



Monday, 24th August 2009

Mr. Fergus O'Toole
Commission for Energy Regulation
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Re: Chambers Ireland response to CER/09/125 – “ESB CS Proposed Tariffs for the period 1st October 2009 to 30th October 2010”

Dear Mr. O'Toole,

Chambers Ireland wishes to submit the following comments in response to CER/09/125 – “ESB CS Proposed Tariffs for the period 1st October 2009 to 30th October 2010”.

Chambers Ireland welcomes ESB Customer Supply's proposals to reduce the bills of business customer by up to -0.40% for small business customers and up to -5.50% for medium sized business customers from October 1st 2009.

We note that these proposals will help to alleviate some of the pressures many businesses face while contributing to the restoration of competitiveness in the Irish economy. Given the current economic climate, reduced energy charges will help strengthen cash flows for hard pressed businesses. This will also sustain jobs while improving Ireland's competitiveness.

Chambers Ireland strongly encourages the Commission to continue working with energy providers to further reduce prices, while also taking account of Ireland's long-term energy needs.

In this context and following on the Commission for Energy Regulation's (CER) commitment to draft a 'road map' for full deregulation in the Autumn of 2009, we support calls for full deregulation and a speedy move to a fully competitive market.

We note that in excess of 200,000 customers have now moved from the State-owned ESB Customer Supply to the State owned Bord Gáis Éireann. Extensive advertising by these two entities and other significant international energy providers—who are reselling electricity from the Single Electricity Generation Market on the island to consumers—has successfully educated and sensitised the wider market to the fact that they can now source their electricity from other energy providers. However, the reality that this 'competition' is being driven by two state owned entities calls into question the long term gains available to consumers from the current regime.

Accordingly, we fear that the current pricing regime is maintaining electricity prices at an artificially higher level than would be the case if the market was fully deregulated and call on the CER to move rapidly to ensure that the market is fully deregulated as soon as possible.

The need for urgency is especially underlined by the current state of the economy in Ireland.

In this context, we would welcome the opportunity to contribute to the debate market competitiveness in the Autumn.

Yours sincerely,



Sean Murphy

Deputy Chief Executive