

# CDSP SERVICE DOCUMENT

## CONTRACT MANAGEMENT ARRANGEMENTS

Version:3.0 (updated to reflect Mod841 implementation)

Effective date: 20 June 2024

### 1 General

#### 1.1 Introduction

1.1.1 This document (**Document**) is the Contract Management Arrangements referred to in GT Section D3.1.4(vi) and Clause 3.3(d) of the DSC Terms and Conditions and is a CDSP Service Document.

1.1.2 This Document is an integral part of and is incorporated in the DSC.

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

#### 1.2 Interpretation - general

1.2.1 In this Document:

- (a) **DSC** means the contract which is constituted by the DSC Agreement, the DSC Terms and Conditions and each of the CDSP Service Documents;
- (b) **Uniform Network Code** or **UNC** means the uniform network code prepared pursuant to Standard Special Condition A11(6) of the gas transporter's licence, as from time to time modified, and as made contractually binding (as incorporated into an individual gas transporter's individual network code) by the relevant framework agreement;
- (c) **DSC Terms and Conditions** means the DSC Terms and Conditions as defined in and for the time being in force pursuant to GT Section D;
- (d) terms defined in or for the purposes of the DSC Terms and Conditions and not otherwise defined in this Document have the meanings given to them in the DSC Terms and Conditions;
- (e) terms defined in any other CDSP Service Document and not otherwise defined in this Document have the meanings given to them in that CDSP Service Document; and
- (f) the further provisions of the DSC Terms and Conditions as to interpretation apply.

1.2.2 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.

#### 1.3 Amendment

1.3.1 This Document may be amended in accordance with the applicable procedures contained in the Change Management Procedures.

#### 1.4 Interpretation - specific

1.4.1 In this Document:

- (a) references to the **Committee** are to the Contract Management Committee;
- (b) references to a dispute are to a dispute arising under or in connection with the DSC, and 'dispute' includes any claim, query or question; and
- (c) in relation to a dispute, a reference to the Parties is to the CDSP and the Customer or Customers with which the dispute arises or exists (and a reference to a Party shall be construed accordingly).

1.4.2 For the purposes of any reporting or other obligation of the CDSP under this Document which is expressed by reference to materiality:

- (a) an event, circumstance or other matter is **material** if:
  - (i) it represents or results or may result in a non-trivial risk or cost to the CDSP or its performance of the DSC; or
  - (ii) it is otherwise reasonable to expect that the Committee would consider it relevant to its functions under this Document and wish to be informed of it; and
- (b) the Committee may provide and from time to time revise guidance to the CDSP as to what is to be considered material for these purposes.

## 1.5 Scope and purpose

1.5.1 The purpose of this Document is to set out:

- (a) operational requirements to be fulfilled by the CDSP in connection with the provision of Services and the performance of the DSC;
- (b) reporting and audit requirements for the CDSP;
- (c) the functions and procedures of the Contract Management Committee;
- (d) arrangements for Individual Customer Contract Management under the DSC; and
- (e) the basis on which the Committee may recommend a change to the Business Plan Information Rules.

1.5.2 This Document does not apply:

- (a) in respect of any record keeping, data management or reporting by the CDSP which is performed as a Service (as provided in the CDSP Service Description);
- (b) in respect of matters within the scope of the Change Management Procedures or the Credit Policy, except for the reporting requirements in paragraph 3.1; or
- (c) in respect of any matter arising under a TPS Agreement, except where such matter is subject to the reporting provisions in paragraph 3.

## **2 Operational requirements**

### **2.1 Quality Management**

2.1.1 In this paragraph 2.1:

- (a) **Quality Documentation** means quality manuals, quality plans, quality procedures, inspections and test plans, work instructions or like documentation, as appropriate, which describe and define the Quality Management Systems; and
- (b) **Quality Management Systems** means organisational structure, procedures, processes and resources for determining and implementing quality policy in the provision of Services.

2.1.2 The CDSP shall procure that all aspects of the Services and the provision of the Services and the performance of the CDSP's other operational obligations under the DSC are subject to Quality Management Systems which:

- (a) comply with the current version of the Quality Standard ISO 9001 (or any equivalent standard); and
- (b) are designed to assure compliance with:
  - (i) the performance standards specified in the CDSP Service Description; and
  - (ii) the reporting and audit arrangements in paragraph 3.

2.1.3 For the purposes of paragraph 2.1.2 the CDSP shall establish and comply with Quality Documentation and shall use its reasonable endeavours to procure that its subcontractors establish and comply with their own quality documentation.

2.1.4 The Quality Management Systems and Quality Documentation are subject to audit in accordance with paragraph 3.5.1(b).

