a framework and is keen to assist in the Workgroup developments. Given procurement regulations and the approach being taken by the Workgroup, we will provide any input requested from an “arms-length” position. After careful consideration Xoserve will not be attending the December 2013 Performance Assurance Workgroup. We are concerned that our attendance may inadvertently result in Xoserve being provided with information that may result in our exclusion to any procurement exercise for the services envisaged by the Workgroup. In order to ensure that any procurement body is not subject to any challenge by other potential service providers that Xoserve may have received advantageous information as a result of attendance at the Performance Assurance Workgroup, Xoserve shall not attend for the time being.

If there are any questions / requests for information that are specific to Xoserve these should be very clearly documented in the Workgroup minutes and submitted to Xoserve by the Workgroup Chair. Xoserve will then provide a response to the questions / requests for information, and this response is for publication with the Workgroup documents.

On a final point I note from the two previous meetings that both British Gas and Scottish Power have provided opinions on what service Xoserve may or may not be interested in providing. I can confirm that neither British Gas nor Scottish Power were speaking on behalf of Xoserve. If invited to submit a proposal, Xoserve shall make its decisions as to whether to bid for any work at the appropriate point in time. The comments were:

- November 17 meeting “Following the last meeting AL had clarified that Xoserve had no interest in tendering for the independent study work, but remained an interested party in relation to any consequential service provision”.
- October 23 meeting “believed that Xoserve was no longer interested in tendering and that its future participation in discussions should therefore be welcomed”.

Xoserve does not see itself as the procurement body for the services envisaged under the Performance Assurance Workgroup and it is therefore true to say we are not interested in performing the tendering function. Xoserve is however, interested in acting as a service provider to the procurement body and therefore interested in bidding for any services under any procurement event.

I hope this clarifies Xoserve's position with regards to attendance and service provision. If there are any questions / requests for information from the December Workgroup could you please direct them to Emma Lyndon -Emma.J.Lyndon@Xoserve.com .

Yours sincerely

Andy Miller

Service Development Manager