

**Clive Bowers
Commission for Energy Regulation,
The Exchange,
Belgard Square North
Dublin 24**

**Jean Pierre Miura
Northern Ireland Authority for Utility Regulation,
Queens House,
14 Queens Street
Belfast
BT1 6ER**

15 July 2011

Dear Clive and Jean Pierre,

Re: Terms of reference for the 2011 Market Audit Consultation Paper (SEM-11-044)

NIE Energy (Supply) welcomes the opportunity to respond to the above consultation. The market audit provides an important assurance to participants and has highlighted issues requiring attention.

NIE Energy (Supply) believes that the expansion of scope contained within the 2010 market audit was a useful exercise providing additional insight, assessment and assurance regarding the processes in place.

Mindful of the cost implications, NIE Energy (Supply) recommends Option 2 as an appropriate limited expansion of the terms of reference. While maintaining the assessment of SEMO, this option facilitates additional review of key interfaces and provides the market with a high level view of the merits of potential deeper MDP audit.

NIE Energy (Supply) also welcomes the Regulatory Authorities intention not to duplicate work by considering existing audit arrangements and how they could be used by the SEM auditors.

Please do not hesitate to contact me should you wish to discuss this question further.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'William Steele'.

William Steele
NIE Energy (Supply)