EUROPEAN REGULATORS GROUP FOR ELECTRICITY AND GAS



The Chairman

Mr Andris Piebalgs Commissioner European Commission B-1049 Brussels (Belgium)

London, 10 November 2006

Dear Commissioner

Blackout

Thank you for your letter of 6 November 2006.

The incident was at the top of the agenda of last week's regulators' meeting where we decided to open an investigation of the system disturbance that affected a large part of the Western Europe late Saturday evening. We shall examine the causes of the blackout and its handling by the transmission system operators. I envisage that a key outcome of our work will be to propose a number of recommendations that will minimise the risk of such events occurring in the future.

The investigation will involve the regulators of all affected countries. It will be chaired by the Chair of the Electricity Working Group, Mrs. Asta Sihvonen-Punkka who heads the regulatory Authority of Finland, a country not affected by the blackout. The group has already been convened and preliminary discussions are underway to establish the facts and develop preliminary analyses ahead of the first meeting on 16 November 2006.

Our investigation will be co-ordinated with those also taking place by the UCTE and ETSO and by the individual regulatory Authorities of the countries concerned. We intend to provide you with an interim report by Christmas and a final report, including what lessons can be learnt from this unfortunate incident no later than February 2007.

A meeting of the representatives of regulators and the Commission services on the issue – as proposed in your letter – would indeed be helpful to discuss the further steps. Mrs. Asta Sihvonen-Punkka will take contact with your services to agree on this.

Yours sincerely

PP

Monika Papas Personal Assistant

(seen and authorised for signature by Sir John Mogg)