

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

From: Hamish Finlay  
Secretary to the Authority

Date: 29 September  
2021

Location: 10SC London

### GEMA meeting minutes for 29<sup>th</sup> September 2021

#### 1. Welcome and Introductions

1.1 The Chair welcomed all members and noted that this would be the first meeting for the new regular Executive attendees: Philippa Pickford, Akshay Kaul and Simon Wilde, all of whom had been appointed on an associated and non-voting basis following an 'expression of interest' selection process. It was the first meeting for Sinead Murray since appointment as General Counsel.

1.2 No conflicts of interest had been reported and there were no comments on the minutes from the 27-28 July meeting and the September spending review meeting, which were therefore approved.

1.3 The Chair highlighted the 'for circulation' papers for the Board's attention. These included:

- Communication Insights showing the increase in media interest in Ofgem due to the supplier failure situation.
- Delivery and Schemes July Director's report.

1.4 The Chair of ARAC reported on the meeting the previous day highlighting lessons learned from the year-end and financial accounts process, along with the progress made on improvements to Ofgem's Control and Assurance Framework.

1.5 The Chair of PRC reported on its meeting of 22 September in which it looked at the Transformation programme, noting advice that the programme was deliverable with some planning adjustments to be made.

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

- In company with the Chief Executive meeting the Secretary of State and pitching the Direction 2035 strategy;
- Visiting hydrogen homes at the Northern Gas Network site; and
- Visiting Hinkley Point C.

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

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

- Update on wholesale prices and implications for energy consumers and the industry.
- Call for evidence on transmission charging;
- Ofgem's possible appointment as economic regulator for the Carbon Capture, Usage and Storage industry; and
- Security of supply forecasts.

## **3. Quarterly Delivery and Schemes deep dive**

3.1 The Board discussed risks to recruitment and retention, noting that there is a shortage of data and digital skills in the market. Some agency staff would be required.

3.2 There followed a discussion on legal risk highlighting work by General Counsel to provide the Board with improved insight into legal risks.

## **4. Trends in Energy prices**

4.1 The Board was invited to test the operational response to supplier failure to date.

4.2 There followed a detailed discussion on the current challenges and the complexities of the energy market. The Board agreed the need to assess resilience and discussed macro and micro prudential approaches to monitoring and regulation.

4.3 The Board requested short and medium term strategic thinking on the resilience of the supplier market, security of supply and protection of vulnerable customers for the October GEMA.

## **5. Network and Information Systems**

5.1 The Board was updated on cyber security status in the wider industry.

## **6. Consumer Law Enforcement**

6.1 The Board discussed the merits of advocating for additional powers for consumer law enforcement and supported action to do so.

## **7. Transformation**

7.1 The Board was informed that there had been significant staff engagement with the consultation.

7.2 The Board noted the Head of Transformation's assessment that the programme was sound although there were implementation challenges.

## **8. Any other Business and reflections**

8.1 The Board commended the quality of the papers and the discussion at the meeting.

## **9. Communication Insights**

The Board noted the paper.

## **11. Case updates**

The Board noted the paper.

## **12. PRC Minutes – July and August 2021**

The Board noted the minutes.

## **13. Network and Information Systems Correspondence**

The Board noted the letter.

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

The Board noted the paper.

## **Apologies for absence**

None

## **Those present**

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

## **Those attending**

Philippa Pickford  
Akshay Kaul  
Simon Wilde  
Sinead Murray

## **Others present**

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

## ***For specific agenda items 27<sup>th</sup> July***

Mark Engel (Items 1 & 2)  
Stuart Okin (Items 3 & 5)  
David Fletcher (Item 3)  
Luke Hargreaves (Item 3)  
Neil Lawrence (Item 4)  
Richard Smith (Item 4)  
Charlotte Ramsay (Item 4)  
Priya Brahmhatt-Patel (Items 4-7)  
Jonathan Spence (Item 4)  
Neil Kenward (Item 4 & 6)  
Cathryn Scott (Item 5 & 6)  
Neil Barnes (Item 6)  
Chris O'Connor (Item 7)  
Laura Anderson (item 7)