



8th March 2011

Mr Billy Walker and Kevin O'Neill,
Electricity Directorate,
Queens House,
14 Queen Street,
Belfast,
BT1 6ED.

Via email

Re: SONI Price Control 2010-2015

Dear Billy, Kevin,

Endesa Ireland welcomes the opportunity to respond to the consultation paper on the SONI Price Control 2010-2015. Endesa Ireland considers that the RAs should work towards harmonising the price controls for SONI and EirGrid and makes the following points.

- We consider that the terms of price controls governing EirGrid and SONI should run concurrently as the System Operators north and south work together to manage the transmission system for the joint market. Having different terms may have an impact on the management of an all island transmission system.
- Insofar as the price controls concern system availability and constraints, Endesa Ireland considers SOs and AO price controls to be a SEM matter, as they have a significant impact on electricity customers north and south.
- As regards incentive payments, Endesa Ireland believes that the SOs and the AOs should be incentivised to reduce constraint costs. Endesa Ireland feels that this is the most effective, transparent and flexible means of incentivising the timely and efficient delivery of projects and network improvements.
- As the parent companies of the TOs and the AOs are the same north and south, Endesa Ireland would recommend that a single incentive scheme is designed for implementation in both jurisdictions, ensuring consistent quality of supply and service for the all island customer.

Please don't hesitate to contact me should you wish to discuss any aspects of this response.

Regards,

A handwritten signature in blue ink that reads 'Deirdre Powers'.

Deirdre Powers
Director, Energy Management