

Minutes of CLSC Energy Committee Meeting

16 September 2010

Attendees:

Robert Lane
Andrew Grenville
Mathew Williams

1. Introduction and Update on Previous Meeting

Robert Lane explained that a few people had dropped out that afternoon due to work commitments and therefore the attendance was relatively low. It was suggested that a subsequent meeting should be held relatively soon thereafter to pick up on a number of issues and hopefully would be a date where further people would be able to join due to clearer diaries.

2. Current Energy Consultations

2.1 Reference was made to the consultations outlined on the Agenda which related to the Third Package, Smart Metering and the OFGEM review in relation to power, and Third Package for gas issues. The point was made again that as these papers really raised %policy+and %commercial+issues as well as pure legal ones, it was actually very difficult for the Committee to prepare any responses in relation to them. All of the members of the Committee would have clients which would be potentially responding with differing views and for the Committee to both come to a common view and to give a response that may be contrary to a client's view, would not be possible. It was therefore thought that except on exceptional matters where there generally was a single City view on consultations, it was unlikely that the Committee would wish to issue a response.

2.2 Matthew Williams made the point that on some of the financial regulation issues affecting energy companies, there may be fewer such problems, particularly given that the current EU proposals on financial regulation would simply increase regulation in a non-productive way. He agreed to produce a brief of the issues to be considered by the Committee ACTION: M WILLIAMS. He also suggested that Jonathan Marsh of BLP may be invited to join the Committee, as this was a particular area of interest for him, and Matthew Williams agreed to approach Jonathan Marsh to see if he would be willing to join. ACTION: M WILLIAMS

3. Bribery

In the absence of Paul Griffin at the meeting who was due to report back further on bribery related issues, the Agenda item was left over to the following meeting.

4. The Electricity Arbitration Association

Robert Lane raised the issue of whether the Committee could be a useful vehicle for checking how member firms found the Electricity Arbitration Association to be a useful body in determining disputes. A number of contracts refer to and require the EAA to be used. After a period where it had not particularly publicised its activities, the new Chairman of the EAA (Humphrey Lloyd QC) was now seeking to engage more with practitioners to promote the benefits of the EAA. It was agreed that this would be a good topic to discuss and Robert Lane agreed to provide some details in advance of the next meeting in order to form the basis of the discussion. ACTION: R LANE

Matthew Williams made the point on a recent ICC arbitration with which he had been involved on a EFET contract, it had proved difficult to find an arbitrator with sufficient knowledge of both EFET contracts and energy trading.

5. AOB

There was no other business raised, although all agreed to consider further what further areas would be useful for the Committee to become involved with.

6. Time and Date of Next Meeting

It was agreed that the next meeting should be held relatively soon after this one, with late October being suggested. Robert Lane agreed to circulate some possible dates to find one which is most convenient for all. ACTION: R LANE The option for telephone dial in facilities was welcomed (there were no physical attendees at this meeting) as it introduced greater flexibility.