

DCUSA WORKING GROUP - TERMS OF REFERENCE - DCP 214

PART A - GENERAL

1 ESTABLISHMENT OF THE GROUP

- 1.1 DCUSA Working Groups are established by the DCUSA Panel in accordance with Clause 7.24 of the DCUSA.

2 SCOPE

- 2.1 Working Groups are established in order to carry out the Definition Procedure in respect of a Change Proposal pursuant to Clause 11.14.
- 2.2 The Working Group is responsible for assisting the DCUSA Panel in the evaluation of DCUSA Proposals by undertaking the following activities:

- Determining whether to consult with Parties, and (where appropriate) with any interested third party on the Change Proposal. Considering and clarifying the likely effects of the proposed variation to the Agreement, and indicating which Party Categories it considers will be affected by the proposed variation. All charging methodology Change Proposals should consider any impact on the Annual Review Pack (ARP).
- Evaluating, developing and refining the proposed variation to the Agreement to the extent that it better facilitates the DCUSA Objectives.
- Providing both the Proposer and a majority of the Working Group are supportive, the developing and refining of a proposal may go beyond the stated intent (where reasonable and appropriate), as long as the Working Group ensures the changed intent meets the spirit of the original. The Panel may redirect the Working Group if the revised intent is not reasonable and appropriate.
- Providing both the Proposer and a majority of the Working Group are supportive, the developing and refining of a proposal may include proposing to the DCUSA Panel that the status of the CP as either "standard" or "urgent" is changed. The Panel will consider and make a determination on the proposal.
- Evaluating the likely impact of the proposed date for implementation of the variation, and where it considers appropriate, amending this date.
- Considering whether, if the proposed variation were made, the Agreement would better facilitate the achievement of the DCUSA Objectives than if that variation were not made:

- The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks
- The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent therewith) the promotion of such competition in the sale, distribution and purchase of electricity
- The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences
- The promotion of efficiency in the implementation and administration of this Agreement

3 MEMBERSHIP

- 3.1 The Working Group shall comprise of at least five individuals who each have relevant experience and expertise in relation to the subject matter of the Change Proposal and whose backgrounds are broadly representative of the persons likely to be affected by the proposed variation to the Agreement.

4 CHAIRMANSHIP OF MEETINGS

- 4.1 The Working Group Chair will at all times be from a company that is Party and will be appointed by majority vote of attendees at the first DCUSA Issues Group meeting.
- 4.2 The Chair's role will be to chair meetings, facilitate discussions and establish a proposed way forward. The Chair shall act in accordance with the DCUSA Working Group Chair Guidelines.
- 4.3 If the Chair is not present after the time for which a Working Group Meeting has been convened, the Working Group Members present may appoint one of their number to chair the meeting.

5 DUTIES OF WORKING GROUP MEMBERS

General

- 5.1 Working Group Members shall act in accordance with Clause 7.33 of the DCUSA and in accordance with these Terms of Reference as determined by the Panel.
- 5.2 Working Group Members should become conversant with Section 1C of the DCUSA which sets out the DCUSA Change Control process.

5.3 Representatives should be prepared to:

- Provide the confirmation referred to in Clause 7.24.
- Engage and participate fully in the Working Group.
- Take actions to be completed outside of the Working Group meetings.
- Report back on views and actions taken.

Impartiality

5.4 Working Group Members shall act impartially and shall not be representative of a Party, Group of Parties or Constituency.

6 SECRETARIAT

6.1 The Working Group shall, unless determined otherwise by the DCUSA Panel, develop and adopt its own internal working procedures. The Working Group will be supported by the Secretariat who shall be responsible for:

- Booking, convening and circulating notice of meetings.
- Circulating the agenda for each meeting of the DCUSA Issues Group at least 5 Working Days in advance of the meeting.
- Circulating minutes of the meeting no later than 10 Working Days following the meeting.
- Publishing all non confidential meeting papers and minutes on the DCUSA website.
- Providing a verbal report to the Panel from each meeting as appropriate, giving a summary of key issues and progress being made.

7 CONSULTATION WITH PARTIES

7.1 The Working Group may engage in further consultation with Parties and interested third parties before submitting its final Change Report to the Panel.

7.2 The Working Group should adopt appropriate mechanisms where possible to ensure that Parties and interested third parties have a full understanding of the issues and are able to provide an informed consultation response.

8 DECISION MAKING

8.1 Decisions will be by majority consensus of those Working Group members present at the meeting where the decision is taken.

9 APPROVAL OF EXPENDITURE

9.1 The Working Group shall seek the views of the DCUSA Panel before taking on any significant amount of work.

9.2 Where the Working Group requires instruction, clarification or guidance from the DCUSA Panel, particularly in relation to its Scope of Work, the Working Group Chairman should contact the DCUSA Panel Secretary.

9.3 The Panel will be responsible for the management of the costs of Secretariat services, legal costs and ancillary charges such as teleconferencing charges.

9.4 The expenses of those serving on the DCUSA Issues Group will be managed in accordance with Clause 8.

10 TIMETABLE

10.1 The Panel will determine the timetable for the progression of the Change Proposal. The initial assessment period granted to the Working Group will not exceed 60 Working Days.

10.2 The Working Group may apply to the Panel for an extension setting out a clear justification for the request and providing a timetable for progression of the Change Proposal.

11 REPORTING TO THE DCUSA PANEL

11.1 Working Groups will report directly to the Panel. A verbal report will be provided to the Panel on a monthly basis, giving a summary of key issues and progress being made.

11.2 The Working Group shall prepare a final Change Report to the DCUSA Panel setting out:

- The Party Categories eligible to vote on the Change Proposal.
- The proposed variation to the Agreement.
- The likely effects of the Change Proposal if it was implemented.
- The proposed date for implementation.

- A summary of the views of the Working Group as to whether, if the proposed variation were made, the Agreement would better facilitate the achievement of the DCUSA Objectives than if that variation were not made;
- Any responses received to the consultation process conducted by the Working Group.
- Why the Working Group considers that the proposed variation better facilitates the achievement of the DCUSA Objectives than any alternative variation.

11.3 Any unresolved comments within the Working Group must be reflected in the final Change Report.

11.4 The Chairman (or another member nominated by him) will present the Change Report to the DCUSA Panel as required.

PART B – DCP 214 SPECIFIC

12 DCP 214 – Voting

- 12.1 The Working Group is responsible for assisting the DCUSA Panel in the evaluation of DCUSA Proposal DCP 214 tabled by UK Power Networks at the Panel meeting on 16 July 2014.

13 TIMETABLE

- 13.1 The Working Group is to submit its final report to the DCUSA Panel Secretary on 27 October 2014 for circulation to Panel Members. The conclusions will be presented to the DCUSA Panel meeting on 19 November 2014.