

# Xoserve FGO

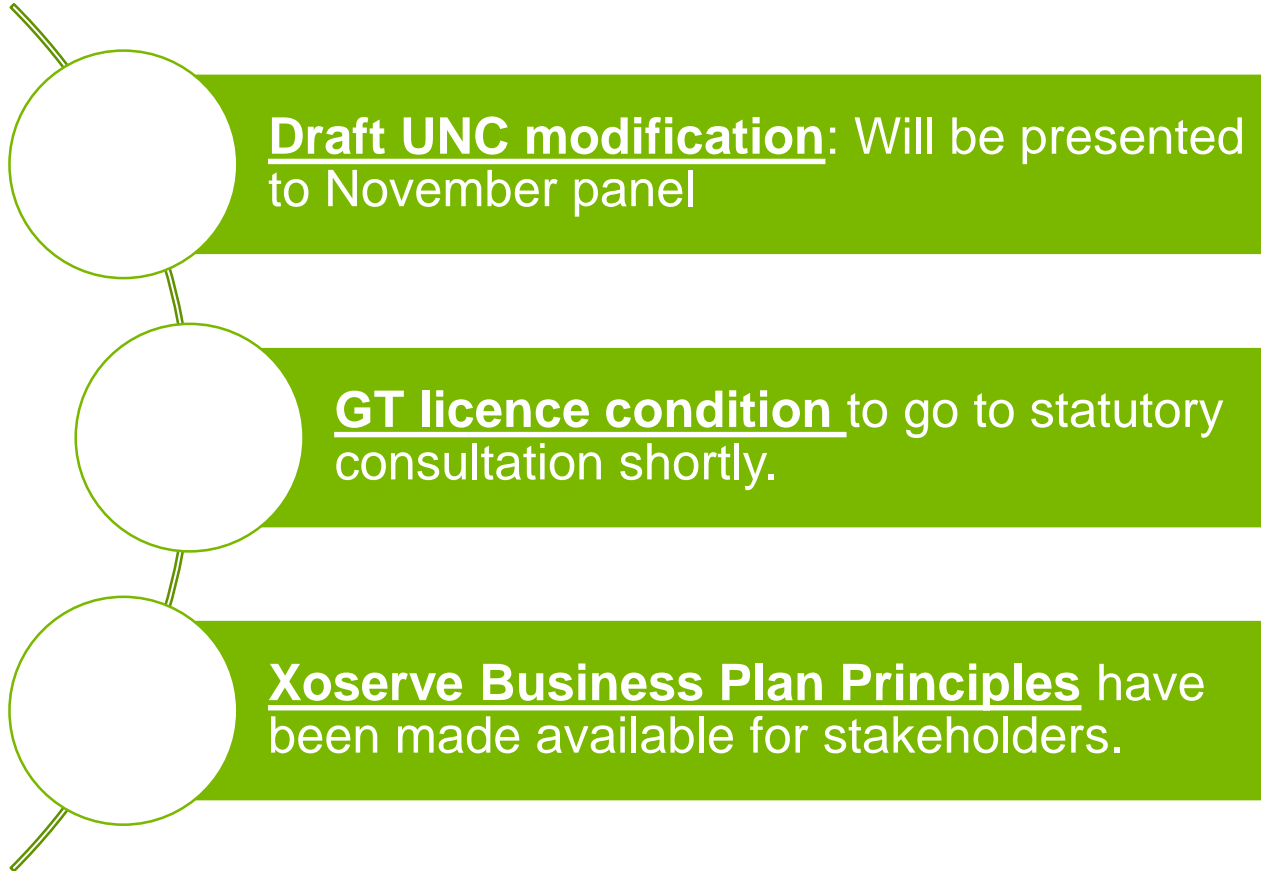
Monthly update

2 November

# FGO programme update – Executive summary

---

The FGO programme continued to progress throughout October.



# FGO programme update – Executive summary

---

FGO workgroups continue to develop detailed FGO deliverables. Highlights are:

## Business plan and budgeting

- Xoserve Business Plan Principles have been made available to the wider industry

## Charging and cost allocation

- Charging methodology being developed based on identification of users of ASA service lines and Xoserve cost base breakdown.

## CDS governance

- Terms of Reference refined and discussed for change and contract management groups.

