

IGov Fit-for-Purpose GB Energy Governance 20th July 2016 Reform Club London



New Thinking For Energy



Today's Agenda

- 14:00 – 14:15 Introduction
- 14.15 – 14.45 The IGov Governance Framework
- 14.45 – 15.15 Discussion
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- 15.15 – 15.30 Tea & Coffee
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- 15.30 – 16.00 Alternative Perspectives on Energy Governance
- » Graham White, Independent
 - » Dorcas Batstone, Independent
 - » Jim Cardwell, Northern Power Grid
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- 16:00 – 16.45 Discussion
- 16:45 – 17.00 Wrap up

Introduction



New Thinking For Energy

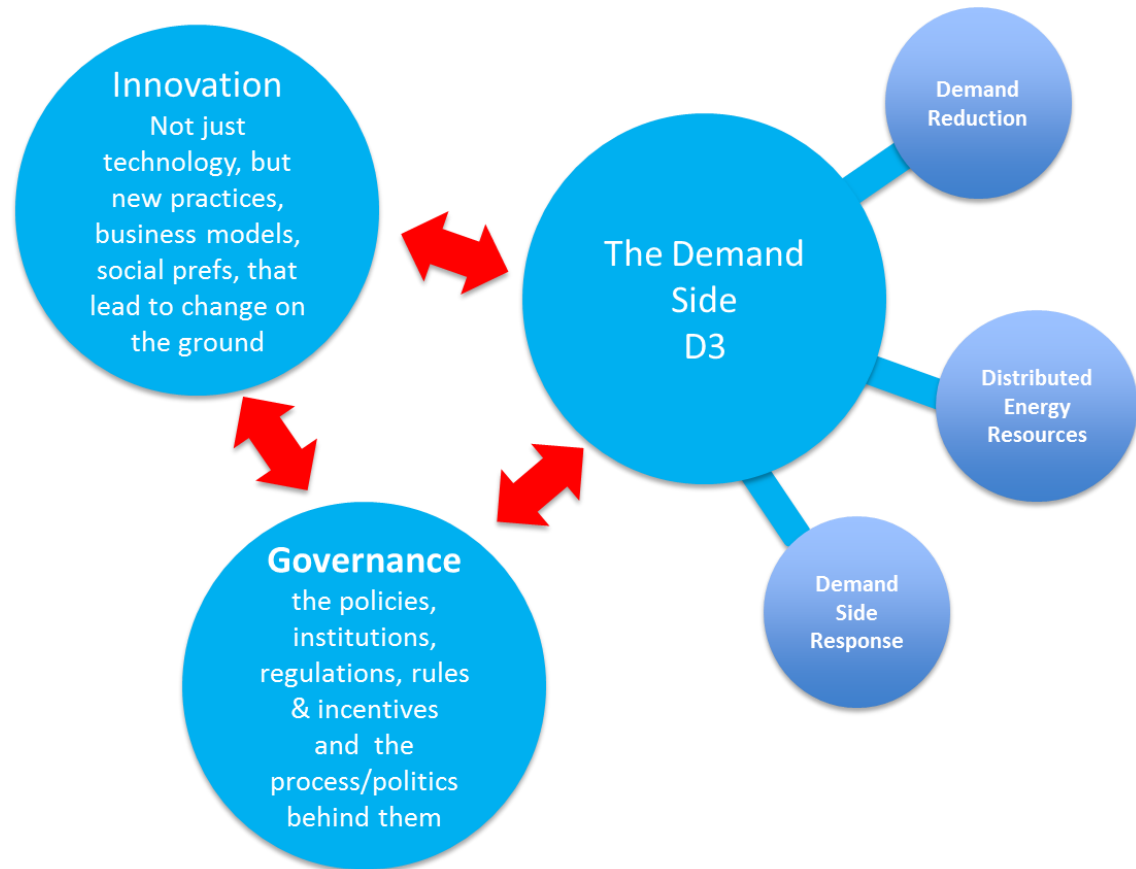


Context

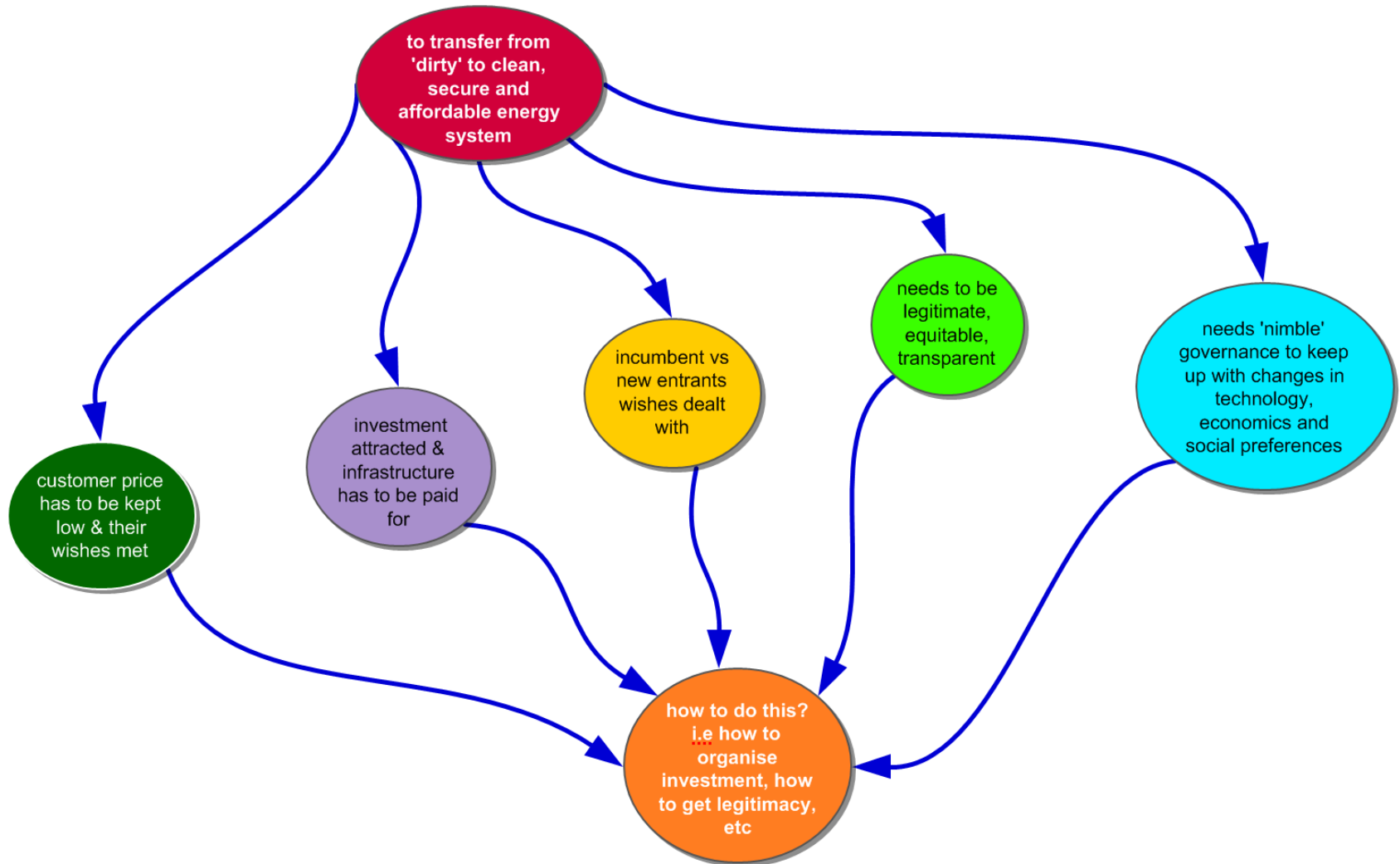
- The energy system is undergoing fundamental and rapid change
- Range of different drivers
 - Technology
 - ICT
 - Social preferences
 - New business models
 - Governance
- Much of this change in electricity sector
- Actors competing for space within uncoordinated markets and networks
- System changing – DNOs to DSO/DSP, decentralising, customers
- Currently technology racing ahead, infrastructure and regulations lagging – risks increased costs, undermining security and threatens transformation
- Multiple reports recognising need for governance change: DECC; Energy and Climate Change Committee; NIC; EnergyUK; IEA; FPSA
- Challenges can only be met with an systematic, innovative, integrate and demand focussed governance

