

By email only to: FSO@ofgem.gov.uk

17 June 2024

To whom it may concern

Xoserve response to: Statutory Consultation – establishing the Independent System Operator and Planner (ISOP) in GB industry codes 2024

Xoserve, as the CDSP, welcomes the opportunity to respond to your review of the establishment of the ISOP in GB industry codes. The focus of our response is on the proposed changes to the UNC, specifically in relation to the proposed changes to Uniform Network Code – General Terms Section D – CDSP and UK Link (“**GT-D**”) and the questions raised in Annex J, Appendix 3:

Q1 *Have we correctly identified and made all the necessary updates in the UNC and associated documents to enable the ISOP to execute its role as a Gas System Planner? If not, please elaborate what other specific changes are required?; and*

Q2 *What are your views on the proposed UNC code changes as set out in this document?*

Background

We have worked closely with NESO to better understand their requirements in relation to gas data services that Xoserve may provide in future. We understand that the intention of the proposed amendments to GT-D means that NESO will become a party to the Data Services Contract (“**DSC**”) with the ability to participate in DSC Committees through appointment of an ISOP Representative at DSC Committee. A party can only receive services under the terms of the DSC if that party is a DSC Customer. A DSC Customer is required to satisfy a number of accession requirements set out in the DSC Terms and Conditions, one of which includes the requirement to become a UK Link User.

Neither Xoserve nor NESO currently envisage NESO being a funding party of the CDSP on Day 1.

Response to Q1 and Q2

Whilst CDSP and NESO agree that it may be useful for NESO to attend DSC Committees on occasion, this can be achieved by NESO attending in its capacity as a DSC party rather than needing to have formal representation at any of the Committees.

We understand that the services that NESO will require initially will be limited to reporting services. NESO will not require access to UK Link for the delivery of these services. It could therefore be considered that NESO becoming a UK Link User would result in NESO incurring costs that are unnecessary.

As the party who manages the DSC and all services provided therein, including but not limited to the processes followed by market participants wishing to accede to both the UNC and DSC, it is our opinion that, provided all parties involved agree, the requirement for NESO to become a UK Link User can be waived and NESO can continue to receive services as a New Party to the DSC under a separate parallel agreement if necessary.

We have engaged closely with NESO to support their understanding of the DSC and the relevant accession requirements and to ensure that our thinking aligns with NESO's view.

Kind regards

Jayne McGlone
Industry Contract Manager

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