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Elena Ardines Utility Regulator Queens House 14 Queen Street Belfast BT1 6ED

20 January 2012

Dear Elena

Consultation on Draft Forward Work Programme (FWP) 2012-13

NIE welcomes the opportunity to respond to the Utility Regulator's (UR) consultation paper. We have the following comments:

Sustainability and Security of Supply

This section should refer to the UR's responsibility, in relation to supporting the delivery of DETI's renewables target (40% of electricity consumption from renewable sources by 2020), to ensure that adequate investment is made in the T&D network.

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

The FWP should include as a separate item the task of reaching a decision on the mitigation of the risk of widespread and prolonged disruption to electricity supplies due to ice accretion on the overhead line network.



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Competition

Under Outcome 2, the FWP states that the UR will "implement enduring solution on Use of System Charging". We would request clarification of this task in terms of the objectives, process and timetable.

Harmonising Energy Markets

In this section, it is stated that the UR will "review the options regarding the unbundling of energy assets in respect of IME3 legislation (Electricity)". We assume this relates to the UR's role (through the SEM Committee) in assessing NIE's forthcoming application for certification under Article 9(9) of the IME3 Directive. We would request that the reference in the draft FWP be amended accordingly.

Yours sincerely

Gandon Dunlop

Gordon Dunlop Regulation Officer

L 120120 - Response to 2012-13 FWP