



DATA SERVICES CONTRACT (DSC)

Overview for Invoicing Day 12/10/18

What is the Data Services Contract (DSC)

- The Data Services Contract is an agreement between Transporters, IGTs and Shippers for the services that Xoserve deliver as the Central Data Service Provider
- This includes the delivery of information, data processing, UNC invoicing, supply point administration services and change programmes. It is the agreement through which Xoserve earns most of its income

History

- Until 31/3/17 all Transporter Agency services were delivered under the Agency Services Agreement (ASA). The Agency Services Agreement (ASA) was a contract between Xoserve, National Grid Transmission and each of the Distribution Networks for the delivery to those networks of information, data processing, invoicing and supply point administration services
- The Xoserve Funding, Governance and Ownership (FGO) Programme was established to define and deliver a blueprint for a co-operative, inclusive and transparent governance and funding model for Xoserve as the Central Data Service Provider (CDSP) for the gas industry
- The implementation of these conclusions required amendment to relevant regulatory and UNC arrangements and was implemented from 1st April 2017

DSC Implementation

- On 1st April 2017, Xoserve took on its role as the gas industry's Central Data Services Provider (CDSP), marking the completion of the FGO Programme
- All Gas Transporter, Independent Gas Transporters and Shipper customers have signed up to the Data Services Contract (DSC) with Xoserve, meaning that they have shared responsibility for making decisions about the services provided under the DSC and for funding Xoserve to carry out its service delivery activities and change programmes
- All Trader Users signed the UK Link User Agreement (UUA) for IX services

Committees and Board

- Implementation of the DSC introduces three new Committees for Contract Management, Change Management and Credit Management. Meetings chaired, organised and administered by the Joint Office of Gas Transporters, who also oversee the process for the appointment of voting representatives. See www.gasgovernance.co.uk for further information
- The Xoserve Board, led by our Chairman Nick Durlacher, comprises four Shipper nominated Directors and four Network nominated Directors (one on behalf of National Grid Gas Transmission, two on behalf of the Gas Distribution Networks, and one on behalf of the Independent Gas Transporters)

DSC Invoicing

- CDSP Service Charges for 2018/19 reflect the Budget approved by the Xoserve Board in January 2018 following a period of customer consultation. The [CDSP Annual Charging Statement](#) provides further information
- Xoserve will invoice and collect funds from DSC and UUA customers in line with rules set out in the [CDSP Budget and Charging Methodology](#) and the [CDSP Credit Policy](#)
- Xoserve will consult with its customers during the development of its annual Business Plan and Budget before making a recommendation to the Xoserve Board for approval

CDSP Invoicing Schedule

DSC/UUA CONTRACTS (Shippers/Networks/IGTs & Traders)

- **General Services** – issued 12th Business Day of the month
- **Specific Services** – issued Month End plus 16 Days
- **Additional Services and Third Party Services** – adhoc
- DSC/UUA Invoice Due Date – 20 Business Days after invoice issue

The scheduled dates are published on Xoserve.com:

<https://www.xoserve.com/wp-content/uploads/Xoserve-Calendar-2018-171220.pdf>

THIRD PARTY CONTRACTS these are for customers that are NOT a DSC party

- Majority Issued in conjunction with Specific Services invoicing schedule (DE and M No). Others issued adhoc (ie IX monthly rental for MAMs)

