



## Approval of Minutes

### EirGrid plc Board Papers — May 2016

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#### **APPROVAL OF MINUTES**

MEETING OF THE BOARD OF  
DIRECTORS OF EIRGRID plc (No.184)

**Place:**  
Boardroom, The Oval, 160 Shelbourne  
Road, Dublin 4

**Date:** 20<sup>th</sup> April 2016

**Time:** 08.30 a.m. – 12. 30 p.m.

#### **Present:**

Mr John O'Connor (Chairperson)  
Mr Liam O'Halloran  
Mr Fintan Slye  
Dr Joan Smyth  
Mr Richard Sterling  
Ms Doireann Barry  
Ms Bride Rosney  
Dr Gary Healy  
Mr Gerry Walsh  
Mr Michael Hand

#### **Apologies:**

#### **In Attendance:**

Ms Niamh Cahill, Company Secretary  
Mr Aidan Skelly, items 6 and 10(a)  
Mr John Fitzgerald, items 4(a) and 7  
Mr Robbie Aherne, items 8, 9 and 10(b)  
Mr Robin McCormick, items 4(a) and 5  
Mr Alan Thomson, item 4(b)  
Mr Michael Behan, item 10(a)  
Mr Aidan Corcoran, item 10(a)

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**1. Declaration of Directors' Interests**

None

**2. (a) Approval of Minutes of Meeting 16<sup>th</sup> March 2016**

**Decision:** Approved

**(b) Issues arising from Previous Board Meeting**

**Decision:** Noted. Further it was agreed to ask the Remuneration Committee to consider gender balance in Management and to report back to the Board.

**3. Report of the Committees**

The Risk Committee met for the first time on the 14<sup>th</sup> April 2016. The Chairperson of the Risk Committee provided a verbal report and the Board noted the draft Minutes which were included with the April 2016 Board papers. The Chairperson advised that all Board members are welcome to attend the Risk Committee meeting where there will be a briefing by \_\_\_\_\_ and follow-on discussion on “setting the risk appetite” which will be brought back to the Board for further discussion and final decision.

**Decision:** Noted

**4. CE Report**

The Board discussed the CE Report which contained a summary of the key issues arising in the previous month.

The CE provided a verbal update on the following key issues:

- His recent trip with the IDA to the West Coast U.S.A. to meet with a number of key Customers and potential Customers. The Board noted the generally positive feedback and in particular that \_\_\_\_\_ representatives were highly complementary of the EirGrid staff in terms of their innovative approach to the design of their transmission substations;

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- Recent pay deals in the market; it was agreed that a further briefing would be provided to the Remuneration Committee at their May 2016 meeting.

### **(a) Update on North-South Interconnector Project**

David de Casseres and Robin McCormick gave the Board an update on the status of the North South Interconnector Project. The Oral Hearing is reported to be proceeding well.

The Board received an update on the status of the current litigation before the High Court which relates to proceedings taken by the North East Pylon Pressure Campaign against An Bord Pleanála (and the State as a Notice Party) who are seeking in essence an injunction to stop the Oral Hearing. The judgment is expected imminently. The Board discussed the various scenarios arising in terms of the impact on the Project depending on the outcome of Justice Humphrey's judgement.

Overall there has been a low level of media coverage of the Oral Hearing proceedings in Carrickmacross.

### **(b) Review of Top / Trending Risks**

The Board discussed the top and trending risks and gave HIAC feedback.

The continued political uncertainty in Ireland was also referred to but no particular risks affecting EirGrid were identified.

**Decision:** Noted

**5. DS3 System Services Capital Approval**

Robin McCormick gave the Board an update on the status of the DS3 System Services Project and the proposal to designate this Project as a Strategic Capital Approval Project with a budget of [REDACTED] which the Board discussed. Further the Board noted that the Project needs to be delivered in parallel with the I-SEM Project.

The high level of resourcing required for this Project was also discussed.

**Decision:** Approved

**7. Celtic Interconnector**

gave a presentation and answered questions on the presentation to the Board focusing on the socio-economic welfare impact of this Project and the modelling and assessment that they had conducted.

The Board had a comprehensive discussion on the socio-economic aspects of the Project from an Interconnector owner perspective. agreed to take on the feedback received from Board members on their final assessment of these issues. It was noted that it will be the June 2016 Board meeting before the matter is brought back again to the Board for approval to proceed to the next phase. At that stage, the funding arrangements, financial impact and the wider business case will be presented to the Board for consideration.

**Decision:** Noted

**8. Approval of updated Group Strategy**

The Board discussed and approved the updates to the current Group Strategy reflecting the inputs and discussions at the Board offsite Strategy Session held on 28 and 29 January 2016. Some minor suggestions of wording were provided to Robbie Aherne.

In the context of the revised strategy it was noted that we must ensure that there is appropriate capability within the Group to facilitate and enable constructive and trusted relationships with our Regulators.

**Decision:** Approved

## **9. Five Year Corporate Plan 2016 - 2020**

The Board discussed the Five Year Corporate Plan 2016 – 2020 which will be submitted to DCNER and NewERA.

**Decision:** Agreed subject to two minor wording changes provided to Robbie

## **10. (a) Review of Q2 Management Accounts (to end Mar 2016)**

The Board noted this Paper outlining the management accounts for Quarter 2.

Richard Sterling raised a query on the accounting treatment of the costs incurred on the North South Interconnector Project in relation to the first planning application in May 2010 and their recoverability. He also raised the importance of the timing of this recovery.

It was noted that based on the recent EirGrid TSO Price Control, all costs incurred are eligible for recovery under the standard processes for transmission project costs. EirGrid is separately liable for a penalty of €2.8m in relation to the withdrawal of the planning application. This will be discharged from future TUoS income.

Any follow up action that may be appropriate will be considered in due course.

**Decision:** Noted

## **(b) EirGrid 2015/16 Business Plan – Review of Progress Q2**

The Board discussed the Group Performance in Quarter 2 against the targets and objectives set out in the Business Plan.

**Decision:** Noted

### **11. Formal Correspondence to and/or from EirGrid plc**

The following correspondence was noted by the Board:-

- A letter to DCENR on 16<sup>th</sup> March 2016 regarding the appointment of external auditors
- An email from NewERA on 7<sup>th</sup> April 2016 regarding their Portfolio Report 2014 – 15.

**Decision:** Noted

### **12. Any Other Business**

#### **(a) 2017 Board meeting dates**

The Board agreed the 2017 Board and Committee meeting dates and noted that there would be no Board meeting in January but instead that the February Board meeting will be brought forward to the first week in February. The Board noted that the standard set of financial numbers would not be available at the February meeting on account of the meeting being held so early in the month.

**Decision:** Agreed

#### **(b) EWIC Import and Export Flows**

The Board noted the EWIC import and export flows for the period July 2013 – March 2016.

**Decision:** Noted

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**(c) Items for future Board meetings**

No items were suggested

**(d) Ratification of Sealed Documents**


The Board approved the ratification of the affixing of the Company Seal to an extension to this Option to Lease agreement.

**Decision:** Ratified

The CE advised the Board that the World Energy Conference is scheduled for the week commencing on the 9<sup>th</sup> October 2016. The Chairperson invited expressions of interest from Board members wishing to attend up to a maximum of two in addition to the CE who is attending in his capacity as a speaker at the Conference.

The next Board Meeting of EirGrid is scheduled to take place on Wednesday 18<sup>th</sup> May 2016 at 08.30am in the Boardroom of the Oval, 160 Shelbourne Road, Ballsbridge, Dublin 4.

There being no further business the meeting closed.

  
**John O'Connor**  
Chairperson