

Governance Workstream Minutes

Thursday 18 November 2010

ENA, 52 Horseferry Road, London

Attendees

Tim Davis (Chair)	TD	Joint Office
Bob Fletcher (Secretary)	BF	Joint Office
Alan Raper	ARa	National Grid Distribution
Alex Ross	ARo	Northern Gas Networks
Chris Hill	CH	First Utility
Chris Warner	CWa	National Grid Distribution
Chris Wright	CWr	British Gas
Clare Cameron	CC	Ofgem
Deborah Burrows	DB	Ofgem
Joanna Ferguson	JF	Northern Gas Networks
Joel Martin	JM	Scotia Gas Networks
Phil Broom	PB	GDF Suez
Richard Fairholme	RF	E.ON UK
Richard Hall	RHa	Consumer Focus
Ritchard Hewitt	RHe	National Grid NTS
Sasha Pearce	SP	RWE Npower
Simon Trivella	ST	Wales & West Utilities
Stefan Leedham	SL	EDF Energy

1.0 Introduction and Status Review

- 1.1 Minutes from the previous meeting were approved.
- 1.2 Actions updates from the previous meeting were discussed.
- 1.3 Review of Live Proposals and Topics Log

2.0 Code Governance Review Proposals

- 2.1 Proposal 0294 - Changes to UNC Modification Panel Constitution

CWr explained the aims and objectives for 0294. The key was ensuring that the Panel continues to provide balanced representation of Shipper interests. In addition, the Proposal envisages moving the management of Panel elections into the UNC, such that the process is transparent and open to all Shippers to seek to modify should they so wish.

PB asked why not provide upstream/downstream representation as opposed to Domestic/I&C? CWr welcomed any views on the appropriate constituencies to enshrine and suggestions for taking this forward. RF did not think there was a problem since experience showed that balanced Panels had been elected. CWr accepted this, but felt the proposal prevents situations happening such as no domestic or non-domestic parties represented at Panel. SL considered it is better to consider the issues now than wait for when an unfavourable situation happens – then it is too late. DW agreed - the aim is to put in place fair governance within UNC so that the process is transparent and accessible. RF remained concerned with the constituency approach since, for example, some domestic shippers have larger non-domestic portfolios than some of the smaller non-domestic shippers.

TD asked if there is an option to extend voting rights to other parties if the aim is a Panel which represents a range of industry constituencies – for example, the

Independent Suppliers' Representative could become a Voting Member. RHa advised that the BSC Chair has the discretion to appoint a representative from an under represented group and, while problematic, this could be considered for the UNC.

AR asked about the governance around the elections administered by Gas Forum. CWr explained this is managed by Gas Forum members. As such, non Gas Forum members may feel excluded, even though the Gas Forum would not exclude their suggestions or representations.

CWr agreed to consider amending the Proposal based on the discussions and bring forward suggestions to the December or January Workstream.

3.0 Topics

3.1 013Gov, Industry Codes Governance Review

It was agreed that this would be revisited once the outcome of the related Modification proposals is known.

3.2 015Gov, Cross Code Governance

ST suggested this topic should be considered once there is further understanding on the implementation of the governance review proposals. There may also be an opportunity to consider the process in relation to the SCR for SMART metering – it should be straightforward to identify a pragmatic solution that avoids duplication of change processes. TD agreed that in principle this should be straight forward, but in practice mirror proposals following a single process while managed by different Panels may be problematic given the separate obligations in each Code.

CC suggested the ideas might be explored as part of a review proposal, although TD pointed out the existing Review process is not provided for in the common change process envisaged in the Code Administration Code of Practice (CoP). ST asked if it is Ofgem's intention to consider requiring iGT governance to be subject to the CoP as this could align processes and timetables, helping to avoid duplication. CC confirmed this was not currently being considered.

3.3 New Topics

None raised.

4.0 Any other business

None

5.0 Diary Planning for Workstream

Next Meeting:

16 December 2010, ENA, following the UNC Committee meeting.