

PREDATES  
July 2009  
in Advance of  
Crucial Meeting 17/7/09

EARLIER  
TERMS OF REFERENCE

SECTION 1: INVITATION

The Department of Communications, Energy & Natural Resources (hereinafter referred to as 'the Department') invites tenders from suitably qualified parties to advise on the range of issues concerning Ireland's electricity transmission network in the context of the Government's intention to transfer the ownership of the transmission assets from ESB to the independent transmission system operator, EirGrid (hereinafter referred to as 'The Transaction').

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SECTION 2: TERMS OF REFERENCE

The advice shall be in the form of a succinct report to the Minister for Communications, Energy & Natural Resources consisting of an analysis of issues relevant to the transaction including:

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- Transactional, including taxation issues and an identification of the optimal means of effecting the transfer having regard to the interests of the Transaction parties;
- Legal, including assessments of the legislative requirements of the Transaction, necessary contract provisions and undertakings in connection with the structure; competition, regulatory, and EU aspects including the implications of 3<sup>rd</sup> Internal Energy Market package; corporate governance issues, including shareholder and minority shareholder issues; and HR/TUPE (Transfer of Undertakings - Protection of Employees) aspects of the Transaction; and
- Financial, including corporate finance issues, options for structures to effect the Transaction and provision of a financial model describing the Transaction.

The analysis should identify the costs and benefits of implementing the Transaction (taking account of the impact on the electricity market, the energy sector and energy users, once-off costs and ongoing financing costs).

The analysis shall also take account of position papers submitted by identified stakeholders (see Section 3) as part of the process. Contributions may also be invited from other stakeholders to inform the process.