

# Energy UK response to Consultation on the Appointment Process for the next Independent Chairperson of the UNC Modification Panel

23 February 2017

## About Energy UK

Energy UK is the trade association for the GB energy industry with a membership of over 90 suppliers, generators, and stakeholders with a business interest in the production and supply of electricity and gas for domestic and business consumers. Our membership encompasses the truly diverse nature of the UK's energy industry – from established FTSE 100 companies right through to new, growing suppliers and generators, which now make up over half of our membership.

Our members turn renewable energy sources as well as nuclear, gas and coal into electricity for over 26 million homes and every business in Britain. Over 619,000 people in every corner of the country rely on the sector for their jobs with many of our members providing lifelong employment as well as quality apprenticeships and training for those starting their careers. The energy industry adds £83bn to the British economy, equivalent to 5% of GDP, and pays over £6bn in tax annually to HMT.

Energy UK welcomes the opportunity to respond to this consultation, we maintain the views expressed in previous responses in 2014, particularly in respect of recent employees of industry stakeholder companies. We also have additional comments on accessibility of the Panel chair and role of the deputy chair. These perspectives are reflected in responses to the questions below.

### *1. Do you agree that it is appropriate to follow the same broad appointment process as used last time?*

Yes and we are content that a shipper representative has been selected from the shipper panel members.

### *2. Do you have any views on the JGAC's assessment of the preferred attributes for candidates?*

Energy UK considers that the preferred attributes remain appropriate although we feel it is wrong to exclude individuals that have been recently employed by a gas industry party. We feel that some experience of the gas industry would be helpful in understanding the issues being discussed at Panel and may facilitate the first key responsibility, such that he/she can undertake the role more effectively in a shorter timescale.

- developing sufficient knowledge and understanding of UNC provisions and processes to undertake the role of Panel Chairperson

### *3. Do you have any views on the Role Description?*

We have some observations with respect to the role of Deputy Panel chair, it is clear that the Deputy should stand in for the Chair in case of absence, however we are not certain that it is necessary that the Deputy should be the JO Chief Executive on an enduring basis nor that attendance at every Panel meeting is necessary. This seems to be rather resource heavy for the JO.

### *4. Do you agree with the timeline?*

YES

### *5. Do you have any other comments about this appointment process?*

Whilst this issue is not directly about the appointment process itself, we consider that Panel members and wider industry should be able to contact the Panel Chair directly. We understand that currently all correspondence is via the JO, which does not seem right given the principle of independence. We accept there could be concerns about overloading the chair, but feel this is unlikely and could be addressed if this occurred. A trial period would seem appropriate in this regard.

Energy UK would be happy to discuss these points further, in the first instance please contact Julie Cox, details below.

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