



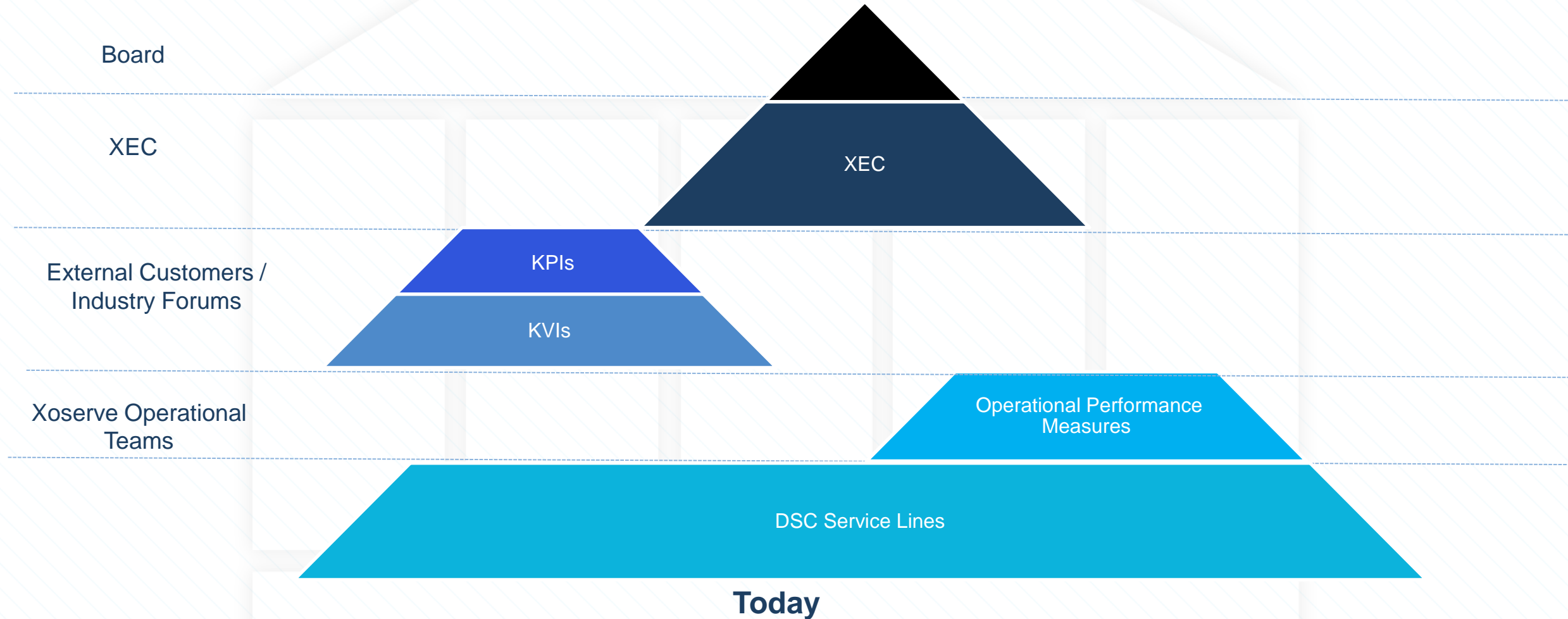
# Performance Measure Review

May 2020

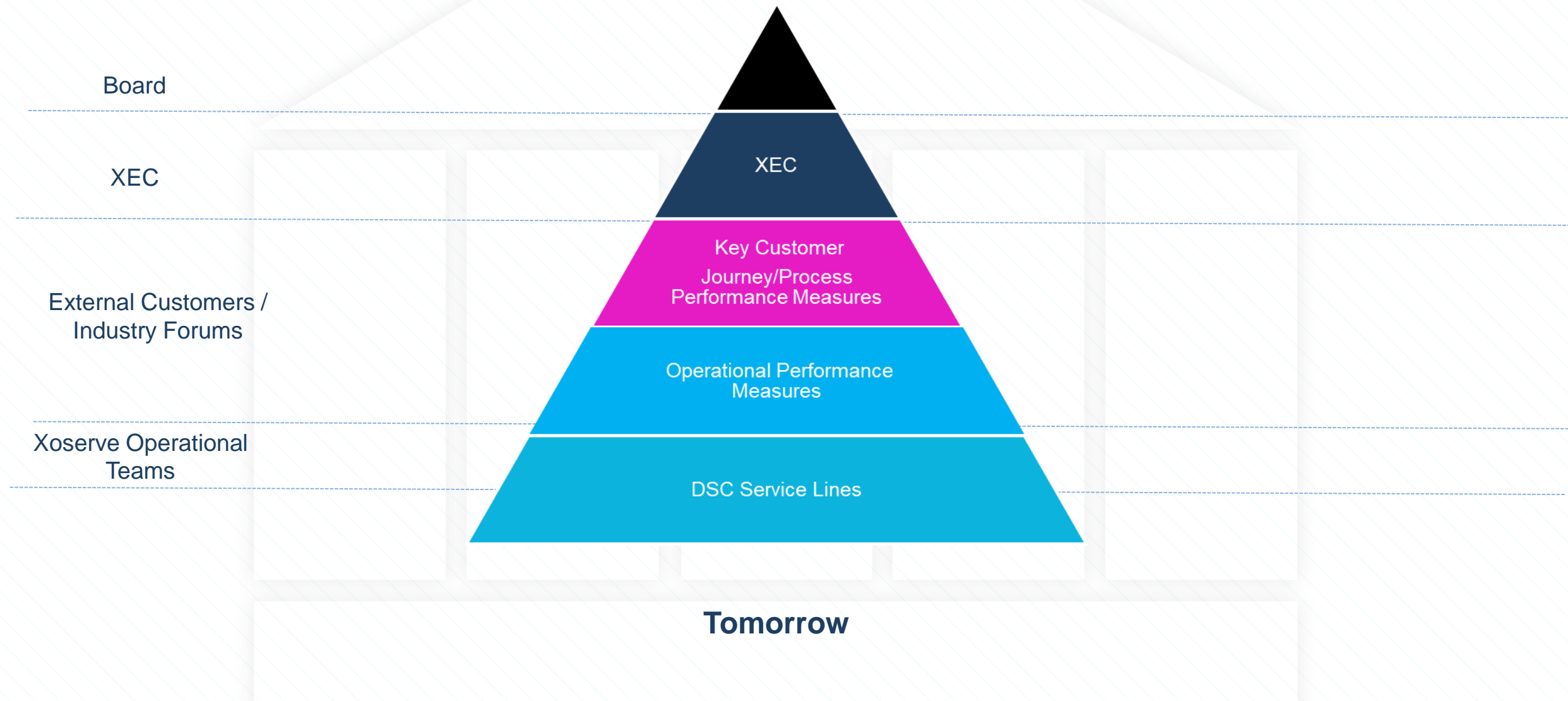
# Background

- Xoserve currently measures performance under the DSC by KPIs and KVIs
- It is acknowledged that these are often reactionary and don't always reflect the true picture
- It was agreed in January that Xoserve would review how it measures performance and define a set of measures that are meaningful to both customers and to Xoserve

# Current Measures



# Proposed Measures



# Why?

- Clear and meaningful measures
- Customers and Board see the same results
- Transparency of costs including identifying efficiencies

# How?

- Considered the process journey areas that measures can be split by
- Mapped each service line into a process journey
- Considered how we can measure each process journey for Quality, Cost, Delivery
- Currently testing measures for Quality and Delivery
- Commenced Cost Allocation review that will feed Cost measure
- Our goal is to include Customer Effort measure in the future

