

UNC 0676R: Review of Gas Transporter Joint Office Arrangements

At the January UNC Panel the 0676R Workgroup were asked to evaluate if an independent expert is needed or not to undertake the review. As part of this it was suggested that the scope should be refined and then a test applied to confirm if the industry could deliver the changes required or if an independent expert would be beneficial (especially if it would require a wider industry change such as licence amendments, etc).

1. Scope

The following is a draft scope (developed by the Proposer and the Joint Office) for discussion/development by the Workgroup:

- **Evaluation of Transporter Licence requirements with regards to UNC Code Administration** (to provide the background/context behind the current Joint Office governance arrangements)
- **Joint Office Governance Arrangements**
 - Funding model for Joint Office
 - Who pays for what and current costs (past 5 years?)
 - What percentage of JO costs do Transporters pass through to Shippers?
 - How does cost of the JO compare to other Governance Providers e.g. SPAA/REC etc.
 - Issues with current model
 - Is it agile enough to cope with significant industry developments? E.g. Modification 0621, Nexus, CSS, Smart Metering
 - Relationship with CDSP and DSC Committees (who does what and when)
- **Other funding/governance models** and their pros and cons
 - Joint industry Ownership of the Joint Office e.g. limited company with Board
 - Open Procurement of Joint Office arrangements e.g. services
 - Retail Energy Code (REC) Governance Arrangements – best practise that could be utilised in UNC
- **Other UNC Governance Matters**
 - Issues with current UNC Voting arrangements and alternative approaches (e.g. automatic abstention from voting where there is no direct constituency interest in the matter)
 - Issues with Legal Text production and alternative approaches (e.g. centralised production of Legal Text)
 - Value added services – Project Management, Independent Analysis, Options Papers, technical capability
 - New technology – website / online document access / online remote conference capability
 - Stakeholder Engagement – Transporters, Shippers, iGT's, Xoserve, Customer Reps, Ofgem, Suppliers, MAM's and other Governance providers.

2. Test applied to confirm if the industry could deliver the changes required

Aspect of Review	Can it be assessed via a UNC Review or not?
Evaluation of Transporter Licence requirements with regards to UNC Code Administration	
Joint Office Governance Arrangements	

<ul style="list-style-type: none"> • Funding model for Joint Office 	
<p>Joint Office Governance Arrangements</p> <ul style="list-style-type: none"> • Issues with current model 	
<p>Other funding/governance models and their pros and cons</p>	
<p>Other UNC Governance Matters</p> <ul style="list-style-type: none"> • Issues with current UNC Voting arrangements and alternative approaches • Issues with Legal Text production and alternative • Value added services • New technology • Stakeholder Engagement 	