Revised transcript of evidence taken before

The Secondary Legislation Scrutiny Committee

Scrutiny of

ELECTRICITY MARKET REFORM REGULATIONS 2014

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TUESDAY 8 JULY 2014

3.40 pm

Witnesses: Michael Fallon MP, Jonathan Mills and Emily Bourne
Members present
Lord Goodlad (Chairman)
Baroness Andrews
Lord Bichard
Lord Bowness
Lord Eames
Baroness Humphreys
Lord Plant of Highfield
Baroness Stern
Lord Woolmer of Leeds

Examination of Witnesses

Rt Hon Michael Fallon MP, Minister of State for Energy, Department of Energy and Climate Change, Jonathan Mills, Director, Electricity Market Reform, Department of Energy and Climate Change, and Emily Bourne, Programme Manager, Electricity Market Reform, Department of Energy and Climate Change.

Q1 The Chairman: Thank you very much indeed for coming, and welcome to the Committee. This is a formal evidence-taking session that is on the record and is being webcast live. A verbatim note is being taken, which will be put on the public record in printed form and on the parliamentary website, and we shall of course send a copy of the transcript for any amendment of errors. Before we start, could I ask Members of the Committee who have any relevant interests to declare them so they can be recorded in the transcript?

Lord Plant of Highfield: Lord Chairman, I have a son who works for Ofgem and will be one of the 600 talked about in the document, I think, so I shall probably not ask any questions, to be on the safe side.

The Chairman: Any other relevant interests? Very good.

Minister, this is an extremely important area and we are very grateful to you for coming to help to inform the House of Lords’ future debates on the instruments. Could I start off by
asking if you would take the opportunity to tell the Committee what the policy objectives are of electricity market reform, how these instruments deliver them, how they are interconnected and why the implementation of the Energy Act 2013 has been put into these various instruments?

**Michael Fallon:** Lord Chairman, thank you for your invitation and thank you for putting that question in a fairly broad way. The objectives of electricity market reform are to maintain security of supply in the United Kingdom: in other words, to make sure that the lights do not go out, that we have sufficient capacity, that the lower-carbon electricity that we are encouraging is provided at an affordable price, that we make progress towards various renewables and decarbonisation commitments, that investment in those newer and low-carbon technologies is possible, and that the market has sufficient certainty to make that investment.

There are two principal mechanisms in the Energy Act 2013. The first is contracts for difference. Strike prices are set out for each of the technologies whereby the contractor will pay back if the wholesale price exceeds the strike price to encourage investment in the lower-carbon technologies. The second is the capacity market, which is essentially a mechanism for ensuring that there is sufficient capacity. We will be auctioning for the first capacity market at the end of this year for supply in four years’ time. So those are the two principal features of the new reform.

I suppose it would be normal for me to apologise for the length and complexity of the regulations. There are five dealing with contracts for difference, and there is one before you on the capacity market, but I would say in mitigation that this is the biggest single reform of the electricity market since 1987-88—since I was last in the department with Lord Parkinson. That reform introduced private capital into the electricity system. It is as
wholesale a reform as that, so inevitably there is some complexity involved in the regulations that are before you.

**Q2 Lord Eames:** Minister, may I take you to the question of the consultation period that you had? As I understand it, there were two periods. There was one for 11 weeks for the implementation of the electricity market reform, and then there was the additional one for seven weeks on the regulations for the contract for difference. Is it possible, without going into minute detail, to give us an overview of the sort of response that you got in those consultation periods? Could you also tell us, in the light of those responses, what changes were made or how you shifted the objective of what you have already told us is the main aim of the legislation?

The second thing that I want to ask you about is how those formal consultations relate to your ongoing contracts with interested parties both before and after the publication of the secondary legislation. Those are the two parts to my query.

**Michael Fallon:** On the first question, Lord Eames, there were a series of consultations. You have referred to the major two. We have worked throughout with the various stakeholders and interested parties, particularly those we knew were likely to be involved in this market, to be entering the capacity market or coming forward for the new contracts for difference. We have engaged with them through various stakeholder groups and so on.

