

0812R development of option 3

New Action 0301: Proposer (RP) to provide more detail around Option 3 and consider service level agreements as in IGT159, what detail would need to go into Code?

Option 3 from 0812R

Some other arrangement such as central provision either mandated by Code or at the discretion of PAC (however we need to ensure that any possible central provision does not affect any party's ability to offer a commercial meter reading service).

There seem to be two ways forward:

- A) The CDSP procures a service and this is provided to Shippers broadly in the same way as the Transporter service is provided
- B) The CDSP procures a service, but its use is only triggered when PAC determines that Shipper meter reading performance requires it. This would require PAC to review meter reading performance and set a trigger which if met would mean that the CDSP then procured must reads for that Shipper until PAC determined that the Shipper's read performance did not require it.

Option B would be more complicated to operate and would provide much more uncertainty for the service provider. It may therefore result in either higher unit costs or higher set-up charges as the service provider would have less certainty over the volumes over which overheads could be recovered. It may also be seen as slow to take effect as it is essentially a reactive mechanism rather than a pro-active mechanism. Unless there is a good reason to take B forward then A is proposed as the way forward.

[Does the workgroup agree?]

Currently the UNC allows transporters to determine the details of the service, this would not be appropriate for a CDSP service so we propose a UNC related document would list the way the service worked in more detail. This should take into account any elements of IGT UNC modification 159 that are considered desirable as well as service improvements considered as part of the Xoserve CRM upgrade to remove Supply Meter Points from the list of must reads to be obtained if a Shipper submits a valid read before a must read is obtained. These details will be required to enable the CDSP to define the service required.

[Does the workgroup agree with this approach?] If so, this will need to be developed as part of the modification workgroup.

Governance

We would expect the procurement of a service to be managed by the DSC contract committee broadly similar to the procurement of the service provider for the Class 1 read service under UNC 0710; however, we would expect the panel to be made up of Shippers rather than including DNOs and IGTs.

[Does the workgroup agree with this approach?]

Set up cost – procurement event

The model used for 0710 (CDSP provision of Class 1 read service) could be followed. In this case the cost of the procurement event under XRN 4973 Class 1 Read Service Procurement Exercise was 50% Shippers and 50% DNO. To avoid any future disagreements in the DSC change committee then we would clearly state the arrangements for funding the set-up and procurement costs in the modification.

[Does the workgroup agree with this approach?]

Ongoing charges

The CDSP would charge Shippers for each must read. A decision on the outline charging structure is required for the procurement event. For example, would charges be for each must read attempted, or for each read obtained or for each valid read accepted into UK Link. This could be defined in the modification or the DSC change proposal or could be left to the procurement panel. Leaving it to the procurement panel is more flexible and allows them to respond to feedback from service providers but others may think that it gives too much control on charges to the panel.

[Does the workgroup agree with this approach?]

Details of procurement event and award

This would be left to the procurement panel and Xoserve as the procuring party to determine. The panel and Xoserve would need to agree the structure of the contract and matters such as term, liabilities and so forth.

[Does the workgroup agree with this approach?]