

Minutes of a meeting of the Gas and Electricity Markets Authority

From: Jen Todd
Secretary to the Authority

Date: 24/11/21

Location: 10SC

GEMA meeting minutes for 24th November 2021

1. Welcome

1.1 There were no conflicts of interests reported and subject to minor amendments, the minutes of the meeting 20th October were approved.

1.2 Members noted that it was Paul Grout's last meeting and the Board thanked him for his many years of service as a Board member.

1.3 The Chair of the Audit and Risk Assurance Committee provided members with an update from the last committee.

1.4 The board endorsed the proposal set out within the paper on the Interconnector Policy review on the future approach to interconnector regulation and the cap and floor regime.

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

- A number of engagements in Glasgow as part of a programme of events for COP26, including meetings with overseas regulators as part of the 'Regulatory Energy Transition Accelerator'.
- Meetings with Independent Non-executive directors of Energy Network companies on Board leadership and governance.

1.6 The Chair highlighted the information papers circulated for the Boards' attention.

2. CEO Report

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

- An update on the current market response, including recent events related to the Special Administration Regime;
- The Green Gas Support Scheme which was prepared for launch the following week.

3. Transformation Update

3.1 The Board were updated on the Transformation programme which was noted to be broadly on track. Members discussed some key issues and were supportive to continue the delivery of the programme at pace.

4. Diversity and Inclusion Status and Update

4.1 Following a progress report, the Board discussed the internal and external challenges. The Board noted further work on education and awareness was planned to enhance the embedding of Diversity and Inclusion within the organisational culture.

5. Market Update

5.1 The Board was briefed on the recent market developments, including the work undertaken to initiate the Special Administration Regime.

5.2 The Board noted that it had met on 21 and 28 October, and on 4 and 12 November, to be briefed on, and provide guidance on responses to, the current situation in the retail energy market. It agreed to continue these additional meetings as necessary.

6. Default Tariff Cap

6.1 A paper was presented to the Board which aimed to stimulate discussion on fair pricing and how price cap arrangements might evolve in the light of recent market volatility.

6.2 Members requested a swift response and asked that a timetable of possible response options and decision points be brought back for review shortly.

7. Response Options

7.1 The Board discussed a wide range of options, intended to address near and longer-term interventions. The Board requested that proposals were refined and brought back as a package of proposals, to inform a future consultation.

8. Quarterly Performance Dashboard

8.1 The Board welcomed the useful insights set out in the dashboard and agreed to a quarterly review.

9. Low Carbon Infrastructure Strategic Change Programme Deep Dive

9.1 The Chair invited the team to present the Deep Dive at a future meeting to allow sufficient time for a comprehensive discussion on the item.

10. Board Reflections and AOB

10.1 The Board reflected on the positive aspects of the meeting and also some changes which could be made to improve discussion at future meetings.

11. Interconnector Policy Review

The Board noted the Paper.

12. Communications Insights

The Board noted the Paper.

13. Delivery and Schemes Director's Update

The Board noted the paper.

14. Case Updates

The Board noted the paper.

15. Agenda Forward Look

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

Sinead Murray
Philippa Pickford
Akshay Kaul
Simon Wilde

Others present

James Kilmartin (Principal Private Secretary)

Jennifer Todd (Depute Head of Governance and Secretariat)
Hamish Finlay (Depute Head of Governance and Secretariat)
Ashley Stewart (Governance and Secretariat Manager)

For specific agenda items

Chris O'Connor (Items 3-4, 8)
Laura Anderson (Items 3-4)
Naseem Ahmed (Items 4)
Neil Lawrence (Item 5)
Neil Kenward (Item 5-9)
Marcia Poletti (Item 5-6)
Neil Barnes (Item 7)
James Doig (Item 6-7)
Alex Flucker (Item 8)
Priya Brahmhatt-Patel (Item 3-4, 6-7)
James Luger (Item 8)