



NIE Energy Supply
Woodchester House
50 Newforge Lane
BELFAST
BT9 5NW

Website: www.nieenergy.co.uk

Private and confidential
The Nationalise the Utilities Campaign
c/o 13 Lombard Street
Belfast
BT1 1RB

17th February 2009

Dear Sir/Madam,

Correction of information on 'Nationalise the Utilities Campaign' leaflet and Socialist Party NI website

I am concerned at some incorrect information which appears in the above leaflet and website and would like to request that the information is corrected.

The specific inaccuracies are:

- Since July, electricity prices have risen overall by 35.5%, not the 52% quoted (14% increase effective 1st July 08, 33.3% increase effective 1st Oct 08 and 10.8% reduction effective 1st Jan 09)
- NIE Energy and NIE are two completely separate companies. NIE Energy, not NIE, is responsible for pricing. A NIE profit figure is quoted on the leaflet, which is incorrect and many times more than NIE Energy's profit figure.
- NIE Energy is a regulated business and is governed by a price control that in effect determines the level of final prices. Each price review is agreed with the Regulator (NIAUR) who represents the interests of all NI electricity customers.
- NIE Energy is a very efficient business and operates to a very tight profit margin of less than 1.8%
- NIE Energy did not make a single penny more profit from the price increases in July and October 2008, which were a result of increases in the cost of wholesale electricity.
- The leaflet refers to our company being a monopoly. This again is incorrect. The business electricity market is very active and has been open to competition for some years. The domestic electricity market has

been open to competition since November 2007, although no other company has yet entered the market.

I would also like to bring some information to your attention.

On 15th December (08) NIE Energy announced a 10.8% reduction in prices. The new rates reflect lower gas and coal prices. This brings the average NI household bill to £90 a year below prices in the Republic of Ireland and below many countries in Europe such as; the Netherlands, Belgium, Germany, Italy and Denmark.

Although a small percentage of homes, around 4%, use electricity to heat their homes, NIE Energy takes the issue of fuel hardship very seriously and has help available for customers.

The help we offer ranges from practical, energy saving help to discounted electricity. For example, with NIE Energy, you can pay as you go along with a Keypad meter, rather than be faced with bills, plus we give a discount to customers who pay this way.

NIE Energy also offers customers a free benefits entitlement check which, to date, has increased participants' benefit claims by up to an extra £39 on average per week. For more information, visit www.nieenergy.co.uk.

I would be very pleased to see the incorrect information corrected on your leaflet and website.

If you require any further information, please do not hesitate to contact me via Kerstie.forsyth@nieenergy.co.uk or telephone 028 9068 9309.

Yours faithfully,



Kerstie Forsyth
Communications Manager