



Seagate Technology (Ireland)
1 Disc Drive
Springtown Industrial Estate
Londonderry
Northern Ireland BT48 0BF

(44) 028 7127 4000 tel
(44) 028 7127 4202 fax

Mr Paul Jackson
Inquiry Manager
NIE Price Determination
Competition Commission
Victoria House
Southampton Row
LONDON
WC1B 4AD

5 June 2013

Dear Mr Jackson

NIE T&D PRICE DETERMINATION

Thank you for the opportunity to respond to the above consultation on NIE Price Determination.

Seagate Technology(Ireland) manufactures magnetoresistive read-write heads for hard disc drives in a large facility in Northern Ireland. Our plant employs more than 1300 skilled people in a highly complex, technologically advanced, capital intensive manufacturing process.

Cost of production continues to be negatively impacted by ever-increasing electrical charges, be they government taxation, increased gas prices, distribution charges, legacy generation costs, and/or other miscellaneous costs. Our electrical load is substantial and is shared between process and plant services equipment. Despite rigorous on site energy management programs, process and plant services needs force that upwards.

It was interesting to learn recently that a recent European price investigation by the NI Regulator established that electricity prices here are already some of the highest in Europe for large customers. In our opinion it is very important that additional costs to customers are constrained as much as possible if business like ours are to succeed in Northern Ireland.

In my opinion the proposed increases by NIE T&D are excessive and this is backed up the NI regulator's findings. There is obviously a requirement for investment in the transmission system but this must be tempered by reality and good sense. We here in Seagate support the regulator's proposals and feel that the NIE should be willing to come to a solution which considers more seriously the option proposed by the regulator.

I hope that this submission is of interest and wish you success with your deliberation.

Yours sincerely

J Mark Moroney, C. Eng
Senior Facilities Director