### **2.2 Performance monitoring**

2.2.1 The CDSP is responsible for monitoring its performance of the Services against the applicable Performance Standard in the Services Description.

2.2.2 The CDSP shall make and implement arrangements for such monitoring, adequate to allow the CDSP to report in respect of its performance as required in paragraph 3.1; and shall review and update such arrangements from time to time.

2.2.3 Such monitoring arrangements are subject to the Contract Assurance Audit in accordance with paragraph 3.5.1(d).

### **2.3 Information retention**

2.3.1 The CDSP shall maintain complete and accurate records of, and (where applicable) supporting documentation for:

- (a) the material financial transactions that result from or are created in the CDSP's performance of its obligations under the DSC, in accordance with generally accepted accounting principles applied on a consistent basis; and

- (b) material communications and other data exchanges (not constituting the provision of Services) between the CDSP and Customers or the Committee in the course of the operation and management of the DSC, in accordance with generally accepted industry methods and procedures.

2.3.2 Paragraph 2.3.1 does not require the CDSP to retain any data for longer than would be expected in accordance with generally accepted industry standards or otherwise is required by Law.

2.3.3 Such information retention is subject to the Contract Assurance Audit in accordance with paragraph 3.5.1(d).

## **2.4 Business Continuity**

2.4.1 The CDSP shall establish, maintain and implement a plan (**Business Continuity Plan**) setting out the basis on which, and the extent to which and priority with which, the CDSP will continue to provide Services in case of an event which disrupts the CDSP's normal business processes.

2.4.2 The Business Continuity Plan will cover the following events (**business continuity incidents**):

- (a) loss of or inability of the CDSP to gain access to sites, facilities or utilities;
- (b) loss of essential computer systems, servers, applications and/or telecommunications comprising any part of UK Link; and
- (c) loss of essential resources including staff, retained knowledge and leadership.

2.4.3 The Business Continuity Plan shall:

- (a) identify critical processes;
- (b) set out the required accesses to systems and data to maintain such critical processes; and
- (c) define the roles and responsibilities of the incident response and recovery teams, and the essential facilities provided by the work area recovery site,

with the goal of achieving the objective in paragraph 2.4.4.

2.4.4 The objective of the Business Continuity Plan is, in the event of a business continuity incident, to ensure business critical processes are maintained to a minimally acceptable level until operations affected by the incident are recovered; and, in the case of loss of systems, to ensure arrangements are in place for the recovery of critical systems within specified timescales.

2.4.5 The CDSP shall:

- (a) review its Business Continuity Plan, annually or more frequently if it deems necessary, including to reflect any changes in its business, the Services or any other provision of the DSC, or the result of any exercise under paragraph 2.4.6;

- (b) discuss with the Committee the result of each review and any revisions or updates it proposes to make to the Business Continuity Plan;
- (c) revise or update the Business Continuity Plan following each such review, taking into account any views of the Committee; and
- (d) report to the Committee, at intervals of three (3) months, on achievement of the requirements in the Business Continuity Plan for preparedness for a business continuity incident.

2.4.6 The CDSP shall exercise the Business Continuity Plan annually to demonstrate its compliance and effectiveness.

2.4.7 The CDSP shall make available to Customers a summary of the Business Continuity Plan (including each revision or update) covering details which the CDSP, after discussion with the Committee, considers are likely to be needed by Customers for the purposes of their own business continuity planning.

2.4.8 Where a business continuity incident occurs:

- (a) the CDSP shall (so far as it is able as a result of the incident) make appropriate communication to each Customer and other parties who may be affected by the incident; and
- (b) the CDSP shall provide a post-event review report to the Committee on the operation of the Business Continuity Plan.

## 2.5 **Information Security**

2.5.1 The CDSP shall make and implement arrangements (**Information Security Arrangements**) for information security, consistent with the requirements in Clause 8 of the DSC Terms and Conditions, which shall include:

- (a) measures to protect against unauthorised access to any data held by the CDSP;
- (b) requirements to reconstitute lost or damaged data;
- (c) an information security policy;
- (d) training requirements for the CDSP's personnel;
- (e) internal controls on access to data;
- (f) arrangements for data security testing;
- (g) arrangements for notifying an affected person of any data security breach and reporting any data security breach to the Committee; and
- (h) measures to maintain a suitable operating environment and to protect against equipment damage.