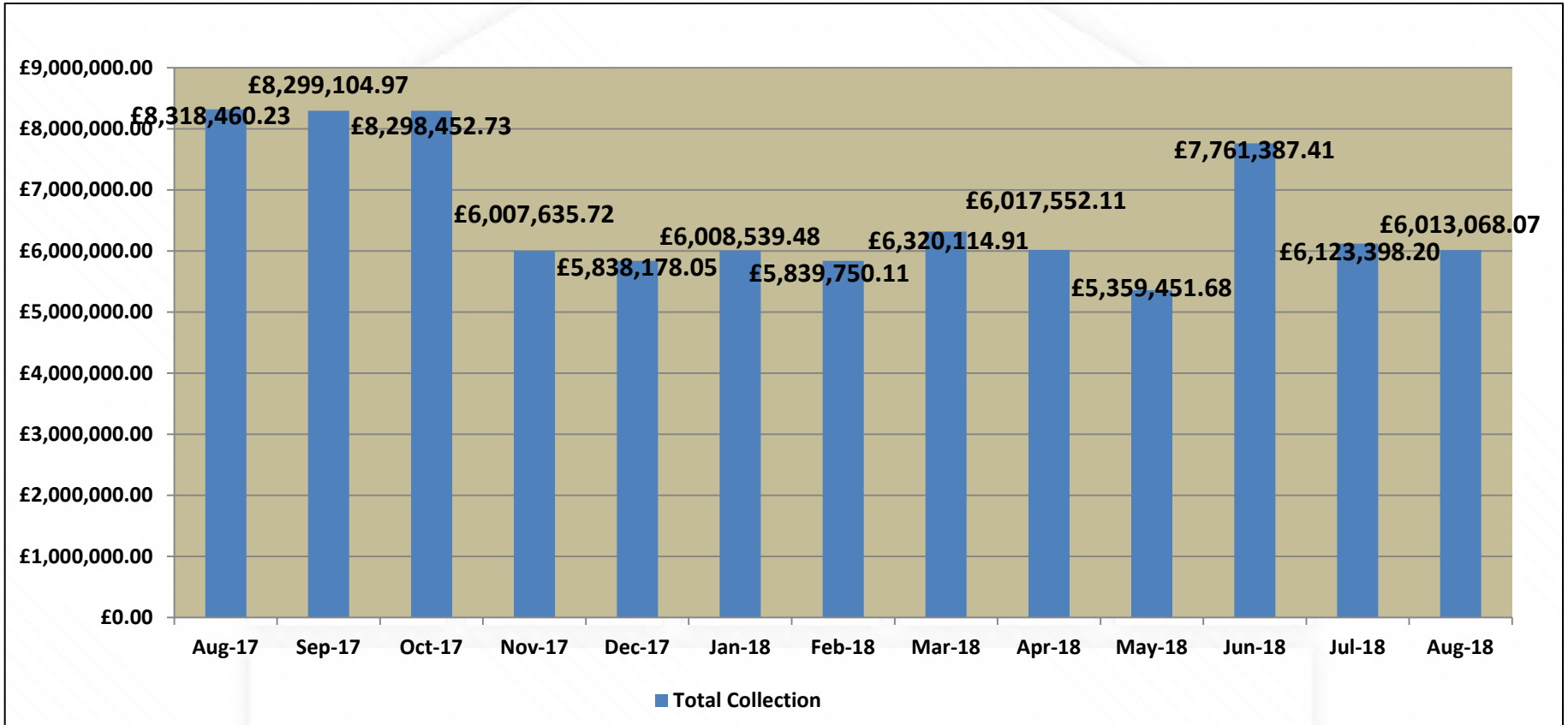


CDSP Credit Management

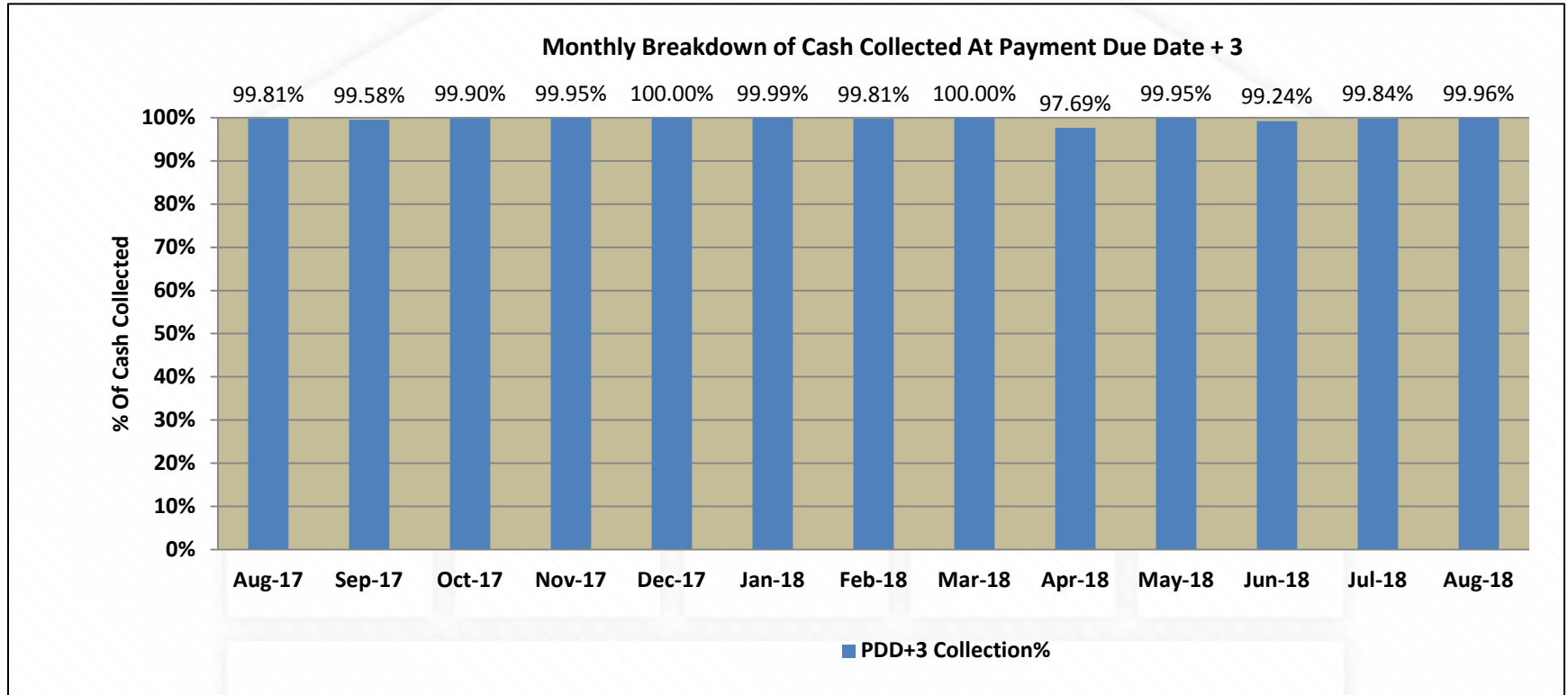
Team Roles

- Cash collection – proactive process
- Security management – Published Ratings/PCG/LOC
- Management Information – published monthly on JO website
- Credit Committee – monthly meetings, minutes published

Monthly Breakdown of Invoices Due

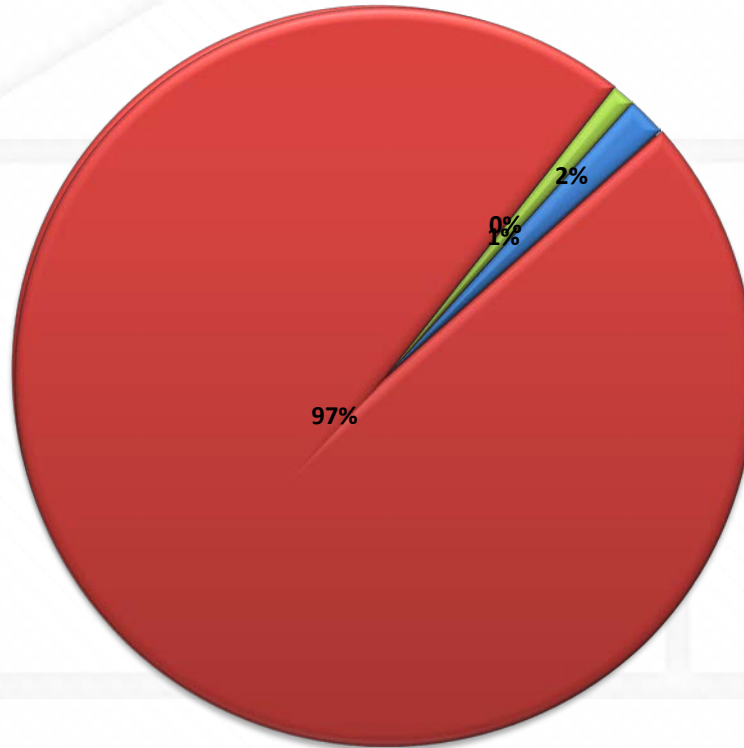


Monthly Breakdown of Cash Collected



Exposure

DSC / UUA / Third Party Customers



- Secured - Exposure underwritten by a third party ie. LOC/PCG
- Unsecured - Supported by a Published Credit Rating
- Unsecured - Exposure less than £150, not supported by a Published Credit Rating

DSC Credit Committee

- Sub Committee of the DSC Contract Management Committee
- Chaired by the Joint Office
- Up to 12 industry representatives and the CDSP process manager
- Members elected annually on 1st October
- Powers and duties are highlighted in the DSC Credit Rules, which include minimising CDSP customers risk from avoidable financial loss resulting from another customers default
- Operational meetings are monthly via teleconference, with face to face meetings where required

Current DSC Credit Committee Industry Representatives

- Adam Lane (Centrica Energy Markets & Trading)
- James Hill (EDF)
- Pauline Babb (SSE)
- Sallyann Blackett (E.ON)
- Ian Clark (Northern Gas Networks)
- John Burke (Cadent)
- Paul Whitton (Scotia Gas Networks)
- Phil Lucas (National Grid NTS)
- Sue Davies (Wales & West Utilities)
- Thomas Butler (ES Pipelines)