

Ronan McKeown
Utility Regulator
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31 October 2014

Dear Ronan

CONTESTABILITY IN CONNECTIONS

NIE welcomes the opportunity to respond to the UR's call for evidence regarding contestability in connections.

NIE is currently the sole provider of all activities associated with connection to the distribution network, and of construction services for connection to the transmission network. NIE would expect that the introduction of contestability will open up certain segments of these markets. However NIE would also expect that, even after contestability is fully introduced, NIE will continue to be the sole provider of a number of key inputs needed to make a connection. And these inputs will be needed both for NIE's own connection business, and for any independent providers that enter the market i.e. our potential competitors.

For these reasons, NIE recognises the important role that we will play and in making contestability a reality, and we welcome the opportunity to engage with the UR at this early stage. NIE wishes to assure the UR that we are fully supportive of the move to introduce contestability, and we will do everything is that is required of us by the UR. As a first step, we have completed the attached spreadsheet questionnaire, which was included in the UR's call for evidence.

The UR will already be aware of NIE's general thoughts on the approach to delivering contestability. Namely – to keep it simple and to adopt a common sense approach; to not reinvent the wheel, and instead to learn from the experiences in GB and the RoI; and to plan the transition carefully, and to set a realistic timetable for implementation. It will be helpful to keep principles such a these in mind when developing a more detailed plan for contestability.



We look forward to working constructively with you in the coming months.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'RWasson', is positioned below the text 'Yours sincerely'.

Robert Wasson
Asset Management Director

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L141031 Contestability in connections – NIE