2.5.2 The Information Security Arrangements may refer to provisions of the UK Link Manual.

- 2.5.3 The Information Security Arrangements may include, with the approval of the Committee, reasonable requirements (beyond what is contained in the UK Link Manual) for cooperation by Customers in order to support or facilitate the CDSP's implementation of such arrangements.
- 2.5.4 The CDSP shall:
- (a) review its Information Security Arrangements, annually or more frequently if it deems necessary, including to reflect any changes in its business or the Services or any other provision of the DSC or any data security breach;
  - (b) discuss with the Committee the result of each review and any revisions or updates it proposes to make to the Information Security Arrangements; and
  - (c) revise or update the Information Security Arrangements following each such review, taking into account any views of the Committee
- 2.5.5 The CDSP shall determine in consultation with the Committee what details of the Information Security Arrangements (including each update or revision) should be made available to Customers (including any such requirements as referred to in paragraph 2.5.3) and shall provide such details to Customers.
- 2.5.6 The Information Security Arrangements are subject to audit as provided in paragraph 3.5.1(c) and (so far as outside the scope of that audit) paragraph 3.5.1(d).
- 2.5.7 Unless the Committee decides otherwise in a particular case and except in the case of a Data Breach having occurred during the previous 12 months, the Information Security Arrangements (and the audit thereof under paragraph 3.5.1) shall operate as sufficient evidence of compliance for the purposes of Clause 8.2(e) of the DSC Terms and Conditions.

### **3 Reporting and audit**

#### **3.1 Monthly reporting**

- (a) 3.1.1 The CDSP shall, in relation to each month, prepare a report (**Monthly Contract Management Report**) that will be provided to the Committee no later than the 15th day of the following month which will cover the following: performance of the CDSP in each of the Process Journeys against the Performance Standard in the CDSP Service Description the use and availability of UK Link and any incidents affecting UK Link as provided in the UK Link Manual;
- (b) information in respect of Additional Services and Third Party Services as specified in the Third Party and Additional Services Policy;
- (c) any material instances of which the CDSP is aware of failure by the CDSP to comply with:
  - (i) any of the operational requirements in paragraph 2; and
  - (ii) any requirement in any other CDSP Service Documents;

- (d) details (subject to paragraph 3.4) of any material failure by any Customer to comply with any obligation under the DSC or to achieve any Customer performance standard or requirement in the CDSP Service Description, where:
  - (i) such failure represents or results in a material risk to the CDSP, the performance of the DSC or the interests of Customers (or Customers of any Customer Class) under the DSC; or
  - (ii) such failure has not been remedied and/or is continuing after the dispute escalation procedures in paragraph 5.3.2(a) to (c) have been exhausted or (if there is no dispute as to such failure) for a period of 3 months or more after the CDSP notified the Customer of the failure,but excluding information which is to be provided to the Credit Committee under the Credit Policy;
- (e) a summary (subject to paragraph 3.4) of any new Individual Customer Disputes and of progress in resolving any existing such disputes;
- (f) a summary of the main items contained in the monthly Change Management Report provided to the Change Management Committee;
- (g) details of any event or circumstance (outside the scope of the Change Management Procedures) affecting the CDSP which will or is likely to require the CDSP to make a Budget Amendment for the CDSP Year as set out in the Budget and Charging Methodology;
- (h) other matters provided in this Document to be included in the report in any Month; and
- (i) such further information as the CDSP and the Committee agree to include in the report.

### **3.2 Quarterly financial reporting**

3.2.1 The Monthly Contract Management Report in the Month following each quarter shall include the following financial information (based on the CDSP's internal unaudited management accounts):

- (a) Costs incurred for the quarter, and cumulatively for the CDSP Year to the end of the quarter, in the following categories:
  - (i) Service Costs; and
  - (ii) Investment Costs, divided into:
    - (aa) Infrastructure Costs; and
    - (bb) Change Costs;
- (b) a comparison of the Costs in each such category with the CDSP Budget for the relevant period; and
- (c) a forecast of Costs in each such category for the remainder of the CDSP Year.

3.2.2 Nothing contained in a report under paragraph 3.2.1 will operate of itself as a proposal for a Budget Amendment pursuant to the Budget and Charging Methodology.

### **3.3 Ad-hoc reporting**

3.3.1 If the Committee considers that it requires any further report or information from the CDSP in order to discharge its functions in connection with the management of the DSC, the Committee will discuss such requirement with the CDSP.

3.3.2 Following such discussion the Committee may request any such further report or information from the CDSP and the CDSP shall provide the requested report or information unless it is not practicable or lawful for it to do so.

### **3.4 Confidentiality**

3.4.1 Notwithstanding any other provision of this Document, the CDSP shall not, in reporting to the Committee or in any discussion with the Committee, disclose the identity of a particular Customer unless:

- (a) the Customer has consented to such disclosure;
- (b) in the context of any given matter, the identity of the Customer has already become known to the Committee other than through disclosure by the CDSP which was in breach of the confidentiality provisions of the DSC Terms and Conditions;
- (c) the identity of the Customer is apparent from information which the CDSP is required under the DSC to provide to the Committee; or
- (d) the report or discussion concerns a dispute with the Customer which has not been resolved after the steps in paragraph 5.3.2(a) to (c), and the CDSP considers that disclosure of the identity of the Customer is in the interests of Customers generally or of achieving the DSC Objectives.

