

June 2007

A Guide to xoserve's Principal Systems Investment Programme

2007 – 2013

1. An introduction to xoserve

xoserve is at the heart of the British gas industry, constantly delivering high standards of service in an ever-changing business environment. In such an important industry, relied on by millions of customers nationwide, xoserve manages the complex commercial interfaces between the major gas transporters operating in Britain and their customers, the gas Shipper companies.

Through its rich heritage, xoserve plays a key role in managing the administration of the 22 million gas supply points in Britain. By delivering transportation transactional services on behalf of its customers through major information systems, xoserve enables gas competition to operate effectively across the country.

Whilst xoserve itself is not regulated by Ofgem, it receives funding from the regulated large Gas Transporters (the gas Distribution Network and Transmission companies) operating in Britain. Therefore, all xoserve's future significant IS projects have been reviewed by Ofgem in the context of the latest gas Distribution Network and Transmission price reviews.

2. IS Background

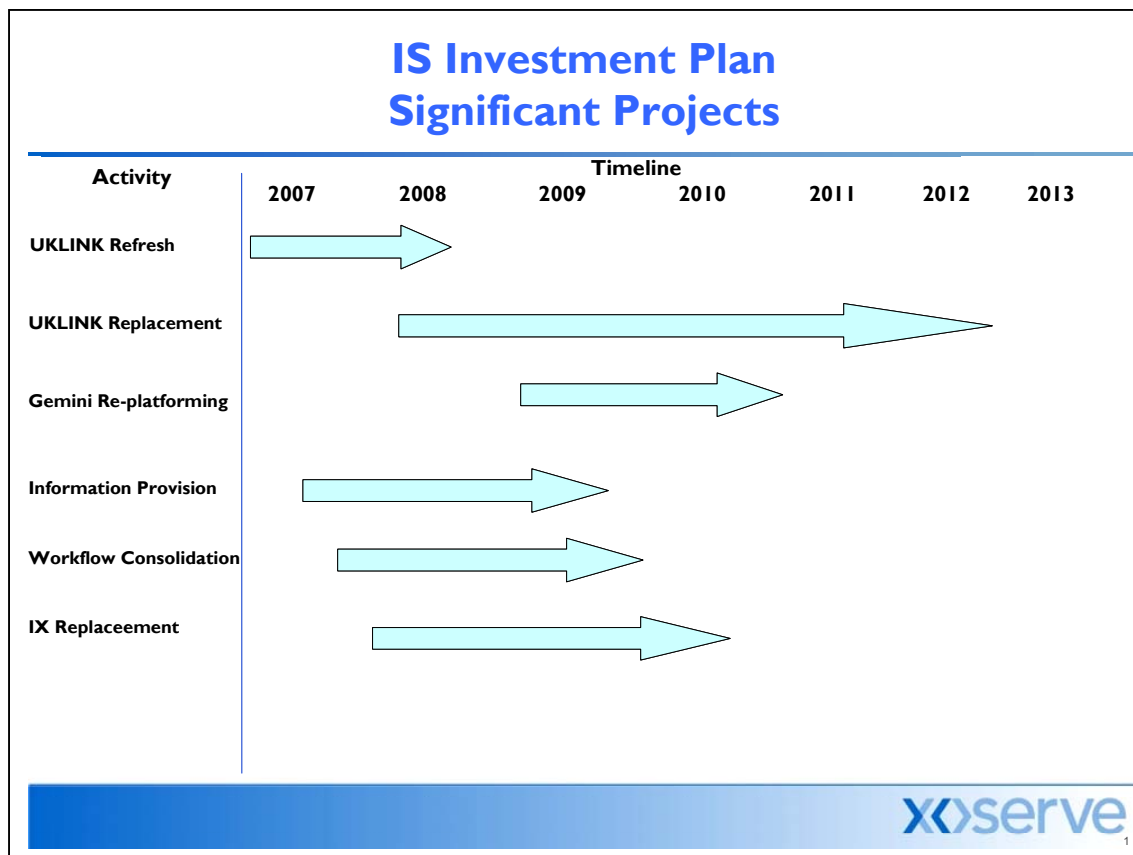
Over the past year work has been ongoing to assess the most effective and efficient manner in which xoserve can manage its current and future IS infrastructures. Following a detailed feasibility study, the first phase of xoserve's principal systems investment programme has been initiated, to refresh UK Link technology. This is due to be completed in 2008.

Additional significant projects have been incorporated into xoserve's 'Principal Systems Investment Programme'. This phased investment programme is driven by both technology and business initiatives to sustain the information systems that xoserve owns or operates in line with the need to maintain robust and reliable hardware and software supported by the vendors.

3. IS Investment Plan

The following diagram provides a high level summary of the significant IS investment projects that xoserve believes should be undertaken over the next five years (starting from 2008 to align it to the gas Distribution Networks latest price control period). The content of the significant projects plan is continually reviewed based upon commercial and operational requirements. This view therefore reflects the current position going forward, and all significant projects are subject to xoserve Board approval.

In addition to the significant projects indicated, a number of proof of concept and pilot project activities will be undertaken to assess new tools and technologies.



UKLINK Refresh – 2007 to 2008

In order to sustain the services provided by UK Link prior to replacement in 2012 a full system refresh of hardware, software (database) and development toolset is underway. This will be completed in 2008.

UKLINK Replacement – 2008 to 2013

Provision is made for a replacement of the UK Link system at the end of the latest gas Distribution Network's price control period in order to consolidate the multiplicity of changes that have taken place on the core applications since they were deployed in 1996.

The replacement will also take into consideration state of the art technology and industry business requirements. Therefore a significant amount of time has been set aside for industry consultation.

Gemini Refresh – 2009 to 2010

The current Gemini hardware infrastructure will become unsupported by the end of 2010. A re-platform project has therefore been planned to complete by mid 2010 to assess the optimum hardware solution taking into account potential impacts to the existing database and development tools.

Information Provision – 2007 to 2009

The Information Provision project will review the existing information provision arrangements within xoserve, recommend and implement a consolidated solution providing management information, reporting and information provision capability for xoserve on behalf of the Gas Transporters.

Workflow consolidation – 2007 to 2009

This project aims to clarify the requirements for workflow within the xoserve application portfolio. Define and implement a consolidated workflow solution.

IX Replacement – 2008 to 2010

The IX replacement project aims to review the communication mechanisms currently employed by xoserve, both in terms of network infrastructure and functional requirements in order to define and implement a cost effective, fit for purpose, flexible solution.