Pfizer

Pfizer Global Procurement and Operations Pfizer Ireland Pharmaceuticals QAQC/Admin Building Grangecastle Business Park Clondalkin Dublin 22

Phone: +353 87 927 2984 Website: <u>www.pfizer.ie</u>

Pfizer Ireland Pharmaceuticals

16 November 2012

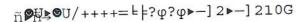
Mr Kenny Dane, Northern Ireland Utility Regulator, Queens House, 14 Queen Street, Belfast, BT1 6ED

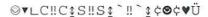
Re: SEM-12-089, Consultation on Single Electricity Market Treatment of Gas Transportation Capacity Costs

Dear Kenny,

I am writing to you in relation to the above consultation and its potential to force further increases in electricity in Ireland. I am highly concerned at the prospect of any further price increases in the energy market in Ireland. Pfizer is a large user of energy. Energy is a direct cost in our manufacturing and therefore impacts directly on our competitiveness. Ireland is already considered too expensive, in comparison to other countries in Central EU and other parts of the world as . Price increases are ludicrous in the current economic environment. All parties need to look at the medium term impact of price increases and understand that costs need to reduce overall to ensure we keep manufacturing in this country and employment. Increase costs will increase the risk of business going outside the country and, therefore, all parties lose.

My remit is global and I understand how competitive and uncompetitive countries are and Ireland is uncompetitive and price increases will have a severe impact to the manufacturing industries in the country medium/long term. In order to ensure today's business remains in the country and new business is attracted into the country energy







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costs need to be reduced not increased in order to have a competitive chance against low cost countries. As energy is a key line item cost reviewed by organisations we urge you to give strong consideration to disallowing the inclusion of gas capacity costs within electricity generator's market bids.

Yours sincerely,

Hilda Collins

Category Strategy Manager (Energy)

Hilda.collins@pfizer.com

Phone: +353 87 927 2984