3.4.2 Where any paper prepared for, or the minutes of a meeting of, the Committee identify a particular Customer (as permitted in paragraph 3.4.1):

- (a) such paper or minutes shall be made available to Customers only (and, if on a website, on an appropriately restricted area); and
- (b) any version of such paper or minutes made more widely available shall exclude such identity unless it is already public without breach of the confidentiality provisions of the DSC Terms and Conditions.

### **3.5 Audit**

3.5.1 The CDSP shall arrange for:

- (a) audit of its annual accounts to be undertaken annually in accordance with Section 475 of the Companies Act 2006; and
- (b) a Quality Management System Assessment audit to be undertaken with such frequency as required to ensure certification by a UK Accredited Service (**UKAS**) organisation to the current version of the ISO 9001 standard (or any equivalent standard);



- (c) an information security audit to be undertaken with such frequency as required to ensure certification by a UKAS organisation to the current version of the ISO 27001 standard (or any replacement standard); and
- (d) an audit (**Contract Assurance Audit**) to be undertaken annually as provided in paragraph 3.5.4.

3.5.2 For the purposes of paragraph 3.5.1:

- (a) the CDSP shall appoint and engage the auditor for each required audit;
- (b) the CDSP shall provide the Committee with:
  - (i) a copy of the summary findings and recommendations contained in each audit report submitted to it by an auditor in time for the next eligible meeting of the Committee following receipt by the CDSP of such report; and
  - (ii) such further matters contained in any such audit report as the Committee may (after discussion with the CDSP) require, unless this would breach a requirement in Law or binding duty of confidence of the CDSP.

3.5.3 The purpose of the Contract Assurance Audit is to provide assurance to Customers and the Committee that the CDSP is complying in all material respects with the requirements of the DSC (other than where Customers are directly aware of such compliance through the provision of Services), including but not limited to the requirements in paragraphs 2.2, 2.3 and 2.4 and the provisions of the Budget and Charging Methodology.

3.5.4 In relation to the Contract Assurance Audit:

- (a) the CDSP shall agree with the Committee the timing, scope and terms of reference for the audit for each CDSP Year;
- (b) the scope shall not include anything within the scope of the audits referred to in paragraph 3.5.1(a), (b) or (c), or any other matter for which the Committee is satisfied that the internal controls of the CDSP provide adequate assurance of compliance; and
- (c) the CDSP may (with a view to cost-saving) propose to the Committee that all or any part of the audit shall be carried out internally by the CDSP, in which case:
  - (i) the CDSP shall demonstrate to the Committee how such audit or part of the audit will be conducted on an objective basis; and
  - (ii) it is the Committee's decision whether to accept the proposal or require an external auditor.

3.5.5 Where an audit report contains a recommendation for any action by the CDSP which goes beyond what is required for compliance with Law or the DSC, the CDSP may seek guidance from the Committee on its proposals for compliance with such recommendation.

3.5.6 It is noted that a Service provided by the CDSP to the Transporters under the CDSP Service Description is the carrying out of an ISAE 3402 (or equivalent) assurance audit; and such audit is not an audit within the scope of this paragraph 3.5.

## **4 Contract Management Committee**

### **4.1 Role and functions of the Committee**

4.1.1 The role of the Committee is to manage the DSC on behalf of Customers, except as to:

- (a) matters which are within the functions of the Change Management Committee or the Credit Committee; and
- (b) matters within the scope of Individual Customer Contract Management as provided in paragraph 5.

4.1.2 The Committee has the functions set out in this Document, the Budget and Charging Methodology and the Third Party and Additional Services Policy.

4.1.3 Without limitation, the functions of the Committee include:

- (a) its functions in connection with the Statement of Planning Principles and CDSP Budget as provided in the Budget and Charging Methodology;
- (b) approving (or not) proposals of the CDSP in connection with Third Party Services under the Third Party and Additional Services Policy;
- (c) its functions in connection with the Business Continuity Plan as provided in paragraph 2.4;
- (d) its functions in connection with the Information Security Arrangements as provided in paragraph 2.5;
- (e) review of the matters to be included in each Monthly Contract Management Report in accordance with paragraphs 3.1 and 3.2;
- (f) agreeing the scope of the Contract Assurance Audit in accordance with paragraph 3.5.4; review of the summary of any audit report in accordance with paragraph 3.5.2 and providing guidance to the CDSP in connection with audit recommendations as provided in paragraph 3.5.5;
- (g) consideration of and making decisions on any remedial action plan as provided in paragraph 4.4.5;
- (h) authorising (or not) the disclosure by the CDSP of information pursuant to paragraph 6.3; and
- (i) providing guidance or authorisation to the CDSP as provided in paragraph 4.5 or any other provision of this Document.

