9th March 2006 Our ref: 26341

Mr. Andrew Cooke Head of Grid Development and Commercial ESB National Grid 27 Lower Fitzwilliam Street Dublin 2

Re: Capacity of Additional North-South Interconnector

Dear Mr. Cooke,

I refer to ESB NG's recent correspondence to the Commission regarding the standard (capacity) to which the additional north-south interconnector transmission line should be constructed.

The Commission and the NIAER have considered the option of constructing either a 275kV line or a higher capacity 400kV line. Both regulators have decided that the additional cost associated with the 400kV line is justified on the basis of both its higher energy transfer capability and its ability to be upgraded in the long run more practically and economically. Accordingly, the Commission hereby approves a standard of 400kV for the additional interconnector line. Studies, route investigations and other actions by ESB NG needed to prepare for and lodge planning applications for the line should be made on this basis.

Should you wish to further discuss, please do not hesitate to contact myself or Andrew Ebrill at the Commission.

Yours sincerely,

Denis Cagney Director, Energy Networks