

**MINUTES OF A MEETING OF THE NORTHERN IRELAND AUTHORITY FOR UTILITY REGULATION (THE 'BOARD') HELD ON THURSDAY, 11 FEBRUARY 2021 BY VIDEO CONFERENCE AT 9.30 A.M.**

**Present:**

Bill Emery (Chairman), John French (Chief Executive), Teresa Perchard, Alex Wiseman, Jon Carlton, David de Casseres, Claire Williams

**In attendance:**

SLT - Kevin Shiels, Donald Henry, Tanya Hedley, Colin Broomfield, Roisin McLaughlin, John Mills, Elaine Cassidy, Greg Irwin

Barbara Stevenson (agenda items 3 and 8), Sinead Dynan (agenda item 4), Ursula O'Kane (agenda item 5), Alan Craig (agenda item 6), Adele Boyle (agenda item 8), Roisin Kelly

**1. APOLOGIES FOR ABSENCE**

1.1 None.

**2. DECLARATIONS OF INTEREST**

2.1 There were no declaration of interests.

**3. SONI GOVERNANCE CONSULTATION**

3.1 Roisin McLaughlin introduced this item which provided an update on the SONI governance consultation. She provided an overview of the process to date, drew the Board's attention to recent developments and outlined the proposed next steps.

3.2 The focus of the Board's discussion was around the proposed options for SONI governance. Board members explored the articulation of, and the rationale for, each of the options proposed.

3.3 There was also some consideration of presentational aspects of the consultation document. Board members commented on the tone and messaging of the document. The impact of the publication was also discussed in the context of potential sensitivities. Board members also identified some drafting suggestions.

3.4 At the conclusion of the discussion the Board reflected on its extended consideration of the SONI Governance issue over several years. It was noted that some further drafting was required on the document and that a programme of stakeholder engagement on the governance review was necessary. The Board endorsed the options set out in the consultation paper and delegated to the chief executive the task of signing off the consultation paper once finalised

#### **4. REVIEW AND RESTART OF THE CONSUMER PROTECTION PROGRAMME**

- 4.1 Kevin Shiels introduced this item which related to the proposed review, engagement and delivery of the consumer protection programme (CPP). Sinead Dynan briefed the Board on key aspects of the proposed review.
- 4.2 Board members welcomed the review. There was a discussion on the CPP in the context of the external strategic agenda, particularly with regard to the Department for the Economy's energy strategy. The alignment of CPP delivery with our Corporate Strategy was also encouraged. A query about the proposed consultation was also addressed.
- 4.3 The Board endorsed the CPP review, the associated engagement and delivery as presented.

#### **5. UPDATE ON ENERGY STRATEGY**

- 5.1 Kevin Shiels and Ursula O'Kane provided a presentation, by way of update to the Board, on the Department for the Economy's (DfE's) energy strategy.
- 5.2 The Board recognised the challenges in developing and delivering on such a broadly based strategy. In this regard the cross-cutting nature of key energy themes was noted and the situation regarding structures for engaging across government was clarified.
- 5.3 The scope and content of the proposed energy strategy was also discussed. The importance of presentational aspects of energy strategy and making the key outcomes as accessible as possible was noted. Board members also sought further information on the proposed consultation.
- 5.4 Board members discussed our engagement with DfE on the development of the energy strategy. There was also a consideration of the resources available for the energy strategy. Consideration of our positioning, and potential changes to our vires, was also discussed.
- 5.5 The Board noted the update and endorsed continued engagement with DfE on the development of the energy strategy.

#### **6. NI WATER TARIFFS**

- 6.1 Alan Craig provided a presentation to the Board on a proposal in respect of NI Water's Scheme of Charges and the company's tariffs for 2021-22. His presentation covered the background and context, noting the delay in the publication of the PC21 price control determination in particular, NI Water's submission and our assessment of this submission.
- 6.2 Having considered the information provided in the presentation the Board endorsed the proposal for NI Water's tariffs for 2021-22 as presented.

## **7. NIRO PROGRESS UPDATE**

7.1 Donald Henry provided a further update to the Board on the progress of the investigation of the NIRO. The change of timing for the proposed NI Assembly's Public Accounts Committee hearing of the NIRO investigation was noted.

7.2 The Board noted the update.

## **8. CORPORATE COMMUNICATIONS STRATEGY**

8.1 Greg Irwin, Barbara Stevenson and Adele Boyle provided a presentation outlining the proposed Communications Strategy. The presentation covered the context, progress against the current strategy and proposed objectives for the new strategy.

8.2 Board members took the opportunity to comment on the proposed strategy. Discussion points included communications approaches to achieving influence, innovation in communications, improving online content, use of different communications channels and engagement and partnerships.

8.3 The Board welcomed the strategy and endorsed the overall approach.

## **9. BREXIT UPDATE**

9.1 Colin Broomfield provided a verbal update on Brexit. He outlined the ongoing work and apprised the Board of issues emerging in respect of REMIT registration for generators. Board members commented on the REMIT issue and also briefly discussed the arrangements for trading across interconnectors.

9.2 The Board noted the update.

## **10. SEM UPDATE**

10.1 Colin Broomfield also provided a verbal update on the Single Electricity Market (SEM). As well as noting the situation on wholesale market prices, he also brought the Board up-to-date on the SEM's T-4 capacity auction.

10.2 The Board noted the update.

## **11. MINUTES**

11.1 The minutes of board meeting on 17 December 2020 were agreed for publication.

## **12. ACTION POINTS**

12.1 The action points were reviewed by the board.

### **13. REPORT FROM THE EXECUTIVE TEAM**

- 13.1 John French introduced the Executive team report. He noted in particular the award of Silver Accreditation under the Investors in People scheme. The Board congratulated the team for achieving the enhanced IIP accreditation particularly in the context of remote working.
- 13.2 Directors then identified key highlights from their part of the organisation. Issues identified included: regulated gas tariffs review, the PC21 price control, SONI price control and NISEP.
- 13.3 Kevin Shiels briefed the Board on the gas tariff reviews. Board members explored the rationale for the quantum of the increase and the impact on consumer bills. The challenge of presenting such a tariff change was discussed.
- 13.4 Elaine Cassidy also provided an update on current litigation issues.
- 13.5 An overview was provided on the finance and performance report. The report was approved.
- 13.6 Alex Wiseman also provided a brief overview of the recent Audit Committee meeting, noting the Committee's consideration of internal audit reports in particular.
- 13.7 The Board also considered, and approved, the interim arrangements for SEM Committee procurement as presented.

### **14. ANY OTHER BUSINESS**

- 14.1 The Board conducted a meeting review focusing on the content of papers and the agenda timing. It was agreed that there was a good balance of papers and that board members would benefit from having all of the papers available at the same time.
- 14.2 Tanya Hedley briefed the Board on the intention to seek approval for a business case for engineering consultancy via correspondence.
- 14.3 Bill Emery sought expressions of interest from board members regarding the Board mentoring scheme facilitated by the Commissioner for Public Appointments.

There being no other business, the meeting concluded at 1.35 p.m.