ELEXON

STANDARD TERMS OF REFERENCE – MODIFICATION WORKGROUPS

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1. Workgroup terms of reference

1.1.1 These are standard terms of reference as agreed by the BSC Panel that apply to all Modification Workgroups. The Panel may change these terms of reference from time to time as it sees fit. Workgroup members shall act in accordance with these terms of reference.

1.1.2 Workgroups are established by the Panel under BSC Section F2.4. Workgroups are expected to assist the Panel in assessing Modification Proposals, help Proposers to develop their Proposed Modifications and develop Alternative Modifications where applicable as described in BSC Section F.

1.1.3 The specific areas for assessment for each Modification Proposal being considered by the Workgroup are provided in the Modification's Initial Written Assessment and are augmented by any special instructions, clarification or guidance provided by the Panel

2. Duties of Workgroup members

2.1.1 In conducting its business, the Workgroup shall at all times endeavour to operate the Modifications Procedures:

a) In an efficient, economical and expeditious manner, taking account of the complexity, importance and urgency of the particular Modification Proposal(s);

b) With a view to ensuring that the BSC facilitates achievement of the Applicable BSC Objectives and delivers positive outcomes for consumers; and

c) To the extent relevant, in a manner that is consistent with the Code Administration Code of Practice principles.

2.1.2 Workgroup 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 a Workgroup member.

2.1.3 When appointed as a Workgroup member, each member shall confirm that they will be available to attend Workgroup meetings and to carry out work to be undertaken outside meetings as necessary (including reviewing any documentation produced by or on behalf of the Workgroup) as required throughout the relevant Definition Procedure or Assessment Procedure for the relevant Modification Proposal(s).

2.1.4 Workgroup members shall inform the secretary if they do not wish to continue as a member of the Workgroup.

3. Workgroup member

3.1 Chair and secretary

3.1.1 The Workgroup shall have a chair 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 Workgroup 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 Workgroup chair nor secretary shall have a vote, casting or otherwise. The chairperson and the secretary may appoint an alternate to attend a meeting in their place.

3.2 Proposer

3.2.1 The Proposer of each Modification Proposal is considered a Workgroup member. The Proposer is entitled to appoint its representative to be a member of the Workgroup for the purposes of that Modification Proposal only. If they chose to appoint a representative the Proposer is not considered to be part of the Workgroup, only their representative is

3.2.2 The Proposer or, where appointed, the Proposer's representative may appoint an alternate to attend a meeting in their place, and as long as the Proposer or their representative is not also present at the meeting then their vote and their powers under BSC Section F will be transferred to their alternate.

3.3 Workgroup members

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

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

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

3.3.4 Where a Workgroup member is unable to attend a meeting, they may send an alternate, so long as the alternate acts impartially and independently. Where an alternate attends a meeting, they shall be considered as a Workgroup member for that meeting.

3.3.5 The Panel may at any time:

a) add further members to the Workgroup;

b) replace or remove any Workgroup member if, in the Panel'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 Workgroup; and

c) if deemed appropriate, review the membership of the Workgroup as a whole.

4. Workgroup meetings

4.1 General

4.1.1 Workgroup meetings shall be held as required for the Workgroup to fully discharge its obligations and to achieve the timetable of activities set by the Panel for the relevant Definition Procedure or Assessment Procedure.

4.1.2 Any meeting of the Workgroup shall be convened by the secretary by notice to each Workgroup 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 chair. Unless otherwise notified, meetings will be held on Microsoft Teams or other equivalent conferencing software. .

4.1.3 Meetings will be held in open session via videoconferencing platforms except where it is impractical in the opinion of the chair to hold the meeting in open session. :

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

4.1.5 Where the chair considers it appropriate, a meeting of the Workgroup may be held at Elexon's offices. Any decisions taken at such a meeting shall be considered equally as valid as decisions made at meetings conducted via Microsoft Teams. .

4.1.6 An agenda and any supporting material for the meeting will be issued to Workgroup members as required to allow Workgroup 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 Workgroup agrees that it would be appropriate to do so.

