# Draft/28 July 2016

# DSC Transitional Arrangements Document

*This draft is being circulated subject to GT and Xoserve comments in the interests of getting the document out for review.*

*Note: this document contains transitional arrangements which are to apply both for UNC and DSC purposes.*

*The current draft does not address financial transition, in terms of the opening budget of the CDSP from 1.4.17, the close-out of invoicing under ASA and Non-Code User Pays Agreement, or any ‘excluded liabilities’. Those issues will be included in this document when further progressed.*

# General

## **Introduction**

### This Document is the DSC Transitional Arrangements Document referred to in Section GTD3.1.4, Part I of the Transition Document, and Clause [2] of the DSC Terms and Conditions and is a DSC Service Document.

### This Document is an integral part of and is incorporated in the DSC, and (to the extent provided in paragraph [3.3] of Part I of the Transition Document) has effect as if incorporated into the Transition Document.

### The version of this Document which is in force, and the date from which it is in force, is as stated above.

## **Interpretation**

### In this Document:

#### **Uniform Network Code** or **UNC** means the Uniform Network Code;

#### a reference to Section GTD is to Section D of the General Terms of the Uniform Network Code;

#### **DSC Terms and Conditions** means the DSC Terms and Conditions as defined in and for the time being in force pursuant to Section GTD;

#### terms defined in the UNC and not otherwise defined in this Document have the meanings given to them in the UNC;

#### terms defined in the DSC Terms and Conditions and not otherwise defined in this Document have the meanings given to them in the DSC Terms and Conditions;

#### terms defined in any other DSC Service Document and not otherwise defined in this Document have the meanings given to them in that DSC Service Document; and

#### the further provisions of the [DSC Terms and Conditions] as to interpretation apply;

#### references to an 'Old' or a 'New' provision of the UNC or other document are to such provision or document as in force respectively prior to and following the CDSP Modification.

### In this Document the following terms have the following meanings:

#### **ASA** means the AS agreement as defined in Standard Special Condition A15 of the Gas Transporter's Licence immediately prior to its modification with effect from [/];

#### **Implementation Date** means the CDSP Implementation Date as defined in Part 1 of the Transition Document;

#### **CDSP Modification** has the meaning given to such term in Part 1 of the Transition Document;

#### **CDSP Modification Date** has the meaning given to such term in Part 1 of the Transition Document;

#### **DSC Execution Date** means [*insert date by which DSC to be signed*];

#### **DSC Readiness Date** means [*insert date by which Customers must complete 'DSC set-up'*];

#### **Existing Activities** means activities carried out by the Transporters under the UNC which (pursuant to the CDSP Modification) are to be carried out by the CDSP as Direct Functions or as functions otherwise assigned to the CDSP under the UNC;

#### **[Gas Transporter's Licence** means a licence granted or treated as granted under Section 7(2) of the Gas Act 1986;]

#### **Non-Code User Pays Services Agreement** meansan agreement between Xoserve and a Shipper User entitled Framework Contract For The Provision Of Non-Code User Pays Services in relation to the provision by Xoserve of Non-Code User Pays Services;

#### **Pre-DSC Agreement** means the ASA, the IGT Agency Services Agreement, and each Non-Code User Pays Services Agreement;

#### **Xoserve** means Xoserve Limited.

### In the case of any conflict between the provisions of this Document and any other part of the DSC the provisions of the DSC Terms and Conditions as to priority apply.

### [In the case of any conflict between the provisions of this Document and any provision of the UNC, the provisions of the UNC as to priority apply.]

## **Scope and purpose**

### The purpose of this Document is to set out the transitional arrangements that apply in relation to the implementation and commencement of the CDSP Modification and the execution and commencement of the DSC.

### This Document is organised as follows: [/]

## **Amendment**

### [*To set out basis of amendment – where relevant by reference to Change Control Procedures.*]

## **Further background**

### The Transporters have, for the purposes of the CDSP Licence Condition, appointed Xoserve as the Central Data Services Provider.

