

## **Terms of Reference for the Metering Dispensations Review Group**

### **1. ESTABLISHMENT AND ROLE OF THE METERING DISPENSATIONS REVIEW GROUP**

#### **1.1 Establishment**

1.1.1 The Imbalance Settlement Group (the "ISG") and the Supplier Volume Allocation Group (the "SVG") (being Panel Sub-Committees) have established a voluntary consultation and review group, to be called the Metering Dispensations Review Group (the "MDRG"). The MDRG shall continue until such time as it is dissolved by both the ISG and SVG.

#### **1.2 MDRG Role**

1.2.1 The MDRG shall conduct its business with a view to supporting the ISG and SVG in their analysis of Metering Dispensation applications ("applications") in accordance with the Balancing and Settlement Code ("the Code") and Balancing and Settlement Code Procedure (BSCP) 32 – Metering Dispensations.

1.2.2 For the avoidance of doubt, the MDRG when conducting its business will not be able to receive any applications which include any confidential information unless the applicant firstly confirms in writing that they consent for this information to be disclosed to the MDRG, ISG, SVG and Panel as required for the purposes of seeking approval.

### **2. COMPOSITION AND APPOINTMENT OF THE MDRG**

#### **2.1 MDRG Members**

2.1.1 The MDRG shall be composed of Members (each an MDRG Member) appointed jointly by the ISG and SVG, with such MDRG Members having suitable experience and qualifications as both the ISG and SVG decide is appropriate.

2.1.2 The BSCCo shall give prompt notice to the ISG, SVG, all MDRG Members, and all BSC Parties of the appointment, re-appointment, resignation or de-appointment of any MDRG Member.

#### **2.2 Duties of a MDRG Member**

2.2.1 A person appointed as an MDRG Member, when acting in that capacity shall act independently, impartially and shall not be representative of, and shall act without undue regard to the particular interests of any particular body, person or class of person or any Related Person (as that term is defined in the Code).

2.2.2 A person shall not be appointed as an MDRG Member unless they shall have first provided statements equivalent to those set out in Sections B2.8.2, 2.8.3 and 2.8.4 of the Code with such sections being read as if a Panel Member was an MDRG Member.



## MDRG

2.2.3 MDRG Members acknowledge that in carrying out their functions as an MDRG Member they may be in receipt of confidential information and as such each MDRG Member will be required to sign a confidentiality agreement.

### **2.3 Term of Office of MDRG Members**

2.3.1 A MDRG Member shall remain in office until the MDRG is dissolved or until their resignation has been submitted in writing to the BSCCo or unless the ISG and SVG remove them as an MDRG Member if in the ISG's and SVG's opinion the member is unwilling, unfit or otherwise incapable for any reason to carry out their duty as a Member.

2.3.2 Without prejudice to the foregoing the ISG and/or SVG may review the MDRG membership at any time but in any case will do so at least once a year.

### **2.4 Conflict of Interest**

2.4.1 It shall be each MDRG Member's responsibility to disclose to the Chairman from time to time any interests of such MDRG Member which constitute, in such MDRG Member's reasonable opinion, an actual or perceived conflict of interest with their functions as an MDRG Member and in such circumstances such MDRG Member may absent themselves from voting.

2.4.2 If the MDRG Member does not volunteer to absent themselves from voting on such matters where an MDRG Member has an actual or perceived conflict of interest then the Chairman may determine whether the MDRG Member in question should be required to absent themselves from particular MDRG business and/or whether a recommendation should be made to the ISG and SVG that such MDRG Member be removed as an MDRG Member. Any decision of the ISG and SVG in this regard shall be final and binding.

