

18th July 2012

Stephen Miller
Utility Regulator
Queens House
14 Queen Street
Belfast
BT1 6ED

Dear Stephen

Re: Modification proposed to Airtricity Energy Supply (NI) Limited Gas Supply licence

Thank you for providing firmus energy with this opportunity to respond to the above.

Airtricity currently hold the above licence in order to compete within the Greater Belfast gas market. We understand, under the terms of this licence, the Licensee is not price regulated.

This modification would exclude the Licensee from supplying gas in Greater Belfast to customers whose consumption is below 732,500 kWh in any 12 month period under the terms of the above licence.

We recognise that Airtricity Gas Supply (NI) Ltd, (formerly PSL) will be deemed the incumbent supplier in Greater Belfast and therefore subject to a regulated tariff - for customers using less than 732,500 kWh in any 12 month period. The licensee will be price regulated and subject to price control within the Greater Belfast gas market.

We consider this to be is an interim approach and believe that rather than modifying an existing, potentially redundant licence, a much simpler approach would have been for the Airtricity Energy Supply (NI) Ltd licence to have been relinquished to the Utility Regulator.

We would ask for this to be considered further as an alternative approach that should help to avoid both customer and competitor confusion given that under the current arrangement one market would be served by potentially two licences, held by the same owner.

I trust you find these comments helpful.

Feel free to contact me, should you wish to discuss further.

Yours sincerely

Michael

Michael Scott
General Manager