

MINUTES OF A MEETING OF THE NORTHERN IRELAND AUTHORITY FOR UTILITY REGULATION (THE 'AUTHORITY') HELD ON THURSDAY, 17 AUGUST 2023 AT CLIFTON HOUSE AT 12.30 P.M.

Present:

Bill Emery (Chairman), John French (Chief Executive), Alex Wiseman, Jon Carlton, Teresa Perchard, David de Casseres, Claire Williams

In attendance:

SLT – Tanya Hedley, Kevin Shiels, Colin Broomfield, Barbara Cantley, John Mills, Greg Irwin

Jillian Ferris, Rosanna McSorley, Chisono Yoda, Mabel Stevenson, Ciara Brennan (agenda item 3), Leigh Greer (agenda item 6).

1. APOLOGIES FOR ABSENCE

- 1.1 The Board convened in advance of the Board Advisory Forum to consider four items.
- 1.2 Bill Emery welcomed Mabel Stevenson as part of an ongoing initiative to provide staff members with an opportunity to attend board meetings.

2. DECLARATIONS OF INTEREST

- 2.1 None.

3. SONI PRICE CONTROL

- 3.1 Tanya Hedley introduced this item, which set out a proposal, following a public consultation, on the timing of the start of the next SONI price control.
- 3.2 There was a discussion on the impact of delaying the next price control by a year. A discussion also took place on the intention to consult on the methodology for addressing the interim year, and it was agreed that the wording in the decision paper, on this issue, would be reviewed before publication.
- 3.3 The Board approved the decision to defer the start of the next SONI price control by one year and the publication of the decision paper as presented (subject to legal advice before publication - with approval for the final decision paper delegated to the chief executive).

4 SONI GOVERNANCE UPDATE AND NEXT STEPS

- 4.1 Tanya Hedley introduced this item, which provided an update on the SONI governance workstream and set out next steps.
- 4.2 Board members discussed developments in relation to the establishment of a new SONI Board. There was also a discussion around mitigating cost recovery risks associated with governance. The process and timing for reviewing proposed appointments to the SONI Board was explored, and the Board urged that every effort should be made to ensure the new SONI Board is established as soon as possible.

4.3 The Board noted the delay in the overall timetable in relation to the governance workstream, and emphasised the need for SONI to minimise any further delays. There was also a discussion around proposed risk mitigations. The publication of the proposed consultation on licence modifications, was endorsed. The Board agreed that this consultation should propose specific dates for all deadlines that needed to change following the delay in appointment of the Board (including the start and end of the derogation window). It was also agreed that UR should retain the ability to modify these dates if it became necessary.

5 GAS TO THE WEST – ACTUAL CAPEX DRAFT DETERMINATION

5.1 Tanya Hedley introduced this paper which sought the Board's endorsement of a draft determination of Actual Capital Expenditure for Gas to the West.

5.2 Board members explored the rationale for the costs submitted. The treatment of a performance bond and the contingency fee were also clarified. There was also a consideration of risks in respect of the determination of Actual Capital Expenditure.

5.3 The Board endorsed the position set out for the draft determination of Actual Capital Expenditure for Gas to the West. It was noted that the draft determination will be approved by the chief executive following consideration of further submissions from SGN and legal review before it is issued to the Licensee (West Transmission Limited).

6 POWER PROCUREMENT BUSINESS (PPB) CESSATION

6.1 Leigh Greer introduced this item which provided an update, to the Board's previous discussion In June, and set out a revised proposed approach to the cessation of Power NI's Power Procurement Business (PPB).

6.2 The Board endorsed the revised proposed approach for winding down the PPB regulatory processes as presented.

7 ANY OTHER BUSINESS

7.1 None.

There being no other business, the Board meeting concluded at 2.00 p.m. to allow the Board Advisory Forum meeting to proceed.