## **3. FUNCTIONS AND POWERS OF THE MDRG**

### **3.1 Functions of the MDRG**

3.1.1 The MDRG shall be specifically responsible, within the parameters of the Code, for:

- a) reviewing, and considering the stated reasons (technical and financial) for any application received;
- b) considering any impact that any application (whether granted or not) may have on Settlement (as that term is defined in the Code) or the provisions of the Code generally;
- c) providing a formal assessment of any application to the ISG and/or SVG, as appropriate, via the BSCCo based on (a), and (b), above;

- d) providing further assessment of an application (whether in part or in whole) via the BSCCo which may arise as a result of any concerns and considerations that the ISG and/or SVG may have; and
- e) providing the ISG and/or SVG with rationale, via the BSCCo for any comments and/or recommendations made in the assessment of the Metering Dispensation application.

### **3.2 Delegation**

- 3.2.1 The MDRG, or its members, shall not delegate to any person any of its powers, responsibilities and functions unless the ISG and SVG expressly permit such delegation.

### **3.3 Provisions relating to data**

- 3.3.1 The MDRG may use such data submitted to it by the BSCCo; ISG; SVG; the applicant of any application; and/or any affected parties, including the Transmission Company and Licensed Distribution System Operators, for the purposes of carrying out its functions.

### **3.4 Expenses**

- 3.4.1 The Members of the MDRG shall be responsible for their own expenses and costs incurred in carrying out their functions as part of the MDRG.

## **4. PROCEEDINGS OF THE MDRG**

### **4.1 Consideration and Assessment of Applications**

- 4.1.1 Within nine working days of the BSCCo receiving an application they shall submit the same to the MDRG Members (via correspondence) for consideration and assessment of any technical and/or financial items.

- 4.1.2 The MDRG Members shall review, consider and prepare a formal assessment of the application within ten working days or within the timeframe directed by the BSCCo and agreed by the MDRG members, to be submitted to the BSCCo. This formal assessment will include:

- a) whether or not the MDRG Member supports the application for a Metering Dispensation; and
- b) the rationale for this assessment.

The BSCCo will only accept formal assessments from the MDRG Members that include aforementioned sections 'a' and 'b' that are also relevant to the technical and financial aspects that the MDRG are required to comment upon.

4.1.3 The BSCCo will then prepare a formal assessment of the application (by collating all of the respective MDRG Members' relevant comments). The BSCCo shall then submit the final formal assessment of the application to the appropriate Panel Sub-Committee (either the ISG or SVG) for determination.

4.1.4 The ISG and/or the SVG may in accordance with paragraph 3.1.1 (d) request that the MDRG Members consider certain aspects of the application further. In this circumstance the MDRG Members shall do so within a reasonable time period so defined by the ISG and/or SVG. The MDRG shall prepare an additional formal assessment and provide the same to the BSCCo, who will then present it to the ISG and/or SVG.

## **4.2 Meetings**

4.2.1 The consideration and assessment of the applications are to be done by correspondence and a meeting of the MDRG shall only be held in such circumstances where the BSCCo, ISG and/or SVG so request.

4.2.2 If a meeting is requested by the BSCCo, ISG and/or SVG, then the BSCCo shall use their reasonable endeavours to convene a meeting of the MDRG including but not necessarily limited to sending a notice to each MDRG Member and such notice shall:

- a) set out the date, time and place of the proposed meeting; and
- b) be accompanied by an agenda of the matters for consideration at the meeting and any supporting information available to the BSCCo at the time the notice is given (and the BSCCo shall circulate to the MDRG Members any late information as and when they are received by it).

4.2.3 The proceedings of a meeting of the MDRG shall not be invalidated by the accidental omission to give, or send, notice of the meeting or a copy thereof or any of the accompanying agenda or information to, or any failure to receive the same by, any person entitled to receive such notice, copy, agenda or information.

4.2.4 No matter shall be discussed at a meeting of the MDRG unless such matter was requested by the BSCCo, ISG and/or SVG and contained in the agenda accompanying the BSCCo's notice.

4.2.5 The BSCCo shall act as the Chairman and Secretary of the meeting.

## **4.3 Minutes of Meetings**

4.3.1 As soon as practicable after each meeting of the MDRG, the BSCCo shall prepare and send to the MDRG Members the minutes of such meeting, which shall be approved (or amended and approved) by correspondence within five working days.