### Until the Implementation Date, Xoserve:

#### is the Transporter Agency for the purposes of the UNC;

#### is engaged by the Transporters pursuant to the ASA;

#### [is engaged by the Independent Gas Transporters pursuant to the IGT Agency Services Agreement;]

#### provides Non-Code User Pays Services to Gas Shippers pursuant to Non-Code User Pays Services Agreements.

# Implementation and commencement of CDSP Modification

## **Implementation of CDSP Modification**

### Except as otherwise provided in this Document, the provisions of the UNC as modified by the CDSP Modification shall be effective:

#### from the Implementation Date; and

#### in relation to all communications or processes given or carried out under the UNC on and from the CDSP Implementation Date, whether the Gas Flow Day to which they relate is before or on or after the Implementation Date.

### The appointment and authority of the Transporters Agency pursuant to Old TPD Section V6.5 is terminated with effect on and from the Implementation Date (but without prejudice to the validity of anything done by the Transporters Agency before the Implementation Date).

## **CDSP Direct Services**

### The CDSP shall commence the provision of Direct Services which are Code Services, and the performance of all other functions of the CDSP under the UNC, on and with effect from the Implementation Date.

### On and with effect from the Implementation Date, the Transporters shall cease to carry out the Existing Activities under the UNC.

### Pursuant to paragraphs [2.2.1 and 2.2.2]:

#### where any process (**Current Process**) under the UNC which is the subject of an Existing Activity is on-going at the start of the Implementation Date, the CDSP shall with effect from the Implementation Date assume responsibility for the Current Process; and

#### any Code Communication given by or to a Transporter before the Implementation Date in connection with a Current Process shall be treated as having been given by or to the CDSP.

### For the purposes of the UNC:

#### subject to paragraph (b) the Transporters are bound by and liable for anything done by the Transporters Agency before the Implementation Date; and

#### paragraph (a) does not apply in relation to any Current Process as referred to in paragraph 2.2.3.

## **Agency Services**

### The CDSP will, with effect on and from the Implementation Date, provide CDSP Agency Services in continuation of the provision of the corresponding services under the ASA.

## **Compensation provisions**

### The Compensation Rules in the following Sections of the UNC will apply in respect of months up to and including the month ending on the Day before the Implementation Date and will not apply in respect of any subsequent month: [*list sections*]

## **UK Link**

### Pursuant to paragraph 2.2.1, on and with effect from the Implementation Date:

#### the CDSP shall become responsible for the provision and operation of UK Link in accordance with the DSC;

#### the Transporters shall cease to be responsible for the provision and operation of UK Link pursuant to with Old TPD Section U1.1.1.

### Any rights or obligations existing and accrued pursuant to Old TPD Section U between the Transporters and a Shipper User in relation to UK Link are [novated] from the Transporters to the CDSP as rights and obligations under the DSC.

### [*Anything else needed to close-down TPD Section U?*]

## **DSC Committees**

[*Either name original representatives or set out process for initial appointment*]

# Execution of the DSC

## **Requirement to execute the DSC**

### Subject to paragraph 3.1.4, each person which, at the CDSP Modification Date, is a UNC Party shall execute the DSC Agreement no later than the DSC Execution Date in accordance with the arrangements set out below.

### The Transporters shall procure that the CDSP executes the DSC Agreement no later than the DSC Execution Date.

### The arrangements for execution of the DSC Agreement are as follows:

#### [*to set out agreed process including evidence of authority to sign*].

### The following persons shall not be required or entitled to execute the DSC Agreement:

#### a UNC Party which, at the CDSP Modification Date, is a Trader User and has not applied to become a Shipper User;

#### a person satisfying the conditions set out in TPD Section V2.5.1(a), (b) or (c); and

#### [a UNC Party which, before the DSC Execution Date, has applied to withdraw as a UNC Party with effect earlier than the Implementation Date].

### Where a person becomes a UNC Party (other than as Trader User) after the CDSP Modification Date and before the DSC Execution Date, paragraph 3.1.1 shall apply and such person shall execute the DSC Agreement.

