



2019 Business Plan

Consultation on updates to Draft Business Plan
Customer Webcast 30th November 2018



Welcome and Introduction

Martin Baker, Head of Strategy

Welcome

- Xoserve presenters
 - Ranjit Patel, Chief Customer Officer
 - Martin Baker, Head of Strategy
 - Dave Turpin, Customer Lead
 - Imran Sangra, Head of Finance
- Notes for participants
 - Please mute your device
 - You can submit a question at any time by using the chat facility
 - We will answer customer questions at the end of each section
- We will issue the presentation plus questions and answers next week

Today's webcast

- Customer Feedback on draft Business Plan
- Updates to Financial Forecasts
- Customer Engagement and Consultation Questions

We want to hear from you

The consultation is open until Friday 7th December 2018

Please contact your Customer Advocate if you would like to discuss what the Plan means for you

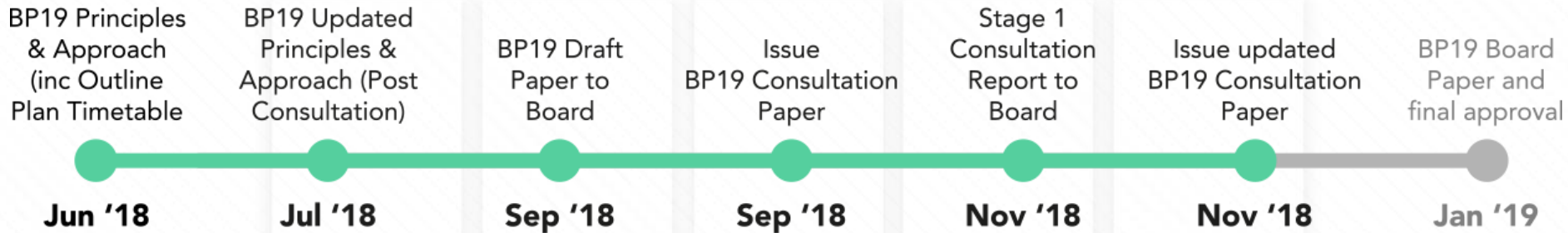
Please send your responses to
Xoserve.customeropscomms@xoserve.com

We will issue the final draft Business Plan on
Wednesday 9th January 2019



*Available from our
website homepage*

We have completed most of the process





Customer Feedback

Ranjit Patel, Chief Customer Officer

Customer feedback themes

Broad level of support for our progress to date



Customers support our assumptions



We assure customers that we are setting a budget, not expenditure



Mixed feedback on our governance review proposals



Support for continuing to review the Cost Allocation Model



Customers want to understand more about our cost efficiency



Central Switching Service (CSS)

Ofgem has indicated a revised target go-live date of summer 2021

We are continuing to work with Ofgem to fully understand the scope of CSS Consequential impacts



