

Billy Walker
Utility Regulator
Queens House
14 Queen Street
Belfast
BT1 6ED

25 July 2011

Dear Billy,

Re: Imperfections Charges for October 2011 – September 2012 Consultation Paper (SEM-11-054)

NIE Energy (Supply) welcomes the opportunity to respond to the above consultation. NIE Energy (Supply) at the time of writing this response is in the process of changing name to Power NI. As the name change date is imminent, Power NI rather than NIE Energy (Supply) is referenced in this response.

Power NI is disappointed at the magnitude of the proposed imperfection charge increase. To change from €3.117 per MWh in 2010/11 to €5.61 per MWh in 2011/12 represents a 79.98% increase in one year; factoring in the adverse movement in exchange rates it represents an even greater increase in Sterling.

Given this level of charge imperfections now have a marked impact on retail tariffs. As suppliers are preparing tariff figures¹ it is disappointing that an early indication of this increase was not given to the market.

Power NI would urge the Regulatory Authorities to robustly analyse the figures submitted and consider methods to incentivise the System Operators to minimise future constraint costs.

Should you wish to discuss this matter further please do not hesitate to contact me.

Yours sincerely,



William Steele
Power NI

¹ In particular the regulated tariff