As for the formal consultation, the major consultation, I think it is true to say that we had feedback from over 120 different respondents. We have worked with them, and we have had stakeholder events, workshops, to work through some of the detail. We have tried, alongside the primary legislation and the secondary legislation that we are considering today, to give guidance to the participants through various less formal documents—the implementation document and so on.
On the changes that have been made, we have tried to help the smaller suppliers by ensuring that the annual reserve fund will be quarterly and not annual when it comes to consolidation so that we do not put too much of a burden on small suppliers when it comes to the adjustment. We have simplified a lot of the paperwork on prequalification, which was another concern. We have also, I think, reduced the penalty notice regime, but Jonathan Mills may be able to help me on that. I think we have reduced it to a single penalty rate.

Jonathan Mills: In relation to the three main changes to the capacity market, we have restructured the way in which we were capping the penalties there in order to avoid having some of the cash flow impacts that investors highlighted to us.

Lord Eames: Was that a direct result of what came through the consultation period?

Michael Fallon: Yes, exactly.

Lord Eames: Does anything else stick out in your mind as a result of that response?

Michael Fallon: The independent generators throughout have been very keen to ensure that they, too, have a route to market and can participate in this. You will recall the assurance that Baroness Verma gave in this House during the passage of the legislation that we would make sure there is a backstop mechanism for them that is in place when the first contracts for difference are available. That is something they pressed hard on me during the preparatory stages of this work.

You also asked me what we were doing in parallel on the existing contracts. The renewables obligation is there at the moment and that still functions under the existing legislation. One of our major concerns, of course, is to make sure that people were not eligible for both methods of support at the same time: that there was no element of gaming, if you like, between the two systems.

Q3 Baroness Andrews: Could I ask you two questions following that, Minister? Did the various stakeholders you were dealing with explore with you the necessity for having the
bundle of regulations broken up in the way they are? They are parcelled up in different ways, and one of the questions that has been put to us is: why have they been split up in the way they have been? Is that because, for example, you can move faster as a department if you are dealing with several different bundles of regulations rather than one blockbuster regulation? Secondly, is the process that you have had about engagement with stakeholders going to be an iterative process? Are they free to come back to you as the regulations are going through and maintain that dialogue? You have obviously been able to make some improvements by simplifying. Will that be an ongoing process?

Michael Fallon: On the first point, I think you have put your finger on it. If we had had only one huge regulation we would have been back to you probably several times over the next few years trying to have it amended and so on. So we have divided it up and there are these five regulations. They may look a little forbidding but there they are: five for the contracts for difference and one for the capacity market. We have tried to strike a balance between prescribing the rules for this while also maintaining some flexibility through the associated documents—the implementation document I referred to, the allocation framework document—that are not statutory, which give us the flexibility to make changes as we go along.

On your second question, I think the answer is, yes, we will of course continue to engage with stakeholders, particularly in the case of the capacity market. It will be the first auction this December. There will be subsequent auctions at intervals to contract for additional reserve capacity and we will certainly want to build in the lessons from the first auction when we come to run the second.

Jonathan Mills: If I may add, in the direct feedback that we had from consultees and other stakeholders in relation to the form, I do not remember there being any particular concern about the way in which the regulations were divided up. People seemed comfortable with
that and were interested in the division between what was in the rules in the allocation framework on the one hand and the regulation on the other but were comfortable that the balance required between responsiveness and certainty was consistent across those. It was not a major issue in the consultation.

Q4 Lord Woolmer of Leeds: Minister, we were faced and are faced by something like 400 pages of text in the instruments and the modifications and the market rules, and that is pretty tough to get through and to understand. So I apologise if I ask you a question the answer to which is buried in here. You rightly emphasise the potential benefits if it has all gone right, but obviously the cost will be borne by electricity consumers, whether households or business, and that is well recognised.

As I understand it, the Government have to date sought to limit the cost to the consumer through the levy control framework, a figure that would limit that, and that has covered things like the renewable obligation. Will the capacity payment system come under the levy control framework? That was the subject of comment by the National Audit Office and by the Committee in the other place. If the forecasts that are the basis for the strike prices turn out to be not right, is that likely to result in more payments being made to the producers of electricity—the generators—than they would be paying back into the pool? In that event, would the net cost of the strike price system also come under the levy control framework that is scheduled, as I understand it, to rise to something like £7.5 billion by 2020?

