



Ofgem: Review of Code Governance

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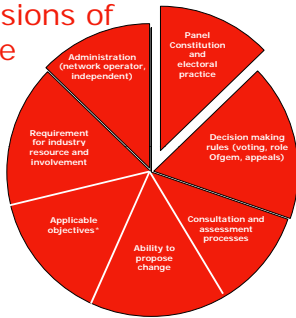


Who is E.ON UK?





Key Dimensions of Governance



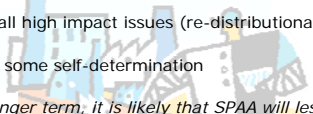
Does Ofgem need to be involved in every decision?

volume and complexity of changes

are they all high impact issues (re-distributional effects)

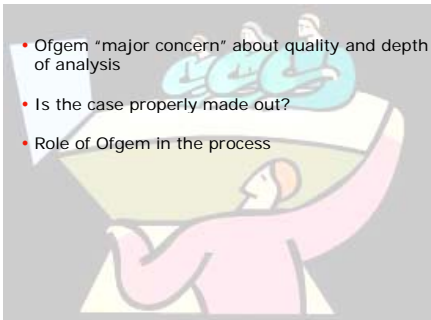
scope for some self-determination

"in the longer term, it is likely that SPAA will lessen Ofgem involvement in many aspects of gas industry governance. For instance, every change to the Network Code, no matter how insignificant or potentially beneficial, currently requires Ofgem's approval. Whilst this level of regulatory involvement ensures a high level of accountability it is perhaps no longer necessary in many instances."

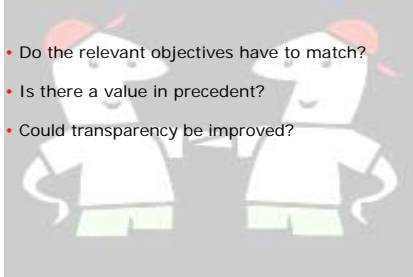


Quality issues?

- Ofgem "major concern" about quality and depth of analysis
- Is the case properly made out?
- Role of Ofgem in the process



Other issues



- Do the relevant objectives have to match?
- Is there a value in precedent?
- Could transparency be improved?

Potentially Conflicting Objectives

