

**CHAIRMAN'S ADDRESS
ANNUAL GENERAL MEETING, December 2014**

My first duty is to remember our colleague and former Chairman Peter Church who passed away in October. Peter was a truly outstanding contributor to the work of ETCI over many years and is a great personal loss to members of the Board. Ar dheis Dé go raibh a anam.

I would also like to thank Tony O'Doherty who retired as a director of ETCI in September after over forty years involvement in ETCI. We will be making a presentation to Tony later.

The year 2014 has seen the continuing recovery in the Irish economy. The measures put in place over the last few years have stabilised the organisation and returned it to profit. ETCI has provided exemplary service to electrotechnical standardisation in Ireland since 1972 thanks to the selfless dedication of its many experts. Two people in particular spring to mind – Tony O'Doherty and Noel O'Riordan who have been involved since its inception. I can summarise the year as follows:

1. **Financial Strategy:** For the third year ETCI has shown a profit, of €138,500 for the financial year up to June 2014. My thanks are due to the many people that continue to make personal sacrifices to enable this turnaround. The outlook for 2015 is progressing satisfactorily.
2. **Developments with NSAI:** We continue to have good relations with NSAI which provides the secretariat to many of our TCs. We are grateful to NSAI for financial support in attending the IEC Annual General Meeting in Tokyo.
3. **Interaction with the Institutes of Technology:** We had previously intended to have our courses accredited with DIT but we have decided not to proceed under the proposed new regime. We are becoming an approved trainer with Engineers Ireland which will allow our training function to continue.
4. **Work of Technical Committees:** Our thanks are due to all who take part in the work of both our Technical Committees and our Task Forces. I would like to thank Dick O'Rourke and Dr Keith Sunderland for undertaking the roles of Chairman and Secretary of TC2. I would also like to thank the former Chairman and Secretary Jim Keogh and Alex Reilly for their sterling service to ETCI TC2 over many years.

On the High Voltage Rules I can report that the editing committee has completed its work. This is a very comprehensive document which reflects the enormous amount of work put in by the members of TC3. It is expected to be submitted to the printers early next year.

Developments with the CER:

In early June 2014 we were contacted by CER regarding a proposed consultation on the Regulation of Electrical Contractors with respect to Safety from 2016. We were alarmed at the questions that were to be asked regarding ETCI's role and impressed our concerns on CER. The consultation paper was duly published in mid June 2014. ETCI provided a comprehensive response as did a number of other stakeholders in the electrical industry and we hoped that our views would be taken into account.

The CER had reservations in relation to the current arrangements, whereby the ETCI receive revenue to fund their activities on a per certificate and per Wiring Rules basis. To address these issues, the CER proposed to change the financial funding arrangement to ensure that the ETCI receives a fixed amount of revenue annually to carry out its activities and to ensure statutory governance. CER proposed that the revenue would be provided through the NSAI. This funding forms the majority of ETCI income.

In the view of the ETCI Board of Management this proposed course of action would remove ETCI's independence and relevance. A possible result was that we would have to offer all ETCI technical committee activities to NSAI and to discontinue the present ETCI organisation.

In mid October, representatives of the Board met with CER to discuss the work of ETCI and in particular TC2. In that meeting, the CER expressed its ongoing appreciation of what ETCI does for the electrical sector but outlined issues in the form of governance and funding concerns.

The ETCI board of directors made it clear to CER that the proposed decision, if ratified, would leave the ETCI no alternative but to cease activities. Subsequently, I wrote to all TCs explaining the position for ETCI. We have had a number of discussions with CER and put forward many examples of how the proposals will negatively affect electrotechnical standardisation in Ireland but their position remains unchanged. From subsequent discussions with NSAI it also appears that they would have serious problems in providing funding that related to ETCI as a limited company and property owner.

The results of our survey to date were:

		Yes	No	No Opinion	Don't Know
Q1	Are you committed to the present functioning of ETCI?	48	1	6	
Q2	Do you intend to remain as a TC Member presently under the current structure?	50	4	1	
Q3	If ETCI transfers to a new system such as under the auspices of NSAI would you continue your support as a TC Member?	36	5		14
Q4	Do you support the Commission for Energy Regulation Draft Decision Paper?	6	17	32	
Q5	Does your organisation support you in the decisions made?	36	2	1	16

It was clear from the responses to the ETCI questionnaire and to the previous CER consultation document that the vast majority of stakeholders in the Irish electrical industry favoured the continuance of ETCI as an independent organisation. Unfortunately, CER has ignored the wishes of the industry and appears to be preparing to issue a decision in line with their proposals to date.

CER hope to publish the decision by mid-December to allow the formal tendering process for the new SSB licence to begin in January 2015. ETCI will have to face the fact that it can no longer stay in business under the terms proposed by CER. Therefore:

- ETCI will have to call an EGM to get Council approval to cease trading and proceed with an orderly wind-down of the company.
- ETCI will therefore have to formally undertake its responsibilities as a company and notify all the decision to cease trading.
- ETCI will have a duty to its staff, its creditors and to everyone who has had accruals attributed to them, including those from as far back as 2011 when commitments were given and noted on our audited accounts.

- It is the Board of Directors opinion that ETCl should then immediately cease all work on updating of Rules and Certification Systems, but pay for the work already undertaken. Any such work in the future would be the responsibility of NSAI (for Rules and standards activities) and CER (for certificates and Certification systems). It would be up to NSAI to set up a new National Electro-technical Committee (NEC) and CER to put in place a new Certification system.
- The 'new-era' NEC may well have many from the former TCs of ETCl willing to become involved in the NEC, but equally so, many may no longer provide their support.

It is with great sadness that I have to outline this course of action, however, the CER proposed decision will leave us with no choice. ETCl has provided the Irish electrotechnical industry with sterling service over forty years and in this fast changing world could be described as a venerable institution. The publications that have been produced have been recognized as world class and we have developed effective certification systems where others have failed. We hope that the systems that we have established and as required by the industry can be adequately maintained.

John McAuley, Chairman ETCl, December 2014