

## **DCMF Methodologies Issues Group – Terms of Reference**

### **Scope**

1. The DCMF Methodologies Issues Group (DCMF MIG) allows industry stakeholders to raise issues related to schedules 16, 17 and 18 of the Distribution Connection Use of System Agreement (DCUSA). These schedules contain the charging methodologies used by licenced Distribution Network Operators (DNOs) to set distribution use of system charges.
2. The DCMF MIG will act under the auspices of the DCMF and will have no powers to enforce changes to any existing industry agreements or associated systems.

### **Objectives**

3. The objectives of the DCMF MIG shall be to:
  - a) provide a pre-assessment process to scope and develop possible solutions for Charging Methodologies issues in order to develop Change Proposals that are reasonably capable of assessment under the DCUSA;
  - b) carry out an annual assessment in line with the DNOs' licence obligation to annually review the charging methodologies; and
  - c) carry out its business in an open and inclusive manner, assisting stakeholders interpret their issues with the charging methodologies into a feasible change request that the DCUSA process can consider.
4. The DCMF MIG shall make recommendations to the DCMF bearing in mind the requirements of the charging methodologies as laid out in the DNO licences.

### **Membership**

5. Membership of the DCMF MIG shall comprise the following two categories:
  - a) DNO members; and
  - b) Associate members
6. The Distribution Licence requires each DNO to keep their charging methodologies

under review on an annual basis and encourage modifications if these can be shown to better meet a set of relevant objectives as set out within the Licence. DNO members will be made up from the licenced distribution network operators who hold the obligation under their distribution licence.

7. Each DNO will nominate at least one full time member of the DCMF MIG and may field alternates when their nominated member(s) are not available.
8. Any interested person may attend meetings as an associate member.
9. All other interested industry participants and originators of issues (where they are not DNO members) may attend the meeting as associate members.

#### **Requirements of DNO members**

10. DNO members should:
  - a) engage and participate fully in the DCMF MIG on issues raised;
  - b) agree and or take actions to be completed outside of the DCMF MIG meetings; and
  - c) report back on views and actions taken.

#### **Requirements of associate members**

11. Associate members should:
  - a) engage and participate fully in the DCMF MIG on issues raised;
  - b) ensure their attendance on a consistent basis once an issue has been raised by them;
  - c) agree and or take actions to be completed outside of the DCMF MIG meetings;
  - d) report back on views and actions taken; and
  - e) ensure their commitment toward making the DCMF MIG a success.

### **Appointment of Chair**

12. The Chair of the DCMF MIG will be appointed from amongst DNO members on a rotational basis and will serve for a 12-month term.
13. A deputy chair of the DCMF MIG will be appointed at the same time, using the same approach, selected from the same DNO members.
14. The deputy chair of the DCMF MIG will assume the role of chair of the DCMF MIG after the chair has been in post for their full term. At this time a new deputy chair of the DCMF MIG will be appointed.
15. Should the Chair resign, for whatever reason, before the expiry of his 12-month term, the deputy chair will automatically be appointed as the chair and will serve for a full 12-month term. At this time a new deputy chair would also be appointed.
16. In the event that the Chair is unable to attend an individual meeting, the deputy will fulfil that role for that meeting.
17. All appointments will be confirmed by the Chair of the DCMF.

### **Role of Chair**

18. The Chair's role will be to chair meetings, facilitate discussions and establish a proposed way forward.
19. The Chair will be responsible for the establishment and composition of any subgroups formulated as necessary to develop and assess specific issues. The Chair will be responsible for ensuring there is an adequate work plan to ensure the process is timely and efficient.

### **Secretariat**

20. The Secretariat appointed by the Energy Networks Association on behalf of the DCMF, will be responsible for ensuring a log of issues is maintained and updated.
21. The DCMF MIG will be supported by the Secretariat, who shall be responsible for:
  - a) providing advice to Parties on the operation of the DCMF MIG;

- b) booking, convening and circulating notice of meetings;
- c) logging DCMF Issue Forms and validating them for completeness;
- d) circulating the agenda for each meeting of the DCMF MIG at least 5 working days in advance of the meeting (or as far in advance as reasonably practicable in the case of emergency meetings);
- e) writing minutes of the meeting in a style and level of detail specified by the Chair;
- f) circulating minutes of the meeting no later than 10 Working Days following the meeting; and
- g) publishing all meeting papers and minutes.

### **Meeting Frequency**

- 22. The DCMF MIG will hold monthly meetings.
- 23. The Chair may convene an emergency meeting of the DCMF MIG where necessary, for the purpose of debating urgent operational difficulties and, where appropriate, developing Change Proposals to overcome these.
- 24. The Chair will be required to give a minimum of five working days' notice of any such emergency meeting. Where practical, and expedient, emergency meetings of the DCMF MIG may be conducted wholly, or partly, by conference call.
- 25. The Chair will be entitled to cancel any scheduled meeting of the DCMF MIG if, having consideration to the views of the group, he considers there are insufficient items of importance for debate at the meeting to warrant holding it.

### **Quorum**

- 26. A minimum of two members, of which at least one must be a DNO member of the DCMF MIG, is required to achieve a quorum.

### **DCMF MIG sub-groups**

27. From time to time, the DCMF MIG may establish sub-groups either on a single issue basis or to review a group of similar issues or larger subject area.
28. The convening of any meetings of the sub-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.
29. The role of the DCMF MIG subgroups will be to look to complete a more detailed review of the issue and propose solutions.
30. The DCMF MIG subgroups shall at all times operate in accordance with paragraphs 1 - 4 of this document which are deemed to form the Terms of Reference for such subgroups.
31. The DCMF MIG Chair will appoint the Chair of each DCMF MIG subgroup.

#### **Conduct of DCMF MIG Meetings**

32. The business of DCMF MIG will be conducted on the basis of consensus of members and associate members present at the relevant DCMF MIG meeting.

#### **Reporting**

33. The DCMF MIG shall report directly to the DCMF.
34. The DCMF MIG Chair will ensure that a report on the activities of DCMF MIG is given at each meeting of the DCMF.

#### **Funding**

35. The Energy Networks Association on behalf of the DCMF will be responsible for the costs of Secretariat services and ancillary charges such as teleconferencing charges.
36. Members serving on the DCMF MIG will not be entitled to claim any expenses.

#### **Other Matters**

37. Save as set out in these Terms of Reference, procedures of the DCMF MIG shall be

in accordance with any recommendation made by the DCMF.

38. All members and associate members of the DCMF MIG and its subgroups must bear in mind their legal obligations at all times, in particular duties of confidentiality under statute and industry agreements, and the obligations arising from the Competition Act 1998. The DCMF MIG Chair or the DCMF Chair may procure legal advice or guidance on these matters. All members and associate members must comply with such advice or guidance at all times when taking part in DCMF MIG or any subgroup.