

## **FGO – change and contract management**

### **Committee approach to DSC governance**

#### **1 Introduction**

- 1.1 This note is intended to expand briefly on the proposed 'committee approach' to DSC governance.
- 1.2 There are details which would need to be developed if this approach is adopted. This note outlines certain possible approaches but others could be considered.
- 1.3 The essential difference between the committee and all-party approaches is not about the procedures for change and contract management, which can be the same in either case. It is about what body acts to make decisions (in those processes) on behalf of Core Customers.
- 1.4 Recognising the wide and diverse scope of 'decisions' (see our earlier paper) is an important part of the rationale for the committee approach.

#### **2 Establishing the committee**

- 2.1 An initial question is whether the committee is created under the UNC or under the DSC. Creating the committee under the UNC would allow it to be assigned functions under the UNC as well as the DSC (for example, to give guidance to the CDSP on UNC discretions – see current draft GTB7.5.3).
- 2.2 On this basis the UNC (in GTB7) would provide for a committee to be established as the 'DSC Committee'. The DSC Committee may be created as a UNCC subcommittee, but some aspects of its governance would be distinct, such as its composition. Also the ability to appeal a decision of the DSC Committee to the UNCC could be disappplied, if preferred.
- 2.3 The UNC would comprise representatives nominated by the DNs, the iGTs, NTS, and shippers (as the Core Customers). It would make sense to follow the UNCC approach in general, ie an equal number of transporter (including iGT) and shipper representatives. However the shipper representatives could be appointed by shipper sub-constituency.
- 2.4 The CDSP would not itself be a member of the DSC Committee, but would be expected to attend committee meetings.

#### **3 Roles of the committee**

- 3.1 The DSC Committee would act as the customer-representative body for the DSC. Any decision under the DSC to be made on behalf of Core Customers (or a class of them) collectively would be made by the DSC Committee. As noted in our earlier paper these decisions can range from a major decisions (eg to approve a major service change) to quite minor procedural decisions.
- 3.2 Decisions by individual customers in respect of bespoke services would not be made through the DSC Committee. These decisions would not be characterised as part of DSC change management – instead they would be part of the basis on which bespoke services can be ordered, changed and ended. As noted elsewhere, such decisions on bespoke services would be limited by reference to impact on the main (non-bespoke) services.

- 3.3 In principle, two committees could be established, one for change management and the other for contract management. However we are not clear whether this has benefits over having a single committee doing both. If necessary the same people could sit as two committees.
- 3.4 The DSC Committee would fulfil the role of the change and contract management groups identified in FGO discussions. The procedures to be followed (in respect of change and contract management) can be those suggested in the FGO discussions, or in the NTS paper of 11 April, or any other procedures. The proposal for a DSC Committee does not preclude any particular process – it supplies the decision-making body for those procedures.
- 3.5 Under the change rules in the DSC, where a decision is to be made on a change to a particular service or service areas, there must be appropriate protection to other services from the impact of the change. This requirement applies whether there is a committee or all-party approach. There will need to be rules in the DSC about priority and conflict between services and service changes. The DSC Committee may be given certain decision-making functions here, but only within a defined framework which is built into the DSC.

#### **4 Committee decision-making**

- 4.1 Committee voting would be as per the UNCC (and subcommittees) ie one vote per voting committee member. Avoiding the complexity of weighted voting is a key feature of the committee approach. If consensus is anticipated to be the norm in the 'all-party' system, the same will apply in the committee system.
- 4.2 For changes to Agency services, only the relevant transporter representatives would vote. This would be based on identifying the transporter or transporters on whose behalf the Agency Services are carried out. As noted above, such changes would be subject to 'checks and balances' in terms of impact on other services (in terms of systems functionality, resource, timing, etc). Note that the same requirement for checks and balances would exist under the 'all-party' approach in which the only affected parties (in such cases) would be transporters.
- 4.3 DSC Committee meetings would held be in open session. All parties would receive the notice and agenda of each meeting, and any party would be entitled to send a representative to attend the meeting. Non-member representatives could participate in discussions but would not vote. The outcome (minutes / decisions) of each meeting would be provided to all parties.