4.1.8 The proceedings of a meeting of the Workgroup 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.

4.1.9 Elexon reserves the right to record the meeting for the purposes of note taking. Any recordings will be deleted within 30 days in line with Microsoft Teams policy and will not be shared, The Chair may ask permission to record at the meeting start.

4.2 Quorum

4.2.1 A meeting of the Workgroup is quorate if at least five voting Workgroup members are present on Microsoft Teams (or equivalent).

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

4.3 Non-voting Workgroup participants

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

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

4.3.3 Representatives of BSC Agents impacted by the Modification Proposal(s) may attend and speak at any meeting of the Workgroup, 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 Workgroup held in open session.

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

4.4 Voting

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

a) whether the Modification Proposal should be approved or rejected based upon the Applicable BSC Objectives;

b) whether an Alternative Modification should be raised, amended or withdrawn;

c) where applicable, whether the Alternative Modification or the Proposed Modification best facilities the Applicable BSC Objectives; and

d) any other matters that the chair believes needs to be voted upon.

4.4.2 Any vote shall be decided by simple majority of those present at the meeting at which the vote takes place.

4.4.3 A Workgroup member may only vote if they have attended at least half of the Workgroup.

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 Workgroup chair 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 Workgroup.

4.4.7 The vote of a Workgroup member is non-transferable. However, if they wish, Workgroup members may send a non-voting participant to attend and speak at the meeting in their place.

5. Powers and functions of the Workgroup

5.1 Alternative Modifications

5.1.1 Any Alternative Modification developed during an Assessment Procedure is owned by the Workgroup, and can only be raised and subsequently amended or withdrawn by the majority approval of voting Workgroup members.

5.1.2 Any Alternative Modification must at all times address the defect identified by the Modification Proposal and better facilitate achievement of the Applicable BSC Objectives as compared with the Proposed Modification (but not necessarily as compared with the current BSC baseline).

5.2 Further consultation with Parties

5.2.1 The Workgroup may adopt any means 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. This may include the organisation of a discussion forum.

5.3 Amendments to the timetable

5.3.1 The Workgroup shall be responsible for progressing Modification Proposals in accordance with the timetable set by the Panel.

5.3.2 The Panel may (but is not required to) adjust or extend this timetable where the particular circumstances of the Modification Proposal require, providing the Authority does not issue a contrary direction, and the Workgroup may request such an extension as may be identified as necessary to complete its assessment of the Modification Proposal.

5.3.3 The Panel may decide at any time to stop a Definition Procedure or Assessment Procedure and proceed, in either case, directly to the Report Phase.

5.4 Approval of expenditure

5.4.1 In addition to any staff made available as non-voting Workgroup members, BSCCo shall provide such staff, facilities and support to the Workgroup (including the engagement of external consultants and advisers) as the Workgroup may reasonably require to assist with the administration and operation of its business.

5.4.2 Prior to the taking of any steps in a Definition Procedure or an Assessment Procedure for an individual Modification Proposal which would result in the incurring of costs by BSCCo of £10k or more but less than £50k, the Workgroup shall seek and comply with the views of the Panel Chair as to whether to proceed with such steps and, in giving their views, the Panel Chair may consult with the Authority in respect thereof.

5.4.3 Prior to the taking of any steps in a Definition Procedure or an Assessment Procedure for an individual Modification Proposal which would result in the incurring of costs by BSCCo of £50k or more, the Workgroup 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.

5.5 Reporting to the BSC Panel

5.5.1 In addition to the Definition Report and/or the Assessment Report, the Workgroup may request the secretary prepare and present a paper to the Panel for the purpose of reporting on work being undertaken by the Workgroup, or requesting permission to undertake any activity not already permitted by these terms of reference or the specific areas for assessment for the relevant Modification Proposal that the Workgroup feels needs to be undertaken as part of its assessment of that Modification Proposal.

5.6 Delegation

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

5.7 Provisions relating to data

5.7.1 The Workgroup may use and disclose such data in line with the provisions contained in BSC Section C3.3 for the purposes of discharging its functions and duties.

6. Entitlements of Workgroup members

6.1 Expenses

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

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