

45 Kings Drive  
BELFAST BT5 6PS

20 May 1991

Dr J Alderdice  
55 Knock Road  
BELFAST BT5

Dear Dr Alderdice

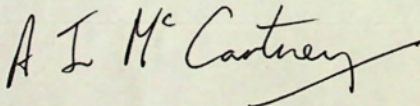
I am writing to you regarding the proposed privatisation of Northern Ireland Electricity.

The Government proposal is to split the industry here into at least 3 parts. This is in spite of the fact that the total capacity here is less than one major power station in England. The major costs in running the system here - fuel, are optimised by a central control with the authority to direct the 4 power stations. NIE's performance in this regard has stood up to examination by successive consultants extremely well over many years. There is no justification for believing that the cost increase due to imposing a less efficient operating system will be outweighed by savings due to other cost cutting measures. Such efforts could not achieve one tenth of the increase in fuel costs.

It is my view as a professional engineer within the industry that the Northern Ireland economy will suffer from a severe handicap due to higher than necessary power charges due to the method of privatisation.

I would ask you to exert any pressure you can on the responsible minister regarding this matter and look forward to hearing from you.

Yours sincerely



A I McCartney BSc C.Eng MIEE