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Elena Ardines
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Elena Ardines

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Dear Elena

CORPORATE STRATEGY 2009 – 2014

NIE participated in the June workshop on the mid-term review of the Utility Regulator's Corporate Strategy 2009-2014 and welcomes the opportunity to make a written response to the Discussion Paper.

Renewables integration

We suggest the Corporate Strategy should be more explicit regarding the Utility Regulator's responsibilities in relation to supporting the delivery of DETI's target of 40% of electricity consumption from renewable sources by 2020.

We understand that the Utility Regulator is intending to carry out its own cost benefit analysis in relation to DETI's target. We suggest the Corporate Strategy should set out the timetable for completing this analysis and whether the Utility Regulator intends to consult on the process.

Network resilience

We agree the Corporate Strategy should take into account the lessons to be learned from recent extreme weather events. Two such events which affected NIE involved ice accretion on parts of the 11kV overhead line network. Around 75% of the network was built of light construction during the rural electrification programme in the 1950s and 1960s and is susceptible to damage when ice gathers on conductors. Depending on the extent of ice accretion there is a risk of widespread and prolonged interruptions of supplies to customers. We are currently in discussions with the Utility Regulator on measures to mitigate this risk.



Financing

We suggest the Corporate Strategy should give increased prominence to the increased financial risk faced by market participants. Northern Ireland is a small economy and a stable and predictable regulatory regime consistent with GB precedent is essential to maintaining investor confidence.

NIE would be pleased to discuss any of these points with the Utility Regulator if that would be helpful.

Yours sincerely

A handwritten signature in black ink that reads "Ashley Boggs". The signature is written in a cursive, slightly slanted style.

ASHLEY BOGGS
Head of Regulatory Affairs