



Draft Minutes

EirGrid plc Board Papers — March 2017

MINUTES

MEETING OF THE BOARD OF
DIRECTORS OF EIRGRID plc (No.192)

Place:

Boardroom, Boardroom, The Oval, 160
Shelbourne Road, Dublin 4

Date: 8th February 2017

Time: 08.30 a.m. – 1.00 p.m.

Present:

Mr John O'Connor (Chairperson)
Mr Fintan Slye
Dr Joan Smyth
Mr Richard Sterling
Mr Michael Hand
Mr Liam O'Halloran

Mr Shane Brennan (Observing)

Apologies:

In Attendance:

Mr Tom Finn, Company Secretary (entire meeting)
Rosemary Steen, item 4(a).
Padraig Slyne, item 4(a).
John Fitzgerald, items 4(a), 6.
Robin McCormick, item 4(b).
Aidan Skelly, items 4(b), 5, 7.
Michael Behan, items 5, 7.
Alan Thomson, item 4(c).
Liam Ryan, item 6.
Robbie Aherne, items 7, 10.
Rodney Doyle, items 8, 9.
Philip O'Donnell, item 8.
Noelle Ameijenda, item 8.

1. Declaration of Directors' Interests

None

2. (a) Approval of Minutes of Meeting 21st December 2016*

Decision: Approved

(b) Issues arising from Previous Board Meeting

- **Winter Package** – for March Board
- **GIPC Charter** – to be amended – for March Board

[CE]

[Co Sec]

Decision: Noted

3. Report of the REM Committee

The Chair of the REM Committee provided a verbal update of the meeting of the Committee of the 21st December 2016.

Decision: Noted

4. CE Report

The Board noted the CE Report which contained a summary of key issues arising since the previous Board meeting.

The CE also provided brief summary verbal reports on:

- **EirGrid Annual Customer Conference** - which took place in Dublin Castle on 26 January and included a workshop on Scenario Planning (consultation to be launched at end February). The CE noted that the final Grid Development Strategy was also published to coincide with the conference.

- **EWIC Outage** – following return to full operation, discussions with on the financial and other impact of the outage were commencing. The Connah's Quay Contract had been signed.
- **Celtic Interconnector** – a Steering Committee meeting is due to take place within the next few weeks.

a) Update on North / South Interconnector Project

John Fitzgerald, Rosemary Steen and Padraig Slyne attended.

An application for leave to bring a Judicial Review of the Bord Pleanála Decision was brought before the High Court on 06 February which has been adjourned by the Court for a week. This was noted by the Minister in his response to questions on North-South in the Dáil yesterday.

Decision: Noted

c) Review of Top / Trending Risks

Alan Thomson attended. The Board discussed the top trending risks

No new risks were noted.

Decision: Noted

5. Chairperson's Report to the Minister

Aidan Skelly and Michael Behan attended. The Board discussed the draft of the Chairperson's Report to the Minister which had been previously circulated.

Under "*Significant Post Balance Sheet Events*" the Report would note that following the return to service of the EWIC, contractual discussions with were ongoing.

Decision: Approved

6. Annual Group Health & Safety Report

John Fitzgerald and Liam Ryan attended and presented the Annual Group Health & Safety Report.

Two lost time accidents occurred on 26 July 2016 arising from a cooking oil spillage. An independent safety review was undertaken across all workplaces in November 2016. A response to this review is being implemented as part of the 2016/17 activities.

Liam Ryan, in response to a query, outlined the measures in place in circumstances where employees may be working on their own within EirGrid Group buildings.

All other HS&E objectives were achieved.

Decision: Noted

7. Review of Q1 Accounts and Business Plan

Aidan Skelly, Michael Behan and Robbie Aherne attended.

Aidan Skelly presented the Review of the Q1 Accounts

Decision: Noted

Robbie Aherne presented a review of progress in Q1 for the EirGrid 2016/17 Business Plan. Good progress had been made towards 2016/17 business plan objectives with key highlights being:

- Receiving Planning Approval from An Bord Pleanála for the North South Interconnector
- The return to service of the EWIC following the September fault outage
- The Go-Live of the DS3 System Services Interim Arrangements
- Increase of the SNSP operational limit to 60% on a trial basis

Areas where progress was not as planned were:

Decision: Noted

8. Generation Capacity Statement

Rodney Doyle, Philip O'Donnell and Noelle Ameijenda attended and presented the Generation Capacity Statement for 2016-2025.

Key highlights are:

- Demand Forecast is significantly influenced by expected growth in Data Centers, especially in Dublin
- If the North-South Interconnector is delayed beyond 2020 then Northern Ireland will have serious issues with security of supply.

