

Legal Text for DCP xxx – Creation of DCUSA Charging Methodology Development Group

Add new definition into Section 1A

DCMDG Issues Form means a form, established by the Panel and published on the Website, to be used by any person wishing to submit an issue relating to the operation of this Agreement to the DCUSA Charging Methodology Development Group (DCMDG)

New text for Section 1B

Establishing Working Groups

- 7.24 The Panel may establish sub-committees (each a **Working Group**) for the purposes of doing, or assisting the Panel in doing, anything to be done by the Panel pursuant to this Agreement. The Panel may dissolve any Working Group it has previously established. In particular, the Panel may establish, dissolve and subsequently re-establish the DCUSA Standing Issues Group and the DCUSA Charging Methodologies Development Group (DCMDG).
- 7.26 Each Working Group shall be subject to such written terms of reference and such written procedures as the Panel may specify from time to time, save that the DCUSA Standing Issues Group shall be subject to the terms of reference and procedures given in Schedule 7 and the DCUSA Charging Methodologies Development Group (DCMDG) shall be subject to the procedures given in Schedule xx.

Membership of Working Groups

- 7.28 Each Working Group shall be composed of such persons with experience and expertise suitable to the Working Group's remit, and who are willing to serve, as the Panel may direct. Each Working Group shall be chaired by such person (the **WG Chairman**) as the Panel may direct, or as (in the case of the DCUSA Standing Issues Group is elected pursuant to Schedule 7 or in the case of the DCUSA Charging Methodology Development Group (DCMDG) is elected pursuant to Schedule xx.

Duties of those Serving on Working Groups

- 7.32 Each Working Group shall act in a manner designed to achieve the Panel Objectives.
- 7.33 Those persons serving on a Working Group from time to time, when acting in that capacity, shall:
- 7.33.1 act independently, not as a delegate, and without undue regard to the interests, of any Related Person, with the exception of the DCUSA Charging Methodologies Development Group (DCMDG);
 - 7.33.2 exercise reasonable skill and care to the standard reasonably expected of a director of a company under the Companies Act 2006; and
 - 7.33.3 act in a manner designed to facilitate the performance by the Working Group of the duties delegated to it.
- 7.34 Unless the Panel otherwise directs and with the exception of the DCUSA Charging Methodologies Development Group (DCMDG), a person who is to serve on a Working Group shall not be appointed to that Working Group unless he has first confirmed in writing to DCUSA Ltd (for the benefit of itself and each Party) that he agrees to act in accordance with Clause 7.33.

Introduction of a new Schedule xx in DCUSA

SCHEDULE xx – DCUSA DISTRIBUTION CHARGING METHODOLOGIES DEVELOPMENT GROUP

1. SCOPE

- 1.1 The DCUSA ‘Distribution Charging Methodologies Development Group’ (DCMDG) provides an opportunity for the Panel or any person to raise (and have discussed) issues relating to the charging methodologies of this Agreement. Where appropriate (to be determined in the Terms of Reference), the DCMDG will undertake a pre-assessment of proposed solutions prior to a formal Change Proposal being raised. The DCMDG will also act as a forum for any interested party to discuss or present on an issue which relates to or impacts upon the Use of System Charging Methodologies.
- 1.2 The DCMDG will act under the auspices of the Panel but will have no powers to enforce changes to this Agreement or any existing industry agreements or associated systems.

2. OBJECTIVES

- 2.1 The objectives of the DCMDG shall be to:
- (a) meet periodically with any persons whose interests are materially affected by a charging methodology for the purposes of setting Use of System charges;
 - (b) review issues relating to the Use of System charging methodologies of this Agreement that are submitted to it in by the Panel or by way of DCUSA Issue Forms;
 - (c) discard issues as requiring no further action or to develop and propose cost / risk based solutions to issues;
 - (d) identify the impact of such solutions on this Agreement;
 - (e) consider such solutions in the light of the DCUSA Objectives;
 - (f) carry out a pre-assessment of issues and provide the Panel with an early view as to the potential impact of Change Proposals that may be proposed from time to time;
 - (g) review, on behalf of the Panel, industry developments and their possible impact on this Agreement;
 - (h) consult outside the DCMDG where appropriate;
 - (i) carry out any other activity requested by the Panel;
 - (j) carry out discussion and assessment of any other matter which an attendee believes is appropriate;
 - (k) facilitate discussion relating to the implementation of the methodologies as per this agreement; and
 - (l) allow full discussion on subjects which are of relevance and interest to those attending the DCMDG.

