

19th January 2017

Dear Ms Black,

The following is Fingleton White's response to the CER's proposed revision to the current methodology for the allocation of the cost of the PSO levy to customers (CER/16/374).

Fingleton White welcomes the improvement in the calculation of the Medium-Large Accounts load profiles based on actual QH and NQH meter data.

We feel that the availability of this meter data should also be used to improve the fairness of the individual charges for each Medium-Large Account customer. Continuing to base the calculation on each customer's MIC discriminates against sites with high efficient CHP, solar and other demand side generation.

It should be noted that one of the new functions of the CER, as defined in the Energy Act 2016 section 11, is "to have regard to the benefits of developing demand-side participation in electricity markets, including through energy efficiency, demand response, **distributed generation**, energy storage and the use of digital technologies". We respectfully suggest that the current PSO cost allocation methodology for Medium-Large Account customers runs contrary to this.

Fingleton White acknowledges that S.I. No. 217/2002 Article 9 (3) (e) (v) requires the CER to use MIC to calculate the PSO levy for Medium-Large Accounts. Therefore the CER must exercise its powers under the Electricity Regulation Act 1999 Article 9 (1) to advise the Minister that legislation be put in place so that the PSO levy for Medium-Large Accounts can be charged based on kWh consumption which would help promote the sustainability of Irish electricity generation and Irish industry.

Regards,

Ronan Nevin

Fingleton White

Ronan.Nevin@Fingleton.ie