

MINUTES OF A MEETING OF THE NORTHERN IRELAND AUTHORITY FOR UTILITY REGULATION (THE 'BOARD') HELD ON THURSDAY, 11 DECEMBER 2025 IN MILLENNIUM HOUSE, BELFAST, AND ONLINE, AT 09.00 A.M.

Present:

Rosamund Blomfield-Smith (Chair), John French (Chief Executive), Isolde Goggin, Claire Williams, David de Casseres, Anthony Pygram, Paul McGowan.

In attendance:

Peter Russell, Barbara Cantley, Elaine Cassidy, Brian Mulhern, Roisin McLaughlin, John Mills, Barbara Stevenson, Jillian Ferris, Sinead Dynan, Leigh Greer, Sarah Teer, Marie-Therese Campbell, Shauna McAuley, Ciaran Mac Cann, Sean Lyons, Jean-Pierre Miura, Paula McCann, Grace Fenton, Greg Irwin.

Jody O'Boyle/ Ruairí Mc Cann (agenda item 3), Jody O'Boyle/ Kenny McPartland (agenda item 4). Michael Campbell/ Angela Gracey-Roper (agenda item 5), Rita Baillie/ Paul Stewart/ Claire McMahan/Conor McConnell/ Jack Irwin/ Lorraine Gillan (agenda item 6), Katrin Busch/Debbie Quinn/Lisa Birt (agenda item 8), Rachel Allister (agenda items 9 and 10).

1. APOLOGIES FOR ABSENCE

1.1 Kevin Shiels, Colin Broomfield.

2. DECLARATIONS OF INTEREST

2.1 None.

3. NETWORK CODE ON CYBER SECURITY – NI INVOLVEMENT

3.1 Brian Mulhern introduced this item which provided an update on the European Network Code on Cybersecurity (NCCS) and related obligations. Jody O'Boyle provided further information on engagement with key stakeholders.

3.2 The Board initially clarified the current situation regarding cyber security Competent Authority (CA) designation for cross border electricity flows.

3.3 In an extended discussion, the Board explored the implications of the Utility Regulator (UR) being potentially designated as the cyber security CA for cross border electricity flows. The including consideration of ongoing engagement and discussion with key stakeholders on the issues, the nature of the work required as a CA, UR's vires to assume the role of a CA, organisational and resourcing impacts, and risks and opportunities from being designated as a CA.

3.4 The Board also made some drafting comments on a proposed letter to the Department for Energy Security and Net Zero (DEZNZ).

3.5 In noting the update, it was agreed that the letter to DEZNZ, taking account of the Board's comments, should be circulated to the Board.

4 ELECTRICITY SUB-STATION CLUSTER CONNECTION METHODOLOGY

4.1 Brian Mulhern introduced this item which provided the Board with an update on the electricity sub-station cluster methodology in Northern Ireland. Kenny McPartland provided context and background on the issue.

4.2 The Board welcomed the update and the positive impact of the cluster methodology being introduced. There was a brief discussion on future challenges for the electricity network.

4.3 The Board noted the update, and it was agreed that it would be useful to provide an up-to-date map of the electricity network.

5 EXTENSION TO NISEP

5.1 Michael Campbell introduced this item, which sought the Board's approval for an extension of the Northern Ireland Sustainable Energy Programme (NISEP) scheme for a further two years, to March 2028.

5.2 The Board considered the rationale for the extension and the proposed two-year timing. The potential for a replacement scheme was also discussed.

5.3 Communications around the extension and engagement with key stakeholders was also explored.

5.4 The Board approved the extension of NISEP for two years (with a break clause after one year should the Department for the Economy's new programme to replace NISEP be ready).

6 PC28 APPROACH

6.1 Ciaran Mc Cann briefed the Board on the development of the PC28 price control and sought the Board's approval for the proposed PC28 approach paper.

6.2 The Board noted the comments received on the PC28 approach consultation and discussed key themes.

6.3 The PC28 approach proposals around legally binding outputs and Board assurance by NI Water were considered at length. UR's role as the economic regulator in the context of the challenging public sector funding environment for NI Water was discussed, and it was emphasised that the funding of NI Water was a matter for the shareholder.

