Report Ref	Item or Issue (may include description of impacts or roles)	Advantages	Disadvantages	Group Consensus
1. Incremental Changes				
1.1	Creation of an account management framework within Xoserve.	• May lead to increased customer focus on the change management process • Provide a more responsive service for enquiries and issues raised during the modification process	• Could lead to duplication of account management processes between Transporters and Xoserve • May create conflicting priorities for Xoserve.	Yes
1.2	Joint Office to provide estimated costs for secretarial services associated with taking forward each modification proposal.	• Increased visibility of costs for managing the UNC change (secretariat) process on behalf of the industry	• Does not provide the full cost of change such as Users, Transporter and Xoserve costs.	No
1.3	Availability of early engagement with Xoserve.	• Formalise the existing informal arrangements • Provide an early view on the potential system and process impacts • Inform the proposer on potential solutions prior to raising the modification	• None	Yes
1.4	UK Link Committee to be reviewed with a view to it being more engaged at the right time with the modification assessment.	• Provide more rigor on the potential implementation timescales of a modification • Highlight potential industry implementation issues at an earlier stage in the development process • Provide a clearer view on the overall impacts of implementing a modification	• My increase the overall assessment time of a modification • May create a reporting conflict between Panel and UNCC	Yes
1.5	Change implementation to be	• Adds certainty to the	• My reduces the period of time	No

	aligned with planned release dates.	implementation plan/timescales for the industry • May reduce implementation costs if multiple changes can be implemented together	benefits are recovered should the implementation be delayed • May be overly complex for small/simple changes • The process may not be able to react quickly enough for urgent changes	
1.6	All modifications that require systems development (other than minor maintenance changes) to be assigned to a Workgroup, which must complete an assessment to report stage.	• Adds certainty to the process, ensuring solutions are sufficiently developed/assessed before proceeding to consultation • Allows time for alternative solutions to be considered • Allows consideration of the implementation plan and overall solution costs	• May delay a modification proceeding through the process • Requires a clear definition of changes which are excluded ie minor maintenance changes	Yes
1.7	Consideration of the coordination of the industry change processes and visibility of the overall change programme.	• Provides an overview of changes being assessed or implemented and their timescales. This will industry participants the opportunity to coordinate changes • Allows the industry to prioritise changes	• It may prove difficult to coordinate as parties may have conflicting aspirations.	No
1.8	Changing the governance of non-code services by bringing them into UNC.	• Removes dual governance arrangements and provides additional clarity on the process for change • Reduces complexity by requiring one process • Will allow all parties to participate in the governance of the process as not all parties are signatories to the User Pays agreement	• Thought would need to be given on the scope to ensure periodic changes to prices do not require a modification to be raised • Xoserve may not be able to be provide services to non code parties	Yes

1.9	Provide and publish additional advice/guidance on the existing User Pays process to aid proposers.	• Provides assistance and guidance to industry participants on the process and how it can be used • Encourage participation in the change process	• The User pays process is complex and has a number of different options dependant on the stage of the process. It may prove difficult to provide clear guidance without increasing the complexity of the guidance provided	No
2.	**Fundamental Changes**			
2.1	Alter Xoserve's current board composition to include Shipper representatives, either as executive or non-executive directors (similar for example to Elexon). • These board members would have the same powers and responsibilities as other members of Xoserve's board. • Shipper representatives would be elected in a process similar to the UNC Panel Shipper election process. This option would require changes outside of the UNC process, including licence changes and changes to Xoserve's corporate structure.	• Alteration to Xoserve board membership could improve customer focus as the board would have direct access to customer views and experiences of services being provided by them • Xoserve may benefit from the wider industry experience when considering changes to the operation and delivery of its services • This option may allow a more transparent operating model for the delivery of Xoserve/Transporter services	• Board membership should be aimed at delivering the best outcome for Xoserve in reaching its strategic objectives. Detailed change management is not usually a topic for board consideration; therefore the board may not be focusing on its strategic objectives • There maybe Transporters licence impacts and is out of scope of UNC • How would potential board members be nominated and be representative of the industry	No
2.2	Create an Oversight Committee; • This option creates a new committee with a focus on delivering changes on time	• Creates a committee which will oversee the assessment and development of modifications from a system perspective	• May increases the administration burden on participants • May create a level of uncertainty	Yes?

	and with the greatest cost efficiency. This committee could subsume the current activities of the UK link committee, though this group would have a much wider focus. • This group would have permanent members and would be comprised of Shipper and Transporter Representatives. • Each new modification would be sent to this committee for consideration at the same time as the relevant workgroup. • The committee would assess the changes needed to deliver the modification's intent and ideals and attempt to achieve them at optimum cost and timescales. • The committee would also be expected to suggest changes to the modification that would result in cost or time savings. • This new process would not require changes to the current licence regime and could be implemented via the UNC modification process.	• The role of the committee would be more proactive than the UK Link committee and be involved much earlier in the process • The committee would be able to provide a transparent view of the implementation process and provide Panel with an informed opinion of the impacts of implementation	in the management of the change process

