

Representation

Independent Panel Chair Appointment Process

Consultation close out date: 21 March 2014

Respond to: enquiries@gasgovernance.co.uk

Organisation: ScottishPower Energy Management Ltd

Representative: Gerry Hoggan

Date of Representation: 21 March 2014

Q1: Do you consider that a Selection Adviser should be used to identify the candidates to be the Panel Chair?

A: Yes. A suitable selection advisor will be able to put forward candidates from wider spheres of business and academia than otherwise.

Q2: Do you have any views on what should be considered as a normal tenure of the Panel Chair?

A: We believe that the Chair should be appointed on a rolling single two year term, with the Panel recommending reappointment to the Authority after a brief industry consultation.

Q3: Do you consider that a Panel Subcommittee should be formed to oversee the appointment of the Panel Chair?

A: Yes

Q4: Do you have any views on the make-up of the Panel Subcommittee?

A: We believe there should be equal representation between transporters and shippers. We do not see any need for any additional representation from the Joint office/Legal/HR other than in a purely advisory/support capacity and they certainly should have no voting rights when it comes to making a recommendation to the Panel. The appointment recommendation should be entirely for the Transporter and Shipper representatives with the Panel then making the final recommendation to Ofgem.

Q5: What are your views on the ideal candidate attributes?

Attribute	Pros	Cons
Retired		
Currently Employed		
Seniority		
Public Sector		
Private Sector		

Academic		
Based in UK	Yes	
Based overseas		No
Has relevant technical or commercial experience	Yes	

We are comfortable with the potential attributes identified by the JGAC and have indicated our particular preferences above. Industry experience would be desirable and all but essential if part of the role is to provide appropriate control over the business of the Panel and to exercise a casting vote where allowed. However that having been said we would not want to preclude any candidate solely on that basis albeit we find it difficult to imagine circumstances where other attributes could outweigh such a lack of experience.

Q5: Do you consider that the general terms proposed for the Panel Chair appointment are appropriate?

A: Allowing for the Ofgem decision which approved the interim appointment up to 12 months from December 2013 we feel the proposed timeline should be advanced so that the Panel Chair appointment could take effect from the December 2014 meeting.

Q6: Do you agree that the enduring Deputy Chair role should be assigned to the JO Chief Executive?

A: We would be comfortable with this arrangement on an ad hoc basis and when required to deputise in isolated instances. However in the event that it is anticipated that the Panel Chair may be unavailable for a prolonged period for whatever reason then the Panel should elect an Interim Chair from one of their number on a temporary basis.

Q7: Do you have any views on the Responsibilities and Experience requirements for a Panel Chair?

A: Other than the attributes stated above then for the duration of the appointment the successful candidate should not be employed by any party who may have an interest in the UNC, or undertake any separate role, such that it could lead to a potential conflict of interest with the role of the Chair. As a result for example employees of any UNC Party or Ofgem would not be eligible for appointment.

Q8: Do you have any views on the indicative timeline?

A: See Q.5 above

Q9: In light of the indicative costs provided, are you still of the opinion that it is correct to have an Independent Panel Chair?

A: Allowing for the terms of the relevant licence condition, and the views expressed by Ofgem, it is essential that the Panel Chair role is independent. Clearly this therefore comes at a cost and it is vital that those costs are managed and deliver value for money, building on the precedents established via the other major industry codes.

Q10: Do you have any additional views you wish the JGAC to consider?

A: Allowing for the central role that JGAC appears to have had in such arrangements it would be beneficial if there was greater transparency around its activities, with terms of reference and minutes of proceedings being published