STANDARD TERMS OF REFERENCE – ISSUE GROUPS

1. Issue Group terms of reference

1.1.1 These are the standard terms of reference as agreed by the BSC Panel that applies to all Issue Groups in accordance with BSCP40. The Panel may change these terms of reference from time to time as it sees fit. Issue Group members shall act in accordance with these terms of reference at all times.

1.1.2 Issue Groups are expected to assist the proposer of an Issue (hereafter the 'Proposer') in assessing its Issue(s) and to help develop and recommend potential solutions.

1.1.3 The Proposer's description of the issue and the specific areas they want to assess and explore with the Issue Group are outlined in the Issue Form. Any relevant details of industry discussions or previous forum discussions of the issue shall be presented by the Proposer or BSCCo.

2. Duties of Issue Group members

2.1.1 In conducting its business, the Issue Group shall at all times endeavour to operate the Issue Group:

- in an efficient, economical and expeditious manner, taking account of the complexity, importance and urgency of the particular issue(s);
- with a view to ensuring that the BSC facilitates achievement of the Applicable BSC Objectives; and
- to the extent relevant, in a manner that is consistent with the Code Administration Code of Practice principles.

2.1.2 Issue Group members are required to act impartially and shall not be representative of a particular person, organisation or class of persons, and no member shall agree to follow or be bound by the instructions of any person or body other than the Panel in the exercise of their functions as an Issue Group member.

2.1.3 When appointed as an Issue Group member, each member shall confirm that they will be available to attend Issue Group meetings and to carry out work to be undertaken outside meetings as necessary (including reviewing any documentation produced by or on behalf of the Issue Group) as required until a report is issued to the Panel.

2.1.4 Issue Group members shall inform BSCCo if they do not wish to continue as a member of the Issue Group.

3. Issue Group membership

3.1 Chairman and secretary

3.1.1 The Issue Group shall have a chairman who, unless otherwise directed by the Panel, shall be a person nominated and provided by BSCCo and approved by the Modification Secretary.

3.1.2 The Issue Group shall have a secretary (usually the Lead Analyst) who shall be a person nominated and provided by BSCCo and approved by the Modification Secretary.

3.1.3 Neither the Issue Group chairman nor secretary shall have a vote, casting or otherwise. The chairman and the secretary may appoint an alternate to attend a meeting in their place.

3.2 Proposer

3.2.1 The Proposer of each Issue is considered an Issue Group member.

3.2.2 The Proposer may appoint an alternate to attend a meeting in their place. As long as the Proposer or their alternate is not also present at the meeting then their vote and their powers will be transferred to their alternate.

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3.3 Issue Group members

3.3.1 The Issue Group shall comprise of at least five members who have volunteered to join the Issue Group and have relevant experience and/or expertise in the areas forming the subject matter of the Issue(s) to be considered by the Issue Group.

3.3.2 BSCCo shall ensure, as far as possible, that an appropriate cross-section of experience, interests and expertise is represented on the Issue Group.

3.3.3 The Transmission Company is also entitled to appoint one member of the Issue Group, except in the case where the Transmission Company is the Proposer, where Proposer ownership provisions will apply instead.

3.3.4 Where an Issue Group member is unable to attend a meeting, they may appoint an alternate. The alternate, like the Issue Group member, shall act impartially and independently. Where an alternate attends a meeting, they shall be considered as an Issue Group member for that meeting.

3.3.5 BSCCo may at any time:

- add further members to the Issue Group;
- replace or remove any Issue Group member if, in BSCCo's opinion, such member is unwilling or unable for whatever reason to fulfil that function and/or is deliberately and persistently disrupting or frustrating the work of the Issue Group; and
- if deemed appropriate, review the membership of the Issue Group as a whole.

4. Issue Group meetings

4.1 General

4.1.1 Issue Group meetings shall be held as required for the Issue Group to fully discharge its obligations.

4.1.2 Any meeting of the Issue Group shall be convened by the secretary by notice to each Issue Group member setting out the date, time and place of the meeting. These details shall also be published on the BSC Website. Meetings will be held at a time and place agreed by the chairman. Unless otherwise notified, meetings will be held at ELEXON's offices.

4.1.3 Meetings will be held in open session, except where it is impractical or inappropriate in the opinion of the chairman to hold the meeting in open session.

4.1.4 Meetings will be held on the basis of the majority availability of Issue Group members if it is not possible for all Issue Group members to attend.

4.1.5 Where the chairman considers it appropriate, a meeting of the Issue Group may be held by telephone conference call (or other similar means) where all the Issue Group members present at such meeting can speak to and hear each other. Any decisions taken at such a meeting shall be considered equally as valid as decisions made at meetings conducted in person.

4.1.6 An agenda and any supporting material for the meeting will be issued to Issue Group members as required to allow Issue Group members to consider these items prior to the meeting.

