

Mod 280 – Demand Estimation Review

Issues with current processes:

1. Mismatch between responsibility for process (Transporters) and impacts from accuracy (Shippers)
2. Current process has ability to amend seasonal normal based on a view that is not agreed by industry experts
3. DESC is usually accepted as an expert group but has no ability to influence output
4. DESC has no voting rights or ability to manage the processes – this should be reflected in formal voting and a review of membership rights
5. Very limited visibility of the analysis
6. No view of the data or the time to actively challenge and rework analysis
7. Ability to replicate and verify the methodology (by being able to reproduce the published numbers using the agreed methodology) in order to internally audit the process should the need arise
8. Consultation processes as currently defined do not constitute a real and effective consultation
9. Transporters process for undertaking analysis is not transparent – needs to be clear who is undertaking the analysis to prevent any potential conflicts with other areas of responsibility
10. Output from demand estimation process impacts AQ significantly and should therefore allow everyone to have a say – some form of sign off process?
11. Seasonal normal dispute highlighted the lack of dispute mechanisms and an effective mechanism should be designed