

Power NI Woodchester House 50 Newforge Lane Belfast BT9 5NW

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Alison Farr The Utility Regulator Queens House 14 Queen Street Belfast BT1 6ED

5 May 2015

Dear Alison,

## Re: The Utility Regulator's paper 'Northern Ireland Sustainable Energy Programme – Consultation on extension to programme and reallocation of costs between customer groups'

Thank you for the opportunity to respond to the Northern Ireland Sustainable Energy Programme (NISEP) consultation.

As outlined in previous consultation responses, Power NI has concerns that NISEP has become extremely fragmented with multiple schemes offering the same measures to potentially the same customers. This creates both customer confusion and difficulty for programme administrators to maintain the integrity of the scheme.

However, we do recognise that ending the NISEP creates a gap in supporting NI's contribution to the national targets set out in the Energy Efficiency Directive. Therefore, we acknowledge the potential necessity to continue for one further year.

It is our view that it will also be timely to review the energy efficiency obligation included within Power NI's price control. With increased retail competition in the electricity supply market, it would seem appropriate that any Energy Efficiency programme from the 1 April 2017, particularly one that represents an obligation, should be applied without discrimination across all suppliers in a fair and appropriate manner.

Power NI notes UR's proposal to change the allocation of the NISEP costs going forward, for however long the arrangement runs. It would be helpful to understand the detail of such an allocation i.e. an indicative p/kWh across the full range of PSO/UoS tariff categories.

Yours sincerely

Will Pale

William Steele Power NI