

MINUTES OF A MEETING OF THE NORTHERN IRELAND AUTHORITY FOR UTILITY REGULATION (THE 'AUTHORITY') HELD ON THURSDAY, 18 JANUARY 2018 IN QUEENS HOUSE AT 2.15 A.M.

Present:

Bill Emery (Chairman), Bill Cargo, Teresa Perchard, Jon Carlton, Alex Wiseman, Richard Rodgers, Jenny Pyper (Chief Executive)

In attendance:

SMT – Kevin Shiels, Tanya Hedley, Donald Henry, Jo Aston, Roisin McLaughlin, Elaine Cassidy, John Mills, Greg Irwin

1. APOLOGIES FOR ABSENCE

1.1 None.

1.2 The meeting was convened to consider three agenda items on the same day as the Board Advisory Forum meeting was taking place.

2. FIRE DRILL

2.1 The board members were notified of the evacuation procedures which apply in the event of a fire.

3. DECLARATIONS OF INTEREST

3.1 None.

4. GAS TO THE WEST VFCE

4.1 John Mills provided an overview on this item which sought the board's endorsement for the principles and decisions in respect of the key issues relating to the Verified Controllable Capital Forecast (VFCE) under the Gas to the West licence.

4.2 Board members discussed the key issues as outlined in the paper. The balance between the risks faced by SGN in terms of the overall pipeline development and construction and the need to ensure that capital provided was efficient and appropriate was discussed at length. In this regard, the board members sought further information on ongoing engagement with SGN. The issue of connection costs in particular was also discussed. The presentation of the key aspects of the paper was also briefly discussed.

4.3 The board endorsed the principles and decisions on the key issues in the paper and delegated the final decision on the VFCE to the chief executive provided it falls within the range identified in the paper.

5. GD17 HISTORIC PRICE CONTROL ADJUSTMENTS

5.1 John Mills provided an update on the mis-categorisation of Housing Association properties in a GD17 business plan submission and associated costs reports for the previous price control period.

5.2 The board noted the update.

6. CORPORATE RISK REGISTER REVIEW

6.1 Donald Henry introduced this item which, following an initial discussion at its December board meeting, provided an opportunity for a more detailed review of the corporate risk register.

6.2 Board members then discussed each risk in turn, making suggestions throughout, particularly in respect of the description of the risk, the risk assessment and the risk action plan.

6.3 There were also some suggestions by board members and board noted that a significant number of risks with lower Impact/Likelihood ratings were being monitored at directorate level. No additional risks were identified, but it was agreed that the report should also include high impact low likelihood risks.

6.4 It was agreed that the corporate risk register would be updated to reflect the board input and regularly reviewed.

7. ANY OTHER BUSINESS

7.1 There was a brief discussion on a key issues to be discussed at a forthcoming meeting between the Chairman and Chief Executive and their equivalents in NI Water.

7.2 It was agreed that a meeting with the NIE board should be planned for March with the final details to be confirmed as soon as possible.

7.3 The board was also briefed on a potential judicial review and agreed that it should be defended.

There being no other business, the meeting concluded at 3.15 p.m.