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Nicola Sweeney Utility Regulator Queens House 14 Queen Street Belfast BT1 6ED

7 Jun 11

Dear Nicola

NIEES Price Control 2011 – 2013 consultation

The Energy Saving Trust is pleased to respond to the NIAUR consultation on the review of the NIE Energy's Supply Price Control 2011-13. Our response will concentrate on areas of the Energy Saving Trusts expertise and we do not attempt to answer questions beyond this area of expertise.

The Energy Saving Trust has offices in each of the countries in the UK, and has had a dedicated office in Northern Ireland since 1996. We are the UK's leading organisation working towards the sustainable and efficient use of energy by households and communities. We operate a number of programmes (modified for local conditions) which play a key role in delivering the UK (and Northern Ireland's) climate change objectives. This includes the NI Energy Saving Trust advice centre, which provides a 'One-Stop-Shop' to provide advice and support on reducing energy consumption and fuel bills for householders in NI through energy efficiency advice and measures including microgen for householders in NI. In addition, the Energy Saving Trust plays a key role in the operation of the Northern Ireland Sustainable Energy Programme scheme, having developed the framework for its operation and have continued to evaluate scheme submissions aimed at reducing energy consumption through funds generated via a customer levy on electricity.

The key point we would like draw attention to is

Page 3 (5th para) which makes reference to the change in the form of NIEES' price control, from one which has an element based on customer numbers to a format which is based on turnover.

The Energy Saving Trust, as one of the UK's leading climate change organisations wishes to express concern at the revision as highlighted above – and would not support the proposal to introduce a new form of price control which means that NIE Energy will be more profitable if it sells more units of electricity. This would be a significant switch from the current thinking on climate change policy and reducing energy consumption. The current price control is held up by many as a model of how to align energy supply regulation and climate change policy by incentivising reductions in energy consumption.

If you wish to discuss this further, please do not hesitate to contact me on 028 9072 6006

Yours sincerely

Patrick Thompson

Operations Manager, Northern Ireland