4.3.2 The minutes of the meeting will be submitted to the ISG and/or SVG, as appropriate, along with all of the considerations and assessments provided by the MDRG.

#### **4.4 Attendance by other persons**

4.4.1 The Chairman may invite any person(s) to attend all or any part of the meeting.

4.4.2 The Chairman shall maintain confidentiality and be considerate of this before inviting any person(s) under section 4.4.1.

### **5. MDRG COMMUNICATIONS**

#### **5.1 Operational Communications**

5.1.1 Where the MDRG is overseeing defined BSC processes, any communications to BSC Parties, Party Agents or other bodies will be defined either in the BSC or in Code Subsidiary Documents (most often BSCPs) and may take the form of consultations, circular notifications, e-mails or letters etc.

5.1.2 Where the MDRG deals with matters which do not have explicitly defined communication steps set out in the BSC but do fall clearly within its explicitly defined areas of responsibility, powers and functions the MDRG will communicate with BSC Parties, Party Agents or other bodies via e-mails and letters.

5.1.3 In both cases such communications may be delegated to ELEXON by the MDRG unless otherwise prohibited by the BSC.

5.1.4 Such communications as outlined above remain the responsibility of the MDRG.

#### **5.2 Strategic Communications and Other Communications**

5.2.1 From time to time, matters may arise that relate to wider industry issues. Such matters may impact the MDRG's areas of responsibility either directly or indirectly but will also have impacts that arise out with the BSC.

5.2.2 Where the MDRG has views on such matters these views should be relayed to the ISG and SVG, via the MDRG Chairman, so that the ISG and SVG may, at their discretion, relay the views to the Panel.

5.2.3 It is possible that the views of the MDRG do not align with the views of the ISG and/or SVG themselves. To ensure that the views of the MDRG are not lost, where matters are relayed to the ISG and SVG, these will be recorded in the relevant meeting materials or minutes as appropriate. Further, where the ISG and/or SVG decides to relay its own views to the Panel, it should reference the views of the MDRG.

5.2.4 Where the Panel issues communications to an industry participant, body or government department based on matters brought to its attention by the MDRG via the ISG and/or SVG (or receives responses to such communications), the Panel will, unless it agrees otherwise on the basis of confidentiality, provide a copy of such communications or responses to the MDRG and to both the ISG and SVG.

### **5.3 Time-Bound Communications**

5.3.1 Where the MDRG identifies a strategic or other matter (as outlined in paragraph 5.2.1) which it wishes to bring to the ISG's and SVG's attention, and where that matter is such that the value of so doing would be eroded if it is not brought to the ISG's and SVG's attention before the next scheduled meetings of both Committees have been held, then the Chairman will relay the matter to the ISG Chairman and/or SVG Chairman (or, in their absence, the ISG Vice Chairman and/or the SVG Vice Chairman) directly as relevant.

5.3.2 As required, the ISG Chairman and/or SVG Chairman (or, in their absence, the ISG Vice Chairman and/or SVG Vice Chairman) will then determine whether to:

- a) seek the views of the ISG and/or SVG Members and their ex-committee approval to relay the views to the Panel; or
- b) relay the views of the MDRG to the Panel so as to meet the timescales required and circulate a copy of these views to both the ISG Members<sup>1</sup> and SVG Members<sup>2</sup> for information.

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<sup>1</sup> Including those regular attendees (if appointed) who are entitled to attend the ISG in accordance with the ISG Terms of Reference (i.e. the Panel Sponsor, the representative of the Authority, and MRASCo).

<sup>2</sup> Including those regular attendees (if appointed) who are entitled to attend the SVG in accordance with the SVG Terms of Reference (i.e. the Panel Sponsor, the representative of the Authority, the representative of the Transmission Company, and MRASCo).