Michael Fallon: I will ask Jonathan to pick up that very last point in a moment, but let me just say something about the overall cost of this and the levy control framework. First, on the legislation, there are pages of this but we are, of course, dealing with billions of pounds worth of investment that we want to see in this country. We urgently need to replace the generating capacity that we are losing, and we do want to encourage private investment to step forward and do that. There is some public money on the table as well to encourage
them to do it and we do need to make sure there is good value for money. The overall costs come out for the capacity market as, I think, roughly £2 per year on top of your annual bill as the insurance premium, if you like, for making sure that there is sufficient capacity and that the lights do not go out. The costs of contracts for difference when it is fully up and running will be of the order of £25 or £26 a year. So there are costs, and we have to make sure that we get good value for money for what the taxpayer is putting in. Those costs are controlled through the levy control framework. They are set out all the way through to 2020 and are based on the strike prices that we confirmed last December. The strike prices themselves have a built-in degression in them. They do reduce for some of the technologies that are maturing and cannot be regarded as new where we expect those costs to fall over time and as deployment widens.

On the very specific issue of the net cost and the repayment to the framework, perhaps Jonathan could help us.

Jonathan Mills: Just on the factual points in those answers, the cost to the capacity market can be thought of in two ways. First, there is a gross cost in payments that for statistical purposes would be considered as public expenditure; they are transferring from one part of the economy to another. What consumers will experience is the difference between those costs and the costs that they would have borne had we allowed the market to play out as it would have done otherwise with tighter capacity margins and higher price spikes, and that gives you a net cost. That net cost, as the Minister has alluded to, is a small positive, reflecting the fact that economically what goes on is that rather than paying people a lot more they are being paid in a different way from how they were being paid before. The gross cost, the amount of payments on the payments side here, will be reported to Parliament as other elements of the levy control framework are, but they will not be
contained within the total cap that has been allocated for low-carbon generation. They are in the same way but they are not caught under the same cap.

On the question about strike prices, which I understood to be a question about what happens if we have got these numbers wrong and have over-estimated the costs, I think there are two ways in which the new arrangements provide additional protection to consumers. The first is that we will be providing every year for the total budget in pounds, which we are prepared to let in new contracts every year. At the moment, the renewables obligation sets a tariff. People who start generating are entitled to that tariff, and we have to manage that on an ongoing basis. The first new protection that we will give consumers is that we will be setting a budget every year that we cannot exceed. The second is that within that, if there is more demand for these contracts than there is budget available, which we have said we expect to be the case at the minimum for the most developed technologies, and which, dependent on the numbers, may be the case for other technologies too, they will go into a competitive auction where they have to reveal what price they are prepared to accept. Again, we do not have that capacity of price setting at the moment, so that will provide an additional benefit to consumers if it drives down strike prices and reveals where on an administrative basis we would set the price higher than it could otherwise have been.

Q5 Lord Woolmer of Leeds: My final question is this. How will Parliament be able to exercise oversight and understanding of how these things actually work in practice? What are the flows of costs and benefits in a transparent way? What is the reporting to Parliament and parliamentary oversight? This will become collectively a very significant area of expenditure and benefit as well as costs.

Michael Fallon: It certainly will. Under the Act, as I recall it, the Secretary of State has to report annually on the workings of the Act to Parliament, and I think that will be one of the
vehicles for reporting on how the capacity market auction has gone and where we have got
to on the contracts for difference.

Q6 Lord Bichard: Perhaps I could just follow up on that last question from Lord
Woolmer and open up this issue of complexity. This is a very complex issue, but complex
issues do not always require hugely complex legislation. It has always seemed to me that the
best legislation was clear, jargon-free, succinct, with the minimum of intervention to the
market. That is not just so that people like us do not have as much reading to do at the
weekend as we had last weekend but because as a result of that people know where they
stand, the market is free to perform without unnecessary intervention and the whole thing
can be held to account, by Parliament not least. By any standards, this is a huge amount of
secondary legislation. It would be difficult to describe it as clear, concise and succinct.

First, are you satisfied, Minister, that it is as clear and succinct, with the minimum of
intervention, as it could be? Secondly, what are you going to do to try to ensure that the
market fully understands this legislation? Thirdly, what are you going to do to ensure that
consumers understand what this is about? Fourthly, what are you going to do to make sure
that Parliament can hold you to account? I ask these questions because I have to put this
postscript: the department is getting some form around the issue of complexity of
legislation. This is probably the most difficult example we have had so far but it is not the
first.

