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SEC Change Board Terms of Reference

The Change Board has been established as a Sub-Committee in accordance with SEC Section D8.

Unless otherwise stated, words and expressions that are used in these terms of reference shall have the meanings and application attributed to them under the SEC.

1. Objective

The Change Board will manage, on the Panel's behalf, the following parts of the SEC Modifications Process under SEC Section D:

- ~~It will~~ decide whether a Modification Proposal is ready for a DCC Impact Assessment to be requested; ~~.~~
- ~~It will~~ consider each Modification Report and the responses received in response to the Modification Report Consultation; ~~.~~
- ~~It will~~ decide (for Self-Governance Modifications) or recommend to the Authority (for all other Modification Proposals) whether to approve or reject the Modification Proposal in the form set out in the Modification Report (and, where there is at least one Alternative Solution, confirm whether the approval or rejection relates to the Proposed Solution or to an Alternative Solution); and ~~.~~
- ~~It will decide~~ recommend to the Authority whether to approve or reject a proposed Authority-Led Variation.

2. Membership

2.1 Chairman

The Chairman shall be appointed by SECAS. The Chairman's role will be to chair meetings, facilitate discussions and encourage consensus. They shall not have a vote.

The Chairman shall appoint an Alternate Chairman to cover any meeting where they are unable to attend.

2.2 Secretary

The Secretary shall be provided by SECAS. The Secretary will be responsible for taking the minutes, agreeing and circulating agendas and papers, and calling and booking meetings. They shall not have a vote.

2.3 Voting Members

The Change Board shall comprise of the following Voting Members:

- One person appointed from each Voting Group within the Large Supplier Party Category (who shall together form the Large Supplier constituency);~~.~~
- Three persons appointed by the Parties within the Small Supplier Party Category (who shall together form the Small Supplier constituency);~~.~~
- Three persons appointed by the Parties within the Electricity Network and Gas Network Party Categories collectively (who shall together form the Network Party constituency);~~.~~
- Three persons appointed by the Parties within the Other SEC Party Category (who shall together form the Other SEC Party constituency); and~~.~~
- One person appointed jointly by Citizens Advice and Citizens Advice Scotland (who shall form the Consumers constituency).

Voting Members will be appointed via a vote among Parties in the corresponding Party Category. They will serve a one-year term and may stand for re-election at the end of this period.

Voting Members shall appoint an Alternate to attend and vote on their behalf where they are unable to attend a meeting.

2.4 Non-Voting Attendees

The following Non-Voting Attendees are entitled to attend and speak at meetings, but shall not have a vote:

- The Authority may appoint a representative to sit on the Change Board.
- The DCC may appoint a representative to sit on the Change Board.
- Representatives from SECAS may attend meetings to advise on Modification Proposals being discussed at that meeting.
- Other individuals may be invited to attend for all or part of any meeting, as agreed in advance by the Chairman.

3. Duties and powers

The Change Board shall perform the following duties:

- ~~It will~~ determine whether the work performed on a DCC Systems impacting Modification Proposal is sufficiently well developed for the DCC Impact Assessment to be performed, with the costs of that incurred by Parties. Where the Change Board believes this is not the case, it will need to state what further work is required before it will agree to request the DCC Impact Assessment;~~.~~
- ~~It will~~ consider each Modification Report and the Modification Report Consultation responses presented at the end of the Modifications Process. It will agree whether the Modification Report is ready to be voted upon, and if not what further analysis or clarifications are required before the Modification Report can be voted upon; and~~.~~

- ~~It will~~ perform the final vote on approval or rejection of a Modification Proposal. For a Self-Governance Modification, the Change Board's vote shall form a decision, which is then subject to a 10 Working Day period in which Parties can refer this outcome to the SEC Panel before becoming final. For any other Modification Proposal, this vote shall form a recommendation to the Authority, who will make the final decision.

Each Voting Member will act in a manner consistent with the SEC Sub Committee Obligations and giving due regard to the General SEC Objectives.

When assessing a Modification Proposal, each Voting Member shall:

- take account of representations given by any Party, giving due regard to the views expressed by the Parties within their Party Category;
- seek to clarify with the relevant Party any representation that is not clear to the Voting Member, or which the Voting Member considers to be based on a misunderstanding of the facts; and
- seek to act in the best interests of the majority, whilst representing the minority view (and, where a majority is not significant, the Voting Member should consider whether abstention from the vote best represents the interests of the Parties they represent).

