

11 October 2018

MODIFICATION 065

AMENDMENT OF UNC AND DSC ARRANGEMENTS TO ENABLE XOSERVE TO BID FOR AND PROVIDE CSS SERVICES

LEGAL TEXT - EXPLANATORY TABLE

Reference	Subject Matter	Explanation
Transportation Principal Document	Section GT D – CDSP and UK Link	
1.2.1	Interpretation	Add new definitions to recognise CSS Services, DCC and DCC Contract.
1.3.1	CDSP Services	Expand definition to include CSS Services.
2.1.1	Direct Services	Expand definition to include CSS Services.
Data Services Contract	CDSP Service Description	
2.1.1	Introduction	Introduce new category of Services as CSS Services.
2.5.1	Third Party Services	Exclude CSS Services (as being provided to a Third Party as defined).
2.6.1	CSS Services	CSS Services are services provided to the DCC under the DCC Contract.
	Budget and Charging Methodology	
2.2.4	Costs	Make distinction between change costs arising under Service Change Procedures (i.e. for Services other than CSS Services) and in connection with operation of the DCC Contract.
2.3.1	DCC Contract	Create new Cost and Charges categories in relation to the DCC Contract:

		<ul style="list-style-type: none"> - with DCC Costs being divided between costs relating to (a) provision of CSS Services and (b) in relation to investment, divided in turn between (i) infrastructure related costs relating to the design, development and replacement of fixed assets used for providing CSS Services and (ii) change costs relating to change management under the DCC Contract; - with DCC Charges, being charges payable by the DCC, divided between (a) charges for provision of CSS Services and (b) infrastructure related costs, in each case as payable in accordance with the DCC Contract; and - with DCC Shipper Charges, being charges payable by or to Shipper Users, divided between (a) those relating to provision of CSS Services and (b) infrastructure related costs relating to CSS Services, being broadly the net position as between DCC Costs of the CDSP and DCC Charges receivable by the CDSP.
2.3.2	DCC Contract	To make clear when DCC Shipper Charges are payable by or to Shipper Users.
2.3.3	DCC Contract	DCC related and non-DCC related terms added to aid later drafting amendments.
2.4.1	Charges	Service Charges now include DCC Service Charges and DCC Shipper Service Charges and Charges for Investment Costs now include DCC Investment Charges and DCC Shipper Investment Charges.
2.4.2	Charges	To make clear DCC Charges are not payable by Customers.
4.1.1	Overview	Add new Charges Bases, Annual DCC Service Charge Base and Annual DCC Investment Charge Base.
4.2.3	Statement of Planning Principles	To include details of activities relating to CSS Services and DD Investment.
4.3.1	Forecast Costs	Forecast Costs to be included in the CDSP Budget will forecast Service Costs and Investment Costs and these will be sub-divided in different categories as necessary in the Statement of Planning Principles as between DCC related and non-DCC related activities.
4.4	Non-DCC related Costs – adjustment for margin	Heading changed for clarity.
4.4.1	Non-DCC related Costs –	The adjustment of forecast Costs to add a margin will only apply to those categories of forecast Cost

	adjustment for margin	which are non-DCC related.
4.4.2	Non-DCC related Costs – adjustment for margin	To make clear margin added in paragraph 4.4.1 is for purposes of maintaining working capital requirement for non-DCC related activities only.
4.5	Non-DCC related Charge Bases - adjustments	Heading changed for clarity.
4.6.1	DCC related Charge Bases	Sets out the calculation for determining the Annual DCC Service Charge Base for a Charging Year, which can include a margin.
4.6.2	DCC related Charge Bases	Sets out the calculation for determining the Annual DCC Investment Charge Base for a Charging Year, which can include a margin.
4.6.3	DCC related Charge Bases	To make clear margin added in paragraphs 4.6.1 and 4.6.2 is for purposes of maintaining working capital requirement for DCC related activities only.
4.6.4	DCC related Charge Bases	To require the CDSP to show the basis for setting a margin for DCC related Costs in the CDSP Budget.
4.6.5	DCC related Charge Bases	To allow the DCC to set a DCC Investment Charge Base for a period of less than 12 months.
4.8.7	Budget Appeal	To allow the CDSP to report on the impact on performance of the DCC Contract when reporting to the Authority following an appeal.
5.6.1	DCC Shipper Service Charges	Sets out the basis for calculating the DCC Shipper Service Charges for a Month, by determining the aggregate amount payable by all Shipper Users.
5.6.2	DCC Shipper Service Charges	Sets out the basis for calculating the DCC Shipper Service Charges for a Month, by determining the amount payable by individual Shipper Users.
7	Infrastructure Charges and DCC Shipper Investment Charges	Heading changed for clarity.
7.2	Non-DCC related Investment – Annual Customer Class Charge	Heading changed for clarity.

	Base	
7.3	Non-DCC related Investment – Monthly Infrastructure Charges	Heading changed for clarity.
7.4.1	DCC Shipper Investment Charges	Sets out the basis for calculating the DCC Investment Service Charges for a Month, by determining the aggregate amount payable by all Shipper Users, and whether for a full Charging Year or shorter period allowed for under paragraph 4.6.5.
7.4.2	DCC Shipper Investment Charges	Sets out the basis for calculating the DCC Investment Service Charges for a Month, by determining the amount payable by individual Shipper Users.
8.1.1	Introduction	To emphasis that Change Charges for the purposes of paragraph 8 exclude the CDSP's activities relating to change management under the DCC Contract.
9.1.1	General	Cross reference update.
9.5	DCC Charges	To make clear what categories of DCC Charges are to be referred to in the Annual Charging Statement.
10.1.1	Obligation to pay	To make clear Shipper Users are required to pay DCC Shipper Service Charges and DCC Shipper Investment Charges where these are positive (see paragraph 2.3.2).
10.2.1	Invoices - general	To allow for separate invoicing of DCC Shipper Charges.
10.3.1	Invoices - content	To establish contents of an invoice for DCC Shipper Charges.
	Transitional Arrangements Document	
1.5.2	Scope and Purpose	To update to reflect paragraph 8 now covers DCC Contract related matters
8.1.2	Establishment and function	To update to reflect in light of new CSS Bid Group functions in paragraph 8.5.
8.5.1	DCC Contract	Establishes some new rules around approval of material terms of any agreement between the CDSP and the DCC in respect of CSS Services.

8.5.2	DCC Contract	Makes clear what the DCC Contract is for the purposes of paragraph 8.5.
8.5.3	DCC Contract	Establishes some initial rules on governance in relation to the DCC Contract once signed, in anticipation of a further modification once REC governance procedures are better developed.
8.6.1	CDSP Budget	Establishes some consequential rules in relation to an established CDSP Budget for a Charging Year in respect of which the CDSP will incur costs under the DCC Contract.
8.6.2	CDSP Budget	The CDSP will amend the usual budget process where the CDSP Budget process has started for a Charging Year but is not yet complete for the year at the time the DCC Contract is entered into.
8.6.3	CDSP Budget	The CDSP may prepare a provisional budget for information purposes on the basis it is awarded the DCC Contract.
8.7	CSS Procurement	To address the possibility that once the changes are made in accordance with this Modification the CDSP's bid is unsuccessful, the DCC Contract is not entered into and accordingly the changes are not longer required (or meaningful).