Michael Fallon: I accept that. This is a complex area. As I said a little earlier on, this is the
first major reform of the electricity market for over 25 years and it is a reform of the entire
market. I am not sure how it could have been made necessarily more succinct, but I am sure
one can always make regulations clearer. As I have described, and as Jonathan has described,
we have tried to divide between what has to be in the regulations, the rules, so that the
market understands them, and what can be given as friendly guidance in more informal
documents such as the allocation framework document. But it is a complex thing. We are setting out these contracts for difference, which are private law contracts that necessarily involve a certain amount of legalese.

What are we doing to make sure that industry understands them? As I have said, we worked very hard during the consultation with the various industry groups, the stakeholders, all those likely to participate. We have held events for them at the department. I have spoken and my officials have spoken at innumerable conferences to explain the details of all this. You make a very important point about what we are doing to make sure that consumers understand all this. As these now are ratified by Parliament, we will be considering with Ofgem and others how we might improve consumer understanding of the coming of the capacity market and the contracts for difference.

As for reporting to Parliament, as I said there is the duty on the Secretary of State now to lay an annual report before Parliament to explain how each of the reforms is working out in practice.

**Lord Bichard:** Could I ask a supplementary? In terms of consumer understanding, Ofgem certainly would need to be involved, but are you going to involve the likes of Which?, Citizens Advice and others that may be very helpful in ensuring that language is used that people can understand?

**Jonathan Mills:** We have had involvement from customer groups on both the consumer and the business side as we have been going through. You mentioned Which? They have been actively engaged in this. They responded to a number of our consultations and have published reports. They are particularly keen that we progress competition, as we are doing, and the potential that has to drive down prices. That is a slightly different question from them communicating that to a wider audience, but I think the point about the engagement of the intermediary groups is something that we have sought to pursue in the process already.
Q7 Baroness Andrews: Do you think there is any risk attached to this process in either market understanding or stakeholder understanding? Where would you define the risks as falling in the light of all the efforts you are making to make sure that the industry understands clearly what its role is, what the processes are, what the sequence of decisions must be and so on? Where do you see the risk?

Michael Fallon: I am confident that the industry understands this. In fact, there is a huge amount of interest out there in both these processes—the contracts for difference and how they will work—because they will in many respects be an improvement on the renewables obligation that went before. They should reduce the cost of capital involved and allow people to make earlier decisions about investment in these newer technologies. There is a huge amount of interest in the capacity market, because people can work four years ahead and know that their investment will be rewarded. So I am satisfied that the industry, the potential generators, are ready to participate, but we will not know for sure until the capacity market itself has run its course.

Q8 Baroness Andrews: This is a question from slightly left field. Obviously in retrospect we will have an annual report to Parliament, which will be very useful because then we will know what progress has been made against which goals, but the Committee has struggled with the raft of regulations, the content and the interrelationships between the regulations. We have to debate them; they are all affirmative. Could you provide anything for the House, in addition to what we have, that would help to navigate the Explanatory Memorandums and whatever and to help to guide the debate on the regulations?

Michael Fallon: I am happy to look at that. We debated them very briefly in the other place last night in Committee, and a number of different points were raised. If there is a way of producing a two or three-page guide—that will add some more paper for you to read, I am
afraid—and you think that would be useful, I am very happy to consider how we might summarise it and how the regulations work with each other.

The Chairman: Thank you very much, Minister. We will follow that up by correspondence, if we may.

Baroness Stern: Could I follow up on the questions about consumers and intermediaries and so on? I speak here as a consumer rather than an expert on anything to do with the electricity industry. Minister, have you given any thought as to what, out of all this, the average consumer needs to understand in order to be able to decide as a consumer about what is best for a household to do? It seems to me a very long journey from the complexity that you have explained to us, I must say very well, to what an ordinary person would need to know in order to make the best decision against the background of all this. At the moment it is extremely difficult for a consumer to know how to make the best decision when dealing with these energy matters.

Michael Fallon: We have been talking so far very much about the wholesale market, and it is important that consumers understand. I think it is probably a fair criticism of the existing arrangements that the various bits and pieces that get added to the bill, the policy costs, have rather bewildering names to them. They reflect various schemes, and perhaps until recently we had not done a sufficient job of explaining that as well as paying for your electricity you have to do two other things as well: you have to pay for the replacement of generating capacity—for the capacity of the future, and you have to pay towards the commitments that this country has made internationally and at the European level to move towards a lower-carbon future with the investment in renewables. Those are the two key things that perhaps the Government need to work harder at getting over to consumers.

