Lucy Jordan
Energy System Digitalisation Team
10 South Colonnade,
Canary Wharf,
London,
E14 4PU

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Email: digitalisation@ofgem.gov.uk

Dear Lucy,

Consultation response to Code manager standard licence changes: data best practice

We welcome the opportunity to respond to Ofgem's consultation on Proposed Code Manager Standard Licence Modifications relating to Data Best Practice. Following our recent joint submission of the Licensing Assessment as part of our application to become the future Gas Network Code Manager, we are responding jointly in our roles as Central Data Service Provider (CDSP) and Code Administrator. This reflects our ongoing collaboration with the Joint Office of Gas Transporters, operated by Encodar, and Talan, administrator of the IGT UNC, as we progress through the next phase of the Gas Network Code Manager application.

As the CDSP, Xoserve are responsible for managing and maintaining the gas industry's central data systems which underpin critical processes, including metering, billing and settlement. Xoserve's role is to provide a single, consistent point of service for our customers and make sure their data is shared securely through well governed data processes to an expanding audience.

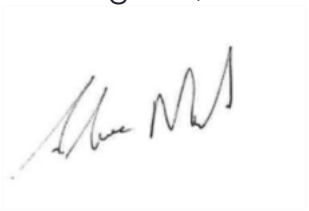
As Code Administrator for the Uniform Network Code (UNC), the Joint Office of Gas Transporters (operated by Encodar Ltd) is responsible for the development and governance of UNC modifications, along with the delivery of industry working groups, committees and the Modification Panel. This activity is delivered on behalf of Gas Transporters in accordance with their Licence requirements of Standard Special Condition A12 that have been in place since 2005.

We strongly support Ofgem's decision to introduce Data Best Practice (DBP) through Code Manager Standard Licence Conditions. Embedding DBP across the energy sector is an important step towards supporting more consistent data management, accessibility and sharing practices. Since our

response to *Data Best Practice as a Code Obligation* consultation last year, Xoserve has already taken steps as CDSP to align with DBP ahead of formal implementation. We have recently consulted on our draft Digitalisation Strategy, which will be used to inform our upcoming Digitalisation Action Plan, and we have commenced phase 1 of our Data Best Practice Discovery workstream, which is due to finish at the end of March 2027.

We look forward to working with Ofgem and other code parties to ensure an effective and successful implementation of DBP. In the meantime, we hope you find the comments in this response useful and should you require any clarification of our views, please do not hesitate to get in contact.

Kind regards,



Clive Nicholas
Director of Strategy and Development



Paul McKie
Encodar, Chief Executive Officer

Part 1: Xoserve Ltd Contact Details

Contact name	**Clive Nicholas**
Role title	**Director of Strategy & Development**
Company name	**Xoserve**
Address	**Lansdowne Gate, 65 New Rd, Solihull B91 3DL**
Telephone number	**07818 077021**
Email address	**Clive.nicholas1@xoserve.com**
Do you want your response treated as confidential?	**No**

Part 2: Xoserve Ltd Consultation Response

Question 1: Do you agree with the structure of our proposed amendments to the Code Manager Standard Licence Conditions, to introduce the requirement to follow Data Best Practice (DBP) Guidance for licensed Code Managers?

We strongly support Ofgem's decision to introduce DBP through the Code Manager Standard Licence Conditions, as this enables a clear and coherent approach to rolling out DBP across the wider energy industry. Embedding DBP within the licence framework will strengthen accountability for data stewardship, reduce fragmentation and foster a more interoperable and transparent energy data system, directly supporting the broader digitalisation objectives outlined in Ofgem's Strategic Direction Statement.

Recognising that code manager licences will be introduced in phases, we agree that it is appropriate for the obligation to apply once Code Managers are licensed. We note and support the expectation that licensees publish their Digitalisation Strategy within the first two years of commencement of the licence obligation. Through future updates to our Digitalisation Strategy and its supporting Digitalisation Action Plan, we would expect to set out indicative timelines and a phased roadmap for implementing, among other initiatives, the 11 Data Best Practice principles. We recognise that implementation will need to be progressive, with some principles capable of being advanced more quickly than others and some dependent on wider industry arrangements, data owners, customers and supply chain partners. We would therefore encourage a pragmatic and proportionate approach to assessing compliance, taking account of these dependencies and the demonstrable progress being made by Code Managers. We also do not see DBP as a fixed end-state. Data practices, technology, market expectations and interoperability requirements will continue to evolve, and the application of DBP should therefore support continuous improvement rather than be treated as a one off point of compliance.

Furthermore, we would also encourage alignment between DBP reporting requirements and other Ofgem-led initiatives, such as the Data Domain Coordinator. Aligning reporting cycles would help promote consistency in data governance, standards and reduce duplication of effort.
We would also emphasise that delivery of some DBP outcomes may depend on actions, approvals or information from parties outside the Code Manager's direct control, including data owners, customers, other industry participants and supply-chain partners. We would therefore encourage a pragmatic approach to assessing compliance, taking account of the reasonable steps taken by the Code Manager to progress delivery and manage these external dependencies.