4.1.4 Subject to paragraph 4.1.5, the CDSP is authorised to act on (and incur Costs based on) the decisions of the Committee as provided in this Document (but without prejudice to the general authority of the CDSP to do, in compliance with the DSC, whatever is necessary to perform the DSC).

4.1.5 If the CDSP considers that any matter before the Committee for decision would be likely to result in the need for a Budget Amendment:

- (a) the CDSP shall so inform the Committee, as soon as reasonably practicable after the CDSP becomes aware thereof, and in any event before the Committee considers the matter; and
  - (b) the Committee shall not decide in favour of such matter until and unless the Budget Amendment has been made in accordance with the requirements in the Budget and Charging Methodology.
- 4.1.6 The Committee shall not perform any of the functions of the Change Management Committee, unless requested by such committee.
- 4.1.7 The role and scope of authority of the Committee is limited to matters arising under the DSC, and does not extend to:
- (a) matters within the scope of authority of the Performance Assurance Committee; or
  - (b) any matter which is or may be a breach by a Customer of a provision of the UNC, unless such matter is also a breach of the DSC.

## **4.2 Meetings of the Committee**

- 4.2.1 A regular meeting of the Committee shall be held every month, subject to paragraph 4.2.5.
- 4.2.2 The agenda of the regular meeting shall (unless the Committee otherwise decides) include each matter, listed as a function of the Committee in paragraph 4.1.3, which arises since the previous meeting of the Committee.
- 4.2.3 The CDSP or any Committee Representative may put any other matter on the agenda of a regular meeting by notice to the Committee Secretary in accordance with GT Section D4.
- 4.2.4 The Committee may (after discussing with the CDSP) decide to alter the frequency of its regular meeting by Unanimous Vote in a Full Vote.
- 4.2.5 The Committee may hold ad-hoc meetings in accordance with GT Section D4.
- 4.2.6 No decisions of the Committee are to be taken (as contemplated by GT Section D4.3.1(a)) by the vote of Committee Representatives of a particular Customer Group only.
- 4.2.7 Notwithstanding Section 5.10 of the Modification Rules applies to proceedings of the Committee, the Committee may decide attendance at a meeting of the Committee at which (for the purposes of the paragraph 4.7 of the Budget and Charging Methodology) confidential information (as referred to in paragraph 4.7.7 of the Budget and Charging Methodology) is to be discussed, should be restricted to Committee Representatives, (or their alternatives), representatives of the CDSP and any such other individual as the Committee may decide.
- 4.2.8 In respect of a meeting referred to in paragraph 4.2.7, each Committee Representative (or their alternate) and each relevant individual shall be required to sign a non-disclosure agreement (and provide a copy of such to the CDSP) in advance of the meeting, failing which the Committee Representative (or their alternate) or relevant individual shall not be entitled to attend the meeting (or receive any relevant confidential information).
- 4.2.9 For the purposes of paragraph 4.2.8 the non-disclosure agreement shall be on such terms as the CDSP may reasonably require.

### **4.3 Contract Management Representatives**

- 4.3.1 The CDSP shall nominate (and may from time to time remove and replace) up to three representatives (**Contract Management Representatives**), of suitable seniority and qualification, to represent it at meetings of the Committee, and shall ensure that at least one of its Contract Management Representatives attends each such meeting (but any other representatives of the CDSP may also attend any meeting of the Committee).
- 4.3.2 The Committee is entitled to assume that each of the CDSP's Contract Management Representatives is authorised to take any decision (on matters within the scope of this Document) on behalf of the CDSP unless such representative gives advance notice to the contrary.

