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**ICoSS response to Xoserve Change Programme Delivery Options.**

The Industrial and Commercial Shippers and Suppliers (ICoSS) group represents the major non-domestic industrial and commercial (I&C) suppliers in the GB energy market, supplying 70% of the gas needs of the non-domestic sector; a number of our members also supply electricity to their customers<sup>1</sup>.

ICoSS is writing to give its views on the proposed change programme delivery options set out by Xoserve in its options paper on 7<sup>th</sup> February.

We understand the desire for Project Nexus to be implemented as soon as possible, considering the length of its development. It is however imperative that the implementation is successful and results in a stable and robust operating environment, otherwise the industry (and ultimately the customer) will suffer costs from handling a sub-optimal implementation. We note that work on Project Nexus was effectively halted in 2009/2010 for domestic and SME customers as risk to implementation from the smart metering programme was assessed; the primary aim should be to ensure a successful implementation, that can realise the benefits of the next generation of smart meters.

Xoserve is best placed to understand the risks currently presented by the implementation of both Project Nexus and the EU Reform changes, and can see no reason to disagree with Xoserve's initial assessment. We therefore agree with Xoserve that option 2b represents the lowest risk to the market and provides the greatest chance of successful implementation of these two important changes, and so this change should be the one pursued.

I look forward to your response

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<sup>1</sup> Current Membership: Co-Operative Energy (associate), Corona Energy, ENI, First Utility (associate), Hudson Energy (associate), Gazprom Energy, GDF Suez Energy UK, Statoil UK, Total Gas & Power, Wingas UK.

Yours sincerely

A handwritten signature in grey ink, appearing to read 'G. Evans'.

Gareth Evans  
Chair ICoSS