6.4 Queries in respect of the NI Water's Social and Environmental Guidance, the role of the reporter and items of financial detail relating to NI Water, were addressed.

6.5 The messaging of key aspects of the PC28 approach paper and publication arrangements were also touched on.

- 6.6 The Board approved the PC28 Approach decision paper and the proposed change to the timeline for PC28.
- 6.7 The Board was also apprised of a recent meeting with the Office for Environment Protection (OEP) relating to an investigation on the Belfast Lough sewerage discharge. The Board requested that an update be provided to the Board on the investigation.
- 7. PRINCIPLES OF COST RECOVERY ASSOCIATED WITH LEGAL DISPUTE CLAIMS**
- 7.1 Elaine Cassidy introduced this item which provided a paper setting out circumstances where customers are entitled to refer disputes with network or other price regulated companies to UR or the courts for adjudication/determination.
- 7.2 The Board explored the background to the issue in question and discussed the value of the paper as drafted. Board members also identified some proposed drafting amendments.
- 7.3 The Board delegated to the executive team the finalisation of the paper as an internal guidance document.
- 8. FORWARD WORK PROGRAMME 2026-2027 UPDATE**
- 8.1 John French introduced this item, which sought the Board's approval for a draft Forward Work Programme 2026/2027.
- 8.2 Board members discussed the scope of certain proposed projects and identified some drafting amendments.
- 8.3 Subject to consideration of Board member comments, the Board approved the publication of the draft FWP 2026/2027 for public consultation.
- 9. FINANCE REPORT SUMMARY**
- 9.1 Rachel Allister provided a verbal update on the financial outturn to 30 November 2025, noting key variances. Claire Williams noted that the Audit and Risk Committee (ARC) also reviewed the financial position to the end of November, at its most recent meeting.
- 9.2 The Board approved the finance report summary.
- 10. CORPORATE RISK REGISTER 2025/2026**
- 10.1 Rachel Allister updated the Board on updates to the corporate risk register and there was a discussion on a new risk, and some wording changes were proposed.
- 10.2 The Board approved the corporate risk register subject to consideration of comments made by Board members.
- 11. MINUTES**
- 11.1 The minutes of the Board meeting on 20 November 2025 were approved for publication.

12. ACTION POINTS

12.1 The action points were reviewed by the Board.

13. OFFICE REPORT

13.1 John French introduced the Office report. He noted the OEP investigation, security of supply and ongoing litigation. Board member questions on these issues were addressed.

13.2 Directors also drew the Board's attention to the recent announcement by the Department for the Economy around the socialisation of electricity connection charges, UR's customer care registers, consumer energy charters and SONI derogations. The Chair updated the Board on the competition to appoint new Board Members.

13.3 Clare Williams provided a report on the issues considered at the recent ARC meeting, noting that a facilities security audit would be presented to the Board in due course and that steps would be taken to enhance IT security for Board members.

13.4 Isolde Goggin provided a report on the issues considered at the recent Remuneration Committee meeting, noting the Committee's focus on the schedule of staff recruitment.

13.5 The Board noted the management update in the Office report.

14. UPDATES

14.1 Updates were provided on the following:

a) Single Electricity Market (SEM)

Marie-Therese Campbell provided an overview of the forthcoming SEMC meeting agenda.

b) Security of Supply update

Leigh Greer briefed the Board on the latest situation regarding security of supply

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c) Litigation

Shauna McAuley provided an update on litigation issues.

d) Compliance and enforcement

Barbara Cantley provided an overview of the latest Compliance and Enforcement Report, noting the main issues had been covered on the Board agenda.

14.2 The Board noted the updates.

15. CORRESPONDENCE

15.1 There was no correspondence to report.

16. ANY OTHER BUSINESS

16.1 Elaine Cassidy briefed the Board on the GD29 Tax consultation.

- 16.2 The Board approved an extension to the deadline for the SPC27 price control consultation to the end of January.
- 16.3 Elaine Cassidy briefed the Board on funding requests in relation to NIE Networks network resilience, noting that a paper on this issue would be presented to the Board at a future meeting.
- 16.4 As a member of staff sitting in on the Board meeting, Grace Fenton provided feedback on her experience. Other attendees provided feedback on the meeting, noting the quality of the papers.
- 16.5 There being no other business, the meeting concluded at 12.45.