MINUTES OF A MEETING OF THE NORTHERN IRELAND AUTHORITY FOR UTILITY REGULATION (THE 'BOARD') HELD ON THURSDAY, 19 MARCH 2026 IN THE WHISTLEDOWN HOTEL, WARRENPOINT, 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:
Kevin Shiels, Peter Russell, Barbara Cantley, Elaine Cassidy, Colin Broomfield, Brian Mulhern, Roisin McLaughlin, John Mills, Barbara Stevenson, Jillian Ferris, Leigh Greer, Sarah Teer, Marie-Therese Campbell, Shauna McAuley, Ciaran Mac Cann, Sean Lyons, Jean-Pierre Miura, Paula McCann, Lauren Skillen-Baines, Greg Irwin.

Fiona Rooney (agenda item 4), Veronika Gallagher (agenda item 7), Graham Smith (agenda item 9), Jody O'Boyle and Kenny McPartland (agenda items 10 and 11), Rachel Allister (agenda items 12 and 13).

1. APOLOGIES FOR ABSENCE

1.1 None.

2. DECLARATIONS OF INTEREST

2.1 None.

3. OFF-FRAMEWORK LITIGATION PROCEEDINGS AND JUDICIAL REVIEWS

3.1 Shauna McAuley introduced this item which sought business case approval for legal costs in relation to litigation proceedings and judicial reviews.

3.2 A query in relation to the business case documentation was addressed.

3.3 The Board approved the business case.

4. REVIEW OF POWER NI'S CUSTOMER CARE AND BILLING UPGRADE

4.1 Fiona Rooney introduced this item which sought the Board's approval for proposals relating to Power NI's customer care and billing upgrade.

4.2 The Board clarified the purpose of the customer care and billing system upgrade and the nature of upgraded system.

4.3 Board members also explored the proposed cost apportionment. This included the apportionment between the regulated and non-regulated aspects of Power NI's business and the split of costs between domestic and non-domestic customers. Further information was provided at the meeting to explain the proposed apportionment of costs. The approach to preventing cross subsidy for domestic customers in the Republic of Ireland was clarified.

4.4 There was also a discussion on the reasons behind delays in the delivery of the upgrade and the impact on costs.

4.5 At the conclusion of an extended discussion, the Board approved the recovery of the quantum proposed, minus apportionment to the deregulated part of Power NI's business. The Board also approved the new apportionment based on a combination of number of units and bills in a ratio as presented. Finally, the Board approving the freezing of the ratio weighting for the price control period only, subject to any material change in portfolio or system use, which would require Power NI to seek the Utility Regulator's (UR's) approval.

5 SONI GOVERNANCE – IMPLEMENTATION OF CONDITION 42 - DEROGATIONS

5.1 Brian Mulhern introduced this paper which updated the Board on several matters related to the SONI governance workstream.

5.2 The Board held a high-level discussion on the direction of the SONI governance workstream. The discussion reflected on the progress to this point on the managerial separation of SONI from its parent company, and the risks and opportunities of, and options for, further progressing the separation.

5.3 The Board also considered the nature of engagement with SONI and other stakeholders of progressing the SONI governance workstream.

5.4 Queries in respect of the costs of the separation and the approval of service level agreements between SONI and Eirgrid were addressed.

5.5 The Board endorsed the decision to approve SONI's derogation application relating to three business functions, subject to the Condition set out. The Board also approved delegated authority for the CEO to approve the SONI TSO Licence Condition 42 Compliance Plan. Finally. the Board endorsed the proposed approach to engaging with the Department of Climate, Energy and the Environment

6. NIE NETWORK LICENCE MODIFICATIONS REGARDING THE SOCIALISATION OF CONNECTION REINFORCEMENT COSTS

6.1 Brian Mulhern introduced this item which sought Board approval for proposed modifications regarding the socialisation of connection reinforcement costs to NIE Network's distribution licence.

6.2 A query from a Board members in relation to the cost cap was addressed.

6.3 The Board approved the publication of the licence modifications as drafted.

7. BIOMETHANE MODIFICATIONS TO GAS CONVEYANCE LICENCES

7.1 Brian Mulhern introduced this item which proposed the implementation of biomethane modifications to all gas conveyance licences.

7.2 Board members noted and discussed the responses to the consultation on the proposed biomethane modifications.

7.3 The Board explored the regulatory appeal for connections aspect of the paper. There was a discussion on scrutiny for connection agreements.

