



Commission for Energy Regulation

An Coimisiún um Rialáil Fuinnimh

**Decision on ESB PES  
(Public Electricity Supplier) Tariffs and  
Use of System Charges for the period  
1<sup>st</sup> May 2009 to 30<sup>th</sup> September 2009**

**CHEQUE PAYMENT MECHANISM FOR LEU CUSTOMERS**

**Information Note**

**CER/09/086**

**2<sup>nd</sup> June 2009**

# 1 Introduction

On the 9<sup>th</sup> of April the Commission for Energy Regulation published a paper on ESB PES (Public Electricity Supplier) Tariffs and Use of System Charges for the period 1<sup>st</sup> May 2009 to 30<sup>th</sup> September<sup>1</sup>. The Commission's decision set out an average decrease of 10.3% in the average final bill for domestic customers and Small and Medium sized Enterprises (SME's) through the re-profiling of Distribution Use of System (DUoS) charges. The paper also stated that Large Energy Users (LEUs) would also receive a reduction, but this will be distributed through a separate cheque payment mechanism.

The Decision Paper stated that monies paid out to LEU customers through this new mechanism are estimated to total €16-17m and this will be recouped in the 2009/10 tariff period. The payments will be based on consumption levels and calculated using the rates set out in the Commissions' decision paper CER/09/053.

The payment mechanism is to be administered and the cheques issued by ESB Networks Ltd and section 2 of this information note sets out the detail of how the cheque payment mechanism for LEU customers will be implemented.

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<sup>1</sup>ESB PES (Public Electricity Supplier) Tariffs and Use of System Charges for the period 1st May 2009 to 30th September [CER/09/053](#)

## 2 Cheque Payments to LEU Customers

The Commission's *Decision on ESB PES Tariffs and use of System Charges for the period 1<sup>st</sup> May 2009 to 30<sup>th</sup> September 2009* required the delivery of short term reduction in electricity costs through re-profiling of network charges.

Distribution Use of System (DUoS) charge rates for DG 1-6 customer groups were reduced and passed on to Supply companies who in turn pass on the lower charges to customers through their billing from 1<sup>st</sup> May 2009.

For DG 7-10 and Transmission-connected customers, network tariffs remain unchanged until end September 2009. This note explains the high level process that will be followed by ESB Networks Ltd for making cheque payments directly to these LEU customers in order to give the same effect as Re-Profiling of Network Charges for the period May to September 2009.

***For all LEU customers on DG groups 7-10 and for Transmission Connected customers the following process will apply.***

### 2.1 Rebate Calculation and Payment Method

The rebate will be calculated using the re-profiling rebate rates as contained in Table 2.2 of *Decision on ESB PES Tariffs and use of System Charges for the period 1<sup>st</sup> May 2009 to 30<sup>th</sup> September 2009* (see below), and the customer consumption data as used for DUoS/ TUoS Billing purposes. For Transmission-connected customers, the DG10 rate will be used for calculation of rebates.

LEU Networks Re-Profiling Rebate		
Rate Category	KWHs	Trading Point €/Kwh
DG7	DAY UNITS	-€ 0.006422
DG7	NIGHT UNITS	-€ 0.003425
DG8	DAY UNITS	-€ 0.003661
DG8	NIGHT UNITS	-€ 0.002927
DG9	DAY UNITS	-€ 0.003661
DG9	NIGHT UNITS	-€ 0.002927
DG10	DAY UNITS/NIGHT UNITS	-€ 0.002869

ESB Networks Ltd will calculate all rebates and issue two cheque payments to all LEU customers.

## **2.2 Funding of Payments**

ESB Networks Ltd will fund these payments. As per the CER decision, the monies paid out through this mechanism will be recouped in the 2009/2010 tariff period.

## **2.3 Timeframe**

Cheque payments will issue:

- End August 2009 (for May/June actual data); and
- End November 2009 (for July/August/September actual data).

## **2.4 Supporting Information**

Each cheque payment will be accompanied by an explanatory letter to the customer clarifying:

- The basis for the payment;
- The specific company site(s) to which the payment relates;

Where requested/informed by Supply Companies, ESB Networks Ltd will issue a single cheque to cover a customer's multiple sites.

## **2.5 Role of Supply Companies in this Process**

The support of each Supply Company will be required in order that this process can be performed in an efficient and timely manner. Supply Companies are requested to pass the following information to ESB Networks Ltd. no later than end June 2009;

- LEU Customer MPRN and site address;
- LEU Customer billing address (address to which the cheque payments are to be issued);
- Identification of those multi-site customers for which a single consolidated payment is requested.

Supply companies are requested to provide the above LEU details to ESB Networks Ltd by end June 2009 at the latest, using either the DUoS e-mail address [Duosbilling.esbnetworks@esb.ie](mailto:Duosbilling.esbnetworks@esb.ie) (with subject market for the attention of Aileen Greaves) or by hardcopy to: Aileen Greaves, Billing and Income Manager, DUoS Billing and Income, ESB Networks Ltd, Osprey House, Dublin 2.