

Tuesday 15 November

## **EUROPEAN COMMISSION ANNOUNCES KEY ISSUES OF ENERGY REVIEW**

Energy regulator, Ofgem, has welcomed today's announcement by the European Commission on the main issues facing their review of the European energy market, which was announced in June this year.

Ofgem's Chairman Sir John Mogg said: "Ofgem, along with the European Energy Regulators, fully supports this review.

"Our consumers and businesses are paying a high price for the lack of competition in most continental energy markets. This is why anti-competitive practices must be stamped out and effective rules of the game introduced and properly policed.

"The Commission has so far shown real determination to collect and analyse the data to make a powerful case, but now they need to come forward urgently with their remedies. The Commission is likely to face heavy resistance from major continental players. I urge them to stand firm. The interim report they promise for early 2006 is vital in paving the way for liberalised and competitive EU energy markets."

The Commission's preliminary report will probably be more specific and contain possible remedies. It is likely to be published in the first three months of 2006.

- ends -

### **Notes to Editors:**

1. The European Commission's Directorate General Competition launched its review of the European gas and electricity markets in June 2005. A paper presenting the main issues of the energy review will be presented to the Energy Council on 1 December 2005.
2. Ofgem's own investigation into high gas prices, which was published in October 2004 highlighted problems with the continental gas market, including poor market information, lack of market response to price signals and concern over problems in transporting gas across Europe to the UK. Ofgem shared its findings and analysis with the Commission and following the announcement of the investigation it seconded key staff to Brussels to work on the review.

3. Ofgem is the Office of the Gas and Electricity Markets, which supports the Gas and Electricity Markets Authority, the regulator of the gas and electricity industries in Great Britain. Ofgem's aim is to bring choice and value to all gas and electricity customers by promoting competition and regulating monopolies. The Authority's powers are provided for under the Gas Act 1986, the Electricity Act 1989 and the Utilities Act 2000.

**For further press information contact:**

**Mark Wiltsher: 020 7901 7006, Chris Lock: 020 7901 7225**

**Out of hours contact: 07774 728971 or 07766 511470**