# What will the measures look like?

Journey / Process	Quality (Right First Time)	Cost to Serve	Delivery (Cycle Time)	Customer Effort
Customer Contacts (Queries and Phones)	% of Escalations raised against total query responses	TBC	% responded to within SLA	TBC
Customer Contacts (Service Mgt Incidents)	TBC	TBC	% responded to within SLA	TBC
Manage Shipper Transfers	% of successful shipper transfer processed	TBC	% processed within SLA	TBC
Monthly AQ processes	% of AQ's processed successfully	TBC	% Notifications sent by due date	TBC
Manage updates to customer portfolio	% of valid CMS challenges received (PSCs)	TBC	% CMS Contacts processed within SLA	TBC
Demand Estimation obligations	Demand Estimation Survey	TBC	Key Milestones for Annual process achieved on time	TBC
Meter Read / Asset processing	% of meter reads successfully processed	TBC	% requests processed within SLA	TBC
	% of asset updates successfully processed			
Management of Customer Issues	Provision of relevant issue updates to customers accepted at CoMC	TBC	Plan agreed with customers & upheld	TBC
Customer Relationship Management	KVI relationship survey	TBC	Survey results delivered to CoMC in Month +1	TBC
Managing Change	No of valid incidents raised within PIS period	TBC	% level 1 milestones met	TBC
Invoicing customers	% of customer invoices sent without issues / exceptions (exc. AMS)	TBC	% of invoices sent on due date	TBC
	% of customer invoices sent without issues / exceptions (AMS only)	TBC	% of exceptions not resolved within 2 invoice cycles of creation date	TBC
	% of invoices requiring adjustment post original invoice dispatch			
Customer Joiners/Leavers (UK Gas Market)	% of readiness criteria approved by customer (join)	TBC	% key milestones met on readiness plan	TBC
Energy Balancing (Credit Risk Management)	% of total revenue not collected by payment due date	TBC	% of revenue collected by due date	TBC
		TBC	Number of referrals to Energy Balancing Credit Committee	TBC
Customer Reporting (all forms)	% of RFT against all reports dispatched	TBC	% of reports dispatched on due date against total reports expected	TBC

# Quality & Delivery Measures

- Right First Time (Quality)
  - Assuring quality of our products and services.
  - Proactive, one touch approach for our customers.
  - Increase trust and satisfaction.
- On Time (Delivery)
  - Monitoring and reporting service delivery performance against agreed SLA's and DSC obligations.



# Cost Measure

- Cost Allocation Review
  - Try to maximise MTB costs that can be directly allocated to Service Areas
  - Direct Costs of delivery eg: People; IS applications (excl. Gemini); Direct bought in services
  - Support Costs eg: Property; Back office; Desktop/ Network; People in support functions
  - Fewer Service Areas than current model but still meaningful to customers
  - (Subject to approval) will be used in the Business Plan 21 process and charges from financial year 2021/22
- Our proposals
  - 13 in line with the process journeys\*
  - 1 specific to Gemini
  - 1 specific to Value Add
  - 1 specific to REC

\* No of journeys subject to change

# Benefit/Risk of Performance Measure Review

- Benefits:
  - Clear and meaningful measures
  - Customers and Board see same results
  - Transparency of spend
  - Clarity of cost to serve measure
  - Ringfence Gemini/Value Add service/REC costs
- Risks:
  - Cannot agree to change percentage of allocation charges between customers
  - Cannot agree to proposed quality measures
- Mitigation:
  - Like for like mapping of currently allocation percentages
  - review/approval by customers
  - Increase customer engagement as required
  - Continue to measure KPIs/KVIs until all measures approved

# Customer Engagement

Customer Group	Date and Purpose		
DNs	7 May – consult	June – consult	TBC
NG	7 May – consult	June – consult	TBC
Domestic Shipper	12 May - consult	June – consult	TBC
iGT	13 May - consult	June – consult	TBC
ICoSS	14 May – consult	June – consult	TBC
ChMC	TBC – inform	10 June – consult	08 July –inform
CoMC	20 May – initial review/discussion	17 June – approve proposed measures. Review amended Service Documents	15 July – approve amended Service Documents.

# Contract Amendment and Approval

- CoMC to approve process journeys
- CoMC to approve measures
- CoMC to approve service areas and associated charging apportionment
- Xoserve to amend DSC documents
  - CDSP Service Description
  - Budget and Charging Methodology
  - Third Party and Additional Services Policy
  - Service Description Table
- CoMC to approve amended DSC documents