
Minutes of the meeting of the Gas and Electricity Markets Authority

From: Eilidh Alexander (Secretary to the Authority)

Date: 09 and 10 July 2024

Location: London

GEMA Minutes for 09 July

1. Welcome

Mark McAllister welcomed the Board to the July GEMA meeting. No conflicts of interest were noted.

2. Strategy Deep Dive - Hydrogen

The Board discussed the deep dive presented on Hydrogen policy, with particular interest in government production targets for hydrogen.

3. Nuclear and Carbon Capture Underground Storage (CCUS) updates

The Board discussed the deep dive presented on Nuclear and Carbon Capture Utilisation and Storage (CCUS), with particular interest in the impact on consumer bills during the period of investment, and proposals on an engagement framework with GEMA on Nuclear and CCUS.

GEMA Minutes for 10 July

1. Welcome

Mark McAllister welcomed the Board to the July GEMA meeting. The Board approved the minutes for the previous Board meeting, including the formal minutes for publication.

2. Updates from Committees of the Authority

People and Remuneration Committee

Warren Buckley, Chair of PRC, provided an update on the June 2024 meeting.

Audit and Risk Assurance Committee

Myriam Madden, Chair of ARAC, provided an update on the June 2024 meeting.

3. CEO Report

The Board noted the contents of the CEO report, with particular interest in the announcement of new Ministerial appointments and financial resilience updates on the retail market.

4. Emerging Position on the Review of Electricity Market Arrangements

The Board noted the paper that provided an update on the Review of Electricity Market Arrangements, discussing the options for long term reforms of the wholesale market.

5. Standing Charges: Options for Reform

The Board discussed the paper that proposed a long and short term standing charge pricing strategy consultation.

The Board approved the recommendation for a publication of a consultation in Summer 2024 on policy options to reform standing charges and the delegation of the final publication to the CEO in conjunction with the Chair.

6. Ban on Acquisition-only Tariffs

The Board noted that discussions on the BAT had continued since the question last came to GEMA in February. The Board agreed to retain the BAT for another year from March 2025 whilst longer term decisions can be taken on the future of the retail market.

7. CO2 Transport and Storage Penalty Statement

The Board noted their statutory obligation to publish a penalty statement for carbon dioxide transport and storage (CO2 T&S), the approval of which is a reserved matter for GEMA. The Board approved the draft penalty statement and delegated the approval of the penalty statement to the Chair.

8. Contract approvals: Gas Quality Testing and Monitoring Service contract and Enabling Infrastructure for Net Zero at Pace

The Board noted and approved Gas Quality Testing and Monitoring Service contract and Enabling Infrastructure for Net Zero at Pace contract.

9. DESNZ Ofgem Framework Agreement

The Board approved the draft Ofgem DESNZ Framework Agreement and delegated sign off to the Chief Executive following HMT and DESNZ approval.

Apologies for absence

Neil Kenward, Nick Winser, Myriam Madden

Those present

Alena Kozakova
Barry Panayi
Graham Mather
Jonathan Brearley
Jonathan Kini
Mark McAllister
Tony Curzon-Price
Warren Buckley

Those attending

Akshay Kaul
Melinda Johnson
Neil Lawrence
Priya Brahmbhatt-Patel
Sinead Murray
Tim Jarvis

Others present

Eilidh Alexander (Head of Governance and Secretariat)