



WESTMINSTER ENERGY  
ENVIRONMENT &  
TRANSPORT FORUM

# Transforming the UK's electricity market: one year on from the Reform White Paper and the Ofgem Review 12<sup>th</sup> July 2012

## CONDITIONS FOR USE OF TRANSCRIPTS:

This document is intended to provide a timely reference for interested parties who are unable to attend the event to which it refers. Some portions are based on transcripts of proceedings and others consist of text submitted by speakers or authors, and are clearly marked as such. As such, apart from where it is indicated that the text was supplied by the speaker, it has not been possible for the transcript to be checked by speakers and so this portion of the document does not represent a formal record of proceedings. Despite best endeavours by Westminster Forum Projects and its suppliers to ensure accuracy, text based on transcription may contain errors which could alter the intended meaning of any portion of the reported content. Anyone who intends to publicly use or refer to any text based on the transcript should make clear that speakers have not had the opportunity for any corrections, or check first with the speaker in question. If in doubt please contact the forum first.

# Contents

<b>About this Publication</b>	<b>3</b>
<b>Agenda</b>	<b>4</b>
<b><u>Session Chair's opening remarks</u></b>	
<b>Barry Gardiner MP</b> , Member, Energy and Climate Change Select Committee ( <i>transcript</i> )	<b>6</b>
<b><u>Transforming the UK's electricity system</u></b>	
<b>Jonathan Brearley</b> , Director, Energy Markets and Networks, Department of Energy and Climate Change ( <i>transcript</i> )	<b>7</b>
Questions and comments from the floor ( <i>transcript</i> )	<b>11</b>
<b><u>The security of electricity supply</u></b>	
<b>Dr Andy Stanford-Clark</b> , Chief Technology Officer for Energy and Utilities, IBM Global Business Services, UK and Ireland ( <i>transcript</i> )	<b>16</b>
<b>Dave Openshaw</b> , Head of Future Networks, UK Power Networks ( <i>transcript</i> )	<b>18</b>
<b>Dr Barrie Murray</b> , Managing Director, Electricity Market Services ( <i>transcript</i> )	<b>20</b>
<b>Dr Douglas Parr</b> , Chief Scientist, Greenpeace UK ( <i>transcript</i> )	<b>22</b>
Questions and comments from the floor ( <i>transcript</i> )	<b>24</b>
<b><u>Decarbonising electricity generation</u></b>	
<b>Ronan O'Regan</b> , Director, PwC ( <i>transcript</i> )	<b>28</b>
<b>Paul Steedman</b> , Senior Campaigner, Campaigns Specialist Team, Friends of the Earth ( <i>transcript</i> )	<b>30</b>
<b>Jeremy Chang</b> , Director, Energy Projects Team, Pinsent Masons ( <i>transcript</i> )	<b>32</b>
<b>Professor Catherine Mitchell</b> , Professor of Energy Policy, University of Exeter ( <i>transcript</i> )	<b>34</b>
Questions and comments from the floor ( <i>transcript</i> )	<b>36</b>
<b><u>Session Chair's closing remarks</u></b>	
<b>Barry Gardiner MP</b> , Member, Energy and Climate Change Select Committee ( <i>transcript</i> )	<b>40</b>
<b><u>Session Chair's opening remarks</u></b>	
<b>Rt Hon the Lord Fraser of Carmyllie QC</b> , Treasurer, Parliamentary Group for Energy Studies ( <i>transcript</i> )	<b>42</b>
<b><u>The long-term strategy for regulation and pricing</u></b>	
<b>Malcolm Keay</b> , Senior Research Fellow, Oxford Institute for Energy Studies ( <i>transcript</i> )	<b>43</b>
<b>John Wood</b> , Partner, Norton Rose ( <i>transcript</i> )	<b>45</b>
<b>Jostein Kristensen</b> , Managing Consultant, Oxera ( <i>transcript</i> )	<b>47</b>
<b>Audrey Gallacher</b> , Director of Energy, Consumer Focus ( <i>transcript</i> )	<b>49</b>
Questions and comments from the floor ( <i>transcript</i> )	<b>51</b>
<b><u>Regulation and pricing: the view from the energy industry</u></b>	
<b>David Porter</b> , Chief Executive, Energy UK ( <i>transcript</i> )	<b>57</b>
Questions and comments from the floor ( <i>transcript</i> )	<b>61</b>
<b><u>Session Chair's and Westminster Energy, Environment &amp; Transport Forum closing remarks</u></b>	
<b>Rt Hon the Lord Fraser of Carmyllie QC</b> , Treasurer, Parliamentary Group for Energy Studies ( <i>transcript</i> )	<b>63</b>
<b>Ben Goodwin</b> , Senior Producer, Westminster Energy, Environment & Transport Forum ( <i>transcript</i> )	<b>64</b>
<b>List of Delegates Registered for Seminar</b>	<b>65</b>
<b>Contributor and Westminster Energy, Environment &amp; Transport Forum Biographies</b>	<b>70</b>



## **About this Publication**

This publication reflects proceedings at the Westminster Energy, Environment & Transport Forum Keynote Seminar: Transforming the UK's electricity market: one year on from the Reform White Paper and the Ofgem Review held on 12<sup>th</sup> July 2012. The views expressed in the articles are those of the named authors, not those of the Forum or the sponsors, apart from their own articles.

Although Westminster Energy, Environment & Transport Forum is grateful to all sponsors for the funding on which we depend, participation in events and publications is never conditional on being a sponsor. As well as funding ongoing operations, sponsorship enables the Forum to distribute complimentary copies of publications, and offer complimentary tickets for events, to Government ministers, parliamentarians and officials most involved in policy.

This publication is copyright. Its copying, in whole or in part, is not permitted without the prior written consent of the publishers. However, extracts of the text may be reproduced for academic or review purposes, subject to the conditions of use outlined in the previous page, providing they are accurate, are not used in a misleading context and the author, their organisation and the Westminster Energy, Environment & Transport Forum are acknowledged. We would also appreciate being informed.

### **Westminster Energy, Environment & Transport Forum**

4 Bracknell Beeches  
Old Bracknell Lane West  
Bracknell,  
Berkshire, RG12 7BW

T: 01344 864796

F: 01344 420121

[publications@westminsterforumprojects.co.uk](mailto:publications@westminsterforumprojects.co.uk)

### **Directors**

Peter van Gelder  
Chris Whitehouse