Overall, we strongly support the 11 principles outlined in DBP Guidance and welcome the introduction of Digitalisation Strategies and Action Plans. As both CDSP and Code Administrator, we are committed to supporting this transition towards a more digital, data-driven future and strengthening engagement with data users and stakeholders.

Question 2: If you are not currently a licensed Code Manager, do you voluntarily follow DBP Guidance? If not, what are the key blockers preventing adoption (e.g. data maturity, capability, resource constraints, legacy systems, governance arrangements)?

Xoserve does not yet fully operate in accordance with Data Best Practice (DBP) Guidance. However, as set out in our response to Ofgem's consultation on *Data Best Practice as a Code Obligation* in August last year, we committed to progressing towards alignment with DBP principles. To support this commitment, we have initiated a number of activities that aim to bring the organisation up to DBP ways of working in advance of formal implementation.

In June this year, we launched our draft Digitalisation Strategy, which was open for consultation until the end of August. The strategy has been developed in alignment with Ofgem's DBP Guidance and is centred on three objectives: improving transparency and accessibility of gas market data; enhancing stakeholder experience through clearer and more usable data services; and strengthening interoperability and standardisation to support future cross-sector coordination. Feedback from our customers and stakeholders will be used to help refine the strategy ahead of its formal publication and inform the accompanying Digitalisation Action Plan.

We plan to publish our Digitalisation Action Plan later in 2026/27. This will set out the actions, owners, indicative timescales and measures we will use to track delivery of our Digitalisation Strategy. The Action Plan will provide the delivery and accountability framework for the Strategy, including how progress will be monitored, reported and iterated over time.

Alongside the development of our Digitalisation Strategy, we have established a workstream that aims to align our data management and customer data engagement practices with the 11 principles of DBP. Following an initial assessment of requirements completed in March 2025, we have moved into phase 1 of the Data Best Practice Discovery workstream, which is due to finish at the end of March 2027. This will set out the standards, processes, roles and responsibilities required to support implementation and inform the subsequent delivery phase.

We recognise that different elements of DBP will require varying levels of organisational maturity. Whilst we have not yet established definitive timelines for compliance with each element, we are identifying the gaps and will develop a roadmap to address them through ongoing engagement with Ofgem. A key consideration is that achievement of some DBP principles is not wholly within Xoserve's direct control. As the CDSP, we hold and manage significant volumes of data on behalf of our customers and the wider gas industry. Progress in areas such as open data, data quality, standardisation and interoperability may therefore depend on decisions and actions by data owners, customers, other industry participants as well as our supply-chain partners. For example, changes to interoperable data structures may require agreement across multiple gas-sector participants, while publication or wider sharing of particular datasets may require approval from the relevant data owners. These interdependencies mean that implementation should be viewed as a collaborative and iterative process. Xoserve can facilitate and lead activity within its remit, but successful adoption of some DBP principles will require broader industry participation and alignment.

We are eager to align with DBP and realise the benefits it can bring to both Xoserve and the wider energy sector by encouraging more effective, transparent and responsible data sharing. We also recognise that DBP will continue to evolve as technology, data practices and market requirements develop, and our approach will therefore need to mature and adapt over time.

Finally, we note that we are also in the process of refreshing our internal Data Strategy to align with Data Best Practice.

Question 3: What forms of support, clarification, or guidance from Ofgem would help you, or future Code Managers, to comply with the DBP obligation once it becomes a licence requirement? Please include examples of tools, documentation, or transitional arrangements that would be beneficial.

As Xoserve progresses its DBP journey, we welcome continued engagement with Ofgem to support a consistent and proportionate implementation of DBP across Code Managers. In particular, we see value in Ofgem facilitating coordination between Code Managers and relevant industry bodies, helping to promote alignment on common approaches, avoid unnecessary duplication and share emerging good practice. Where common implementation questions arise, for example around metadata, triage processes or cross-code governance, Ofgem could play a useful convening role to help ensure these are considered consistently across the sector.

We are aware that relevant standards and guidelines on DBP have already been developed by organisations such as the NESO. Encouraging and supporting the reuse of these frameworks and materials could reduce

duplication of effort, support consistency across the sector and minimise unnecessary cost and resource impact. It would also be helpful if Ofgem could support engagement with other organisations where collaboration or access to existing good practice would assist implementation. Furthermore, this would be a valuable topic for discussion at existing or future cross-code working groups, to ensure consistent application of DBP across all energy codes.

Finally, we would also welcome a proportionate approach to transitional arrangements, recognising that implementation will be progressive and that DBP itself will continue to evolve as technology, standards and market expectations develop. Guidance that focuses on demonstrable progress/compliance, governance and continuous improvement would, in our view, be more effective than treating compliance as a single fixed end-state.