



Dear Messrs. Dermot Nolan and Gareth Blaney and Stuart Colman,

I am writing to you on behalf of EMC Information Systems International as we wish to voice our grave concerns with respect to the CER proposal to increase natural gas transmission charges by 13.2% with effect from 1 April 2013.

This proposed change will have a serious adverse impact on competitiveness for EMC doing business in Ireland. EMC are currently one of the largest employers in Munster with close on 2,500 people working directly and in excess of 1,000 plus indirectly, making EMC a major contributor to the local economy.

The timing of this proposed increase coming as a midyear tariff change and with such short notice is unacceptable. This makes the management of pre-approved budgets impossible. This proposed increase further exacerbates the 20% increase that was passed on as recent as October 1<sup>st</sup> 2012.

We feel that this proposed increase is inequitable with energy users in the daily metered market segment and the domestic market being asked to pay a tariff increase as a result of the reduction in capacity bookings in the DM segment and in the power generation sector. We note that we as energy users have not benefited from lower capacity bookings made by suppliers.

Here at EMC we take Energy Management very seriously and over the last few years we have worked tirelessly to reduce our consumption through aggressive energy saving programs. We are certified to the International Energy Management Standard, ISO 50001 and have reduced energy consumption by 20 GWh's over the last 3 years investing over 6 million US dollars in capital projects.

This improved efficiency is being continuously eroded by CER increases. Ireland now has the highest wholesale power price in Europe at €77.93 per mega-watt hour versus €55.25 in the UK.

It is EMC's objective is to reduce our Average Unit Price for electricity and ensure our competitiveness

We urge the CER to find an alternative method of addressing the under-recovery of revenue on the part of Bord Gais

Should you require any further details please do not hesitate to contact us, we await your response by return.

Yours Faithfully,

Vice President and Managing Director

EMC<sup>2</sup> Ireland COE







