User Pays User Group
9 Feb 2009

This pack covers

- Terms of Reference

- Contract Update

- Agency Charging Statement

  - 2009/10 ACS

  - ACS Report

- IAD Password Guide

- Customer Survey Results

- Operational Updates

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TORs and Contract

UPUC and UPCEG terms of reference

- Terms of reference for UPUC and UPCEG updated following discussion points at January meeting

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UPUC and UPCEG terms of reference key points

	UPCEG	UPUC
Voting Members	▪UP customers ▪xoserve	▪UP customers
TOR changes	▪If to quoracy or voting rights – 100% agreement required ▪Other changes – xoserve + >80% of UP customers	▪Rejected if 4 or more UP customers reject and those 4 have at least 20% of the voting value ▪If materially increase xoserve obligations need xoserve consent
Contract Changes Schedule Changes	▪100% agreement required	Rejected if ▪>4 customers reject and ▪Those 4 have at least 20% of the voting value
Voting arrangements	▪Submit to xoserve by end of voting period (20 business days)	Submit to xoserve within 10 business days

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Contract Update

- Comments due back by 30th January

- No additional comments received

- One change proposed by xoserve

- **10 Notification**

    10.1. If at any time xoserve is unclear as to whether any of UPUC or UPUCSG has approved or agreed any documents (including without limitation a BEO, BER, EQR, Change Order or Design Option) then it can require confirmation in writing from either all of the User Pays Customers or the Chairman at the relevant time of the UPUC or UPUCSG, that the relevant document has been approved or agreed.

    10.2 xoserve shall not be required to process a Service Change until it has received any required confirmations under this clause 10 and shall not be in breach of this Framework Agreement for not processing a Service Change in circumstances where it has not received the relevant confirmations.

- Aiming for signatures by end February

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Agency Charging Statement Revision for 1 April 2009

Objectives

- Set ACS prices for 1 April 09
  - Second year of user pays services

- Summary of the ACS Annual Report
  - Costs & allocation for this year (2008/09) and next
  - Demand Forecasts
  - 2008/09 forecast financial performance
  - 2009/10 forecast financial performance
  - ACS prices changes for 1 April 09

- Time line

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What have we done?

- Updated Forecasts
  - Revised demand forecasts for 2009/10 based on actual service usage & customer updates
  - Reviewed cost forecasts, in light of actual costs and forecast demand for service provision for 2008/09 and next year

- Reviewed & revised ACS
  - Proposed prices for 2009/10
    - Majority of prices are the same as this year
    - Price reduction to IAD (against average price for this year) and SARs
    - Price increases for Telephone Enquiries and E-mail reports

- Mod 213V – assumed approval will happen in March and the ACS will be revised during April

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The Annual Report in Summary: Forecast Costs

- Forecast cost of User Pays service provision
  - 2008/09 £3.2m – in line with October's review
  - 2009/10 £3.2m

- Costs are broadly consistent with last year, but include additional costs for the
  - Non-code services change budget £25k
  - New USRV service £33k
    - Revised ACS with Mod 192 currently with Ofgem and published on Joint Office site

- These increases are largely offset by forecast efficiencies in the delivery of services

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The Annual Report in Summary:
Updated Demand Forecast for User Pays Services

- Review of demand forecast took into account
  - Actual usage to date
  - Updated customer forecasts

- Results
  - IAD demand remains higher than October's forecast
  - Demand for telephone services is different again and we have not experienced predicted call reduction
  - E-mail Reporting usage remains low
  - Demand for SARs has been lower than originally forecast and remains flat

- Demand forecast table updated with new demand volumes, published as Appendix 2 of ACS and included in the Review Report

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ACS Prices

- Prices continue to be set in accordance with the charging methodology set out in the approved ACS

- Prices are a direct relationship between cost of providing the service and demand plus a margin (6% as agreed by Ofgem)

- Majority of prices will remain at their current level

- There are proposed price changes to

    - IAD

    - Telephone Enquiries

    - E-mail reporting

    - SARs

- Note – Must Reads are currently under review by the Gas Transporters to ensure the basis of charging remains cost reflective

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ACS Prices – IAD and Telephones

- IAD
  - Proposed monthly charge £10.10 per account (cf August 08 indication of £11.50)
  - Reduction against the annual average charge last year of £12.38 per account per month
  - Reduction has been achieved through a combination of higher demand for the service and a forecast decrease in some operating costs

- Telephone Enquiries
  - Proposal is to increase the prices for all the telephone bands
  - Costs are higher than previously forecast reflecting the updated demand assumptions and the forecast costs to deliver the service
  - Band B (the most popular Band) will see an increase of £260 for the year resulting in an annual charge of £2,360

ACS prices – E-mail reporting and SARs

- Email-Reporting
  - Service only has two regular customers
  - Have seen a low level of demand
  - Variable costs have been reduced where possible
  - Proposed price increase for this service will see the price for the report for less than 1,000 MPRNs increasing by £35 to £95 per report

