

XOSERVE

Line In The Sand Modifications

0886 and 0896





Background

- During 2024 two Modifications were raised to amend the current Code Cut-Off Date commonly referred to as Line in the Sand (LiS)
 - **Modification 0886V** which seeks to amend the Code Cut-Off Date to a Rolling Period
 - **Modification 0896** which seeks to Reduce the current Code Cut-Off Date (Line in the Sand) from 3 to 4 years to 2 to 3 years
- Both Modifications were discussed and developed in parallel through Distribution Workgroup and were subject to Authority decision
- On the 22nd August 2025, Ofgem approved both Modifications meaning the current LiS logic will be updated from 1st April 2026 to reflect these Modifications (subject to ChMC approval)

What is changing from 1st April 2026?:

- Modification 0886V: The LiS will roll forward monthly instead of annually.
 - For example, in May 2026, the LiS will be May 2024, and this 2-year window will continue to roll forward on a monthly basis
- Modification 0896: The LiS will change to a 2–3-year window.

The combined impact of the two Modifications is that the LiS will move back two years from the 1st of the current month, starting from the 1st April 2026 onwards, and will roll each month on the 1st of that month.



'Normal' Year Preparation for the LiS Date Change

- A date is defined by which any Consumption Adjustments (RFAs) transactions that need to be processed prior to the LiS Date Change must be received
- These are worked on a reasonable endeavour's basis to be processed prior to the LiS Date Change
- The date for Consumption Adjustments (RFAs) is confirmed each year in January, typically, this Consumption Adjustments (RFAs) [receipt date] is 10th March YYYY



Identified increase to workloads

- As part of Modification development and Workgroup discussions, there was recognition of the potential workload increase for both Shippers and CDSP, particularly in managing the initial 2-year jump
- This is due to adjustments that are normally managed as part of Business As Usual (BAU) for Shipper's for the period 1st April 2023 - 31st March 2024. These may need to be managed as part of their LiS date change preparation



Submission Guidelines 2026 LiS

- Consumption Adjustments (RFAs) which impact the LiS period will need to be submitted ahead of the LiS reset date
- It has been agreed that for 2026 LiS consumption adjustments will have a **80/20 submission split**:
 - **80%** of LiS activities by **10th February**
 - Remaining **20%** by **10th March**
 - With a **de minimis** threshold of **25** work items per Shipper
- For the automated processes such as RGMA flows, please note: the UKL Manual allows the CDSP 2 working days to process the majority of transactions.
- In order to ensure that the transactions are processed these should be submitted no later than 2 working days prior to **31st March** (for 2026, this would be **FRIDAY 27th March**).
 - This will allow for larger than normal volumes
 - Typically, older transactions might have a greater likelihood of generating exception



UK Link Manual Update

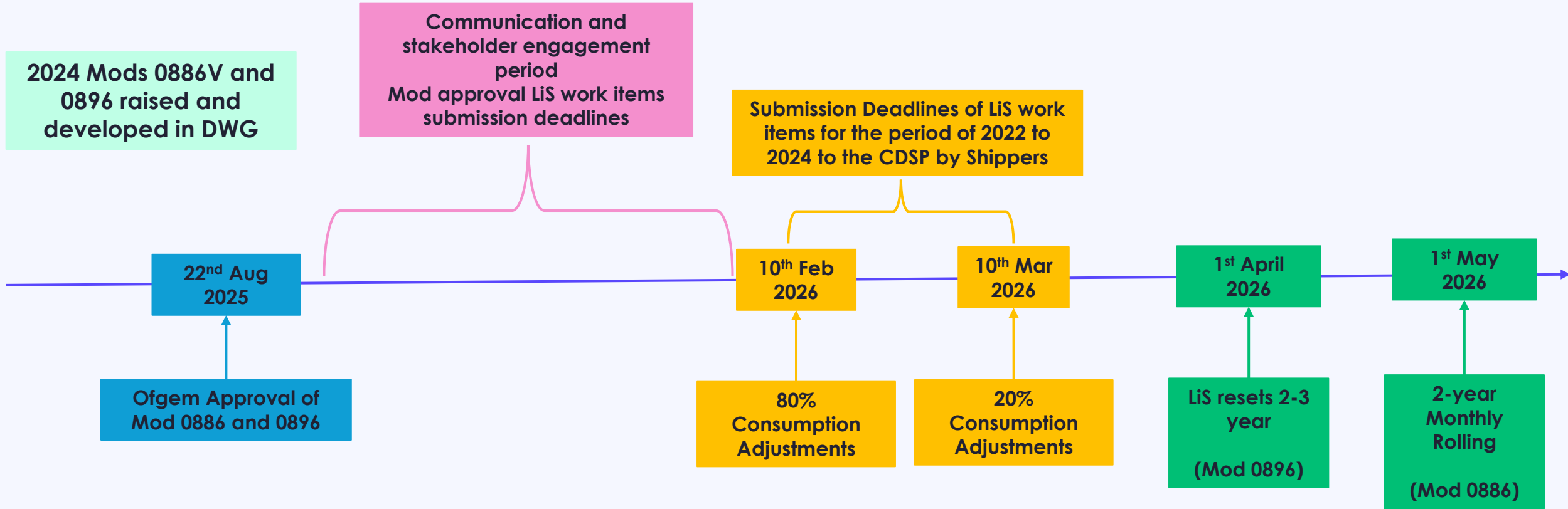
Submission Deadlines for LiS Activities

- As part of Modification discussions and development it was agreed that the UK Link manual should be updated to clearly define submission deadlines for work items
- The update is designed to support the industry with LiS submission dates as the process transitions to monthly Rolling
- In addition to monthly submissions, a transitional update has been included to reflect the 80/20 submission split.

Important Note on 80 / 20 Assessment

- Submissions received by the deadline will be assessed retrospectively.
- Acceptance of an RFA by the deadline does not guarantee validity until confirmed, as system changes are not being implemented.
- For example, submissions made between 11th February, and 10th March may be logged, but final validation will occur after 10th March.
- As an example, this would be comparable to submitting a tax return before the deadline: while it's submitted on time, it isn't considered final or accepted until it's been reviewed and validated

X Timeline





Thank you!

Any questions?

