

**MINUTES OF A MEETING OF THE NORTHERN IRELAND, AUTHORITY FOR UTILITY REGULATION (THE 'BOARD') HELD ON THURSDAY, 21 MARCH 2024 IN ENNISKILLEN, AT 9.00 A.M.**

**Present:**

Bill Emery (Chair), John French (Chief Executive), Teresa Perchard, Alex Wiseman, Claire Williams, Jon Carlton.

**In attendance:**

SLT - Kevin Shiels, Peter Russell, Colin Broomfield, Roisin McLaughlin, John Mills, Elaine Cassidy, Barbara Cantley, Brian Mulhern, Ciaran Mac Cann, Jillian Ferris, Leigh Greer, Sinead Dynan, Barbara Stevenson, Sarah Teer, Greg Irwin

Noyona Chundur and Peter McClenaghan (agenda item 1), Leanda Thompson (agenda item 6), Rita Baillie (agenda item 7), Andrew Mawhinney (agenda item 10), Jamie MacDonald.

**1. APOLOGIES FOR ABSENCE**

1.1 David de Casseres.

**2. DECLARATIONS OF INTEREST**

2.1 None.

**3. PRESENTATION BY THE CONSUMER COUNCIL**

3.1 Noyona Chundur and Peter McClenaghan from the Consumer Council for Northern Ireland (CCNI) provided a presentation entitled: Opportunities for Collaboration between the Utility Regulator (UR) and the Consumer Council.

3.2 A discussion ensued on content of the presentation with a focus on the roles of both organisations, key issues, and opportunities for joint working.

3.3 The Board noted the content of the presentation and welcomed the opportunity to engage with CCNI and hold a discussion on issues of mutual interest.

**4. CORPORATE STRATEGY 2024-2029**

4.1 John French introduced this item, which was the final draft of the proposed Corporate Strategy 2024-2029 for the Board's consideration. Greg Irwin clarified the next steps in the process towards the publication of the Corporate Strategy.

4.2 There was a brief discussion on overall messaging in the Corporate Strategy and the need to ensure that the document captured all the significant issues. Clarification was provided on the performance framework for the Corporate Strategy.

4.3 The Board welcomed the work that had been done to reach this point and approved the Corporate Strategy as presented, subject to consideration of the comments made and final proofing and review before publication. The planning for launching the strategy was noted. Finally, the Board endorsed the development of a separate performance framework, which would be presented to the Board for approval.

## **5. FORWARD WORK PROGRAMME 2024/2025**

5.1 John French introduced this item, which provided the final draft of the Forward Work Programme (FWP) 2024/2025. Greg Irwin provided an overview of the document and responses provided during the public consultation.

5.2 The Board discussed the responses to the consultation, particularly in respect of UR's regulatory approach. Board members identified drafting suggestions relating to UR's vires and the timing of FWP projects.

5.3 The Board approved the final draft of the FWP as presented, subject to consideration of Board member comments and a final drafting review by the Executive team before publication.

## **6. BUDGET 2024/2025**

6.1 Leanda Thompson briefed the Board on the proposed budget for 2024/2025.

6.2 In discussion, the Board explored the rationale for certain proposed levels of expenditure. There was also a discussion on opportunities to enhance UR's approach to key regulatory processes.

6.3 The Board noted the internal consultation on developing the budget and approved the Budget 2024/2025 as presented.

## **7. NI WATER GLOBAL BUSINESS CASE**

7.1 Ciaran Mac Cann introduced this item, which presented the global business case to procure consultancy support that will be required for the next water price control, PC27. Rita Baillie provided an overview of the key aspects of the business case.

7.2 There was a brief discussion around consultancy support costs and the different resourcing support needs for different utility sectors.

7.3 The Board approved the global business case as presented.

## **8. UPDATE ON HIGHER GROUND PROJECT**

8.1 Roisin McLaughlin provided an update on latest position on the Higher Ground project, relating to the potential development of a pumped storage facility at Carrickfergus.

8.2 The Board clarified process aspects of the project and UR's role. Risks arising from the development of the project were also briefly touched on.

8.3 In noting the risks associated with phase 1 of the project, the Board endorsed the position as set out in the paper.

## **9. OVERVIEW OF ALL-ISLAND PROGRAMMES**

9.1 Leigh Greer briefed the Board on the All-Island programmes of work by EirGrid plc/ SONI Ltd (as TSOs/ Market Operators) and the new governance and revenue recovery arrangements.

9.2 The Board explored the scope and nature of the new governance arrangements. The opportunity to increase the transparency of decision-making on the new arrangements was discussed. It was agreed that the governance documentation for the new arrangements would be circulated to the Board.

9.3 The Board noted the update on the new governance and revenue recovery arrangements.

## **10. MARKET MONITORING REPORTS**

10.1 Brian Mulhern introduced these market monitoring reports.

10.2 Board member queries on customer responsiveness and comparative data were addressed. The Board also reflected on the visit to a supplier's customer contact centre the previous day. It was agreed that it would be useful to share the information that had been provided during that visit.

10.3 There was also a brief discussion on the opportunity to review UR market data in a holistic way and consider the presentation of such information in the public domain.

10.4 The Board noted the market monitoring reports as presented.

## **11. MINUTES**

11.1 The minutes of the Board meeting on 22 February 2024 were approved for publication.

## **12. ACTION POINTS**

12.1 The action points were reviewed by the Board.

## **13. REPORT FROM THE EXECUTIVE TEAM**

13.1 John French identified several key issues in the Executive Team report including energy tariff reviews, the Consumer Protection Programme, SEM prices, engagement with NI Assembly committees and the staff away day.

13.2 The Board discussed the Power NI price control review and the submission of information from the company.

- 13.3 Elaine Cassidy provided an overview of recent litigation and disputes issues. An update was provided on the Aught judicial review. The Board was apprised of correspondence relating to a new judicial review.
- 13.4 Colin Broomfield reported on the SEM. He identified the significant work in relation to the planning and delivery of capacity auctions. An update was also provided on enforcement work by the Market Monitoring Unit and the Generator Financial Performance report. The Board noted the update.
- 13.5 Kevin Shiels reported on energy strategy implementation. The Board noted the update.
- 13.6 John French updated the Board on the implementation of the transformation programme, Shaping UR for the Future, noting ongoing recruitment activity. The Board congratulated the executive team for the progress made on the recruitment campaign to date.
- 13.7 Leanda Thompson provided an overview of the Finance and Performance report. The budget position to the end of January was noted. The risk register was reviewed, with a suggestion to update one of the risks given recent developments. The Board approved the Finance and Performance report.

#### **14. ANY OTHER BUSINESS**

- 14.1 The Board reflected on the positive first meeting with the SONI Board on the previous day.

There being no other business, the meeting concluded at 12.45 p.m.