

Mr B. Woodside  
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1<sup>st</sup> July 2002

Dear Mr Woodside

**London Electricity Group Plc.'s proposed acquisition of CSW Investments**

I have read your consultation paper on the above subject and would like to convey serious concerns regarding the above acquisition.

It is clear that in those business areas where there is proper competition that each company's share of that market is sufficiently small to perhaps not cause undue concern.

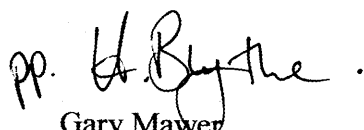
However, SEEBOARD accounted for 100% of all low voltage, domestic and high voltage connections in its own area. Similarly, 99% of all low voltage and domestic connections and 100% of all H.V connections in the London area were undertaken by LPN. The aggregate of the two will account for 29% of the total connections revenue of all the electricity businesses.

It is not clear from your figures how you see the role of 24Seven in such an arrangement but I assume that it is likely that this company could undertake the same role within the SEEBOARD area. Connection revenue significantly in excess of 29% of totals could therefore flow through one company as a consequence of the acquisition.

To put such monopolistic control in the hands of any one company is a serious barrier to competition. However, this control is proposed to be placed in the hands of a French State owned utility which has historically barred competition from its own territory, seriously exacerbating the situation.

Could I please urge you to object to the above proposals, or, alternatively suggest a mechanism which brings forward competition in these activities.

Yours Sincerely,

pp.   
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