IGov: Innovation & Governance for a Sustainable Economy

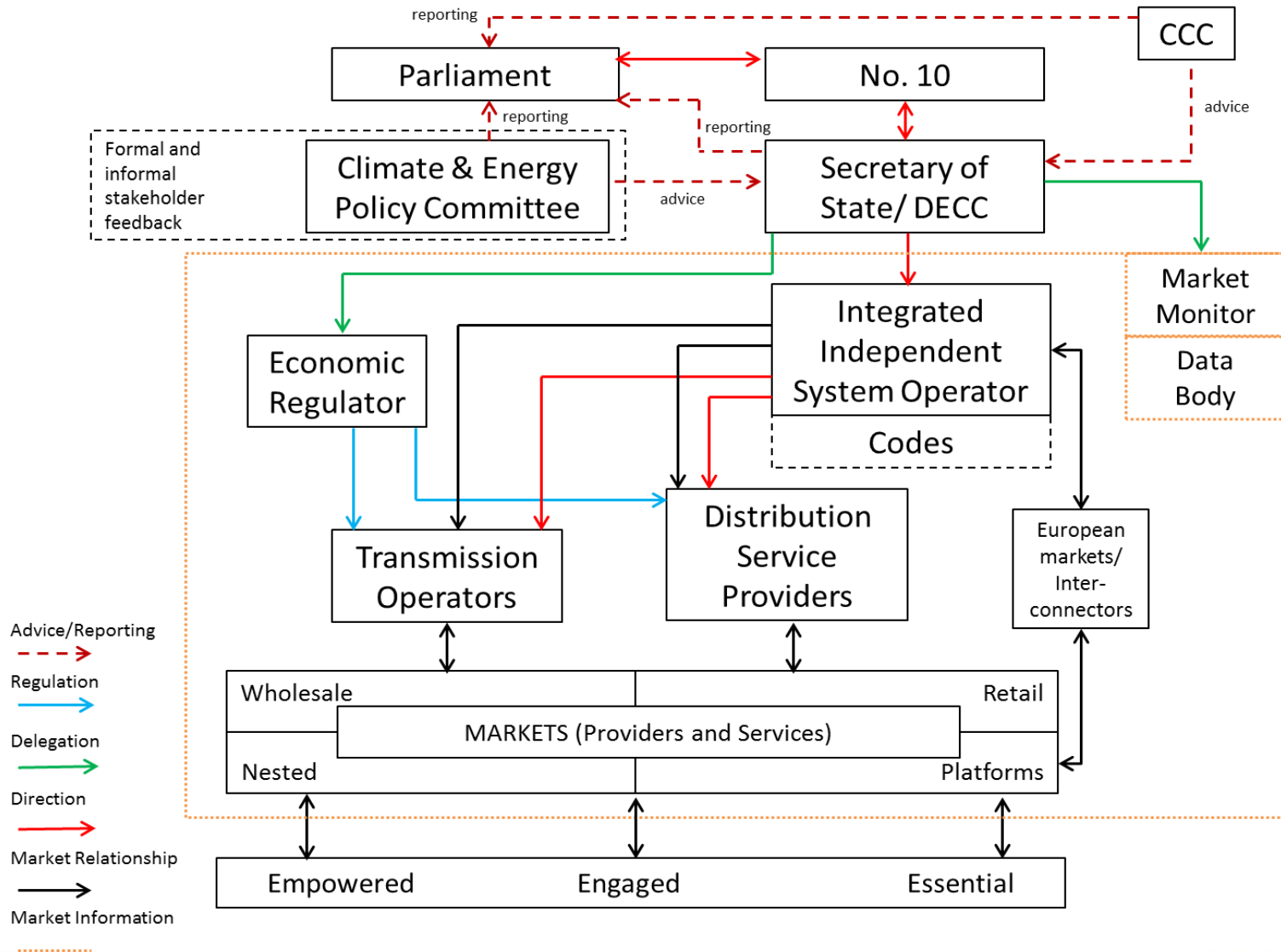
- Why has GB been so poor in practice at making the energy system sustainable, especially in terms of the demand side?
- Why is it that GB energy governance does not primarily focus on reducing total final energy demand and providing DSR?



Challenges



IGov Fit-for-Purpose Framework



Rationale

- System should be optimised from bottom up
- Also need clear top-down direction
- Facilitation in the middle
- So bottom-up, top-down and middle out

Components of Framework

- Committee on Climate change
- The Climate & Energy Policy Committee
- Ofgem
- Independent and Integrated System Operator
- System Codes
- Distribution Service Providers
- Markets
- Market Monitor and Data Body
- Customers

IGov Fit-for-Purpose Framework