4. Proceedings of the Sub-Committee

4.1 Convening meetings

Regular meetings of the Change Board shall be scheduled each month.

The Secretary shall, at the request of the Chairman, convene additional meetings by giving notice to Members at least five Working Days prior to the proposed meeting date.

For each meeting that is convened, the Secretary shall send notice to each Member with details of the time, date and location of the meeting. Unless specified otherwise, meetings will be held at the Code Administrator's offices with teleconferencing facilities made available.

An agenda, papers and other material for a meeting shall be distributed by the Secretary to Members at least five Working Days before the meeting, to allow Members to consider these items prior to the meeting. The Secretary shall notify Members at this time if there will be any late items.

Where the Change Board needs to be convened at short notice to vote on an Urgent Modification, the above timescales may be shortened to fit the timetable approved by the Authority.

4.2 Quorum

Unless otherwise directed by the SEC Panel for a specific Modification Proposal, quoracy for the Change Board shall comprise:

- At least three Voting Members from the Large Supplier constituency;
- At least one Voting Member from the Small Supplier constituency;
- At least two Voting Members from the Network Party constituency; and
- At least one Voting Member from the Other SEC Party constituency.

If there are fewer (or no) Voting Members appointed within a constituency, the required number of Voting Members needed will be adjusted to the number who have been appointed.

A meeting shall be quorate if the necessary Voting Members (or their approved Alternates) are present in person at the meeting or are contactable by telephone conference call.

4.3 Voting

The Change Board may only vote if a quorum is present at the meeting.

When presented with a Request for Impact Assessment, the Change Board shall, following discussion, vote on whether to request the DCC Impact Assessment or whether to return the Modification Proposal to the Working Group for further work.

When presented with a Modification Report, the Change Board shall, following discussion, vote on:

- other than for an Authority-Led Variation, whether to determine that the Modification Report should be returned to the Working Group (or, where there was no Refinement Process, the Code Administrator) for further clarification or analysis; and if not
- whether to approve the Proposed Solution or any Alternative Solution set out in the Modification Report (with separate votes performed for each solution on the basis that each Voting Member may vote to approve a maximum of one solution).

When casting a vote to accept or reject a Modification Proposal, each Voting Member must state the reason for their vote and explain how the solution does or doesn't better facilitate the achievement of the SEC Objectives.

A Change Board vote shall take the form of separate votes performed within each constituency referenced in Section 2, the outcome of each forming that constituency's collective vote. Each constituency's collective vote shall be determined by simple majority among the Voting Members in that constituency. The overall Change Board vote shall be determined by simple majority of the constituency votes.

With the prior approval of the SEC Panel, a Change Board vote may take place by correspondence outside of a meeting, with each Voting Member providing their vote and rationale to the Secretary by email within a time period of at least two Working Days. For such a vote to be valid, the number of responses received must meet quorum.

For the avoidance of doubt:

- an abstention shall be treated as if no vote was cast;
- where there are no Voting Members present from a constituency or every Voting Member present abstains, that constituency shall be deemed to have abstained; and
- a tie amongst any vote cast shall be deemed a vote not in favour.

4.4 Minutes of Meetings

The Secretary shall minute the proceedings and decisions of the Change Board, including the names of those in attendance. Draft minutes will be circulated to all Change Board Members for approval.

4.5 Reporting to the Panel

The Chairman shall provide updates on the work of the Change Board to the SEC Panel, having regard to any confidentiality issues, which will include, but not be limited to, a summary of key decisions, recommendations and activities arising at the meeting.

5. Confidentiality and disclosure

The Change Board is required to abide by the SEC Panel Information Policy.

All matters discussed at Change Board meetings shall be public and classified as White (unrestricted), except for confidential responses received to consultations that the Change Board will need to review as part of any decision it makes, which will be classified as Red (Change Board Members and their alternates only).

Prior to commencing duties as a Change Board Member, each Member will be asked to sign declarations to confirm they will:

- abide by the confidentiality and disclosure provisions in relation to each information sharing level as described in the SEC Panel Information Policy; and
- act as a Sub-Committee Member in accordance with the terms of the SEC.

All other attendees will also be asked to sign a declaration that they will abide by the confidentiality and disclosure provisions in relation to each information sharing level as described in the SEC Panel Information Policy.

Change Board Members who breach the rules of the confidentiality and disclosure provisions under any information sharing level may have their membership ended.