### **4.4 Remedial action plans**

- 4.4.1 This paragraph 4.4 applies where there has been a material shortfall in levels of performance of Services (as provided in paragraph 3.1.1(a), or UK Link availability (as provided in paragraph 3.1.1(b)), or material failure to comply with any requirement (as provided in paragraph 3.1.1(e)), or where any audit report contains a finding of a material failure on the part of the CDSP.
- 4.4.2 The CDSP shall prepare and (subject to the requirements of the Committee under paragraph 4.4.5) implement a remedial action plan covering:
- (a) the steps being taken and proposed by the CDSP to restore performance or remedy such failure;
  - (b) available options and alternatives for such steps, including:
    - (i) alternatives for prioritisation (but subject to paragraph 4.4.3) as between remedying different shortfalls or failures, and
    - (ii) alternatives which are available at different levels of resource commitment or expenditure (and whether such commitment or expenditure is incremental or a reallocation of existing resource or expenditure);
  - (c) the estimated Costs of taking such steps or options and alternatives;
  - (d) the timeframes in which (under different options or alternatives, where applicable) performance is to be restored or the failure remedied; and
  - (e) an analysis of the cause of the shortfall or failure, and measures to avoid future occurrences of whatever caused the shortfall or failure.
- 4.4.3 The remedial action plan shall be consistent with the Service Priority levels set out in the CDSP Service Description.
- 4.4.4 The CDSP shall include the remedial action plan (as then available) in the Monthly Contract Management Report, and provide an update and any further available information on the plan at the next eligible meeting of the Committee.
- 4.4.5 The CDSP shall discuss the remedial action plan with the Committee at its next eligible meeting; and following such discussion:

- (a) where the Committee decides on a particular option or alternative (as described in paragraph 4.4.2(b)) the CDSP shall adopt and implement that option or alternative;
  - (b) if the Committee considers that the plan should be changed, having regard to the DSC Objectives and subject to paragraph 4.4.3, the Committee may require the CDSP to make changes to the plan; and
  - (c) the CDSP will make such changes to the plan so far as they are practicable and would not put the CDSP in breach of any Law or the DSC.
- 4.4.6 Until the remedial action plan has been completed and performance restored or the failure remedied, the CDSP shall provide a progress update on the remedial action plan in the Monthly Contract Management Report for each month and at each regular meeting of the Committee.
- 4.4.7 This paragraph 4.4 does not apply in respect of a business continuity incident, which is subject to paragraph 2.4.

#### **4.5 Committee guidance**

- 4.5.1 The CDSP may invite the Committee to provide guidance on any question which arises in the operation of or the performance of the CDSP's obligations under the DSC.
- 4.5.2 The CDSP shall act in accordance with any guidance provided by the Committee under paragraph 4.5.1.

#### **4.6 Disputes with Committee**

- 4.6.1 If a dispute or disagreement arises between the CDSP and the Committee, in the course of implementing the procedures in this Document:
- (a) the CDSP's Contract Management Representative(s) and the Committee shall attempt in good faith to resolve the matter promptly; and
  - (b) if, after discussion with the Contract Management Representatives, the Committee is of the view that the matter cannot be resolved at the level of the Contract Management Representatives, the Committee may require the CDSP to involve more senior personnel (up to and including the Chief Executive Officer of the CDSP) in the matter in dispute, and that such personnel shall meet with the Committee for that purpose.
- 4.6.2 If the matter is not resolved through discussions between the Committee and the Chief Executive Officer of the CDSP, then (without prejudice to the right of any Party to the DSC to commence proceedings in respect of a breach of the DSC) each of the CDSP and the Committee shall send a report in respect of the matter to each Party and the UNC Committee and (if either of them wishes, for information) to the Authority.

### **5 Individual Customer Contract Management**

#### **5.1 General**

- 5.1.1 While the Committee has the function of managing the DSC on behalf of Customers (or Customer Classes) generally, it is also necessary to provide for the management of the DSC in respect of individual Customer matters (**Individual Customer Contract Management**).

5.1.2 For the purposes of the DSC:

- (a) each Customer; and
- (b) in relation to each Customer, the CDSP

shall nominate (and may from time to time remove and replace) a representative (**Individual Contract Manager**), of suitable seniority and qualification, to represent it in Individual Customer Contract Management.

5.1.3 The CDSP may nominate the same person as its Individual Contract Manager for more than one Customer.

5.1.4 Each Customer and (in respect of each Customer) the CDSP is entitled to assume that the Individual Contract Manager nominated by (as the case may be) the CDSP or such Customer is authorised to take any decision (on matters within the scope of Individual Customer Contract Management) on behalf of such Party unless such Individual Contract Manager gives advance notice to the contrary.

## 5.2 Scope of Individual Customer Contract Management

5.2.1 Matters within the scope of Individual Customer Contract Management include:

- (a) accession by the Customer to the DSC;
- (b) the procedures (as set out in the UK Link Manual) by which the Customer has access to UK Link;
- (c) a request or variation of a request by the Customer (in accordance with the procedures in the CDSP Service Description) for any Specific Services;
- (d) a request by the Customer for Additional Services or Third Party Services;
- (e) arrangements for invoicing and payment of Charges; and
- (f) Individual Customer Disputes.

