

## Representation

### Independent Panel Chair Appointment Process

<b>Consultation close out date:</b>	21 March 2014
<b>Respond to:</b>	enquiries@gasgovernance.co.uk
<b>Organisation:</b>	RWE npower
<b>Representative:</b>	Amie Charalambous
<b>Date of Representation:</b>	21 March 2014

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

A: We are supportive of a selection adviser being used as a service to source the right candidate for the role of independent panel chair, providing the costs for this service are within reasonable limits

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

A: We believe that the role of the panel chair should be for a reasonable term and hope that as part of their duties the panel chair would be able to see through any long term projects that are being worked on, through to conclusion providing a consistent approach that is required for such a role.

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

A: We believe that the formation of a Panel subcommittee to oversee the appointment of the Panel Chair would make the process more efficient. There is no need for the full Panel to manage the recruitment activities and having to schedule these into the normal monthly Panel meeting timetable could slow things down.

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

A: We do not believe there is a requirement for a legal rep on the Panel appointment process sub-committee.

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

Attribute	Pros	Cons
<b>Retired</b>	Availability and flexibility to prepare for and attend meetings	May have limited knowledge and experience of recent industry or commercial matters.
<b>Currently Employed</b>	Greater awareness of current issues and commercial practice.	Less availability and flexibility. Potential for conflict of interest.
<b>Seniority</b>	N/A	N/A
<b>Public Sector</b>	Independent of market participants.	More likely to lack relevant technical and/or commercial experience of issues which matter to the industry.
<b>Private Sector</b>	More likely to have relevant technical and/or commercial experience of issues which matter to the industry..	Potential for conflict of interest (but could be managed by having a sufficient gap between previous employment and appointment as chair.).
<b>Academic</b>	Independent of market participants.	May lack practical application of specialist theory.
<b>Based in UK</b>	Better availability for meetings. Less travelling expenses. Potentially greater relevant UK experience.	N/A
<b>Based overseas</b>	N/A	Potential lack of experience and knowledge of UK market and commercial operations. Higher travelling expenses. Less flexibility and availability.
<b>Has relevant technical or commercial experience</b>	Requirement to see through any long term projects that are being worked on through to conclusion providing a consistent approach that is required for such a role	N/A

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

A: Whilst not opposed to a retired person being appointed, in our view this may not be ideal. This is because we would wish the person appointed to have suitable recent knowledge and experience of the industry. Similarly, seniority is not a requirement - the ideal person just needs to be skilled at chairing and understanding relevant issues. With regard to private sector background creating potential for conflict of interest, we believe this could be managed by a sufficient gap between previous employment and appointment as chair. We would strongly resist the appointment of anyone based overseas as this would create unnecessary expense..

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

A: The Deputy Chair role should not be assigned de facto to the JO Chief Executive. If the Panel Chair cannot attend a meeting for any unavoidable reason, we would expect the Panel Chair to appoint an alternate who would attend the meeting and act on his/her behalf. However, it would be prudent to devise a process which would be followed in the event that the Panel Chair is likely to be absent for an extended period of time.

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

A: Whilst we think it's important that the Panel Chair shouldn't come directly from an industry organisation that is a party to the UNC, there would clearly be benefit in the person having industry expertise. We would not be opposed to recruiting someone who had been employed by a party provided there was a sufficient gap between the two roles.

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

A: The proposed appointment timeline seems very lengthy. A suggestion would be to follow something similar to the SEC Panel where the selection process was completed in 5 months. We believe that the steps listed as happening between April and September could be carried out in a much shorter period and would hope to see the new Chair appointed in time to attend the November Mod Panel/UNCC, as we don't think the December meeting will be typical as often activities slow down or change prior to Christmas.

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: Yes, we think it's important to have an independent chair so it would be worth paying for, provided costs are reasonable. This would need to be market-tested. However, the indicative costs seem proportional to the value of having an independent chair.

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

A: Yes, the person appointed into the role of Independent chair would need to provide a transparent and consistent approach in their role, as described within Ofgem's Code Governance Review and the code administrator code of practice.