

DSC Change Proposal Document

Customers to fill out all of the information in the sections coloured

Xoserve to fill out all of the information in the sections coloured

A1: General Details

Change Reference:	XRN5937.2 (formerly XRN5781.3)		
Change Title:	Removal of Non-Obligated Entry Capacity from Capacity Neutrality (Modification 0897S)		
Date Raised:	24/03/2025		
Sponsor Representative Details:	Organisation:	National Gas	
	Name:	Bill Goode	
	Email:	bill.goode@nationalgas.com	
	Telephone:	07708519460	
Xoserve Representative Details:	Name:	Simon Harris	
	Email:	Simon.harris@xoserve.com	
	Telephone:	0121 229 2642	
	Business Owner:	TBC	
Change Status:	<input type="checkbox"/> Proposal	<input checked="" type="checkbox"/> With DSG	<input type="checkbox"/> Out for Review
	<input type="checkbox"/> Voting	<input type="checkbox"/> Approved	<input type="checkbox"/> Rejected

A2: Impacted Parties

Customer Class(es):	<input checked="" type="checkbox"/> Shipper	<input type="checkbox"/> Distribution Network Operator
	<input checked="" type="checkbox"/> NG Transmission	<input type="checkbox"/> IGT
	<input type="checkbox"/> All	<input type="checkbox"/> Other <Please provide details here>
Justification for Customer Class(es) selection	<p>NG Transmission and Shippers have been identified as impacted parties as the change relates to NG's Recovered Revenue and the link to the Neutrality mechanism.</p> <p>Implementing the Service Change would involve a modification of Gemini such that any revenue relating to Non-Obligated Entry Capacity will no longer flow into the Capacity Neutrality Revenue calculation.</p>	

A3: Proposer Requirements / Final (redlined) Change

<p>Problem Statement:</p>	<p>Extract from Modification 0897S – ‘Why Change’:</p> <p><i>‘The revenues received from Non-Obligated Entry Capacity contribute to Capacity Neutrality Revenues. These are returned to Users and, as a result of the Licence and UNC treatment, do not contribute to NGT’s Recovered Revenues. These “missing revenues” are recovered via the General Non-Transmission Services charges and so will inflate these charges’.</i></p>
<p>Change Description:</p>	<p>This Change Proposal has been raised to deliver the requirements outlined in Modification 0897S.</p> <p>The revenues received from Non-Obligated Entry Capacity contribute to Capacity Neutrality Revenues, these are returned to Users as a result of the Licence and UNC treatment. Non-Obligated Entry Capacity does not contribute to NGT’s Recovered Revenues, these “missing revenues” are recovered via the General Non-Transmission Services charges and so will inflate these charges.</p> <p>The detected anomaly will be resolved by eliminating Non-Obligated Entry Capacity from the Capacity Neutrality. The removal of Non-Obligated Entry Capacity from Capacity Neutrality will mean the revenues contribute to Recovered Revenues and so the effect is to both reduce the extent of opaque redistributions within Capacity Neutrality as well as reducing the General Non-Transmission Services (GNTS) charges.</p> <p>CDSP Systems (most notably Gemini) will need to be updated through this change in order to support the Modification in removing Non-Obligated Entry Capacity from Capacity Neutrality Revenues.</p> <ul style="list-style-type: none"> • The Gemini Neutrality functionality will require modification for the Method of Sales to exclude the Non-Obligated Incremental Capacity (NIEC) quantity holder revenues from the calculation. • End date the existing Revenue pot and create a new Revenue pot by removing the following Charge Types DFC, IPD and LTC associated to the Revenue pot of Neutrality. <p>The required systems changes should commence as soon as reasonably practicable, taking into consideration the stability of the recently upgraded Gemini System via the Gemini Sustain Plus programme.</p>

	A ROM was completed during the development of 0897 and can be found here .	
Proposed Release:	As soon as reasonably possible	
Proposed Consultation Period:	<input checked="" type="checkbox"/> 10 Working Days	<input type="checkbox"/> 15 Working Days
	<input type="checkbox"/> 20 Working Days	<input type="checkbox"/> Other [Specify Here]

A4: Benefits and Justification

Benefit Description:	Modification 0897S is seeking the Removal of Non-Obligated Entry Capacity from Capacity Neutrality. Extract from Modification 0897S: <i>'The revenues received from Non-Obligated Entry Capacity contribute to Capacity Neutrality Revenues. These are returned to Users and, as a result of the Licence and UNC treatment, do not contribute to NGT's Recovered Revenues. These "missing revenues" are recovered via the General Non-Transmission Services charges and so will inflate these charges. This might be expected to act against the consumer interest unless all of the Capacity Neutrality credits are returned to consumers'</i>
	<i>What, if any, are the tangible benefits of introducing this change? What, if any, are the intangible benefits of introducing this change?</i>
Benefit Realisation:	As soon as the change is implemented
	<i>When are the benefits of the change likely to be realised?</i>
Benefit Dependencies:	Modification 0897S is a Self-Governance modification and was approved in February's Panel. Delivery of this change, will be undertaken as soon as reasonably practicable taking into consideration Gemini Sustain Plus delivery in March 2025.
	<i>Please detail any dependencies that would be outside the scope of the change, this could be reliance on another delivery, reliance on some other event that the projects has not got direct control of.</i>

A5: Final Delivery Sub-Group (DSG) Recommendations – Removed

(see Section C for DSG recommendations)

A6: Service Lines and Funding

Service Line(s) Impacted - New or existing	
Level of Impact	
If None please give justification	

Impacts on UK Link Manual/ Data Permissions Matrix			
Level of Impact			
If None please give justification			
Funding Classes :	Customer Classes/ Funding	Delivery of Change	On-going Budget Amendment
	<input type="checkbox"/> Shipper	XX %	XX %
	<input type="checkbox"/> National Gas Transmission	XX %	XX %
	<input type="checkbox"/> Distribution Network Operator	XX%	XX %
	<input type="checkbox"/> IGT	XX %	XX %
	<input type="checkbox"/> Other <please specify>	XX %	XX %
ROM or funding details:			
Funding Comments:			

Please send the completed forms to: uklink@xoserve.com

Version Control

Document

Version	Status	Date	Author(s)	Remarks
1.0	Raised	05/03/25	Bill Goode	Initial Change Proposal submission.
2.0	Approved	10/04/25	Kate Lancaster	Approved at April ChMC
2.1	Approved	11/06/25	Kate Lancaster	XRN changed from XRN5781.3 to XRN5937.2 to reflect as child CP under FY 25/26 as per change development and funding as advised at ChMC 11/06