

Mod 280 Alternative Proposal

We agree that there are issues with the current demand estimation processes, and that interested industry parties should have input to the processes.

We have concerns with some of the details of the current proposals.

- Independence of expert group - we do not believe that it is realistic to expect individuals to work for the benefit of the industry given the high value attached to these decisions. Definition, measurement and governance of independence would be very difficult given the complexity of the issues being dealt with.
- Resourcing - demand estimation teams in most shipper organisations are small due to the specific required knowledge and skill set. To regularly resource both DESC and another group would be a significant commitment.
- Voting - it would not be fair to base decisions on a simple majority of those present, as this may not be representative of the impacts to the market as a whole.

Alternative Proposal:

- Shippers and other interested parties may put forward a proposal at DESC to complete a piece of analysis on a particular aspect of demand estimation. An ad-hoc working group may be set up to complete the analysis.
- The results and recommendations of analysis are fed back into DESC. Backing data is made available for review.
- The recommendations can be put to a vote at DESC. A constituency approach may provide a solution. Appeals could be made to the UNCC.
- This may require a change to the terms of reference, constitution or governance of DESC.