

Northern Ireland Electricity Transmission and Distribution Price Controls 2012-2017

Manufacturing Northern Ireland welcomes the opportunity to respond to this consultation. Manufacturing NI represents the interest of almost 500 manufacturers in Northern Ireland. As energy typically represents the third largest cost faced by manufacturers, our members have been very concerned in recent years about the high level of energy costs faced by Northern Ireland companies when compared with other manufacturers on the island of Ireland, Great Britain and elsewhere in Europe. Of particular concern is the contribution of a variety of pass-through charges to those costs.

Manufacturing Northern Ireland has examined the draft determination for the fifth price control for Northern Ireland Electricity Ltd. Although we have little expertise in the energy sector at the level which the report encompasses, we have examined the Utility Regulators proposals in detail. We have also been briefed by Northern Ireland Electricity about their position in relation to the proposals.

We consider that the Utility Regulators proposals fully reflect the need to minimise the cost of energy to all users in Northern Ireland, and consequently we support the Utility Regulators decisions in this determination including the "minded to" elements.

We do however have some concerns about security of supply. These centre around the durability of the existing network, particularly in relation to the lifespan of key physical elements of the network. We understand from NIE that no engineering examination of the existing network has been carried in this regard. We would urge the Regulator to ensure that the proposals in relation to the reduced RP5 capex are sufficient to provide for essential replacement of key assets, ensuring uninterrupted supply over the next five years and beyond.



Bryan Gray,
Chief Executive