

R/12

Tuesday April 8 2008

OFGEM LAUNCHES COMPETITION ACT INVESTIGATION INTO SCOTTISH POWER LIMITED AND SCOTTISH AND SOUTHERN ENERGY plc

Energy regulator Ofgem has today (Tuesday) launched an investigation into Scottish Power Limited and Scottish and Southern Energy plc, under section 18 of the Competition Act 1998 (the Chapter II prohibition) and Article 82 of the EC Treaty.

This decision was based on a formal complaint alleging abuse of a dominant position in the electricity generation sector arising from constrained capacity on the transmission network, as well as informal enquiries.

This Competition Act investigation is completely separate from the probe into the energy supply markets which Ofgem launched on February 21 2008.

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NOTES TO EDITORS:

1. Chapter II of the Competition Act 1998 prohibits the abuse of a dominant position in a market by one or more undertakings which may affect trade within the UK. Article 82 of the EC Treaty prohibits the abuse of a dominant position in a market by one or more undertakings which may affect trade between Member States.
2. A statement about the probe into the energy supply markets, launched in February, is available to view on this link:
<http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=179&refer=Media/PressRel>
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. The Authority's functions are set out mainly in the Gas Act 1986, the Electricity Act 1989, the Competition Act 1998 and the Utilities Act 2000.

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