In terms of very specific retail information, we have pressed Ofgem, and Ofgem in turn have now pressed the suppliers, to simplify the number of tariffs that are available and to ensure
that the information presented on the bills is simplified so that people can understand them and can be moved off the more expensive tariffs more quickly. A lot of this is about speed and about making sure that if you are not happy with your supplier you feel able to move: that even if you do not actually change supplier you know you can change reasonably easily without being cut off, or anything like that. That is a very important part of the changes in the retail market that are being driven through by Ofgem.

I should also add that when I was asked about accountability to Parliament, I should say that it is not just the report into the working of the Energy Act that Parliament can rely on. Other statements are made to Parliament under other legislation. There is an annual statement on energy security and so on, so it is not simply that one opportunity.

**Q9 Lord Bichard:** I wanted to follow up this issue about consumers again and give the Minister a chance to deal with three points. They may well be in the Which? paper, or maybe two of them were. Can you reassure us that everything has been done to ensure effective competition in the whole of this process? Three points were raised. First, is there sufficient competition within as well as between technologies? Are you satisfied about that? Secondly, is there sufficient price competition for offshore wind technology, and, if so, what is it? Thirdly, there is a concern—a Which? concern—as to whether cheaper projects will lose out to the more expensive technology and the less established pot. Those three issues go to the core of whether or not this achieves the best possible outcome for the consumer.

**Michael Fallon:** They do, Lord Bichard, and those three points are to some extent all related. We do want to see competition between technologies and among the technologies. We see that as one of the main pressures on price and making sure that what our constituents pay is affordable. We have not yet published the allocation of money to each of the different pots. We hope to do that in the next few weeks, but we certainly want to see a move to competition across the technologies and between them as quickly as possible.
However, some of these technologies are much more recent, and are necessarily high cost; they require an awful lot of upfront investment. They are going to become cheaper over time, but they are not there yet and it is very important to make sure that we have a diversity of technology.

That is why we have encouraged offshore wind specifically. We now have more installed offshore wind capacity than any other country in the world and we aim to still have more offshore wind capacity installed here than anywhere else in the world by 2020 because we think, given our location, that offshore wind has an important part to play in the energy mix. That said, for offshore wind the strike price of course degress; it comes down, and we do a lot of work in the Offshore Wind Industry Council that I co-chair to make sure that we start to get the cost of offshore wind down. It is expensive. We are aiming for a 30% cost reduction. That is the target, which is quite challenging, but as deployment increases, costs themselves begin to fall, the industry becomes more efficient and the supply chains shorten, and we certainly ought to see some reduction in the cost of offshore wind. I think your final question was about—

**Lord Bichard:** —the less established pot and whether or not cheaper projects could lose out. While you are thinking of an answer to that, are you saying, therefore, that you are satisfied with the amount of competition in the offshore wind technology market? That is another way of driving down price, which is what consumers want.

**Michael Fallon:** Yes, it is, and while I am still thinking about the answer to your third question, perhaps I could deal with that. In terms of competition, yes, we need competition at various levels. We were dependent on a single turbine manufacturer; we have now got Siemens to come and invest here. There are other manufacturers looking at this market simply because of the scale that it is now getting to. I think we will increasingly see more competition across the market in fabrication, assembly, servicing, maintenance and all the
different parts that make up the cost of offshore wind as deployment increases. I want to see all these technologies given the chance to compete. We have always understood that some of them are going, in the initial stages, to be more expensive than others because they are much more immature. That is true, for example, of wave bar or tidal bar, which are not at the moment commercially scalable technologies, but they could be. I do want to make sure, as far as we can, that we retain the opportunity for them to play their part in the mix.

As for whether the less expensive technologies will lose out, you will see when we publish our final decision on the allocation of the pots that we have to try to strike a balance with giving the entire budget under the levy control framework to the cheapest technology, which would be the easy answer but would not necessarily ensure that we have the diversity and security of supply from a range of technologies that will get cheaper over time—some of which, of course, will yield greater benefits elsewhere to the economy.

We are already, as I said, a world leader in offshore wind. We are beginning to see some of the companies involved in the offshore wind sector winning contracts elsewhere such as in the Baltic for German wind farms, and beginning to win contracts around the world as other countries move to offshore wind. There is a potential benefit to the country in seeing some of these technologies successfully nurtured in this country and not necessarily give the entire budget over just to the cheapest.

