

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

21st February 2013

Reference: - CER proposal to increase natural gas transmission charges by 13.2% with effect from 1 April 2013

To whom it may Concern,

Largo Foods wish to submit this objection to the CER's proposal to increase gas transmission changes by 13.2% from April 1st 2013. We object on the basis of the following points:-

- 1) The adverse impact on cost competitiveness that this proposal will have on our business.
- 2) Extreme difficulty for Largo Foods to manage our budgeted energy spends when mid-year tariff changes are implemented at such short notice.
- 3) The inequity of energy users in the Daily Metered market segment and the domestic market who have not benefited from lower capacity bookings made by Suppliers now being asked to pay a tariff increase as a result of the reduction in capacity bookings in the Daily Metered segment and in the power generation sector.

As a natural gas user in Ireland we have not benefited as a result of the reduction in gas capacity bookings, we urge the CER to find an alternative method of addressing the under-recovery of revenue on the part of Bord Gáis. Ideally, the alternative approach would recover the revenue shortfall from Shippers to the Daily Metered sector and the power generation sector, without any impact on Transmission tariffs and on end user prices.

Yours Sincerely,

John Donnelly

Largo Foods Operations Director