

## **Governance Strawman for Mod Review Group 280**

### **Expert Group Constitution**

Industry nominates a group of experts across Shipper and Transporter organisations. These experts will remain in place until they resign from the expert group, or their employing organisation informs the Joint Office that they are no longer their designated representative.

Nominations to join the expert group will be issued by the Joint Office on an annual basis, with sufficient lead time to ensure that members are in place to start at the beginning of the Gas Year.

As a minimum the expert group will be comprised of 1 Transporter representative and at least 2 Shipper representatives.

As a member of the expert group, the experts are expected to act in the best interests of the gas industry to ensure an optimal methodology is developed and so shall act independently of the interests of their employers. A nomination to the expert group will require written confirmation of their ability to stand as an independent expert from their employer. *[Note this is standard practice in CUSC and BSC and their nomination forms can be adapted to meet these requirements].*

### **DESC Constitution**

Membership of DESC should include one member from any interested Shipper and one member from each of the following if nominated:

- National Grid Distribution
- Northern Gas Networks
- Wales and West Utilities
- Southern Gas Networks or Scotland Gas Networks

Membership of DESC will be on an annual basis to commence from the start of the Gas Year. The Joint Office will issue an annual invitation to all Shippers and Transporters to nominate members to DESC with sufficient lead time so that members are in place for the start of the Gas Year.

DESC members will be able to appoint an alternate to take their place at DESC in instances when they are unable to attend.

In the event of a resignation from DESC by a member the Joint Office will issue an invitation to all Shippers and Transporters for a replacement member, based on the requirements above. In the event that more nominations are submitted than members who have resigned, then all nominations will be accepted, with the limitations as noted above continuing to apply.

### **Voting**

The expert group and DESC will reach decisions by a simple majority vote.

Each member present at the meeting or their alternate will be entitled to 1 vote.

In the event of a hung vote then the decision will be passed to the next committee up along with:

- A description of the issue that a decision is required upon.
- The views of members both for and against
- The issues that have been raised

This will culminate in requiring a decision from the UNCC, where a hung vote will be deemed as a recommendation not to implement. *[This is in line with current UNC arrangements. This could be reviewed/amended but may be complex for this specific issue. Ultimately a UNC Mod could be raised to enact the change if required].*

### **Dispute Process**

Where a member(s) is unhappy with the outcome of a decision then this will follow the Dispute Process contained within the UNC General Terms Section A “Dispute Resolution”. Such dispute will be referred to Expert Determination.

*Expert Determination under Section A allows an appointed Expert to make a decision on the dispute that is binding on all parties. The Expert is appointed by each party to the dispute nominating 4 experts and endeavouring to agree who the expert should be.*

The parties to the dispute will be (1) the disgruntled members(s) and (2) the other members of the relevant group.