

Minutes of CLLS Energy Committee Meeting

11 September 2012

Attendees:

Robert Lane, CMS Cameron McKenna LLP
Sarah King, CMS Cameron McKenna LLP
Michael Coates, Shell International BV
Claire Hatcher, Clyde & Co
Oliver Hamilton, CMS Cameron McKenna LLP

1. Introduction and approval of minutes from the meeting held on 2 July 2012

- 1.1 Robert Lane introduced the meeting and invited comments on the minutes which had been circulated following the June meeting. The minutes were approved, subject to amendments. Oliver Hamilton made these amendments and the minutes were sent to Robert Leeder for uploading onto the CLLS website.

2. Industry news and updates

- 2.1 Robert Lane explained that this could be a productive opportunity to air ideas and share industry news and updates in so far that the duty of confidentiality owed to clients permitted. The following matters were discussed:

2.2 Shell's paper on the role of gas in the electricity market

- 2.2.1 Shell's recent paper on the role of gas was noted and Michael Coates said he would be happy to circulate it if desirable.

2.3 DECC

- 2.3.1 There was a helpful discussion on conflicts of interest, in particular the effect of acting in working groups for the Government or Regulators.

2.4 Parliamentary Reshuffle

- 2.4.1 Robert Lane noted that Charles Hendry, Minister for Energy and Climate Change, had been replaced in the recent parliamentary reshuffle.

- 2.4.2 It was noted that his replacement was John Hayes.

2.5 Revenue transparency

- 2.5.1 Michael Coates provided the Committee with an update concerning developments in revenue transparency in the United States and in Europe.

2.6 ACER

- 2.6.1 There was a general discussion on ACER.

2.7 REMIT

2.7.1 Michael Coates noted that REMIT guidance was due to be issued shortly and discussed its application to parties outside of the EU.

2.7.2 The Committee agreed to consider this in further detail following the call.

3. **Oil and Gas issues**

The Committee agreed that there is nothing specific to discuss at this stage.

4. **Review and consideration of live consultations in the energy sector**

4.1 The consultations listed in the Appendix were considered.

4.2 Robert Lane commented on Ofgem's tendency towards issuing open letters, as opposed to formal consultations.

4.3 Clare Hatcher raised the subject of DECC and strategic fuel stocks, in particular pointing out that a change was anticipated to be made by December 2012 yet no draft regulations had been produced to date, raising uncertainty. The real problem was said to be a shortage of time to prepare for any changes within the mandatory time limits, something of particular concern to smaller scale businesses. Neither Robert Lane nor Michael Coates had come across queries in relation to this.

5. **Any other business**

5.1 At the end of the meeting Claire Hatcher and Michael Coates agreed that the new form of agenda worked well and had been very productive. Although other Committees may respond more frequently to consultations, it was agreed that the Committee could gain plenty from a wider discussion about regulation and industry issues.

5.2 Robert Lane said he would discuss the role of the CLLS Energy Committee with Robert Leeder when they next meet.

6. **Next meeting**

The next meeting shall be held on Wednesday 7 November 2012. Oliver/Sarah agreed to send around calendar invites and dial in details straight after the meeting. The minutes and the agenda for the forthcoming meeting would follow at the beginning of October.

APPENDIX

Review and consideration of live consultations in the energy sector

1. Live DECC Consultations

- 1.1 Consultation on Energy Company Obligation in-use factors (see link [here](#)) – closes 14 September 2012
- 1.2 Renewable Heat Incentive: providing certainty and improving performance (see link [here](#)) – closes 14 September 2012
- 1.3 Consultation on the second version of the Smart Metering Equipment Technical Specifications (see link [here](#)) – closes 8 October 2012
- 1.4 Consultation on proposals for the levels of banded support for solar PV under the Renewables Obligation for the period 1 April 2013 to 31 March 2017 (see link [here](#)) – closes 19 October 2012
- 1.5 Consultation on proposals to ensure sustainability and affordability for the use of biomass under the Renewables Obligation (RO) (see link [here](#)) – closes 30 November 2012

2. Live Ofgem Consultations

- 2.1 Offshore Transmission: update on coordination policy developments (see link [here](#)) – closes 20 September 2012
- 2.2 System Operator incentive schemes from 2013 initial proposals (see link [here](#)) – closes 21 September 2012
- 2.3 RIIO-T1: Initial Proposals for National Grid Electricity Transmission and National Grid Gas – Overview (see link [here](#)) – closes 21 September 2012
- 2.4 RIIO-T1 and RIIO-GD1: Draft licence conditions – First informal licence drafting consultation (see link [here](#)) – closes 21 September 2012
- 2.5 RIIO-GD1: Initial Proposals – Overview (see link [here](#)) – closes 21 September 2012
- 2.6 Gas Security of Supply Significant Code Review - Proposed Final Decision (see link [here](#)) – closes 24 October 2012
- 2.7 Gas Security of Supply Significant Code Review – Impact Assessment for the Proposed Final Decision (see link [here](#)) – closes 24 October 2012
- 2.8 Electricity Balancing Significant Code Review initial consultation (see link [here](#)) – closes 24 October 2012
- 2.9 Consultation on charging methodology for higher voltage distributed generation (see link [here](#)) – closes 2 October 2012
- 2.10 Ofgem’s Distributed Generation (DG) Forum 2012 (see link [here](#)) – closes 28 September 2012
- 2.11 Open Letter: Draft Electricity (Competitive Tenders for Offshore Transmission Licences) Regulations 2012 for consultation (see link [here](#)) – closes 5 November 2012

3. Live Europa Consultations

- 3.1 Energy Efficiency - Intelligent Energy – Europe III in Horizon 2020 (see link [here](#)) - closes 12 September 2012
- 3.2 Energy Infrastructure - List of projects submitted to be considered as potential Projects of Common Interest in energy infrastructure (see link [here](#)) – closes 4 October 2012
- 3.3 Improving Network and Information Security (NIS) in the EU (see link [here](#)) – closes 15 October 2012