

MINUTES OF A MEETING OF THE NORTHERN IRELAND AUTHORITY FOR UTILITY REGULATION (THE 'AUTHORITY') HELD ON WEDNESDAY, 10 JUNE 2015 IN QUEENS HOUSE, BELFAST AT 10.45 A.M.

Present:

Bill Emery, Richard Rodgers, Teresa Perchard, Jenny Pyper (Chief Executive)

In attendance:

SMT - Kevin Shiels, Brian McHugh, Tanya Hedley, Donald Henry, Jo Aston

Sarah Brady and Karen Shiels (agenda item 4), Natalie Dowey (agenda item 6).

1. APOLOGIES FOR ABSENCE

1.1 Bill Cargo, David Strahan

1.2 Bill Emery welcomed board members to this meeting to consider a small number of agenda items prior to a Board Advisory Forum meeting on the same day.

2. FIRE DRILL

2.1 The board members were informed of the evacuation procedures which apply at Queens House in the event of a fire.

3. DECLARATIONS OF INTEREST

3.1 None.

4. ENERGY EFFICIENCY DIRECTIVE

4.1 Sarah Brady introduced this paper which sought the Board's approval for licence modifications in respect of the Energy Efficiency directive and fuel switching arrangements. She briefed the Board on the background to the paper, drew the attention of the Board to its previous discussion on this issue, described key aspects and outlined comments received during consultation.

4.2 The Board enquired as to the assessment of the energy efficiency potential of the gas and electricity infrastructure, the licence modification process and the timing of the billing code of practice and the views of NIE in respect of the proposed Article 15 modifications.

4.3 With all queries addressed the Board approved the licence modifications in respect of the Energy Efficiency directive and fuel switching arrangements. Approval was also given for the executive team to make any further drafting changes that may be required, provided the changes are not major in policy terms.

5. GD17 BUSINESS CASE

- 5.1 Brian McHugh introduced this item which sought the Board's approval, as per the scheme of delegation, for a business case in respect of expenditure to be incurred on the GD17 price control.
- 5.2 Board members clarified the extent and nature of the support being provided and quality assurance arrangements.
- 5.3 The Board approved the business case and the associated level of expenditure for GD17.

6. POWER PROCUREMENT BUSINESS PRICE CONTROL

- 6.1 Jo Aston briefed the Board on the Power Procurement Business (PPB) price control. She provided background and drew the Board's attention to consultation comments.
- 6.2 The Board confirmed that the basis for the price control was the proposal from PPB to significantly reduce its operating costs. This offer provides significant benefits to consumers and, in this context, allows for a more high-level top down approach to the price control. It was agreed that this, along with the different scope and risks of the respective businesses, meant that comparisons between the SONI and PPB price controls are of limited relevance.
- 6.3 Comments received during the consultation on the draft PPB determination were also considered. The Board discussed the merits of several of the comments made. It was agreed that comments in respect of the operational independence of PPB should be considered further with a view to consulting on the matter.
- 6.4 Board members also made some drafting suggestions regarding more information on the approach to the price control determination.
- 6.5 The Board approved the PPB determination as presented and delegated authority to prepare the document for publication to Jo Aston.

There being no other business the board meeting concluded at 11.25 a.m.