

JOINT GOVERNANCE ARRANGEMENTS COMMITTEE
MINUTES OF THE 29th MEETING HELD ON FRIDAY 04 APRIL 2014

Attendees:

Representatives: A Musgrave (AM), Scotia Gas Networks; A Raper (AR) (Chair) National Grid Distribution; S McGoldrick National Grid NTS; S Parker (SP) Northern Gas Networks and S Edwards (SE) Wales & West Utilities

Joint Office: L Jenkins (LJ) and R Fletcher (RF)

Also in attendance: None

29.1. Introductions

It was confirmed that SMc is representing National Grid NTS for this meeting.

29.2. Minutes of last meeting and actions arising

The minutes from the last meeting were approved.

JGAC2303: Representatives to provide a view on moving to the JO managing a centralised service for legal text provision

Update: SE felt that further discussion would be required at a future JGAC as this is likely to be a concern going forward. LJ explained that a modification is likely to be raised soon to change the role of Panel and its implementation process – this includes the centralisation of text. **Carried Forward.**

JGAC 2705: LJ to provide an overview of time taken from raising a modification to decision and how it compares to other codes and previous years.

Update: LJ explained the report provided and the comparison between Code change processes where available. This did not show the current UNC process in a poor light. However, he was doing further work to review the steps in the process to ensure there were no unnecessary delays. **Closed**

29.3. Panel Chair Consultation

LJ provided an overview of the responses received and the collation of answers to each question.

Q1. AR asked how the selection adviser would work, do they arrange the advertising. LJ explained that the process is down to the selection adviser to manage based on the criteria provided; this may or may not require advertising.

Q2. AR suggested the appointment should be for a term of 2+2 years to reduce the need for continuous appointment process to be run. SP agreed to a point but wanted a view on the industry standard. LJ explained that other industry Codes tend to appoint on a 2+2 basis. Members agreed 2+2 was preferable.

Q3. AR felt that the appointment is down to Transporters as they are accountable under licence. AM agreed, the advisory panel is to advise JGAC and not to appoint the candidate. SP noted that the appointment is to be ratified by Ofgem so the incentive is

for Transporters to make sure the Chair is independent otherwise they would reject the appointment.

Members concluded that the advisory panel is not a sub-committee of the Modification Panel and that its role is to advise JGAC. The advisory panel should comprise of the Chief Executive of the Joint Office, 1 Transporter and 1 Shipper representative.

The Transporter Member for the advisory panel is to be S Parker.

LJ advised that he would seek a view from the Gas Forum about Shipper representation.

Q4. No further comments.

Q5. No further comments.

Q6. No further comments.

Q7. LJ noted that respondents didn't want to see exclusions due to industry knowledge or experience. However, it is not a requirement for the Chair to have industry experience. AR was concerned about excluding potential applicants.

SP would like to see the Chair be as independent as possible and they should have had no direct or indirect relationship with Code parties for some time prior to their appointment. Members agreed this should be at least 12 months.

SP also suggested that the new Licence condition for suitably independent directors was a good reference point.

Q8. LJ advised that the timeline could be accelerated based on the discussion he had held recently with recruitment in National Grid and this would help to meet industry aspirations that the Chair should be appointed by December 2014.

Q9. No further comments.

Q10. SP asked if it would be of benefit to publish JGAC minutes and were there any objections to doing this?

SP asked if LJ could contact Ofgem and explain what JGAC have agreed following consideration of this report.

New Action JGAC 0104: Members to consider the publication of JGAC minutes.

New Action JGAC 0204: JO to publish the previous 12 months minutes should Members agree to action JGAC 0104.

New Action JGAC 0304: LJ to seek a view from the Gas Forum about the appointment of a Shipper Representative to the advisory panel.

29.4. Any Other Business

None raised.

29.5. Date Planning and Content of Next Meeting

Representatives agreed to meet via teleconference on a date to be agreed.

Action Summary

Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
JGAC 2303	13/09/13	23.6	Representatives to provide a view on moving to the JO managing a centralised service for legal text provision	Representatives	Carried forward
JGAC 2705	13/02/14	27.7	LJ to provide an overview of time taken from raising a modification to decision and how it compares to other codes and previous years.	JO (LJ)	Closed
JGAC 2901	04/04/14	29.3	Members to consider the publication of JGAC minutes.	Representatives	Pending
JGAC 2902	04/04/14	29.3	JO to publish the previous 12 months minutes should Members agree to action JGAC 0104.	JO (LJ)	Pending
JGAC 2903	04/04/14	29.3	LJ to seek a view from the Gas Forum about the appointment of a Shipper Representative to the advisory panel.	JO (LJ)	Pending