5.2.2 For the purposes of this Document, **Individual Customer Disputes** are the following disputes arising between the CDSP and a Customer, except to the extent excluded under paragraph 5.2.3:

- (a) any dispute as to a failure by the Customer to comply with any provision of the DSC;
- (b) any dispute as to the calculation of the amounts payable by the Customer by way of Charges pursuant to the Annual Charging Statement;
- (c) any other dispute arising in connection with an Invoice sent to the Customer;
- (d) any dispute arising in respect of the performance of Agency Services for the Customer;
- (e) any dispute arising in respect of Additional Services;

- (f) any dispute arising (in respect of the Customer) under the Credit Policy, except to the extent to which under the Credit Policy such dispute is dealt with by the Credit Committee;
- (g) a dispute as to compliance with a provision of the UK Link Manual by the Customer or by the CDSP specifically in relation to the Customer; or
- (h) any dispute as to breach by the CDSP of a provision of the DSC Terms and Conditions where the claimed breach directly and particularly affects the Customer.

5.2.3 The following matters are not within the scope of Individual Customer Contract Management and (where applicable) are not Individual Customer Disputes:

- (i) a dispute as to the performance of any Direct Service which is a General Service or a Specific Service;
- (j) a dispute as to the derivation of the Annual Charging Statement pursuant to the Budget and Charging Methodology;
- (k) a dispute as to compliance by the CDSP with or operation of:
  - (i) the Change Management Procedures;
  - (ii) the Budget and Charging Methodology;
  - (iii) this Document; or
  - (iv) the UK Link Manual other than as to a matter which affects a particular Customer rather than all Customers or Customers of a Customer Class generally; or
- (l) any other matter which is a function of the Committee as provided in this Document.

5.2.4 Where a Customer considers that it has a dispute with the CDSP arising under the DSC in respect of a matter which is not an Individual Customer Dispute:

- (a) the Customer shall notify the Committee and request it to consider the dispute;
- (b) the Committee shall address the dispute with the CDSP at its next eligible meeting or (with the consent of the Customer) at any later meeting, and shall provide to the Customer a report on the outcome including any actions agreed with the CDSP;
- (c) the Committee shall not take any step within paragraph (d) until the Committee has provided a report under paragraph (b); and
- (d) if the Customer is dissatisfied with the outcome (as set out in the Committee's report) the Customer may pursue the dispute by referring it for resolution under paragraph 5.3.2(c) (and the further provisions of paragraph 5.3 shall apply).

### **5.3 Individual Customer Dispute resolution**

5.3.1 In this paragraph 5.3 references to a dispute are to:

- (a) an Individual Customer Dispute; and

- (b) where so provided in paragraph 5.2.4(d), any other dispute.
- 5.3.2 Where a dispute arises between the CDSP and a Customer:
- (a) such Parties shall attempt in good faith to resolve the dispute promptly;
  - (b) unless another dispute or escalation procedure is specified in the DSC for such a dispute, the dispute shall be referred first to the Parties' Individual Contract Managers, who shall attempt to resolve the dispute in a manner satisfactory to all Parties to the dispute;
  - (c) if the dispute cannot be resolved by the Individual Contract Managers within a maximum of ten (10) Business Days (or such longer period agreed between them) from the date on which it is referred under paragraph (b), the dispute shall be referred for resolution to the Director, Customer Engagement of the CDSP and an officer of an equivalent level of authority of the Customer; and
  - (d) if the dispute cannot be resolved by the officers referred to in paragraph (c) within a maximum of ten (10) Business Days (or such longer period agreed between them) from the date on which it is referred under paragraph (c), paragraphs 5.3.3 to 5.3.5 shall apply.
- 5.3.3 If dispute is of a technical nature or relates to the calculation of the Charges or other payments, it may be referred with the agreement of the Parties for determination by an Expert in accordance with Clause 30 of the DSC Terms and Conditions.
- 5.3.4 If any Party does not agree to the dispute being referred for determination in accordance with paragraph 5.3.3, or if the dispute is not of a technical nature, the Parties may enter into structured negotiations with the assistance of a mutual adviser appointed by the Centre for Dispute Resolution and the programme and structure for any negotiations shall be agreed between the Parties.
- 5.3.5 If the Parties fail to settle the dispute within fourteen (14) days after appointment of the mutual adviser, or if any Party does not agree to enter into structured negotiations, any Party may commence proceedings in respect of the dispute in accordance with Clause 31 of the DSC Terms and Conditions.
- 5.3.6 The Parties shall fulfil their respective obligations under the DSC insofar as is possible regardless of any outstanding dispute regarding the Services (without prejudice to the rights and obligations of any Party).
- 5.3.7 Each Party shall bear its own legal costs in connection with any dispute (subject to any award of costs made in proceedings under Clause 30 or 31 of the DSC Terms and Conditions, and without prejudice to the treatment of such costs incurred by the CDSP pursuant to the Budget and Charging Methodology).

