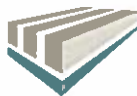


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**BANAGHER**  
PRECAST CONCRETE



Banagher Precast Concrete Ltd, Banagher, Co. Offaly, Ireland

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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,

Banagher Precast Concrete Ltd welcomes the opportunity to respond to the CER Proposed Decision paper Public Service Obligation Levy 2016/2017.

Banagher Precast Concrete Ltd employs 232 people at its location in Queen Street, Banagher, Co. Offaly. 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 €6,628 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,

Brendan Mahon.  
Managing Director

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Concrete Built is Better Built