

Mr John Lynch
Commission for Energy Regulation
The Exchange
Belgard Square North
Tallaght
Dublin 24

28th June 2014

Dear Mr Lynch,

Subject : Proposed Public Service Obligation (PSO) Levy for 2014/15

Smartply Europe Ltd and Medite Europe Ltd wish to register its strongest objection to the proposed Public Service Obligation (PSO) Levy in 2014/15 as per your document reference CER/14/125 dated 6th June 2014.

This proposed increase alone will add an almost €400k to our cost base through energy costs in 2014/15 assuming all other elements of our energy costs remain constant.

Both our businesses operate in a highly competitive market place and these additional costs / annual increases make it extremely difficult to continue to operate and trade in the EU, where our competitors only experience a fraction of our energy costs. We export over 90% of our output, mostly to EU markets.

The sustainable competitive future of our business cannot operate in an environment where the energy cost in manufacturing products here is continuing to spiral out of control versus our competitors in other EU countries.

I would request that the CER review its plan with relation to the proposed PSO levy and reduce the increase or eliminate it completely given the current economic situation.

Yours sincerely,



Patrick Trihy
Director of Finance & Procurement