## **6 Business Plan Information Rules**

### **6.1 Change**

6.1.1 The Business Plan Information Rules may only be changed where:

- (a) the Committee recommends a change proposal in accordance with paragraph 6.2 be approved by the Uniform Network Code Committee; and



(b) the change proposal is approved by the Network Code Committee.

## **6.2 Change Proposal**

6.2.1 Any Customer or the CDSP may propose a change to the Business Plan Information Rules.

6.2.2 Where a Customer or CDSP proposes a change (change proposal) it shall give notice to the Committee specifying:

(a) the identity of the person submitting the change proposal (proposer); and

(b) a description of the change proposal together with the proposer's assessment of why the change proposal will better facilitate achievement of the DSC Objectives.

6.2.3 Following receipt of a change proposal the Committee:

(a) shall consider the change proposal and the proposer's assessment regarding achievement of the DSC Objectives;

(b) may invite the proposer to modify the change proposal;

(c) may invite the proposer to a meeting of the Committee to discuss the change proposal; and

(d) shall give notice to Customers and the CDSP of the change proposal together with the Committee's assessment of whether the change proposal better facilitates the DSC Objectives.

6.2.4 The Committee shall reject any change proposal where the Committee decides the change proposal represents a material change to the balance of commercial or legal risk under the DSC as between the CDSP and Customers, or as between different Customers (or Customers within a Customer Class) and where it does so it shall notify the proposer and the change proposal shall lapse and have no further effect.

6.2.5 Each Customer and the CDSP shall have not less than twenty (20) days from receipt of the Committee's notice under paragraph 6.2.4 to submit responses to the Committee.

6.2.6 Following consideration of responses received by the Committee, the Committee shall decide whether the change proposal better facilitates the DSC Objectives, and where the Committee decides the change proposal does better facilitate the DSC Objectives the Committee shall notify the Uniform Network Code Committee and the Uniform Network Code Committee shall consider the change for the purposes of TPD Section V12.3.

## **7 Further provisions**

### **7.1 General compliance**

7.1.1 Nothing in this Document shall prevent the CDSP from taking any action which it considers reasonably necessary to comply with any Law or to avoid a breach of the DSC, or require the CDSP to notify or consult with or await a decision of the Committee before doing so; but (where relevant) the CDSP shall inform the Committee of any such action taken as soon as reasonably practicable.

7.1.2 The Committee may not take a decision which would require the CDSP to act in breach of Law or the DSC; and the CDSP shall not be required to comply with any such decision; but the CDSP shall notify the Committee as soon as practicable if the CDSP concludes that a decision of the Committee would have such effect.

## **7.2 Support to Customers**

7.2.1 Where (other than pursuant to an existing Service) a Customer requires information (relating to Services provided to it, or to the DSC) or other support from the CDSP for the purposes of compliance with a regulatory requirement or in connection with a regulatory investigation, the CDSP shall on the request of the Customer provide such information or reasonable support, so far as it is able to and without breaching any Law or a binding duty of confidence.

7.2.2 Such support or information shall be requested and provided as an Additional Service unless it is established that the Customer's requirement for such support or information resulted from a breach by the CDSP (not excused by Force Majeure) of a provision of the DSC.

## **7.3 Information disclosure**

7.3.1 It is recognised that the CDSP may from time to time be requested to provide information to persons or bodies who are not Customers or TPS Customers (or prospective such customers), such as government bodies, academics or consultants.

7.3.2 Subject to paragraph 7.3.3, where the CDSP considers that the provision of such information

- (a) would require the commitment of material CDSP resources or incur a material Cost (unless it is to be provided as a Third Party Service); or
- (b) might have any other adverse consequences for the CDSP or for Customers collectively,

the CDSP will consult with the Committee before agreeing the request, and will provide such information only as and to the extent approved by the Committee.

7.3.3 For the avoidance of doubt, the CDSP:

- (a) will comply with any requirement in Law to provide information; and
- (b) will not provide information in breach of any Law,

and the CDSP will not be required to consult the Committee in respect of a matter within paragraph (a) or (b).

7.3.4 If a Competent Authority requires the CDSP by Law to provide information of a non-routine nature, and in the CDSP's reasonable opinion the circumstances in which such requirement arises represent a material risk or cost to the CDSP or Customers, the CDSP will inform the Committee (whether before or after complying with such requirement).

7.3.5 Subject to paragraph 7.3.3, information provided by the CDSP as contemplated by this paragraph 7.3 will not include Confidential Information relating to any Customer.