## Corporate governance.

- Shipper process for nominating board members under development

## Obligations and contracts

- Allocation of ASA service lines completed at workgroup and presented to POB

# FGO programme update – October 2015 activities

| Work area    | Update  |
|--------------|---|
| POB meetings | <p><b>9<sup>th</sup> October meeting</b></p> <ul style="list-style-type: none"><li>• Contracting/ UNC modifications process discussed, including Dentons advice on drafting initial UNC modification;</li><li>• Discussion of draft GT licence condition;</li><li>• Xoserve corporate governance arrangements were discussed, including: shipper nomination process, board voting arrangements and board member remuneration.</li></ul>   |
|              | <p><b>30<sup>th</sup> October meeting</b></p> <ul style="list-style-type: none"><li>• Agreed draft UNC modification could be put to November modifications panel;</li><li>• Draft GT licence condition circulated to group following meeting;</li><li>• Map of key programme dependencies discussed;</li><li>• Approaches to a more detailed service-level breakdown of Xoserve cost base explored;</li><li>• Process and funding mechanism for shipper nominations to Xoserve board discussed.</li></ul> <p><b>Next POB 13<sup>th</sup> November</b></p> |

# FGO programme update– October 2015 activities

| Work area                           | Update   |
|-------------------------------------|--|
| <b>Business plan and budgeting</b>  | <p><b>Topics discussed at POB</b></p> <ul style="list-style-type: none"><li>• Xoserve have shared their Business Plan Principles with the industry.</li><li>• Next workgroup will develop within-year change processes, and discuss feedback from industry on process for sharing 2015/16 Business Plan Principles</li></ul> <p><b>Next workgroup on 9<sup>th</sup> November</b></p>                 |
| <b>Charging and cost allocation</b> | <p><b>Workgroups on 19<sup>th</sup> October and 27<sup>th</sup> October</b></p> <ul style="list-style-type: none"><li>• Workgroup agreed on the need for more information on costs of Xoserve activities at a service line level</li><li>• Xoserve are currently looking at the feasibility of carrying out service line costing.</li></ul> <p><b>Next workgroup on 16<sup>th</sup> November</b></p> |
| <b>Governance - CDS</b>             | <p><b>Topics discussed at POB</b></p> <ul style="list-style-type: none"><li>• Change and Contract Management Steering Group Terms of Reference to be checked for whether they are reflective of interim 2015/16 process.</li></ul>   |

# FGO programme update– October 2015 activities

| Work area                            | Update   |
|--------------------------------------|--|
| <b>Governance<br/>- Corporate</b>    | <p><b>Matters discussed at POB on 30<sup>th</sup> October:</b></p> <ul style="list-style-type: none"><li>• Matters raised at POB included:<ul style="list-style-type: none"><li>- Potential for review of new board arrangements;</li><li>- Arrangements for ensuring board has sufficient specialist expertise;</li><li>- Board subcommittee arrangements; and</li><li>- Remuneration and performance management.</li></ul></li><li>• Workgroup carried out in-depth review of draft Terms of Reference for Xoserve board. Issues covered included:<ul style="list-style-type: none"><li>- Membership of board</li><li>- Appointments process</li><li>- Remuneration and performance management</li></ul></li></ul> <p><b>No further workgroups scheduled</b></p> |
| <b>UNC obligations and contracts</b> | <p><b>Workgroups held on 19<sup>th</sup> October , 21<sup>st</sup> October and 27<sup>th</sup> October</b></p> <ul style="list-style-type: none"><li>• 300+ ASA service lines allocated to parties ;</li><li>• Pros and cons of UNC-based and contract-based approaches discussed, and key questions identified;</li><li>• Draft UNC modification discussed, and amendments made.</li></ul> <p><b>No further workgroups scheduled- development of modification will proceed through UNC workgroups</b></p>   |

# Further information

---

Meeting dates and locations are available on the Joint Office website

All POB, workgroup and programme materials are available on the FGO SharePoint site

- Email [FGOcentral@kpmg.co.uk](mailto:FGOcentral@kpmg.co.uk) to receive login details

Please contact [FGOcentral@kpmg.co.uk](mailto:FGOcentral@kpmg.co.uk) for any queries or assistance

If you would like to attend a scheduled meeting, then please email [FGOcentral@kpmg.co.uk](mailto:FGOcentral@kpmg.co.uk) to confirm your attendance

A large green semi-circle is positioned on the left side of the image. It has a white shadow cast to its right, giving it a 3D effect. The text "Thank you" is written in white, bold, sans-serif font inside the green area.

**Thank you**