



Commission for Energy Regulation

An Coimisiún um Rialáil Fuinnimh

PRESS RELEASE

CER welcomes Government White Paper on Energy

Tuesday 13 March 2007

The Commission for Energy Regulation (CER) has welcomed the Government's White Paper on Energy, "Delivering a Sustainable Energy Future for Ireland." The White Paper provides a detailed and focused policy direction for the development of the Energy Sector in Ireland in the period between now and 2020. The CER will play its part to ensure that the targets and actions set out in the White paper are achieved.

The Commission provided a full input during the consultation period on this energy policy and is pleased that many of the recommendations which it made in its submission have been included in the White Paper.

In particular, the CER welcomes the following initiatives and actions:

- The establishment of EirGrid as the National Transmission Grid Company by end of 2008, involving the transfer of transmission assets to EirGrid. It is the CER's position that this action will increase transparency and will lead to increased efficiency over time.
- Reduction in the rate of return on ESB's distribution assets. It is clear that this measure will reduce the level of network tariffs and thereby contribute to a reduction in electricity prices.

These measures will also assist in the promotion of competition. This will take place in conjunction with the establishment of the Single Electricity Market (SEM) for the island of Ireland from 1 November 2007. The Commission is also satisfied that the CER-ESB Asset Strategy Agreement to reduce ESB's market share in the generation sector to 40% by 2010 has been identified by the Government as a sensible and pragmatic approach to delivering competitive benefits to the Irish electricity sector.

The CER also supports the ambitious targets for renewable energy (33% of electricity consumption from renewable energy sources by 2020) which have been set out in the White Paper.

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