- Shipper Agreed Reads (SARs)
  - Experienced a drop off in demand from original forecast and then flat demand for rest of the year
  - Reduced the variable operating costs for this service resulting in a proposed reduction in the price for the e-mail and fax services
  - Proposal is
    - 10 pence for a U01 file
    - £1.50 of an email file (a £1.25 decrease in price)
    - £6.00 per facsimile transaction (a £2.24 decrease in price)

Updated Revenue Forecast 08/09 and 09/10

2008/09

	£ms
Revenue	3.44
Cost	3.22
Profit	0.22
Return	6%

2009/10

	£ms
Revenue	3.41
Cost	3.20
Profit	0.21
Return	6%

- Forecasts for the two years are very similar
- 6% return forecast for both years

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Time line for the ACS review

- Draft revised ACS and Review Report published on 3 Feb, discussed with customers at 9 Feb UPUG

- **Customers' formal comments requested on Review Report and revised ACS, by COP Friday 20th Feb to xoserve.userpays@xoserve.com**

- Engage with Ofgem
  - Review Report, revised ACS and customer responses to Ofgem 27th February
  - Ofgem has 28 days in which to veto the proposed revision to the ACS

- New prices effective from 1 April , assuming Ofgem do not veto proposal

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IAD Password Guide

Overview
Action 0059

- More detailed processes for resets etc are included in Appendix

- Following slides summarize the key IAD account related processes (and cross reference the more detailed Appendix slides)

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Self Service Activities

	LSO Managed	User Managed
Incorrect login 3 times (account is blocked not locked) (Scenario 1)	LSO answers security questions correctly *If fails 3 times then account is locked*	User answers security questions correctly *If fails 3 times then account is locked*
Change Password (Scenario 3)	LSO uses the Modify option from Welcome screen. *Answer 3 security profile questions correctly, then change password*	User selects Modify option from Welcome screen. *Answer 3 security profile questions correctly, then change password*

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When to call the helpdesk
0800 917 7111

	LSO Managed	User Managed	Service Level
Locked account < 5 requests (Occurs after 3 failed attempts to answer security profile questions) (Scenario 2)	LSO calls helpdesk *LSO will need to populate the security profile before distribution to user*	LSO calls helpdesk *User will need to re populate security profile*	D+1
Reset password and security profile < 5 requests (Scenario 4)	LSO calls helpdesk *LSO will need to populate the security profile before distribution to user*	LSO calls helpdesk *User will need to re populate security profile*	D+1

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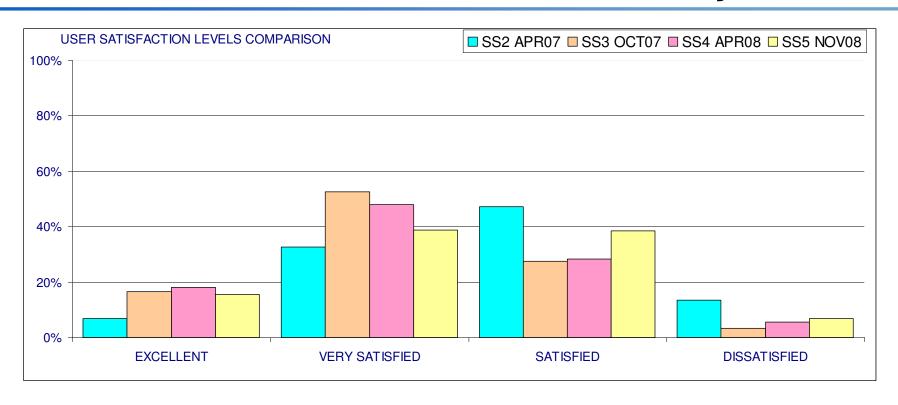# When to contact the User Pays email account xoserve.userpays@xoserve.com

	LSO Managed	User Managed	Service Level
Bulk (> 5) password and security resets (Scenario 4)	Authorised person submits IAD form to email account *Security profiles may be reset as part of this process by the LSO. LSO will then need to distribute to user*	Authorised person submits IAD form to email account *User will need to populate the security profile*	Best endeavours on a case by case basis
Bulk reset of security profiles (eg new LSO) (Scenario 5)	Authorised person completes IAD form on xoserve.com and submits to email address	N/A	Best endeavours on a case by case basis
New accounts – limit of 20 per request	Authorised person completes SR form and submits to email address	Authorised person completes SR form and submits to email address	D+10 after acknowledgement
Account deletions – limit of 20 per request	Authorised person completes SR form and submits to email address	Authorised person completes SR form and submits to email address	Charges cease at D+10 after acknowledgement

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How do we improve?

- Continue to work on Service Provider performance

- Work with you to …

  - Understand the end to end process

  - Improve communications and understanding on all sides

- Anything else?

  - Customer visits?

