



Energia Energy Supply Ltd
(Trading as "Energia")

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Belfast BT9 5NF

16th June 2006

Mr. Ian Davidson
Gas Section
Northern Ireland Authority for Energy Regulation
Queens House, 14 Queen Street,
Belfast BT1 6ER.

Ref: OFREG Consultation on "Proposed Licence Modifications – Postalisation".

Dear Ian,

Please be advised that Energia are of the view that Five Year FRR Submission is too short, and should be extended to a minimum of 7-8 years. This view is due to two major issues. Firstly the Exit Reform in GB is expected to occur in 2007, whereby from this date capacity bookings in the UK NTS will take place from April 2007 for seven (7) years ahead on a firm basis only. Secondly as part of the move towards a Single Gas Market between ROI and NI, and with a view of ensuring security of supply for both NI and ROI, the expected Joint Capacity Statement for both ROI and NI is due to start in 2007. Currently the CER in the ROI for their Gas Capacity Statement for the ROI work on an eight (8) year ahead forecast (the current gas year plus the 7 future years). Hence Energia would urge Ofreg to consider these aspects so as not to make a change to the licences in 2006 to introduce a five (5) years FRR and only have to make a further change to a longer period in 2007.

Yours sincerely,

Derek Russell

Derek Russell
Commercial Development Manager,
Energia