



15th April 2008

Elizabeth Farrelly
Commission for Energy Regulation
The Exchange
Belgard Square North
Tallaght
Dublin 24

Re. ESBCS Tariff Proposals for 2008 & 2009 (CER/08/046)

Dear Elizabeth,

EirGrid would like to thank you for the opportunity to comment on the consultation paper entitled ESBCS Tariff Proposals for 2008 & 2009 (CER/08/046).

EirGrid is generally supportive of the concept of introduction and expansions of tariffs which more accurately reflect the real costs of consumption.

1. LVMD and LV LLF customer with Quarter Hourly Metering

EirGrid believes an appropriate tariff structure which may enable enhancements in security of supply, by reducing or flattening the system peak, without a significant social impact, would certainly be desirable. In the rationale section of the proposal ESBCS advised that the STOD tariff proved popular with Large Energy Users (LEU) customers, however it is unclear as to the level of reduction the introduction of STOD had on peak demand. EirGrid would welcome this analysis being provided.

2. General Purpose Tariff (24 hour & Nightsaver)

EirGrid would be supportive of modifications which will increase the participation in Nightsaver, as it assists in managing the system demand. The removal of the 2-block structure that applies to the day energy rates appears reasonable; however it is not obvious from the proposal how a single block structure will encourage efficient energy behaviour. EirGrid would welcome further information on this element of the proposal, Further information would include customer behaviour, tariff differential between day and night, likely uptake and barriers to participation, etc.

3. PPPT & LEU's

EirGrid is supportive of customers experiencing pool prices as long as there is some elasticity in their consumption which allows for reduced consumption at times of high price. EirGrid has no firm view on whether Group PPPT should continue, however it

may be premature to make a decisions in this area as it appears the analysis is based on less than one month's data. Furthermore, EirGrid would like to see further detail in this section on the peak shaving achieved and customer responsiveness to price.

4. “Metered Public Lighting” Tariff

Without having conducted detailed analysis EirGrid believes this appears reasonable.

5. Nightsaver Tariff

EirGrid is supportive of this review but would suggest that this forms part of a broader review. This broader review should also investigate the barriers to entry, the impact of the likely changes on customer behaviour etc.

6. Green/Renewable Tariff

Without having conducted detailed analysis EirGrid believes this appears reasonable.

7. Status of MV & 38 kV connected customers on the GP Tariff

Without having conducted detailed analysis EirGrid believes this appears reasonable.

We are, of course, happy to discuss this response with you.

Yours sincerely

**Rodney Doyle,
Manager, Ancillary Services
EirGrid**