Customer Survey
November 2008

Nov 08 Customer Satisfaction Summary Results

USER SATISFACTION LEVELS COMPARISON

Legend: SS2 APR07, SS3 OCT07, SS4 APR08, SS5 NOV08

Categories: EXCELLENT, VERY SATISFIED, SATISFIED, DISSATISFIED

- 26 people from 12 shipper customer companies took part
- 93% of respondents satisfied or above
- However, there has been a swing from very satisfied to satisfied

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Next Steps

- Action plans and timetable put in place to address issues raised at both a customer and operational level. Being discussed and agreed with customers

- Consideration being given to implementation of a more real-time barometer of Customer Satisfaction

- Mavern Research, Qualitative Customer Research Summary Report received and being reviewed
  - Thank you to everyone who took part

- Findings from both surveys feeding into xoserve's review of customer service and engagement

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Operational Update

Telephone Service Line

	No of calls	Service Availability (target 95% availability)	Call answering (target 90% within 30 seconds)
January	30,566*		
December	22,131		
November	25,429		

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IAD Service Line

	Number of Accounts (original forecast 12,500, revised ACS average 13,900)	Availability (Target 95% availability during core hours)
January	18,000	
December	18,000	
November	17,500	

Email Report Service Line

	No. of email reports (forecast 150 per month)	Performance (2 and 5 business days)
January	50	
December	52	
November	58	

Portfolio Reports

	Reports sent in the month (forecast 80)	**Performance standard**
January	112	
December	114	
November	112	

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AQ Enquiries

	Number of AQ Enquiries processed	**Performance** (Target process by end of second Business Day)
January	4,228*	
December	10,266	
November	14,836	

* As at 28/01/09

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IAD Account Transaction Volumes

	Accounts Created (normal process)		Bulk Password Resets	
	Number	**Within 10 days**	**Number Requested**	**Completed within Month**
January*	426	49%	53	0
December	177	72%	82	82
November	581	84%	227	227
October	1038	95%	153	153
Sept	673	64%	200	200
August	590	86%	1,068	1,068
July	880	99%	150	1,200
June	695	97%	1,050	135
May	687	66%	135	0
April	556	85%	1,890	1,890

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IAD Account Transaction Volumes

- Performance not acceptable

- Extra resources put onto this

- Dedicated xoserve person policing performance

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Appendix 1
IAD Password Guide – Detailed Scenarios

Content

PASSWORDS

- How to retrieve a password

- How to unlock accounts

- How to change a password

SECURITY PROFILES

- How to re-set a security profiles

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Password Unknown

Scenario 1:

An IAD User enters their login ID / login password details incorrectly 3 times…*it's 'blocked' not 'locked' so it can be brought to life*

- The Application Failure screen will appear
- The User enters their User I.D then 3 security questions
- If these are answered correctly then the password is displayed
- The User can now click on Re-Login to enter that password

If…

- The security questions are answered incorrectly then the User is alerted – on the first and second attempt
- On the third failed attempt the account is now locked – see next slide

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Security Profile Unknown

Scenario 2:

The account is locked because the security profile questions have been answered incorrectly…'*3 hits and you're out*'

- An Error Message is displayed to direct the User to the LSO
- The account will remain disabled until the LSO intervenes
- LSO to contact <u>0800 917 7111</u> to log a call to unlock account
- When the account is 'unlocked' by IS Security it will be handed back to the LSO
- If you are an LSO Managed organisation the LSO will need to enter the account to pre-populate the security profile answers
- If you are a User Managed organisation the LSO will need to ask the User to re-populate the security profile answers

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Password Amendment

Scenario 3:

There is a need to change the Log-in Password…*the account is to be issued to somebody else or the User wants to change it.*

- The 'Modify' menu option can be found on the Welcome screen
- When clicking on this menu option, the User / LSO will be taken to the 3 Security Profile questions
- Only if they know the answers to the 3 questions will they advance to the next screen to change the password

Note …

- An IAD User who is part of an LSO Managed organisation can't change their password

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Password Change & Profile Details Removed

Scenario 4:

Dormant IAD accounts are to be recycled to other Users and the passwords re-set and the security profiles 'flattened'… *this would typically be an LSO from a User Managed organisation doing this*

- Up to 5 account re-set requests can be raised by the LSO via the IS Helpline 0800 917 7111

- Bulk requests to be submitted via xoserve.userpays@xoserve.com

- The LSO is informed when their request has been processed

- Each User will be required to re-create the security profile (or the LSO can pre-populate before allocation)

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Security Profile Change

Scenario 5:

Security Profile questions need to be <u>changed</u> for some or all of the IAD accounts… *maybe a new LSO has taken over or there is a need to do a wholesale security protection.* - <u>*LSO Managed organisations only*</u>

- The process for doing this requires the LSO Managed organisation to complete an IAD - LSO Managed Organisation Input Sheet (found on <u>xoserve.com</u>)

- Send to <u>xoserve.userpays@xoserve.com</u>

- This spreadsheet should be accompanied by a covering note outline of what is required

- A Change Request will be raised to specify and activate work request

  <u>**Note**</u>: there is a lead time of 10 bus. days from approval of CR

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General Points

- The ability to change or retrieve a password is dependant on how you have asked us to set up your portfolio of IAD accounts

- An IAD account is for a single authorised User. The main cause of 'locked accounts' is due to 2 or more people utilising the same IAD account

- The User Guide is to be re-drafted to give a more detailed Step-by-Step assistance and flowcharts for each scenario

- The LSO is encouraged to familiarise themselves with these guides and to use the self service before contacting the IS Helpdesk

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