RESPONSE FROM Premier Transmission

From: Bill Cargo [mailto:bill.cargo@mutual-energy.com]

Sent: 05 January 2010 13:41

To: Ardines, Elena

Cc: Paddy Larkin; Gerard McIlroy; Stephen Hemphill; Andrew Hindle

Subject: FW: Forward Work Plan 2010- 2011

Elena,

Further to my comments below, I would make the following comments on the forward work programme for Gas.

- 1. Mutualisation has proven very beneficial to gas consumers over the last five years, and in recognition of this Ureg committed to considering the "roll out" of mutualisation, this does not appear in this forward plan. We believe development of the gas industry in NI will be greatly enhanced by getting the cost of capital / transportation down, mutualisation offers a unique opportunity to do this and should be integral to Ureg approach.
- 2. A common approach by all gas companies to increasing the utilisation of gas, is essential to the industry development, Ureg needs to take a lead on this. And include it in its work programme.
- 3. Gas storage will improve security of supply and stabilise prices, Ureg should support this initiative and carry our out detailed cost benefit analysis, to facility the early introduction of tariff, and obligations on suppliers to facilitate development.
- 4. CAG should be pursued, as a way of increasing competition in gas markets and allowing the free transport of gas across the island of Ireland. I should lead to the reduction of gas transportation tariffs to NI.
- 5. Unbundling of gas utilities should be a stated aim of Ureg and pursued through the period.

Regards

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