



UNCC -

PAC Proposal for the Election Process to the PAC

Revision of *Guidelines for the User Representatives Appointment Process*

Action PAC0204: Reference a Change to the Current PAC Membership election/appointment process from 1 year to 3 years – PAFA (AJ)

Anne Jackson, PAFA
on behalf of Performance Assurance Committee (PAC)



- The current election process for the PAC is conducted on annual basis and could result in a totally new committee being elected on an annual basis.
- This has been identified as a risk to the work of the PAC in terms of:
 - Application consistency
 - Effectiveness of the PAC and PAFA
 - Continuity in thinking and planning
 - Members understanding of performance difficulties and remedial plans
 - Maintenance of momentum
- To mitigate the risk, the PAC are recommending that the PAC election process is amended to extend the PAC Appointment Period to 3 years and ensuring that only 3 of the PAC positions come up for re-election on an annual basis.

Background



- The PAC have been receiving shipper performance reports over recent months.
- The PAC have been reviewing the information and have been utilising and applying Performance Assurance Techniques in the Shipper community, both generally and specifically.
- PAC meet 12 times per year and due to the reporting lag it can take between 3-4 months to observe performance improvements that might be in response to the application of a performance assurance techniques.
- Remedial plans provided by shippers can exceed 6 months in elapse time.
- PAC are required to understand & recall performance history to judge the success of any performance assurance measures and ensure that techniques applied are fair and equitable for all parties.
- By seeking to reduce the risk of there being 'no experience' on the PAC at anytime, there will be a positive impact for performance assurance techniques, efficiency and the delivery of agreed plans.
- In the life of the Performance Assurance work, 1 year is felt to be a short period of time.

Suggested resolution

- As a one off and in order to move the PAC election process to a staggered re-election, it is proposed that at the PAC election to be held in October 2019 is run as follows:
 - Move 3 members of the PAC onto a 1 year Appointment Period
 - Move 3 members of the PAC onto a 2 year appointment period
 - Move 3 members of the PAC onto a 3 year appointment period.

All elections held after October 2019, will be for a 3 year term on the Performance Assurance committee.

- 3 members will be elected each year, aiming to provide continued PAC membership of 3 members over every annual election.

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Suggested resolution



- Amend the *Guidelines for the User Representatives Appointment Process* in respect of the PAC only
 - *For the PAC election to be held in October 2019, PAC appointments for 3 positions are for a 3-year period, 3 positions are for a 2 year period and 3 positions are for a 1-year period. The elected PAC members will be given an opportunity to agree who will be in the 3/2 or 1 year period roles. Where no agreement can be reached, the 3/2 and 1 year period positions will be allocated to the candidates with the highest number of votes. Where the allocation can still not be determined due to a 'tie', a further election will be held following the 'tie process'. Where mid-term processes are conducted, appointments will be for the remainder of the Appointment Period allocated to the role.*
 - *Commencing on the 01 October 2020, all PAC appointments are for a 3-year period. Where mid-term processes are conducted, appointments will be for the remainder of the Appointment Period.*
- Amend the PAC Terms of Reference.

The UNCC are asked to:

- (i) acknowledge the risk,
- (ii) agree the proposed solution and
- (iii) accept the suggested drafting

Anne Jackson, PAFA

on behalf of the Performance Assurance Committee

