

23 May 2014

State of the Market  
9 Millbank  
London  
SW1P 3GE

Dear Sir/Madam,

**Consultation on a proposal to make a market investigation reference in respect of the supply and acquisition of energy in Great Britain**

GDF SUEZ Energy in the UK is the country's largest independent power producer by gross capacity, with over 5,000MW of plant in operation, made up of a mixed portfolio of assets. The company also has a retail business supplying electricity and gas to customers in the Industrial and Commercial sector.

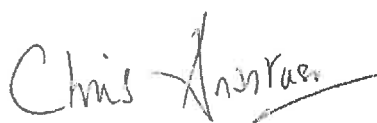
GDF SUEZ Energy welcomes the opportunity to comment upon Ofgem's proposal to make a Market Investigation Reference (MIR) to the Competition and Markets Authority (CMA). Overall, the company believes it is timely that there is an independent review of key aspects of the market to establish consumer confidence and trust in the industry.

GDF SUEZ agrees with the Terms of Reference for an MIR as outlined by Ofgem. We note that Ofgem has recognised the high level of competition in the Industrial and Commercial market for both electricity and gas. This is consistent with our observations that competition is high in this particular sector, and the emergence of a number of new entrants into the market who have become established over time. We therefore believe it is appropriate that the MIR focuses on barriers to entry into the domestic and small business sectors of the market.

As an interested stakeholder and independent generator and supplier, we look forward to engaging with the CMA Committee during this review. We understand that a MIR could take up to 18 months, but we encourage all parties to ensure any investigation is not prolonged since this could unduly compromise progress made through Electricity Market Reform (EMR). The timeliness of an investigation would be facilitated by focussing on areas where strong evidence exists of limited competition in the energy market, and the implications for the consumer.

If you have any questions regarding the content of this letter, please do not hesitate to contact me at [chris.anastasi@gdfsuez.com](mailto:chris.anastasi@gdfsuez.com).

Yours faithfully,



Dr Chris Anastasi, Head of Government Affairs, Policy and Regulation