



THE CLEANER FUEL, REACHING MORE HOMES

FLOGAS NATURAL GAS LTD

Dublin Road

Drogheda

Co. Louth Ireland

Tel: 041 9874874

Fax: 041 9834652

Email: info@flogasnaturalgas.ie

Web site: www.flogasnaturalgas.ie

24th November, 2006

Ms. Mary Keenan,
Better Regulation Unit,
Department of the Taoiseach,
Government Buildings,
Merrion Street,
Dublin 2.

Subject: Consultation on Regulatory Appeals

Dear Ms. Keenan,

We are writing in response to the Consultation Paper on Regulatory Appeals published in July 2006.

We are writing as a new entrant to the natural gas supply market in Ireland. We currently supply about 8,000 domestic customers in Galway, Athlone, Mullingar, Longford and Tullamore. We are therefore directly affected by decisions made by the Commission for Energy Regulation (CER). We hope to expand into other sectors of the natural gas market in the near future.

We are reasonably satisfied with the existing process where the CER issues documents for consultation and inviting comments prior to their decision. This allows small players like us to express our opinion, and there is a reasonable record of the CER taking comments on-board and modifying their initial position.

The CER currently publishes responses to the consultation papers, explaining why they agree or disagree with the comments, resulting in a transparent decision making process. It may not be possible to have the same level of transparency if an appeals committee is appointed for appealing CER decisions. The CER has a reasonably good record of changing decisions that are clearly factually incorrect.

If an appeals process was added onto the existing consultation process, decisions would be subject to an additional unnecessary delay, hampering the ability of the CER to deliver timely decisions. There is a cost associated with delayed decisions in the market place.



Some organisation ultimately has to be responsible for the hard decisions necessary for Ireland to have a competitive and modern energy infrastructure. If there is an appeals committee, it effectively will be the responsible body. An appeals body that is not subject to the same transparency and accountability as the CER will be less effective than a single regulator and will give less confidence to new entrants such as ourselves in the regulatory process.

We acknowledge we have missed the deadline for this consultation but we hope you will take our comments into account.

Yours sincerely,

A handwritten signature in black ink that reads "Mark Gannon". The signature is written in a cursive style with a large, sweeping flourish at the end.

Mark Gannon,
Company Secretary.