2.3	Introduce Tender process; • Central system activities would be defined as discrete activities and would be tendered for provision by third parties. • Xoserve would act as the agent to ensure that the service is provided effectively and cost efficiently. • This option would require changes outside of the UNC process, including licence changes.	• The process is currently used in other Codes and may provide some benefits for the justification and transparency of change management and system development costs • My allow more bespoke changes to be developed and funded efficiently	• Xoserve would loose the benefits of longer term relationship managed through its existing service provider contracts • There may be a loss of knowledge and experience due to a wider range of service providers • Xoserve currently use a tender process based on a number of preferred service providers, this would just increase the complexity and cost of the process	No
2.4	Financial separation; • Xoserve would have separate funding arrangements but would still be owned by the transporters. • This option would require changes outside of the UNC process, including licence changes.	• Creates a transparent funding framework for Xoserve • Would lead to improved information on the provision of services and changes to systems • Would help to demonstrate value for money for changes	• Increases the complexity of funding arrangements • The Transporter has the responsibility for delivering services	
2.5	Xoserve ownership change; • Xoserve would be owned by Shippers and Transporters. • Would require separate board and governance structure to direct strategies.	• Would provide Xoserve with a whole industry view and responsibilities for managing process • Also see 2.1 above	• This option would require a review of Xoserve ownership, including transfer of equity • May cause conflicts on the delivery of services on behalf of Transporters • Also see 2.1 above	No

	• Board would be comprised of owners. • This option would require changes outside of the UNC process, including licence changes			
3. Other Funding Options				
3.1	Apportionment of costs by Market share – options: • By number Supply points • Energy use/throughput	• Transparent and easy to implement • Links costs to the modification	• User pay even if they do not take the service, though this may be appropriate for some services	No?
3.2	Only those who wish to use the service pay	• Targets costs at those who wish to use the service • Provides choice in service provision	• Requires an allocation mechanism • Requires an early commitment by parties who wish to take the service • Requires a process for charging late adopters and refunding early adopters of the service • May require a take or pay approach to funding • No visibility of service costs on an industry basis	No?
3.3	Bundling up the analysis and development costs and then invoicing the industry at a regular interval: • Requires an allocation methodology • Requires regular reporting to and monitoring by the industry	• Removes the requirement to bill for small amounts on a regular basis and so reduces administration costs • Provides a transparent view of industry costs • Allows flexibility to create or amend services without the need provide a new billing system	• Cost of development and payment is not as clearly aligned to a particular modification • May require a take or pay approach to funding	No?

3.4	An upfront central change fund • Would require a cost allocation process • Approval of draw down of funds required	• Allows flexibility to create or amend services without the need provide a new billing system • Provides a transparent view of industry costs • Easy to administer once the industry agrees a budget • Provides transparency of system change costs • It should be easy to link costs to a specific modification	• May require a budget allocation process, in particular for over/under spend which may increase the complexity of the current approach • Does not target costs on those who wish to take the service	No?
3.5	Additional funding mechanism for the pass through of system change costs • Cost included in allowed revenue in the following Formula Year • Charged through Transportation Charges • Ofgem direction on Modification Proposal also used to determine qualification for inclusion in UP_t • Requires an allocation methodology	• Reduces administration involved with invoicing and billing User Pays charges • Greater flexibility for Shipper cost pass-through • Remains transparent as the process will still require a ROM or DCA etc. • Removes the complexity administering the process for those who choose to take the service at a later date	• Additional complexity to agree/justify funding • Requires the development of an allocation methodology • Does not target costs on those who wish to take the service	
3.6	Post Implementation Reviews for User Pays services	• Improves visibility of incurred costs to demonstrate the value of development/implementation of a modification or service • Provides participants with an opportunity to identify best	• None	Yes?

		practice and learn from the process		
3.7	Governance of ACS changes to be put under the UNC • Is there duplication and does this add delay to the change process • What is the best method of governance for the future • [Should this be included in 1.8 above?] • [Management of non code and code parties]	• Provides clarity on the charges for a service or system changes during the modification process	• Thought would need to be given on the scope to ensure periodic changes to prices do not require a modification to be raised • Xoserve may not be able to be provide services to non code parties	Yes
3.8	Implementation of the Code Administrators code of practice • Requesting cost estimates	• There may be some benefit if the Joint Office requested cost estimates directly from Xoserve as this model would be similar to the Elexon model.	• There was concern that Transporters currently request Xoserve to produce costs estimate, this may be complicated if other parties such as Users and Joint Office can do the same – which request is prioritised	No?
3.9	Commercial Best Practice • To be discussed in more detail			