



Commission for Energy Regulation  
An Coimisiún um Rialáil Fuinnimh

# Revised charges for 2016-17

## PSO Levy

### Information Note

Reference:	CER/16252	Date Published:	31/08/2016	Closing Date:	Not applicable
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*Regulating Water, Energy and Energy Safety in the Public Interest*

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# Information Note

## 1. Purpose

The purpose of this information note is to inform electricity stakeholders of a reduction of 2.1% to the 2016/17 PSO levy charges. Following the downward revision the PSO levy amount for 2016/17 is €392.4 million.

This revision represents a reduction of €8.505 million to the PSO levy amount of €400.9 million published (CER/16/183) on 29th July 2016.

## 2. Target Audience

The information in this note is most relevant to the following electricity stakeholders:

- Electricity suppliers; and,
- All electricity customers.

## 3. Background

The CER published the 2016/17 PSO decision on 29<sup>th</sup> July, setting out the PSO levy charges to be applied to all electricity customers for the 2016/17 PSO tariff period; i.e. from 1st October 2016 to 30th September 2017.

ESB formally notified the CER on 25<sup>th</sup> August 2016 that an internal ESB financial reporting error resulted in an over-statement of ESB's submitted 2016/17 PSO cost amounting to €8.505 million.

As a result of this error the CER has recalculated the PSO levy charges to be applied for the 2016/17 PSO tariff period.

## 4. Notice to Suppliers

The CER requests that licensed energy suppliers provide notice to domestic customers as soon as is reasonably practical regarding the PSO charges that will apply from 1<sup>st</sup> October, 2016.

Taking into account that:

- the review of the PSO Levy charges is outside of the control of electricity suppliers; and,
- that the review has resulted in a decrease to the PSO levy charges and, therefore, no negative impact on customers

the CER is waiving the 30 day notification requirement on licensed energy suppliers supplying electricity to domestic customers.

## **5. ESB's PSO Submission Process**

The CER has requested a comprehensive report from ESB regarding the processes used by them in formulating annual PSO cost submissions to the CER and to account for the problems that gave rise to PSO errors and to identify what revisions to the processes will be put in place to ensure that the problems do not happen again.

## **6. Revised 2016/17 PSO Levy**

The CER has decided that the revised PSO levy charges, as set out in the following table, shall be charged to electricity customers by licensed electricity supply companies in respect of electricity supplied during the period 1<sup>st</sup> October 2016 to 30<sup>th</sup> September 2017.

<b>PSO Customer Category</b>	<b>PSO Levy as previously published (CER/16/183) on 29<sup>th</sup> July 2016 (now superseded)</b>	<b>Revised 2016/17 PSO Levy (CER</b>	<b>% Change</b>
<b>Total PSO levy</b>	€400.9m	<b>€392.4m</b>	<b>-2.1%</b>
<b><i>PSO Levy Charges:</i></b>			
<b>- Domestic customers</b>	€6.02 per customer per month	€5.90 per customer per month	<b>-2.1%</b>
<b>- Small commercial customers (MIC &lt;30kVA)</b>	€21.18 per customer per month	€20.73 per customer per month	<b>-2.1%</b>
<b>- Medium and large profile customers (MIC ≥ 30kVA)</b>	€3.41 per kVA per month	€3.33 per kVA per month	<b>-2.1%</b>

Further details of these changes are contained in the revised 2016/17 PSO Levy decision paper (CER 16251) published on 31<sup>st</sup> August 2016.

## 7. Queries

For PSO cost related queries please contact John Lynch ([jlynch@cer.ie](mailto:jlynch@cer.ie)).

For queries in relation to customer billing please contact Dana Paraschiv ([dparaschiv@cer.ie](mailto:dparaschiv@cer.ie)).