

Competition and Energy Consulting in Europe



Expert economic support for energy companies, law firms and government authorities

Competition concerns are increasingly central in the European energy sector. Critical issues have been raised by the recent wave of energy mergers in Europe; the sector inquiry by the European Commission; and several investigations undertaken by European and national authorities.

With 40 years of experience applying sophisticated economic analysis to competition and regulatory issues in energy markets, we are uniquely placed to support European legal professionals and companies operating in this area.

CRA experts in Europe have extensive experience of applying economic techniques to competition policy, coupled with a detailed knowledge of the energy industry, and the demonstrated ability to develop rigorous analysis and effective arguments.

In recent years, we have been retained by some of the major electricity and gas companies in Europe to support them in the analysis of complex economic issues. Our work has ranged from the evaluation of possible horizontal and vertical effects of mergers to the assessment of measures to mitigate market power. We have advised companies on several of the most high profile energy mergers before the European Commission and national authorities, and have also acted for competition and sector regulators on a number of assignments.

Recent European energy and competition cases

CRA's economists have recently provided competition and regulatory advice on the following energy sector matters:

- **ENI:** Advice to ENI on the European's Commission Art. 102 case on gas import pipelines into Italy.
- **Centrica/Lake Acquisitions:** Advised Centrica on the UK authorities' investigation into their acquisition of a 20% stake in the EDF/BE nuclear business.
- **EDF/British Energy:** Assisted Centrica during the evaluation of this merger by the European Commission.
- **Gas Natural/Union Fenosa:** Advising a third party on the assessment of this transaction by the Spanish competition authorities.
- **Essent/Nuon:** Advised the Dutch competition authority (NMa) on the competitive effects of the proposed transaction in the Dutch generation market through merger simulation techniques.
- **RWE:** Designed and implemented successful auctions of baseload and profile electricity products in Germany for industrial and commercial customers, required by the German competition authority.
- **Gaz de France/Suez:** Supported a major intervener in the European Commission investigation.
- **EDP:** We advised EDP on the reform of the capacity payment mechanism in the Iberian market.
- **ENI:** We provided economic support to ENI in their appeal of an abuse of dominance decision by the Italian competition authority relating to access to gas import pipelines.

- **Gas Natural/Endesa:** We have provided economic advice to EDP/Hidrocarburo in the proposed merger between the largest gas and electricity operators in Spain.
- **E.ON/MOL:** We provided advice to the merging parties in the context of this gas-electricity merger in Hungary. The transaction was cleared by the European Commission with remedies.
- **EDP/GDP (CFI Appeal):** We advised EDP on its appeal to the CFI of the European Commission's decision to prohibit the acquisition of Gas de Portugal (GDP), jointly with ENI.
- **Nuon:** Designed and successfully implemented a virtual power plant auction to satisfy the requirements resulting from the merger between Nuon and Reliant.
- **DTE:** Advised the Dutch regulator on the competition impact of the electricity interconnector between Norway and the Netherlands.
- **Centrica/Dynegy:** We advised Centrica throughout the OFT/Ofgem and UK Competition Commission investigations into the purchase of the Rough storage facility, the UK's largest gas storage asset. Our major contribution was a detailed unilateral effects analysis, through merger simulation.

About CRA

CRA's European competition group is a leading provider of economic competition and litigation advice in Europe and beyond. Working with businesses, lawyers and governments, CRA has a reputation for rigorous and innovative economic analysis, careful attention to detail and the ability to work effectively as part of a wider team of advisors.

Founded in Boston in 1965, and benefitting from one of the most experienced teams of competition economists in Europe, CRA has been involved in many of the most high profile competition cases of recent years on both sides of the Atlantic.

Learn more about how CRA's team can help your organisation by visiting us at www.crai.com/ecp or by contacting one of our European offices, listed below.

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