Financial forecasts remain unchanged until we have more clarity

We will revisit forecasts as part of 2020 Business Plan development





Customer Feedback

Customer Questions

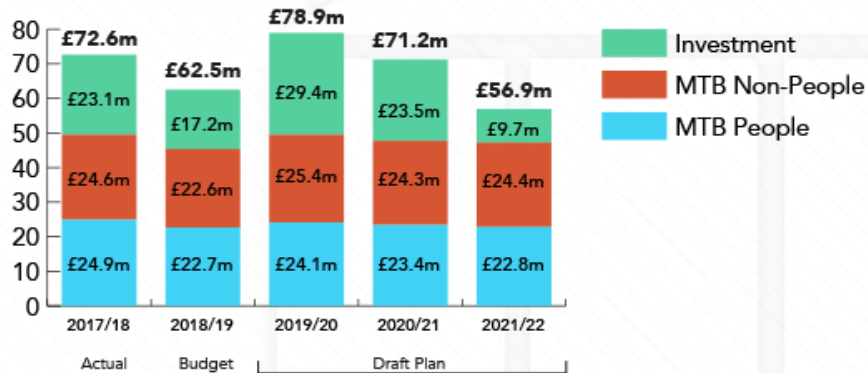


Updates to Financial Forecasts

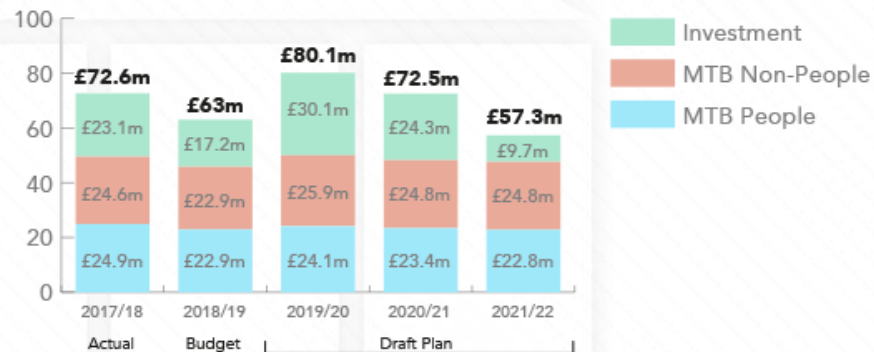
Imran Sangra, Head of Finance

Amendments to Total Funding Requirements

Our Total Expenditure (revised)



Our Total Expenditure (as per September's consultation document)



We have made a number of updates to our financial forecasts which have an impact on:

- Total funding requirements
- Funding requirements between our customer constituencies

We have also re-phased investment expenditure where new information has come to light

Amendments to Total Funding Requirements

Category	Description	Original Forecast 3 years £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Updated Forecast 3 years £'000
Customer Change	DSC Change Budget	10,560	-250	-905	-905	8,500
	Transmission Charging Regime	2,090	-190	-	-	1,900
Xoserve Change	Rant and Rave	100	-50	-	-	50
Market Investment	Governance Review	1,540	-800	-275	-165	300
Maintain the Business	Procurement	-	-420	-650	-650	-
Total Reductions			-1,710	-1,830	-1,720	-5,260
Customer Change	Increase in funding for Gemini Change Projects	2,530	-	+1,000	+1,000	4,530

Amendments to Customer Constituency Funding

Category	Description	Year	GDNs £'000	IGTs £'000	Shippers £'000	NG £'000
Customer Change	DSC Change Budget	2019/20	-875	-28	+1,039	-136
		2020/21	-1,050	-34	+1,247	-163
		2021/22	-1,050	-34	+1,247	-163
		Totals	-2,975	-96	+3,533	-462

For each constituency, we have provided a view of prior and current year funding, and three years forecasts

Contact your Customer Advocate for a detailed constituency overview



Please provide your feedback during the consultation period



Rephrasing of Forecast Expenditure

Category	Description	2019/20 £'000	2020/21 £'000	2021/22 £'000
Customer Change	Gemini Replatforming	+580	-580	0

Gemini replatforming project team are continuing to refine the work plan



There is no change to the overall funding requirements





Updates to Financial Forecasts

Customer Questions



Customer Engagement

Dave Turpin, Customer Lead

Engagement Channels

Send us a written response



Talk to your Customer Advocate



Join our webcasts



Discuss at DSC meetings



Future Engagement

Engagement Phase	Start	End	Duration	Forms of Engagement
Updates to draft Plan	26/11/18	07/12/18	Two weeks	Webcast DSC Contract Management Committee Meetings with customer organisations Written consultation
Final draft Plan	09/01/19	16/01/19	One week	DSC Contract Management Committee



Customer Engagement

Customer Questions



**Consultation Questions and
Closing Remarks**

Martin Baker, Head of Strategy

We want to hear your views

Updates to financial forecasts

Approach to Governance Review



CSS Consequential change forecasts

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