

DCP 289 Draft Legal Text

Creation of a Distribution Charging Methodologies Development Group

Add the following definitions to Clause 1.1:

DCMDG Issue 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 the Use of System Charging Methodologies to the DCMDG.
Distribution Charging Methodologies Development Group or DCMDG	means a Working Group representing a cross-section of industry participants brought together to consider solutions to issues arising out of the Use of System Charging Methodologies (including those submitted by way of DCMDG Issue Forms).
Use of System Charging Methodologies	means the CDCM and the EDCM.

Amend Clause 7.24 as follows:

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 either or both of the DCUSA Standing Issues Group and the DCMDG.

Amend Clause 7.26 as follows:

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;¹ save that the terms of reference for the DCUSA Standing Issues Group and the DCMDG must be consistent with~~shall be subject to~~ the terms of reference and procedures given in Schedule 7 and Schedule [XX]¹ (respectively). Subject to the applicable terms of reference and procedures, each Working Group shall otherwise conduct its business as it sees fit. No Working Group may further delegate any of its duties, powers and functions unless expressly authorised to do so by such terms of reference.

Amend Clause 7.28 as follows:

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 DCMDG) is appointed pursuant to Schedule [XX].

Amend clause 7.33 and 7.34 as follows:

- 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 (save that this requirement shall not apply to those serving on the 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 (save that this requirement shall not apply to those serving on the DCMDG); and

¹ Schedule number to reflect new schedule provided for below.

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, 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 (save that this requirement shall not apply to those serving on the DCMDG).

Add a new Schedule as follows:

**SCHEDULE XX² – DISTRIBUTION CHARGING
METHODOLOGIES DEVELOPMENT GROUP**

1. SCOPE

1.1 The Distribution Charging Methodologies Development Group (or DCMDG) provides an opportunity for the Panel, a Party or any interested person to raise (and have discussed) issues relating to the Use of System Charging Methodologies. 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 Party or interested person 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 person whose interests are materially affected by one

² Use first available schedule at the time of implementation (or such other number as the Panel may determine), and update the DCUSA contents page accordingly.

or more of the Use of System Charging Methodologies;

- (b) review issues relating to the Use of System Charging Methodologies that are submitted to it in by the Panel or by way of DCMDG 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 Charging 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 relating to the Use of System Charging Methodologies which an attendee of a DCMDG meeting believes is appropriate;
- (k) facilitate discussion relating to the implementation of the Use of System Charging Methodologies; 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 is not restricted to representatives of Parties and shall be open to any interested person who feels that they can contribute to the work of the DCMDG and the development of the Use of System Charging Methodologies.

- 3.2 The Panel can restrict membership of the DCMDG to a single individual from each organisation, corporate group or Party (if the Panel so determines).
- 3.3 Subject to Paragraphs 3.1 and 3.2, the members of the DCMDG shall be appointed in accordance with Clauses 7.28 to 7.31.

4. CHAIR

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

5. REQUIREMENTS OF MEMBERS

- 5.1 Members of the DCMDG will be expected, where reasonably possible, to ensure their attendance at DCMDG meetings on a consistent basis, and to ensure their commitment toward making the DCMDG a success.
- 5.2 Members of the DCMDG 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 person (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 members of and attendees at the DCMDG shall be the responsibility of each such member or attendee.

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.

Gowling WLG (UK) LLP
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