7.4 Board members commented more generally on the regulatory approach as set out in the proposed licence modifications. There was also some discussion around the proposed dispute resolution role for UR.

7.5 Subject to consideration of the Board comments around regulatory approach, the Board approved the biomethane modifications to all gas conveyance licences as set out in annexes to the Board paper.

8. FORWARD WORK PROGRAMME 2026/2027

8.1 John French introduced this item which presented a final draft of UR's Forward Work Programme (FWP) for approval.

8.2 The Board welcomed the presentation of the document and noted the responses to the consultation and commentary from the Executive team.

8.3 The Board approved the final draft of the FWP as presented subject to a final drafting review by the Executive team before publication.

9. DOMESTIC ELECTRICITY AFFORDABILITY SUPPORT

9.1 Barbara Cantley introduced this paper which provided an update on the Consumer Protection Programme workstream to 'develop a trusted and impartial social tariff evidence base to support policy and decision makers in Northern Ireland'.

9.2 The Board welcomed the quality of the paper and the analysis provided.

9.3 There was a discussion around the role and the positioning of UR on affordability support for domestic electricity consumers in Northern Ireland, given the policy locus of the issue.

9.4 Engagement with stakeholders on the issue was also considered and discussed.

9.5 The Board endorsed further engagement on the factual analysis aspect of the paper provided with those organisations that had a direct interest in affordability support for domestic electricity consumers.

10. PREPARATION WORK FOR POTENTIAL FIRM ACCESS REVIEW IN 2026-2027

10.1 Kenny McParland introduced this information paper which provided an update on the Firm Access Review in 2026/2027.

10.2 The Board discussed how best to reduce dispatch down levels, the proposed overall approach to firm access, the implications for the wider policy agenda in relation to renewables and generator financeability.

10.3 The Board noted the information paper.

11. UPDATE ON PLAN-LED DEVELOPMENT

11.1 Kenny McPartland introduced this information item which provided an update on a coordinated, plan-led approach to grid development.

11.2 The Board considered the plan-led approach in the context of policy development and considered the opportunities that would result from the new approach (such as around long duration storage and private wires).

11.3 The Board noted the information paper.

12. FINANCE REPORT SUMMARY

12.1 Rachel Allister provided an update on the financial outturn to 28 February 2026, noting key variances. A Board member query on a variance was addressed.

12.2 The Board approved the finance report summary.

13. CORPORATE RISK REGISTER 2025/2026

13.1 Rachel Allister updated the Board on the corporate risk register.

13.2 Board members commented discussed potential emerging risks. The Board explored the impact on energy prices for Northern Ireland consumers from the conflict in the Middle East. It was agreed that this new risk should be recorded on the corporate risk register.

13.3 The Board approved the corporate risk register subject to the inclusion of a new risk in relation to energy prices rises related to the conflict in the Middle East.

14. MINUTES

14.1 The minutes of the Board meeting on 19 February 2026 were approved for publication.

15. ACTION POINTS

15.1 The action points were reviewed by the Board.

16. OFFICE REPORT

16.1 John French introduced the Office report. He noted the tariff reviews outcome, outreach with district councils and MLAs, media coverage around energy prices and UR's attendance at the Balmoral Show.

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

17. UPDATES

17.1 Updates were provided on the following:

a) Single Electricity Market
Colin Broomfield briefed the Board on the T-4 capacity auction, ongoing litigation, the SEMC strategy, bidding rules, the generator financial performance report and project management arrangements for the All-Island programme. The Board noted the update.

b) Security of Supply update
Leigh Greer briefed the Board on the latest situation regarding electricity security of supply, noting generator availability and also briefed the Board on gas security of supply. The Board noted the update.

c) Litigation
Shauna McAuley provided an update on litigation issues and ongoing developments. In noting the resourcing impacts of a significant litigation workload, there was a broader discussion on more strategic approaches to dealing with ongoing litigation challenges. The Board noted the update.

d) Compliance and Enforcement
Barbara Stevenson provided a Compliance and Enforcement update, including the latest position regarding the Statement of Licence Compliance. The Board noted the update.

18. CORRESPONDENCE

18.1 None

19. ANY OTHER BUSINESS

19.1 The Board briefly discussed the SONI price control and the submission of the company's business plan. The Board approved an option as the basis of providing a response to SONI as soon as possible.

19.2 On the invitation of the Chair, Lauren Skillen-Baine provided her feedback as an attendee for the full Board meeting.

19.3 There being no other business, the meeting concluded at 13.49.