



**Institute of Directors
Riddel Hall
185 Stranmillis Road
Belfast
BT9 5EE**

26th April 2018

Dear Jenny,

Re. Utility Regulator Consultation on proposed Licence Modifications to effect the CMA Cost order and an amendment to the K Term.

Thank you for the opportunity to respond to your recent consultation on licence modifications for SONI Ltd.

SONI plays an important role in the economy of Northern Ireland. Through the provision of a secure electricity supply, SONI is responsible for ensuring that the lights stay on for homes and businesses across the region. However, consistently delivering this can be more challenging than appreciated.

To provide context to our response, I note that the decision of the CMA which was published in November 2017 found that, on balance, SONI was successful in its appeal of its price control. Given the criticality of the service which SONI provides to consumers in Northern Ireland, it is essential that SONI is able to finance its functions. It is therefore important that the reasonable costs of the appeal to the CMA are recoverable.

It is unfortunate that consumers must bear costs associated with such appeals and also regrettable that such a number of appeals have been brought against the UR to the CMA in recent years. In the interest of maintaining an environment of best practice regulation and reducing the level of regulatory risk which organisations like SONI have to bear, the IOD is of the view that the UR should review the position outlined in its consultation regarding SONI's recovery of costs for the price control appeal.

I hope you find our comments useful.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Kirsty McManus', written in a cursive style.

Kirsty McManus
IoD NI National Director

**Institute of
Directors**
Northern Ireland