Demand forecast is largely unchanged from last year's but Data Centers could potentially have significant impact. The GCS demand scenarios presented will be used for Capacity Market Auctions in 2017. The Capacity Auctions should ensure meeting the all-island adequacy standard of 8 hour Loss of Load (with little or no surplus beyond that).

The assumed de-commissioning by EirGrid of approximately 1GW of plant is a new factor this year in the Generation Capacity Statement and reflects the new Capacity Market which will only remunerate sufficient capacity to meet the defined adequacy standard.

The Board discussed potential issues arising from growth demand in Data centers, particularly in Dublin. The Board also discussed Adequacy Assessments both on an all-island basis and for Northern Ireland for scenarios with and without a second North-South Interconnector.

Decision: Noted

9. Brexit Update

Rodney Doyle presented an update on ongoing Brexit activities, including objectives of the EirGrid Brexit Working Group, the recent statement on Brexit of Prime Minister Theresa May and assessment and impacts on EirGrid of various possible scenarios. Ongoing Stakeholder Engagement was also presented.

Following discussion the Board acknowledged the large amount of work which had taken place on the project and agreed that there would be a quarterly review/update for the Board on Brexit.

Decision: Noted

10. Group Strategy Review

Robbie Ahearne attended and provided an overview of the Strategy Review Process and the timeline around the Board engagement with the process. A separate Staff engagement with the process with its own detailed plan is also being implemented. The primary component for the Board is the (July) Board-Executive Strategy Workshop, prior to which a Briefing Pack is produced.

Following discussion the Board agreed, having regard to the number of new Board members due to be appointed and in order to capture the experience and views of current Board members, that it would be beneficial to conduct a S.W.O.T analysis around the April Board Meeting (approximately one hour in duration) and to thereafter review the timeline for the Strategy Review Process with a view to commencing it towards autumn 2017.

Decision: Noted

11. Board and Committees**(a) Meetings Schedule**

Following discussion the Board agreed the following in relation to future Board/Board Committee meetings:

- Except as detailed below, there is no change to the current Schedule of dates and times for Board Meetings and Board Committee meeting dates.
- There will be no November meeting of the Remuneration Committee, that meeting will instead take place on the 19th December 2017 between 1:00 p.m. – 3:00 p.m.
- Staff Meet & Greet: to take place pre the Board meeting on the 20th December 2017.
- Board dinner: take place on the evening of the 20th December 2017.

The Board also discussed possible options for holding one Board meeting at an external location in the course of 2017. It was agreed that Fintan Slye would examine London as a possible location and revert to the Board for a further discussion.

Decision: Approved

(b) Committee Memberships

The Board considered the Charters and composition of all five Board Committees having regard to the current number of Board members available to be appointed to the membership of the respective Committees and to the current inconsistency regarding composition of the Committees between the respective Charters. Following discussion the Board agreed the following in relation to each respective Board Committee:

- Audit Committee:-
 - The Charter of the Audit Committee shall be amended to provide that the composition of the Committee shall be four non-executive Board members with three members required to form a quorum.
 - The Board appointed Michael Hand and Liam O'Halloran as members of the Committee, effective immediately.
- Grid Infrastructure Projects Committee:-
 - The Charter of the GIPC shall be amended to provide that the composition of the Committee shall be three non-executive Board members.
- Public Affairs Committee:-
 - The Board appointed Fintan Slye as a member of the Committee, effective immediately.
- Risk Committee:-
 - The Board appointed John O'Connor as a member of the Committee, effective immediately.

The Board agreed to review the membership composition of all Committees following the appointment of further new Board members.

Decision: Approved**12. Formal Correspondence to and / or from EirGrid plc**

The Board noted the receipt of the letter dated 21 December 2016 from the Department of Communications, Climate Action & Environment regarding the *2016 Revised Code of Practice for the Governance of State Bodies* and the derogation provided therein in relation to compliance with the Revised Code.

Decision: Noted

13. Any Other Business

(a) Items for Future Board Meetings

- GIPC Charter - March
- Brexit – next Quarter
- DS3 – later in calendar year
- Preparation for Strategy Day – S.W.O.T. analysis in April
- Cyber Security – arising from Risk Committee - TBC
- Winter Package – March

Decision: Noted

(b) Ratification of Sealed Documents

The Board approved the ratification of the affixing of the Company Seal to:

Decision: Approved

The next Board Meeting of EirGrid is scheduled to take place on Wednesday 15th March 2017 at 8.30am in the Oval, 160 Shelbourne Road, Dublin 4.

There being no further business the meeting closed.

John O'Connor
Chairperson

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