

Code Governance Review 2 - Workshop

Forum to discuss Ofgem's Code Governance Review (CGR) 2 proposals

Date and time
Location

2 November 2012, 10.30am
Ofgem, 9 Millbank, London

Workshop attendees

Alex Travell – E.ON
Andrew Bebkö – Gemserv
Beth Brown – Electralink
Elizabeth Lawlor - Electralink
Gareth Evans - Waters Wye Associates
Jill Brown – Npower
Joanna Ferguson - Northern Gas
Jon Dixon – Ofgem
Lesley Nugent - Ofgem
Lisa Charlesworth – Ofgem (Chair)
Louise McGoldrick - National Grid
Peter Olsen – Corona Energy
Richard Street – Corona Energy
Sasha Pearce - Npower
Steve Ladle - Gemserv
Steve Mulinganie - Gazprom Energy
Tom Derry - National Grid
Tim Davies – Joint Office of Gas Transporters

Log of issues raised

The following table summarises the issues raised by workshop attendees. Ofgem committed to publish an issues log as the output of the meeting and to give further consideration to the issues raised alongside responses received to the CGR2 consultation.

Ref	Code specific?	Issue
I1	-	Timeframes proposed for consequential code modifications may be too short to allow for sufficient analysis
I2	-	Query over whether the proposals come as a package and whether implementation could be phased
I3	SPAA	Overall plan regarding SPAA compliance is unclear (e.g. how CGR2 proposals relate to theft of gas work)
I4	-	Clarity sought on Ofgem's long-term aspirations for reducing regulatory burden/increasing code simplicity
I5	-	Benefits of increased transparency vs costs of implementation are unclear
I6	-	Currently there is no co-ordinated calendar of industry code meetings
I7	STC	Extra processes required for self governance would introduce burden where there are a relatively small number of mods
I8	DCUSA, SPAA	Clarity sought on whether, under party voting systems, parties would be required to give reasons for their vote
I9	-	Query raised over the value of the Panel recommendation

I10	UNC, BSC, CUSC	Further justification sought on proposal to amend appeal window for self governance decisions
I11	UNC	Before moving Agency Charging Statement into UNC the full process should be looked at and the relevant licence and code provisions reviewed
I12	-	Fast-track self governance licence drafting appears to contain an unnecessary level of detail
I13	iGT UNC	SCR unlikely to be required for iGT UNC in isolation therefore work required to implement the process may be disproportionate
I14	-	Access to change management and meeting information is inconsistent between codes. Suggestion that transparency/accessibility of code-related information could be a CACoP Principle
I15	MRA	MRA has successfully operated without relevant objectives to date
I16	-	Query raised on whether industry code objectives could be reviewed
I17	Grid Code	A move to open governance would necessitate a review of the Panel structure
I18	Grid Code	Clarity may be required from Ofgem regarding which CACoP Principles would be applicable to the Grid Code
I19	-	Some work groups are open to all whereas others require parties to register
I20	-	Code objectives are not aligned to Ofgem's statutory duties
I21	SPAA	SPAA governance arrangements should be satisfactory before non-domestic suppliers accede
I22	SPAA	I&C gas market is highly competitive - benefits vs costs of acceding to SPAA are unclear
I23	SPAA	Unclear whether SEC will be the 'new home' for regulatory requirements
I24	Grid Code	Pre-modification process would be required under open governance to filter 'unrealistic' modifications