3. MEMBERSHIP

- 3.1 The membership of the DCMDG shall be open to those who feel they can contribute to the work of the group and the development of the charging methodologies. Non DCUSA parties

are welcome to attend. The DCUSA Panel can restrict attendance to a single attendee from each attending party if necessary.

4. CHAIR

- 4.1 The Chairman for the DCMDG (the Chair) will at all times be an independent appointment and will be appointed by the DCUSA Panel for a 12-month term.
- 4.2 Should the Chair resign, for whatever reason, before the expiry of his 12-month term, the DCUSA Panel will appoint a new Chair.
- 4.3 The Chair's role will be to chair meetings, facilitate discussions and establish a proposed way forward.

5. REQUIREMENTS OF MEMBERS

- 5.1 All interested Parties will be entitled to attend the DCMDG, and those who choose to be a member of the group, shall, where reasonably possible, be expected to ensure their attendance on a consistent basis and ensure their commitment toward making the DCMDG a success.
- 5.2 Representatives should be prepared to:
 - (a) engage and participate in the DCMDG;
 - (b) take actions to be completed outside of the DCMDG; and
 - (c) report back on views and actions taken.

6. MEETING FREQUENCY

- 6.1 The DCMDG will schedule meetings on a monthly basis. The convening of any additional meetings of the group will be on an as required basis depending on the number of issues on the table and the urgency for the resolution of them.
- 6.2 The Chair may convene an emergency meeting of the DCMDG where necessary, for the purpose of debating urgent operational issues and, where appropriate, developing Change Proposals to overcome these.
- 6.3 The Chair will be required to give a minimum of 5 days' notice of any such emergency meeting. Where practical, and expedient, emergency meetings of the DCMDG may be conducted wholly, or partly, by conference call.
- 6.4 The Chair will be entitled to cancel any scheduled meeting of the DCMDG if, having consideration to the views of the group, they consider there are insufficient items of importance for debate at the meeting to warrant holding it.

7. SECRETARIAT

- 7.1 The DCMDG will be supported by the Secretariat, who shall be responsible for:
 - (a) booking, convening and circulating notice of meetings;
 - (b) logging DCMDG Issue Forms and validating them for completeness;
 - (c) circulating the agenda for each meeting of the DCMDG at least 10 days in advance of the meeting (or as far in advance as reasonably practicable in the case of emergency meetings);

- (d) writing minutes of the meeting in a style and level of detail specified by the Chair;
- (e) circulating minutes of the meeting no later than 10 Working Days following the meeting;
- (f) publishing all meeting papers and minutes on the Website; and
- (g) providing a report to the Panel from each meeting as appropriate, giving a summary of key issues and progress being made, and including the task list or work plan for the DCMDG.

8. SUMMARY OF PROCESS

- 8.1 The DCMDG will consider issues as:
- (a) directed by the Panel; or
 - (b) raised by any person who submits a completed DCMDG Issues Form.
- 8.2 Where a DCMDG Issues Form has been submitted to the Secretariat, the Secretariat shall add the matter to the next scheduled DCMDG meeting. Issue forms submitted less than 10 Working Days before the next scheduled meeting will be accepted at the discretion of the Chair.
- 8.3 The DCMDG shall consider and recommend to the Panel or raising party (as appropriate) solutions to issues within the DCMDG's scope.
- 8.4 The DCMDG will actively seek to cluster issues for consideration together where a single solution may be viable.
- 8.5 The DCMDG may recommend that changes be proposed to this Agreement for the resolution of these issues.

9. DECISION MAKING

- 9.1 Recommended solutions to issues may be agreed at the meeting. The recommendations may include, but are not limited to, changes to this Agreement and best practice guidance to Parties.
- 9.2 Recommendations are to be agreed by majority consensus of those attending the relevant DCMDG meeting.

10. REPORTING

- 10.1 The DCMDG reports directly to the Panel. A report will be provided to the Panel from each meeting, as appropriate, giving a summary of key issues and progress being made and including the task list or work plan for the group.

11. FUNDING

- 11.1 The Panel will be responsible for the costs of Secretariat services and ancillary charges such as meeting and teleconferencing charges.
- 11.2 The expenses of those serving on the DCMDG shall be the responsibility of the attending party.

12. OTHER MATTERS

- 12.1 Save as set out in this Schedule, the procedures of the DCMDG shall be in accordance with any direction by the Panel from time to time.