

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

From: Jen Todd  
Secretary to the Authority

Date: 8<sup>th</sup> & 9<sup>th</sup> February  
2022

Location: 10SC London

### GEMA meeting minutes for 8<sup>th</sup> February

#### 1. Welcome and Introductions

1.1 The Chair welcomed all members to the meeting.

#### 2. Carbon Capture, Usage and Storage (CCUS)

2.1 Views were sought from the Board on BEIS proposals for CCUS Transport and Storage networks, including Ofgem's potential role as economic regulator.

2.2 Following discussion on potential outcomes under the regime, the Board requested the team engage GEMA at a future point to further discuss the prospective regime.

#### 3. Retail Market Update

3.1 The Board were updated on the operational response to the challenges in the retail market as well as the future approach to handling the Retail Review.

3.2 Following discussion, the Board welcomed engagement throughout the process and asked that the Executive return with a plan on engagement.

#### 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

## **Others present**

James Kilmartin (Principal Private Secretary)  
Vickie Baker (Head of Governance and Secretariat)  
Jennifer Todd (Depute Head of Governance and Secretariat)  
Ashley Stewart (Governance and Secretariat Manager)  
Cristina Luna-Esteban – Ofcom (UKRN Observer)

## ***For specific agenda items***

Zak Rich (Item 2)  
Matthew Ball (Item 2)  
Matthew Taylor – BEIS, Deputy Director (Clean Power Strategy and Deployment) (Item 2)  
Cathryn Scott (Item 3)  
Kirsten Horton – BEIS, Deputy Energy Bill Manager (Item 3)  
Neil Kenward (Item 3)  
Neil Lawrence (Item 3)

## **GEMA meeting minutes for 9<sup>th</sup> February**

### **1. Welcome and Introductions**

1.1 There were no conflicts of interest reported and the minutes of the 15<sup>th</sup> December were approved.

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

- Case Updates
- Delivery and Schemes Director's Update
- Boiler Upgrade Scheme
- Communications Update
- Draft People and Remuneration Committee Minutes

1.3 The Board agreed to delegate the final decision on the Boiler Upgrade Scheme to the CEO.

1.4 The Chair of ARAC reported on the recent meeting noting its increased focus on the audit programme. The committee also considered plans for the Annual report and Accounts and discussed interim audit findings from the National Audit Office.

1.5 The Chair of the PRC updated the Board on the recent committee meeting, which noted the implementation of the new organisational structure under the Transformation programme, in the context of a challenging period for the organisation.

## **2. CEO Report**

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

- The recently announced BEIS review of regulator duties; and
- The upcoming publication of an interim report on resilience of the Network, following Storm Arwen

## **3. Short-Term Stabilisation Measures**

3.1 The Board were invited to consider policy options to mitigate short-term market stability issues.

3.2 There followed a detailed discussion of market risks and proposed responses. The Board invited the team to return with a fuller impact assessment of policy options, prior to making a final decision.

## **4. Michael Matheson MSP – Cabinet Secretary for Net Zero, Energy and Transport**

4.1 The Board were pleased to welcome Scottish Cabinet Secretary, Michael Matheson to the meeting, and to discuss particular pressures and challenges faced by Scottish energy market participants and consumers, particularly vulnerable consumers.

4.2 The discussion covered a wide range of topics including, the Price Cap, Financial Stability of suppliers, Network resilience to more frequent storms, and transmission charges. The Board noted the importance of continued engagement and welcomed a future meeting in Scotland.

## **5. Full Chain Flexibility Strategic Change Programme and Network Charging**

5.1 The Board approved the paper which set out a recommendation on how to align network charging strategy with the strategic change programmes and delivery of net zero.

5.2 The Board invited the team to return to a future meeting to allow sufficient time for a full discussion and consideration of the policy principles. To facilitate the discussion, the Board also requested that further information was provided on risk, challenges and potential trade-offs.

## **6. Joanna Whittington – BEIS Director General for Energy and Security**

6.1 The Board was joined by Joanna Whittington, from the Department of Business Energy and Industrial Strategy, with whom they discussed a range of issues including the Price Cap, the Strategy & Policy Statement and Ofgem's expanded remit.

6.2 The Board discussed some of the key issues raised, in the context of Ofgem's ongoing work programmes.

## **Apologies for absence**

None

## **Those present**

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

## **Those attending**

Sinead Murray  
Akshay Kaul  
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Ashley Stewart (Governance and Secretariat Manager)  
Cristina Luna-Esteban – Ofcom (UKRN Observer)

## ***For specific agenda items***

Neil Kenward (Item 2)  
Neil Barnes (Item 2)  
Paul O'Brien (Items 3-4)  
Priya Brahmhatt Patel (Items 3-6)  
Steve McMahon (Items 3-4)  
Louise Schmitz (Item 5)  
Michael Matheson MSP (Item 4)  
Rich Smith (Items 3,4,5)  
Eleanor Wood (Item 5)  
Joanna Whittington (BEIS Director General for Energy and Security) (Item 6)  
David Fletcher (Item 1)  
Mark Engel (Item 6)  
William Black (Scottish Government, Deputy Director for Onshore Electricity Policy, Energy Strategic Coordination and Energy Consents) (Item 4)  
Craig Peaston (Private Secretary to the Cabinet Secretary for Net Zero, Energy and Transport) (Item 4)  
John McFarlane (Special Advisor to the Cabinet Secretary for Net Zero, Energy and Transport) (Item 4)