### Where a person becomes a UNC Party (other than as Trader User) after the DSC Execution Date and before the Implementation Date, such person shall be required to accede to and become a Customer under the DSC in accordance with the applicable requirements of the UNC.

### The DSC Agreement shall be entered into by and between the persons who execute the DSC Agreement no later than the DSC Agreement Date, who shall be the Original Parties; and the fact that a UNC Party does not execute the DSC Agreement by the DSC Execution Date shall not prevent the DSC Agreement from being entered into and becoming effective.

## **Failure to execute the DSC**

### If a Shipper User fails to execute the DSC Agreement by the DSC Execution Date in accordance with paragraph 3.1:

#### the failure to execute the DSC Agreement shall be treated as a User Default, and the User shall be a Defaulting User, for the purposes of TPD Section V4.3;

#### unless otherwise directed by the Authority, each Transporter shall give a Termination Notice to the Shipper User in accordance with TPD Section V4.3.3 specifying the Implementation Date as the effective date of termination; and

#### [*the Shipper User shall indemnify each other Party in respect of its share of the CDSP Costs which the Shipper User would have borne if it had signed*].

### If a UNC Party other than a User fails to execute the DSC Agreement by the DSC Execution Date in accordance with paragraph 3, the Transporters shall so notify the Authority and each other UNC Party, and shall act as directed by the Authority.

# Transition to and commencement of DSC

## **DSC Readiness**

### Before the DSC Readiness Date the CDSP and each Customer shall comply with the requirements in this paragraph 4.

### [*DSC readiness requirements to be set out – including UK Link set-up; credit cover; etc .*]

### Anything done by a Shipper User in connection with UK Link in compliance with Old Section U shall be treated as done under and in compliance with the requirements of the DSC including the New UK Link Manual; and paragraph 4.1.2 does not require the Shipper User to do such thing again.

## **Commencement of Services**

### With effect on and from the Implementation Date

#### the Transporters Agency shall cease to provide services to the Transporters under the AS agreement;

#### [the Transporters Agency shall cease to provide services to the Independent Gas Transporters under the IGT Agency Services Agreement;]

#### the Transporters Agency shall cease to provide services to Shipper Users under Non-Code User Pays Services Agreements; and

#### the CDSP will commence the provision of Services to Customers under the DSC.

### Where the Transporters Agency is in the course of (and has not completed) providing a service to a [Party or Parties] under a Pre-DSC Agreement immediately before the Implementation Date, the CDSP shall continue the provision of the service (so far as the DSC Service Description contemplates the service) as a Service under the DSC with effect from the Implementation Date.

### Any election or decision made by a [Shipper User or Transporter] pursuant to a Pre-DSC Agreement in connection with services provided under that agreement which is in force immediately before the Implementation Date shall take effect as an equivalent election or decision (so far as contemplated by the DSC Service Description) for the purposes of the DSC with effect from the Implementation Date.

### [*Existing Change Orders under the ASA – unless there are many it may be simplest to have a list and set out their current status and how they will be taken forward under DSC change control.*]

### [*Add any further specific transitional issues under the Non-Code User Pays Agreement*]

### Each Pre-DSC Agreement shall remain in force on and after the Implementation Date only to the extent necessary for the satisfaction and discharge of the rights and obligations of the [Parties] to such Agreement in respect of services provided up to the CDSP Implementation Date and thereafter shall terminate.

### For the avoidance of doubt the Pre-DSC Agreements are not treated as terminated pursuant to the provisions for termination contained in those Agreements.

## **DSC in force prior to Implementation Date**

### The DSC shall be in force before the Implementation Date so far as is necessary to give effect to this paragraph 4.

## **Bespoke and Third Party Services**

### At the CDSP Modification Date there are no Bespoke Individual Customer Services.

### At the CDSP Modification Date the Transporters Agency provides the following services which will be Third Party Services (and the CDSP is treated as having complied with the Third Party Services Policy, as at the Implementation Date, in respect of such Third Party Services):

#### [*list*]

# DSC transition – financial

[*To follow*.]