

Brussels, 5th February 2010

Mergers: Commission approves proposed acquisition of E.ON's Transmission System Operator by TenneT

The European Commission has cleared under the EU Merger Regulation the proposed acquisition of Transpower Stromübertragungs GmbH (TPS) of Germany, a wholly-owned subsidiary of E.ON, by TenneT of The Netherlands. TPS is one of the four electricity Transmission System Operators in Germany. TenneT is the only Transmission System Operator in The Netherlands. After examining the operation, the Commission concluded that the transaction would not significantly impede effective competition in the European Economic Area (EEA) or any substantial part of it.

TenneT operates the Dutch national extra-high and high voltage electricity transmission system.

TPS operates extra-high voltage lines and associated transformer stations in Germany.

The Commission examined the competitive effects of the proposed transaction, notably the horizontal overlaps between TenneT and TPS relating to the cross-border transmission of electricity through interconnectors.

The Commission's investigation found that the proposed merger would not affect the competitive conditions in the relevant markets. TenneT is a wholly unbundled Transmission System Operator and therefore it would have no incentive to allocate capacity in a way that discriminates in favour of any other market player.

The proposed transaction derives from E.ON's commitment to the Commission, to separate and subsequently divest its transmission system business, in compliance with a Commission Decision of 26 November 2008 under EU rules prohibiting the abuse of a dominant market position (then Article 82 of the EC Treaty, now Article 102 of the Treaty on the Functioning of the European Union – TFEU, see [IP/08/1774](#)) opening up the German electricity market to competition.

More information on the case is available at:

http://ec.europa.eu/competition/mergers/cases/index/m114.html#m_5707