

**MINUTES OF A MEETING OF THE NORTHERN IRELAND AUTHORITY FOR UTILITY REGULATION (THE 'AUTHORITY') HELD ON THURSDAY, 19 JANUARY 2023 BY VIDEO CONFERENCE AT 9.00 A.M.**

**Present:**

Bill Emery (Chairman), Kevin Shiels (Acting Chief Executive), Alex Wiseman, Jon Carlton, Teresa Perchard, David de Casseres, Claire Williams

**In attendance:**

SLT – Tanya Hedley, Donald Henry, Colin Broomfield, Roisin McLaughlin, Elaine Cassidy, Barbara Cantley, Greg Irwin

Ciara Brennan (agenda item 3), Charlene Small and Ursula O’Kane (agenda item 4), Paul Harland, Alan Craig, Tony Doherty and Roy Colville (agenda item 6), Rosanna McSorley.

**1. APOLOGIES FOR ABSENCE**

1.1 John French

1.2 The Board convened in advance of the Board Advisory Forum to consider four items.

**2. DECLARATIONS OF INTEREST**

2.1 None.

**3. SONI FORWARD PLAN FINANCIAL INCENTIVE**

3.1 Tanya Hedley briefed the Board on this paper that set out the proposed grading of SONI’s Forward Work Plan 2022/23, under the Evaluation Performance Framework (EPF) established as part of the price control review.

3.2 The Board explored the basis for the independent EPF panel’s grading assessment. This included clarifying the process for determining grading levels, the different grading levels applied, and the information used to make the assessment. The impact of the various scoring level and the financial incentive for SONI to improve its performance was also briefly considered.

3.3 In recognising that this was the first year of the EPF panel, the Board reflected on the learning from the initiative and the future work of the panel.

3.4 There was also a brief discussion on the SONI governance review, and their note within the Forward Work Plan in that regard.

3.5 In clarifying the next steps in the process, the Board approved the overall weighted grade for SONI’s Forward Work Plan 2022/23. The Board also approved the initial incentive payment, and the subsequent grading for performance against the plan, as presented in the paper. Finally, the Board also noted that the final incentive payment will be amended to reflect the evaluation of performance against the plan.

#### **4 GOVERNMENT SUPPORT SCHEMES UPDATE**

- 4.1 Barbara Cantley introduced a presentation on the UK Government's energy support schemes, providing an overview on the various schemes and their implementation, and the proposed Memorandum of understanding (MoU) with the Department for Business, Energy and Industrial Energy.
- 4.2 There was a discussion on the impact of the schemes on consumers, and the changes to the scheme funding levels recently announced by the UK Government. A board member query on the risks associated with the scheme, was addressed,
- 4.3 The Board also considered the UR's role on the schemes. The development of the MoU was briefly discussed, and it was agreed that this document would be circulated to the Board for approval.
- 4.4 At the conclusion of the discussion, the Board congratulated the team on their hard work in supporting the delivery of the energy schemes support to Northern Ireland consumers.

#### **5 REVIEW OF BOARD EFFECTIVENESS UPDATE**

- 5.1 Greg Irwin introduced this item, which provided an update in the actions associated with the Board effectiveness review.
- 5.2 There was a discussion on how the Board could support the executive team. As well as supporting the practical measures identified in the paper, the Board identified some further ideas.
- 5.3 Board members also commented on the skills audit. There was some discussion on the relative assessment of skills/experience in certain areas. It was agreed that the Board would be provided with the self-assessment.
- 5.4 The Board noted the progress to date on the Board effectiveness review action plan and endorse the future proposed actions.

#### **6 GD23 PRICE CONTROL**

- 6.1 Kevin Shiels introduced an update on the gas distribution price control (GD23). Tanya Hedley briefed the Board on engagement with regulated companies and the further progress made on addressing a small number of price control issues.
- 6.2 The Board noted the progress made and endorsed the proposed overall approach and next steps. It was agreed that, once the GD23 price control review was completed, a lessons learned exercise would be valuable.

#### **7 ANY OTHER BUSINESS**

- 7.1 None.

There being no other business, the Board meeting concluded at 11.25 a.m. to allow the Board Advisory Forum meeting to proceed.