

Minutes of a meeting of the Gas and Electricity Markets Authority

From: Hamish Finlay
Secretary to the Authority

Date: 15/12/21

Location: Virtual

GEMA meeting minutes for 15th December 2021

1. Welcome

1.1 There were no conflicts of interests reported and subject to minor amendments, the minutes of the meeting 24th November were approved.

1.2 The Board agreed to schedule weekly meetings in January to monitor and make decisions on response to retail market developments.

1.3 The Board noted that at its meeting on 9 December the procurement of the new internal audit provider was discussed and members approved the award of the contract to Mazars LLP, as recommended by the tender panel and endorsed by the Audit Risk and Assurance Committee.

1.4 The Board noted the paper on the Energy Bill and sought a further written briefing.

1.5 The Board were briefed on some of the Chair's recent engagements, which included a trip to Wales to meet with Future Energy Wales and the Welsh Government.

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:

- The package on building energy market resilience released that morning;
- The launch of a Business, Energy and Industrial Strategy Committee inquiry into Energy pricing and the future of the Energy Market;
- Code reform;
- Heat Networks;
- Organisational transformation; and
- Balancing costs.

3. Storm Arwen update

3.1 The Board was updated on the restoration of services following Storm Arwen and visits by Ofgem engineers to assess the network. Ofgem has announced a review into the network's response to Storm Arwen

4. Market Update

4.1 The Board noted that it had met on 2 and 9 December, to be briefed on, and provide guidance on responses to, the current situation in the retail energy market. It had also approved UNC687 via correspondence on 14 December.

4.2 The Board was briefed on the recent market developments, including the continuation of high prices.

4.3 The Board was updated on potential options to avoid future retail market future exits and instructed the Executive to continue to develop options.

5. Non-domestic consumers

5.1 The Board was briefed on the impact of gas price rises on non-domestic consumers and suppliers. The Board discussed possible areas for medium term reform and noted that the sector may benefit from elements of the financial resilience package.

6. Forward Work Programme

6.1 The Board agreed that the Forward Work Programme consultation document be updated to better reflect the retail reform proposals, finalised and released for consultation.

7. Low Carbon Infrastructure Strategic Change Programme

7.1 The Board discussed the Low Carbon Infrastructure Strategic Change Programme (SCP) and its interaction with other SCPs.

8. Board Reflections and AOB

8 The Board discussed the approach to meetings in early 2022.

9. Code Reform

The Board noted the Paper.

10. Item deferred

11. Delivery and Schemes Director's Update

The Board noted the paper.

12. Communications Insights

The Board noted the paper.

13. Policy Update

The Board noted the paper.

14. Agenda Forward Look

The Board noted the paper.

15. Security of Supply monitoring report

The Board noted the paper.

16. Supplier of Last Resort update

The Board noted the paper.

17. Nuclear Regulated Asset Base Programme Update

The Board noted the paper.

18. Case updates

The Board noted the paper.

19. Draft Audit Risk and Assurance Committee November Minutes

The Board noted the paper.

Apologies for absence

None

Those present

Martin Cave
Jonathan Brearley
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)
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

Cathryn Scott (1-2)
Mark Engel (1)
Laura Nell (3,7)
Neil Kenward (4,5,6)
Neil Lawrence (4)
Rich Smith (4)
Anna Rossington (4)
Jonathan Windeatt (5)
Chris O'Connor (6)
James Luger (6)
Nicholas Bare (6)
Vlada Aikman (7)
Zak Rich (7)
James Tricker (7)
Gordon Hutcheson (7)
Jane Dennett-Thorpe (7)