

Coolcaslagh t: 064 6631307
Killarney f: 064 6632394
Co. Kerry e: info@mcgroup.ie



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

23.06.2016

Re: Public Service Obligation Levy 2016/2017.

Dear Mr Lynch,

Michael Cronin (Readymix) welcomes the opportunity to respond to the CER Proposed Decision paper Public Service Obligation Levy 2016/2017.

Michael Cronin (Readymix) employs 80 people at its locations 1. Coolcaslagh, Killarney 2. Caragh, Castleisland & 3. Keim, Millstreet, Co. Cork. We are dismayed at the proposed increase of 36% in the PSO levy for the October 2016 to September 2017 period. This will result in an increase of c€13,000 in the levy payable by our company over this period and represents an increase of 143% in the levy since 2013/2014. This increase in cost is not recoverable from the market place.

Notwithstanding the acknowledged recovery in the Dublin area, the fact is that construction activity in Ireland in 2016 will be still approximately one-third of that which applied in the middle of the last decade and demand for construction materials remains particularly poor in rural Ireland. It is inconceivable that, at a time when there is little evidence of recovery and businesses face a constant challenge for survival that the CER should seek to impose such a major increase in the PSO levy. Irish electricity prices are already among the highest in Europe and this dramatic increase in the PSO Levy only serves to maintain this imbalance. Job creation, job security and the competitiveness of Irish companies abroad are adversely affected by this levy.

Yours Sincerely,

A handwritten signature in black ink that reads 'Michael Cronin'. The signature is written in a cursive style and is positioned above a horizontal line.

Director



Millstreet t: 029 21050
Castleisland t: 066 7141112

Kilgarvan t: 064 6631307

Directors
Michael Cronin
Patrick Cronin

Company No.
341338

Vat No.
63613381

