



Martin Cave
Competition Commission
Victoria House
Southampton Row
London
WC1B 4AD

By email to: nie@cc.gsi.gov.uk

31 May 2013

Northern Ireland Electricity price determination

Dear Martin

I refer to the above and welcome this opportunity to respond on behalf of Energia to endorse the Northern Ireland Renewable Industry Group (NIRIG) submission to the Competition Commission (CC) on 31 May 2013.

Energia is part of the Viridian Group and is the largest independent energy provider on the island of Ireland. Energia has invested over €1.2 billion in generation assets since 1999, and we continue to invest up to €20m annually. Our portfolio includes two modern gas fired generating stations in Dublin and onshore wind farms all over Ireland and Northern Ireland. Our commitments to the renewable sector will reach €1 billion over the next decade. And we are a major supplier of gas and electricity to Irish and Northern Irish businesses, providing competitive supply to over 27% of the all-island business market.

Energia is an active member of NIRIG and fully supports its recent submission to the CC, referred to above, which has a particular focus on the need for network investment and innovation to facilitate the Northern Ireland Strategic Energy Framework targets of 40% electricity consumption from renewable sources by 2020. The NIRIG submission also refers to the considered transposition of Article 16(1) of the RES Directive (Directive 2009/28/EC) into local law that is relevant to the CC inquiry. In particular it references the concern that without transposition there is insufficient confidence that the relevant authorities *will "take the appropriate steps to develop transmission and distribution grid infrastructure etc. in order to allow the secure operation of the electricity system as it accommodates the further development of electricity from RE sources"*. We share that concern that there needs to be sufficient regulatory and price control stability to promote sustained development of the necessary grid infrastructure for the achievement of the renewable targets.

NIRIG intends to make a further submission to the CC inquiry in early July and Energia will contribute accordingly. We would also support NIRIG's request to present to the Competition Commission on the NIE 5th Price Control.

We look forward to further engagement on this important issue.

Yours sincerely

Kevin Hannafin
Regulation Manager