

Distribution Charging Methodologies Forum (DCMF) Draft Terms of Reference

Introduction

This paper sets out the proposed Terms of Reference for the Distribution Network Operator's (DNO) Distribution Charging Methodologies Forum (DCMF). It states the rationale for the forum, its membership, meeting frequency, scope of issues covered, the appointment of the Chair, Deputy Chair, Secretary and publication of relevant documentation.

The Distribution Licence requires each Licensed DNO to keep their charging methodologies published in the charging statements under review on an annual basis. It encourages modifications to them if such modifications can be shown to better meet a set of relevant objectives as set out within the Licence.

The DCMF has evolved from the ISG to provide a forum where DNOs can discuss issues of commonality across DNOs and provide information on any changes to their charging methodologies and consider Users' and interested parties views in this matter.

Meeting Frequency and Location

The DCMF will be generally be held every three months on a rotational basis in each DNO designated area, but ad hoc meetings may be called as and when necessary.

Membership

The following membership is proposed for the DCMF:

Chair (DNO)
Deputy Chair (DNO)
Secretary (ENA)

Existing DCUSA parties and all prospective DCUSA parties, limited to one representative for each party.

A representative from Ofgem

Representatives of electricity customers groups (e.g. Energywatch, major energy users, DG groups)

A lead representative from each DNO who will be supported at DCMF by a number of nominated DNO experts as appropriate to the agenda.

The Chairman reserves the right to prioritise membership of the DCMF in the event of oversubscription to any meeting.

This structure aims to ensure an effective and manageable forum is maintained.

Scope

The DCMF will give the DNO's the opportunity to present and discuss proposed changes to its current charging principles and methods associated with Connection and Use of System Charging Methodologies. In addition, the DNO's will update members on any ongoing charging issues. The scope of the DCMF will centre on but is not limited to:

- Current Charging Issues & Updates
- Development of Use of System Charging Methodologies
- Development of Connection Charging Methodologies
- Forthcoming events
- Any Other Business

For the avoidance of doubt, the DCMF will not consider the impact of existing charges on individual Users nor will the forum cover specific contractual matters or issues related to the DCUSA, as these will be dealt with through the relevant governance structures.

The DNO's will inform members of forthcoming or recent correspondence or notifications pertaining to the existing charging methodologies. All members can raise issues for discussion or general queries regarding the existing methodologies.

The DNO's will be responsible for bringing forward modification proposals in line with their licence requirements and will consult with the industry as appropriate. This meeting should be seen as an early opportunity for DNO's to provide a heads up view of any proposals.

Responsibilities and Appointment of the Chair, Deputy Chair and Secretary.

The Chair of the DCMF will be appointed annually by the DNO's on a rotational basis and will be responsible for the smooth running of the forum and ensuring the Terms of Reference are observed. A Deputy Chair will also be appointed annually by DNO's.

A Secretary (from ENA) will be appointed by the DNO's. The Secretary will be responsible for the preparation and distribution of the draft agenda prior to each meeting, preparing and distributing a summary report of the meeting after each meeting. Any meeting documents will be distributed, if possible, one week prior to the meeting to all members.

ENA website

The DCMF has a dedicated page on ENA's Industry Information website, under the Regulation & Europe section, and can be accessed at the link below.

www.energynetworks.org/spring/regulation/

The website is used as the main source for notifying meetings, publishing each meeting summary report, storing presentations and papers. This facilitates availability of information to a wider audience.