



**Media Information**

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## **Wind Generated Power will Save Electricity Consumers €30M in 2007**

While the price of electricity will increase by 20% in 2007, Irish consumers will benefit from a €30M saving on electricity bills brought about by an increase in the amount of wind power capacity connected to the national grid, according to Sustainable Energy Ireland.

The saving is a result of the steadily improving competitive position of wind power, which has resulted in a reduction in the annual Public Service Obligation (PSO) levy imposed on domestic consumers. This levy will be set at zero in 2007 and will result in annual domestic electricity bills falling by €11.

Under the Public Service Obligation the ESB is required to purchase electricity from specific sources including renewable energy, peat and emergency peaking power plants. The additional cost of purchasing electricity from these sources is passed on to domestic electricity users in the form of the PSO levy. In 2007, rather than requiring support, renewable electricity generation, and primarily wind energy will return a surplus of €30m to the PSO fund. This will offset the cost of support for peat and emergency peaking power plants and thereby reduce the PSO levy imposed on consumers from €11 in 2006 to zero in 2007.

According to David Taylor, Chief Executive, SEI, "The use of wind power in the portfolio of electricity generation is delivering clear benefits to domestic electricity users. The reduction in the PSO levy, primarily attributable to the increase in wind power capacity connected to the electricity system, is welcome news at a time when consumers are facing continuously rising prices. A saving of €11 per household, while modest, is a clear and tangible indication that the policy of developing wind energy is delivering real benefits to consumers".

Mr. Taylor continued "Ireland's rich renewable resource has further potential to reduce the environmental impacts of meeting our energy needs and to meet the increased demands for electricity that comes with economic growth.

Exploiting this resource is a challenge for Irish society. Technology developers, business, consumers and communities all have to play their part in the development of a modern sustainable electricity system. The CER's decision on the PSO charge for 2007 is a clear indication of the benefits of capitalising on our renewable resources and should serve to

heighten interest in the questions posed for consultation in Minister's Dempsey's Green Paper for a sustainable energy future."

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**Editors Notes:**

A copy of the full report can be downloaded from [www.sei.ie](http://www.sei.ie)

**About SEI**

Sustainable Energy Ireland (SEI) is the statutory authority charged with promoting and assisting the development of sustainable energy. SEI is funded by the Irish Government under the National Development Plan 2000 – 2006 with programmes part-financed by the European Union.