4.1.7 If the secretary considers that it may not be appropriate for the agenda or supporting material for any meeting to be made available to other persons, such items shall not be sent to those persons unless the Issue Group agrees that it would be appropriate to do so.

4.1.8 The proceedings of a meeting of the Issue Group shall not be invalidated by the accidental omission to send notice of the meeting or any of the accompanying agenda or supporting material to, or any failure to receive the same by, any person entitled to receive such notice or items.

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4.2 Quorum

4.2.1 A meeting of the Issue Group is quorate if at least five voting Issue Group members are present in the room or on the telephone (or equivalent).

4.2.2 Where the meeting is not quorate, the Issue Group may discuss the matters on the agenda but will not be able to vote on any recommendations.

4.3 Non-voting Issue Group participants

4.3.1 Representatives of the Authority may attend and speak at any meeting of the Issue Group.

4.3.2 Any BSCCo employees required to provide technical and/or legal expertise to the Issue Group may attend and speak at any meeting of the Issue Groups, and the secretary may request that such employees be required to attend.

4.3.3 Representatives of BSC Agents that may be impacted by the Issue, if progressed as a change, may attend and speak at any meeting of the Issue Group, and the secretary may request that such representatives be required to attend.

4.3.4 Representatives of any Party and any other interested persons may attend and speak at any meeting of the Issue Groups held in open session, subject to Chairman agreement.

4.3.5 Non-voting Issue Group participants will not be considered Issue Group members and will not be entitled to vote on any decisions to be made by the Issue Group.

4.4 Voting

4.4.1 Voting may take place at quorate Issue Group meetings in order to determine the prevalent views of voting Issue Group members on:

- matters relating to the issue(s) and any associated solutions;
- whether a Change Proposal or Modification Proposal should be raised and the benefits and outcomes that any change should bring;
- whether any proposed Change Proposal or Modification Proposal would better facilitate the Applicable BSC Objectives;
- any other matters that the chairman believes need to be voted upon.

4.4.2 Any vote shall be decided by a simple majority of those present at the meeting at which the vote takes place (whether in person or by teleconference).

4.4.3 An Issue Group member may only vote if they have attended at least half of the Issue Group meetings in person or via teleconference.

4.4.4 For the purposes of voting, attendance by a Workgroup member's alternate shall count as is if the member had attended their self.

4.4.5 The Issue Group chairman shall not have a vote, casting or otherwise.

4.4.6 All views (majority, minority and split) will be presented in the reports produced by the Issue Group and presented to the Panel.

4.4.7 The vote of an Issue Group member is non-transferable other than to their alternate. However, if they wish, Issue Group members may send a non-voting participant to attend and speak at the meeting in their place, subject to Chairman agreement.

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5. Powers and functions of the Issue Group

5.1 Further consultation with Parties

5.1.1 The Issue Group may, with the approval of the Panel, consult industry on the Issue and any proposed solutions or recommendations.

5.2 Approval of expenditure

5.2.1 In addition to any staff made available as non-voting Issue Group members, BSCCo shall provide such staff, facilities and support to the Issue Group (including the engagement of external consultants and advisers) as the Issue Group may reasonably require to assist with the administration and operation of its business, subject to Panel approval where any associated costs are likely to exceed £10,000.

5.2.2 Prior to the taking of any steps for an Issue which would result in the incurring of costs by BSCCo of £10k or more but less than £50k, the Issue Group shall seek and comply with the views of the Panel Chairman as to whether to proceed with such steps and, in giving their views, the Panel Chairman may consult with the Panel or the Authority in respect thereof.

5.2.3 Prior to the taking of any steps for an Issue which would result in the incurring of costs by BSCCo of £50k or more, the Issue Group shall seek and comply with the views of the Panel as to whether to proceed with such steps and, in giving its views, the Panel may consult with the Authority in respect thereof.

5.3 Reporting to the BSC Panel

5.3.1 The Issue Group may request the secretary to prepare and present a paper to the Panel for the purpose of reporting on work being undertaken by the Issue Group, or requesting permission to undertake any activity not already permitted by these terms of reference or the specific areas for assessment for the relevant Issue that the Issue Group feels needs to be undertaken as part of its assessment of that Issue.

5.4 Delegation

5.4.1 The Issue Group shall not further delegate to any person any of its powers, responsibilities and functions except to the extent so permitted by the Panel.

6. Entitlements of Issue Group members

6.1 Expenses

6.1.1 Each Issue Group member is entitled to be reimbursed by BSCCo for reasonable expenses properly incurred by such Issue Group member to attend Issue Group meetings or otherwise conduct Issue Group business.

6.1.2 Issue Group members should claim expenses in accordance with the guidelines provided by BSCCo and published on the BSC Website.

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