

**By Email**

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**Consultation on the Utility Regulator's Draft Forward Work Programme 2016/2017**

**Mutual Energy Limited Response**

Mutual Energy Limited (MEL) welcomes the opportunity to provide comments on the Utility Regulator's Draft Forward Work Programme for 2016/2017. Our response is non-confidential.

MEL support the publication of the Utility Regulator's corporate strategy, along with key objectives, challenges, and external developments which all provide the context for the Business Plan activities and use of resources proposed for 2016/2017.

Our responses to the three consultation questions are set out below.

**1) Has the Utility Regulator identified the right projects?**

MEL recognise the public expenditure constraints to which the Utility Regulator is exposed and the subsequent need to prioritise 'flagship' projects which meet legal or regulatory requirements and we support the projects set out in the Draft Forward Work Programme 2016/2017 as an appropriate use of resources for the year ahead.

MEL particularly supports those initiatives for 2016/2017 identified in the Draft Forward Work Programme which relate to the energy networks and system operation as areas requiring continued development and implementation.

Strategic Objective 3: Protecting the long-term interests of business and domestic consumers.  
Ref. 5.

MEL supports the Utility Regulators intention to deliver a new consumer-facing website as a necessary step to improving transparent and open access to information for all stakeholders in the regulated sector.

**2) Any objections to UREGNI proposed projects?**

MEL do not have any specific objections to the proposed projects outlined in the Draft Forward Work Programme 2016/2107.

**3) Any other comments.**

Electricity Network Access

MEL wish to emphasise the priority in the European context to maximise use of interconnection between markets for the benefit of consumers. We note that exports from (I-



)SEM over the Moyle Interconnector will be limited to 80 MW from autumn 2017 due to a network constraint in Scotland. While MEL is currently working with National Grid to address this issue, we expect the Utility Regulator to take a keen interest in the availability of export capacity, which can be used by Northern Ireland generators to achieve revenues from the GB market and therefore reduce their costs to NI consumers.

#### Gas Security of Supply and Gas Storage

The benefits to gas security of supply for the island of Ireland through the proposed development of a gas storage facility at Islandmagee have recently secured recognition at EU level through the inclusion of the project in the 2<sup>nd</sup> list of Projects of Common Interest (PCI) in November 2015 and by the recommendation for European Commission (EC) grant funding under the Connecting Europe Facility (CEF) in February 2016. In addition, the Utility Regulator along with the Commission for Energy Regulation (CER) have recently acknowledged their commitment to the facilitation of cross border use of storage.

In light of these developments MEL are concerned that there is no reference in the Forward Work Programme 2016/2017 to the work involved in resolving the regulatory barriers that exist to cross border use of gas storage and we would welcome acknowledgement of the Utility Regulator's continued commitment to this work.

We trust that you will find our comments useful and we look forward to the publication of the finalised Work Programme for 2016/2017.

**Mutual Energy Limited**