



Sally Hardman
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Sent via email to sally.hardman@sgn.co.uk

Dear Sally

Many thanks for your letter dated 24th January 2025 which provided SGNs thoughts regarding the Final Draft of BP25. This is most welcome.

I've aimed to address each of the subjects that you raise in my response below, which I trust will provide some further assurance that BP25 is focused on Customer priorities.

BP25 Documentation Provision / Business Plan Information Rules (BPIRs)

BP25 has been based upon the newly implemented BPIRs that were introduced via UNC Modification 0841. The BPIRs dictate the information that we are required to present, and we regard the independent assessment¹ of the Final Draft as evidence of robustness and detail in terms of content. I recognise that, in the absence of a comparator metric (i.e. a previous independent evaluation of our compliance BPIRs), an objective comparison between previous Business Plans and BP25 is not possible.

I would like to reassure you that if additional information that would be useful to you, perhaps that was provided in Business Plans that predated the introduction of the BPIRs, is missing from BP25 documentation, we will endeavour to provide it to you outside of the BP25 development cycle. I will be sure to follow up on this point with you in the coming days and weeks.

Investment Proposals

In some instances, BPIRs associated with Investment Proposals were not possible to be fully compliant with at this stage of development. The BPIR document caters for this scenario² and compels the CDSP to set out why the BPIRs cannot be fully satisfied during the Business Planning development cycle, and to describe how / when said rules

¹ The [Final Report](#) assesses BP25 to be 91% compliant with BPIRs

² Section 4a of the [BPIR document](#) allows for such a scenario by describing a process through which the CDSP can finalise "*activities and Costs that were uncertain and could not have been confirmed when the CDSP Budget was set*".

will be satisfied. Some Investment Proposals are estimated budgets that enable Xoserve to deliver projects when scope, service provider and or solution options are better known / refined. We agree that the DSC Committees (CoMC and ChMC as appropriate) have key roles in the development of projects, and we are fully committed to utilising them as such.

We have set out in the Final Version a plan that describes how and when we will engage with the DSC Committees (CoMC and ChMC as appropriate) as full compliance becomes possible as Investment scope and costs become more refined.

Cost Benefit Analysis Methodology

You refer specifically to concerns about Cost Benefit Analysis, and I would like to reassure you that we will not be waiting until BP26 to address this. The Final Draft includes our plan to publish a Cost Benefit Analysis Methodology (CBAM), which will set out how we will approach CBA for Investments in BP25 that aren't yet fully compliant with the CBA related BPIRs. Our aim is to present this to CoMC for review and discussion ahead of April 2024 – this timeframe is referenced in the Final Version.

CDSP Performance

We agree that the Final Version should further acknowledge some serious performance incidents that have impacted Customer organisations (but haven't flagged as 'red' KPMs/PIs). In addition to the related content in the Final Draft, BP25 has been updated in several places, including the CEO Introduction and Board Assurance Statement, to reflect our commitment and plan to address this. This plan includes the facilitation of a DSC KPM / PI review in CoMC, the introduction of dedicated Xoserve resources to perform Enhanced Qualitative Assurance, the introduction of an Xoserve Customer Experience team, the development of a Strategic Scorecard and a firm commitment to performance improvement in key areas.

We will ensure that customers are regularly updated about how this plan is being executed in the coming weeks and months.

CDSP Service Development

I would like to reassure you that BP26 does not contain any funding for the movement of Xoserve into the future role of Gas Network Code Manager. The CDSP Service Development investment will fund the delivery of a CDSP Data and Digital Strategy and an exploration of potential CDSP Open Data Solutions. We regard this CDSP scope as being important as Code Reform evolves, regardless of which entity takes on the future role of Gas Network Code Manager.

I look forward to further engagement with you as we move into the delivery of BP25 and the development of BP26.

Kind regards

James

James Rigby

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The logo for Xoserve, featuring the word "Xoserve" in a blue, sans-serif font. The "X" is stylized with a white diagonal line through it.