

Natalie Dowey
The Utility Regulator
Queens House
14 Queen Street
Belfast
BT1 6ED

30th September 2019

Dear Natalie,

Re: SONI Governance, A Call for Evidence

I welcome the opportunity to respond to the above consultation in relation to vital role of SONI as Transmission System Operator in Northern Ireland.

I'm responding as a former SONI employee and as a concerned consumer. I spent a number of years working for SONI prior to the divestment of SONI by NIE. These years were some of the best years of my career with many opportunities afforded to me. SONI valued its employees and the expertise they brought to the industry. Employees were multi-skilled and encouraged to develop a wide range of knowledge and skills across the business. Staff were rewarded for their efforts and took pride in their work. Senior Management were respected for both their industry knowledge and their ability to provide interesting and challenging work.

Approximately 2-3 years following SONI's divestment, EirGrid developed a new Group integration strategy which effectively meant that SONI was absorbed into the EirGrid Group. EirGrid did this in a very subtle manner initially being branded as a matrix structure. This soon changed to full integration allowing EirGrid managers to fully manage SONI staff and resources. Some examples of how this impacted SONI are as follows

- Initially had a vision of one TSO on the island of Ireland, but following push-back from many sources SONI was rebranded similar to that of EirGrid in all but name.
- Abolition of the SONI Senior Management Team over time following retirements and resignations. All roles, with the exception of one, were replaced by EirGrid managers.
- Most EirGrid managers have limited knowledge of the Northern Ireland transmission system and have not taken the time to familiarise themselves with NI specific issues.
- Many of the managers appointed were more interested in building their own empire and ego than actually doing right by NI consumers and SONI staff.
- SONI Middle/Assistant managers were stripped of their ability to manage staff and control how work was delivered thus allowing EirGrid further control.
- Responsibilities removed included hiring new staff, conducting staff appraisals, delegating work thus removing control.
- SONI bonuses were cut and a new bell curve initiative was introduced which forced managers to have a certain number of staff in each category regardless of their performance.
- SONI staff no longer focused on NI work and are working on various projects that will ultimately benefit the ROI customer.

- Full integration of SONI and SEMO systems including servers and network infrastructure thus allowing EirGrid full control over the NI Transmission system including the Energy Management System.
- Full control of SONI finances with SONI Financial Controller stripped of key responsibilities such as control of expenditure and accounts.
- Procurement function was removed from SONI and centralised in Dublin with most tender awards now being awarded to ROI companies which in itself is creating much higher costs for NI consumers.
- Group Regulation took full control of all SONI Regulatory responsibilities to enable further manipulation of allowances and control of messaging.
- The SSS Tariff has increased significantly over the past few years with no additional benefit to NI consumers.
- NI consumers money wasted on useless and ineffective TV and radio adverts.

Current issues and future challenges:

- [REDACTED]
- [REDACTED] lack of fairness and disrespect with little or no transparency.
- EirGrid Senior Management can no longer be trusted to do right by NI consumers.
- SONI staff are demotivated and are no longer fully utilised for NI work.
- Staff retention is a real problem for SONI with highly talented and skilled staff now leaving the organisation.
- EirGrid has become a spin factory with messages carefully constructed and target audiences manipulated through misleading and inaccurate information including information provided the Utility Regulator as part of the Price Control process and other regulatory submissions.
- Travel costs are excessive with many SONI staff travelling to Dublin on a very regular basis at the cost of NI consumers. Costs include mileage, hotels, subsistence and overnight allowances.
- SONI finances are no longer properly managed with regulatory allowances largely ignored and costs recharged from EirGrid hand over fist.
- The SSS Tariff is at its highest level since inception and has increased significantly through recent years with no value added for NI consumers.
- The System Operator Agreement is no longer active in practice with roles and responsibilities no longer relevant.

I would urge the Utility Regulator to have a full audit carried out of SONI Finances especially in the area of how costs are cross-charged to SONI. Another key area of focus should be how EirGrid managers time and expenses are cross charged to the SONI business. I believe that ROI customers are effectively being subsidised by SONI through significant cross charging. In practice the current cross jurisdictional management does not work.

Option 5 – Majority of Independent Non-executive Directors

I believe that given EirGrid's long standing abuse of power that option 5 is the safest option and in the best interests of Northern Ireland consumers. SONI would be forced to be an

independent entity with limited control by EirGrid, similar to the arrangements in place by NIE and ESB.

I trust that the Utility Regulator will fully investigate the issues raised in this submission. It is evident from recent staff surveys that there needs to be significant changes. EirGrid's extravagant expenditure can no longer be sustained. Northern Ireland should be fully equipped to manage its own transmission system.

Yours Sincerely

A concerned consumer