

Attention John Lych
Commission for Energy Regulation
The Exchange
Belgard Square North
Tallaght
Dublin 24

Date : 4t July 2014

Public Service Obligation Levy 2014/15

Dear John,

Electric Ireland welcomes the opportunity to respond to the CER Proposed Decision paper on Public Service Obligation levy 2014/15 and wishes to make the following comments.

Electric Ireland notes the forecast SMP, based on lower forecast benchmark prices, and its potential implications for a higher PSO levy in 2014/15. We also note the potential scale of the consequential increases in electricity prices for customers that would result from the increased PSO levy. The PSO is a very material component of end use pricing and in that context we are particularly keen to understand the basis of the allocations across the various customer segments and the detailed assumptions that have informed these allocations.

In addition, and notwithstanding the research outlined in the proposed decision paper, Electric Ireland also requests that CER publish details of the assumptions underpinning the PLEXOS benchmark price outcomes, preferably in advance of the final decision paper.

Electric Ireland further suggests that the PLEXOS assumptions are published annually with future PSO levy proposed decision papers in order to allow informed comment by interested stakeholders.

Regards

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