

By: Carolyn McKenzie – Head of Sustainable Business and Communities

To: Kent Utilities Engagement Sub-Committee – 15 February 2019

Subject: OFGEM Presentation

Status: Unrestricted

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Summary: An outline of the role of OFGEM and presentation scope 15<sup>th</sup> February 2019 – this is for noting by Members of the Sub-Committee

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## **1 Office of Gas and Electricity Markets – Role in the Energy Market**

- 1.1 Ofgem is the Office of Gas and Electricity Markets. OFGEM are a non-ministerial government department and an independent National Regulatory Authority, recognised by EU Directives.
- 1.2 OFGEM's principal objective is to protect the interests of existing and future electricity and gas consumers. This is achieved in a variety of ways including:
  - promoting value for money
  - promoting security of supply and sustainability, for present and future generations of consumers, domestic and industrial users
  - the supervision and development of markets and competition
  - regulation and the delivery of government schemes.
- 1.3 OFGEM work with, but are independent of, government, the energy industry and other stakeholders within a legal framework determined by the UK government and the European Union.

## **2 Scope of Presentation 15<sup>th</sup> February 2019**

- 2.1 The broad scope of the presentation will cover:
  - What OFGEM does and is responsible for
  - Current challenges and issues
  - Future Plans
  - OFGEM's view of the future energy systems – 2050 and beyond
  - Opportunities to work in partnership
- 2.2 Though OFGEM will touch on some strategic current operational issues, the main focus will be growth and future planning for growth.

- More information on OFGEM can be found at <https://www.ofgem.gov.uk/about-us/who-we-are>. OFGEM are currently undertaking a formal consultation process on their network regulation – and this may limit the amount of information/detail that can be shared.

**Recommendation:** Members are asked to note the report.

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