Q10 Baroness Andrews: To follow that up in part, so much of this depends on the ability and intention of overseas investors to invest in our energy markets. Is there a particular problem with overseas investors because of the absolute need for certainty, and therefore the complexity of legislation presumably becomes slightly more of an issue? My second question is this. In terms of the need for certainty about investment for infrastructure planning or whatever, are there going to be more regulations? Do you see a rolling programme of secondary legislation over the next few years?
Michael Fallon: On the first point, the overwhelming demand from potential investors was not so much complaining about the complexity; it was for certainty. A year ago we were still handling the Energy Bill and nobody was sure whether we were going to stick to our original timetable. In fact we did; it become law last December with the assistance of this House. There was some uncertainty as to whether we were going to keep to the timetable, and there was obviously uncertainty about the strike prices, which we published in draft a year ago and did not confirm until December. They have that certainty now and the investors I talk to, particularly across Europe, now regard this as one of the most attractive low-carbon renewable investment markets in the world. We are seeing investment from Spain, Denmark, Norway and other European countries that have not gone quite so far down the routes that we have gone down, or have gone further earlier, and where the subsidies that have been made available have had to be withdrawn. They now regard this as a safer bet, so I am satisfied that we will see a strong level of European and foreign investment. Indeed, I am usually questioned from the other side as to what we are doing to make sure that there is sufficient local content in these technologies. There, of course, we are requiring, as part of the contract, the production and approval by the Secretary of State of a supply chain plan, which will make companies who are going for these contracts think very sharply about where they will procure their goods and services, how they will get the skills that they need, and how they will engage with the local community where they are going to build the wind farm or the biomass plant or whatever it is. We are not forgetting local content as well. So far as future regulations are concerned, Jonathan will remind us, but I think there are a couple of other pieces that do not have to be put into place straightaway. The supplier payment obligation is one and I think there is one other.

Jonathan Mills: The regulations put into effect the off-taker of last resort.
Michael Fallon: We do not have to have those regulations absolutely in place for December. We can follow on with those and we will do that as quickly as we can.

Q11 Lord Woolmer of Leeds: This is a slightly off-course question. This is legislation for Great Britain, and I note that consultations, as usual, have been held with the devolved Governments. Scotland could have very different priorities and do things a different way. Have those discussions had any content about the what-if scenario, difficult though that is? A lot of this will come in post the referendum. Most people around here hope the referendum vote means that Scotland stays firmly within the United Kingdom, but if it did not, is there reassurance that they would seek a single GB market, or would they want different priorities and a different regulatory framework?

Michael Fallon: We have been very careful, Lord Woolmer, not to draw up plan B. We do not expect or want Scotland to leave the United Kingdom, so we have not done a huge amount of work on the implications if they were to leave. It is not something we encourage or want to happen.

So far as the energy market is concerned, we have pointed out to the Scots that they enjoy a single market at the moment. They have 9% of the population. In terms of the renewables budget, they probably enjoy something like three times that proportion of the renewables budget—and, of course, all the power produced in Scotland has to be fed through to England, Wales and Northern Ireland automatically. It is true that if Scotland were separate the continuing UK, as it is called in the rather clumsy jargon that Lord Bichard will no doubt object to, would be under no obligation to purchase renewable electricity from Scotland if it could access cheaper electricity from somewhere else, from France through the interconnectors or anywhere else, because Scotland would be a separate country. Indeed, the continuing UK's renewables target, its legally binding commitments, would also have to be reworked because there would be no UK. We would be in the position of having a
continuing UK. A whole new arrangement would also have to be set up: a regulator north and south of the border, a separate grid, and presumably there would have to be some kind of negotiation as to how power is transmitted from one country to the other.

We have not done detailed work on this. We have simply explained some of the implications, but there is no plan B at the moment. We do not want Scotland to leave and we do not expect Scotland to leave.

**The Chairman:** Minister, thank you very much indeed for giving us such authoritative answers to the Committee’s questions. We are none the wiser but very much better informed than we were. We would like to take you up, if we may, please, on your offer of a two-page simple summary within a week or so, so that we can keep up the timetable of consideration of these instruments. Thank you very much indeed for being with us.