

DSC Evaluation Quotation Report (EQR)



Change Title	Resource to support the Retail Energy Code (REC)
Change reference number (XRN)	XRN5485
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Target Change Management Committee date	09/03/2022

Section 1: Scope of EQR

When developing the 2022/23 Business Plan (BP), it was agreed by DSC Customers that there would be ring-fenced part of the DSC Change Budget to fund the support of the Retail Energy Code (REC).

With the BP for 2022/23 commencing in April, Change Proposal XRN5485 has been raised to secure the resource to support the REC.

The resource funded under XRN5485 and requested within this EQR will support the REC, specifically the development of the required processes and knowledge share internally of the required processes and development, assessment and delivery of REC change impacting central systems and processes.

At the August 2020 Change Management Committee (ChMC), it was agreed that additional resources were required to support the development of REC changes. It was agreed that it was appropriate to seek investment, rather than to increase MTB, to cover this work for at least a year post-CSS implementation to assess demand.

The ring-fenced amount for REC was agreed as £250,000 of the 2022/23 DSC Change Budget. This £250,000 is the proposed budget to fund essential REC resource and to contribute to the delivery of DSC consequential REC change.

Under this EQR, we are requesting £160,000 of the agreed £250,000 to appoint essential resources for activities associated with the ongoing development, assessment, support and delivery of REC change impacting central systems and processes for financial year 2022/23.

Please note, the £160,000 is the amount we are anticipating is required for initial REC resource and the confirmed cost will be provided within a Change Closure Report (CCR) as per the DSC change process.

Section 2: Estimated cost	£160,000
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Section 3: Funding of EQR

Although it has been discussed that the DSC Change Budget for 2022/23 should have ring-fenced funding for REC, this EQR is required to formally approve this funding with the ChMC.

GDNs and IGTs are signatories to the REC, as are Suppliers. Given the role being considered here, this role is expected to provide assessment of changes through REC that will directly impact GDNs and IGTs responsibilities in the REC, and those placed indirectly on Shippers through their Suppliers responsibilities. Consequently, we anticipate funding of the REC recourse support will be split between these DSC parties.

The split of the funding has been proposed to mirror the split for the REC Investment Funding Split discussed as part of the Business Plan.

Gas Industry Participant	% Share of Cost	Cost Value
Shippers	59%	£94,400
GDNs	35.5%	£56,800
IGTs	5.5%	£8,800

Section 4: Approximate timescale for completion of the Business Evaluation Report	This EQR is the funding for financial year 2022/23. Funding for the requirement support following 2022/23 financial year will be via MTBs.
Section 5: Period that the Evaluation Quotation Report is valid for	n/a
Section 6: Additional Information	
n/a	

Document Version History

Version	Status	Date	Author(s)	Summary of Changes
1.0	For approval	01/03/2022	Ellie Rogers	EQR for ChMC approval to release funds to recruit REC resource
2.0	Approved	09/03/2022	Ellie Rogers	Update following agreement at March 2022 ChMC to the release of £160,000 for REC resource