

## Minutes of a meeting of the Gas and Electricity Markets Authority

From: Hamish Finlay  
Secretary to the Authority

Date: Tuesday 29<sup>th</sup> and  
Wednesday 30<sup>th</sup> June  
2021

Location: Virtual

### GEMA meeting minutes for Tuesday 29<sup>th</sup> June

#### 1. Chairman's Opening Remarks and Matters Arising

1.1 The Chair welcomed all members and attendees to the meeting and noted that no conflicts of interest had been reported.

#### 2. Diversity and Inclusion

2.1 The Board discussed options for next steps on Diversity and Inclusion (D&I) and how to create a more diverse and inclusive organisation.

2.2 The Board agreed with the proposal from the Head of Diversity & Inclusion to follow the near-term delivery plan recommended by the Ofgem team, with a focus on embedding D&I good practice into current organisational design work and driving meaningful culture change from the Board down.

2.3 The Board requested that ExCo bring the matter back to the Board in October with an outline of a broader strategy which the Board can discuss and shape.

#### 3. Board Effectiveness Review

3.1 The Board welcomed the Board Effectiveness Review and discussed a number of ongoing and planned improvements to its ways of working.

3.2 The Board agreed that a sub-group would consider the more detailed governance and other matters raised in the report.

### GEMA meeting minutes for 30<sup>th</sup> June 2021

#### 1. Welcome and Introductions

1.1. The Chair welcomed Board members and external attendees to the meeting.

1.2. There were no comments on the minutes from the last meeting, which were therefore approved.

1.3. The Chair noted that no conflicts of interest had been reported.

1.4. The Chair highlighted the 'for circulation' papers for the Board's attention, which included revised terms of reference for the Audit Risk and Assurance Committee (ARAC), which were approved.

1.5. The Board were briefed on some of the Chair's recent engagements which included:

- A call with the President of the Regulatory Authority for Energy (RAE), Greece, discussing cooperation between Ofgem/RAE and events and initiatives to support COP 26; and
- A virtual site visit to Citizens Advice South Hams.

1.7. The Chair of ARAC updated members on the meeting held in June, and the finalising of the Annual Report and Accounts.

1.8. The Chair of the People and Remuneration Committee (PRC) updated members on the meeting held in June, which focussed on the ongoing organisational Transformation Programme.

## **2. Chief Executive Officer's (CEO) Report**

2.1. The CEO, noting that Authority members were apprised of his written report, were briefed on some key issues, including:

- A recent report on regulation by the The Taskforce on Innovation, Growth and Regulatory Reform;
- An Inquiry by a House of Lords Committee into Net Zero and Ofgem's role;
- Cybersecurity;
- The default tariff cap; and
- The Clean Heat Grant.

## **3. Energy System Governance: Changes and the Energy Transition**

3.1. The Board discussed the paper and noted some themes to be addressed in this area at its July meeting.

## **4. The Low Carbon Infrastructure: Strategic Change Programme**

4.1. The Board endorsed the general approach of moving towards strategic network planning for onshore and offshore transmission networks and interconnection, using this planning work to inform strategic investment where possible, and using competition to deliver new infrastructure wherever possible. In doing so, the Board highlighted the need to ensure that investment is enabled at the right time, and is efficient.

## **5. Energy Intensive Industries**

5.1. The Board had an initial discussion on Energy Intensive Industries, recognising the challenge of energy costs for some users.

5.2. The Board noted the wide range of drivers for these costs, many of which are outside Ofgem's control. The Board also noted that wider industrial policy is a matter for Her Majesty's Government, and not for Ofgem.

5.3 The Board noted that all energy consumers share the costs of networks; and that continuously improving our understanding of the impact of regulatory decisions on all consumers groups, including Energy Intensive Industries, remained important.

## **6. Tracking Ofgem's performance**

6.1 The Board discussed the paper, noting the importance a set of measures that ExCo actively used in its day-to-day management of the organisation.

## **7. Annual Report and Accounts 2020-21**

7.1 The Board approved the Annual Report and Accounts and delegated final sign-off to Jonathan Brearley.

## **8. Communication Insights**

The Board noted the paper.

## **9. Agenda forward look**

The Board noted the paper.

## **10. PRC Annual report**

The Board noted the paper.

## **11. ARAC Annual report**

The Board noted the paper.

## **12. Delivery & Schemes Director's Report**

The Board noted the paper.

## **13. Litigation Tracker**

The Board noted the paper.

## **14. Update on key enforcement 2020/21 and Enforcement Decision Panel Report**

The Board noted the paper.

The Board agreed to publish the Enforcement Decision Panel Report.

## **15. Improving outcomes for vulnerable consumers**

The Board noted the paper.

## **16. ARAC Terms of Reference**

The Board adopted the Terms of Reference.

## **17. Any other business and date of next meeting**

### **Those present**

Martin Cave  
Jonathan Brearley  
Christine Farnish  
Lynne Embleton  
John Crackett  
Myriam Madden  
Barry Panayi  
Paul Grout

### **Those attending**

Neil Kenward  
Stephanie Broadribb  
Jonathan Spence  
Philippa Pickford  
Priya Brahmhatt-Patel  
Cathryn Scott

### **Others present**

James Kilmartin (Principal Private Secretary)  
Vickie Baker (Head of Governance and Secretariat)  
Hamish Finlay (Deputy Head of Governance and Secretariat)

### **For specific agenda items**

#### **Tuesday 29<sup>th</sup> June**

Naseem Ahmed (item 2)  
Kiera Schoenemann (item 2)  
Mac Alonge (Equal Group, Item 2)  
Allan Reid (Equal Group, Item 2)  
Kate Taiwo (Equal Group, Item 2)

## **Wednesday 30<sup>th</sup> June**

Karen Mayor (Item 2)  
Anna Rossington (Item 2)  
Chris Brown (Item 3)  
Marcia Poletti (Item 3)  
Charlotte Freil (Item 4)  
Jane Dennet Thorpe (Item 4)  
Akshay Kaul (Item 4)  
Rebecca Barnet (Item 4)  
Eleanor warburton (Item 4)  
Rich Smith (Item 5)  
Maureen Paul (Item 5)  
James Luger (Item 6)  
Tom McFadden (Item 7)  
Simon Hart (Item 7)