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PUBLIC VERSION

In the published version of this decision, some information has been omitted pursuant to Article 17(2) of Council Regulation (EC) No 139/2004 concerning non-disclosure of business secrets and other confidential information. The omissions are shown thus […]. Where possible the information omitted has been replaced by ranges of figures or a general description.

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Subject: **Case M.11538 – CEZ / BCI / CZECH GAS NETWORKS JV**
Commission decision pursuant to Article 6(1)(b) of Council Regulation No 139/2004[1] and Article 57 of the Agreement on the European Economic Area[2]

Dear Sir or Madam,

(1) On 4 July 2024, the European Commission received notification of a proposed concentration pursuant to Article 4 of the Merger Regulation by which ČEZ, a. s. ('ČEZ', Czechia), a State-controlled undertaking, and Varese IRR LP ('Varese', Canada), controlled by British Columbia Investment Management Corporation ('BCI', Canada), will acquire within the meaning of Article 3(1)(b) and 3(4) of the Merger Regulation joint control over Czech Gas Networks S.à r.l. ('CGNS' or

[1] OJ L 24, 29.1.2004, p. 1 (the 'Merger Regulation'). With effect from 1 December 2009, the Treaty on the Functioning of the European Union ('TFEU') has introduced certain changes, such as the replacement of 'Community' by 'Union' and 'common market' by 'internal market'. The terminology of the TFEU will be used throughout this decision.

[2] OJ L 1, 3.1.1994, p. 3 (the 'EEA Agreement').

'Target', Luxembourg) (the 'Transaction'), by way of purchase of shares.[3] ČEZ and Varese are hereinafter designated as the 'Notifying Parties'.

1. THE PARTIES

(2) **ČEZ** is active in the production, distribution, trading, and sale of electricity and heat, the trading and supply of natural gas, coal mining, operation of gas boiler rooms, telecommunications, informatics, nuclear research, planning, construction, and maintenance of energy facilities, mining raw materials, and the processing of energy by-products. ČEZ, listed on the Prague Stock Exchange, is majority-owned and controlled by the State of Czechia via its Ministry of Finance ('MoF').[4]

(3) **Varese** is a Canadian limited partnership whose investments primarily relate to the infrastructure, timber, and agriculture sectors. Varese is ultimately controlled by BCI. BCI, an agent of the Government of British Columbia, in Canada, is an institutional investor in fixed income, public equities, private equity, infrastructure, renewable resources, real estate, and commercial mortgages.

(4) **CGNS** is a holding company that indirectly solely owns and controls GasNet, s.r.o. (Czechia) ('GasNet').[5] GasNet is a Distribution System Operator ('DSO'), owning, operating, and maintaining a network of pipelines used for the distribution of natural gas that covers approximately 80% of the Czech territory. CGNS's share capital is currently owned by: CGN Holdings S.à r.l. ('Seller', Luxembourg), which is indirectly controlled by Macquarie Group Limited (Australia), with a share of 55.21%; Varese, with a share of 26.29%; and Allianz Infrastructure Luxembourg II S.à r.l. (Luxembourg), with a share of 18.5%. Its two main shareholders, the Seller and Varese, currently jointly control CGNS.

2. THE CONCENTRATION

(5) On 20 March 2024, ČEZ and the Seller concluded the Agreement for the sale and purchase of shares and loan notes ('SPA'), by which the former will acquire from the latter 55.21% of CGNS's share capital. As a result of the Transaction, ČEZ will replace the Seller as the majority shareholder in CGNS and will become, for the reasons explained in the following paragraphs, one of its two controlling shareholders, alongside Varese.[6]

2.1. Joint control

(6) Following the Transaction, ČEZ and Varese will hold 55.21% and 26.29%, respectively, in CGNS's share capital.[7] Post-Transaction, ČEZ will accede to the

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3 OJ C, C/2024/4494, 11.7.2024.

4 Form CO, paragraph 73.

5 More specifically, CGNS is the sole shareholder of Czech Gas Networks Investments S.à r.l. (Luxembourg), which in turn is the sole shareholder of Czech Grid Holding, a.s. (Czechia), which in turn is the sole shareholder of GasNet and GasNet Služby, s.r.o. (Czechia). This latter entity mostly provides services to GasNet. Form CO, paragraphs 71 and 81.

6 The transaction by which shareholders acquire control, by substitution of one or more shareholders, in a situation of joint control both before and after the operation, qualifies as a concentration. Commission Consolidated Jurisdictional Notice under Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings ('Consolidated Jurisdictional Notice'), (OJ C 95, 16.4.2008, p. 1, paragraphs 142 *et seq.*

7 Form CO, Annex 4.

shareholders' agreement currently in force, describing the rights and obligations of CGNS's shareholders ('Shareholders' Agreement').[8]

(7) Under the Shareholders' Agreement, each shareholder of CGNS is entitled to appoint […]. As a result, ČEZ may appoint […] and Varese […] members of the Board of Directors (out of a total of […] members). Allianz Infrastructure Luxembourg II S.à r.l., with a shareholding of 18.5%, may only appoint […] of the Board of Directors. Each member of the Board of Directors has […].[9] Any two members of the Board of Directors are jointly empowered to […].[10] Accordingly, the members of the Board of Directors appointed by each of ČEZ and Varese will have the power to veto the adoption of CGNS's strategic decisions.

(8) Therefore, post-Transaction, ČEZ and Varese will have joint control over CGNS within the meaning of Article 3(1)(b) of the Merger Regulation.

2.2. Full-functionality

(9) CGNS performs and will continue performing on a lasting basis all functions of an autonomous economic entity. Notably, CGNS ultimately solely controls GasNet, a DSO in Czechia which owns, operates, and maintains the network of pipelines used for the distribution of natural gas covering approximately 80% of the Czech territory. GasNet is active on the market and performs all the functions normally carried out by undertakings acting as DSOs.[11]

(10) CGNS has, and will continue having, a management dedicated to its day-to-day operations and access to sufficient resources including finance, staff, and assets (tangible and intangible), to conduct its business activities and operate independently.[12]

(11) CGNS has, and will continue having, its own activities that are not limited to those of its shareholders. CGNS develops its business following its own strategic plan and management decisions. As a DSO, GasNet's activity is regulated. It holds a gas distribution licence awarded by Czechia's energy regulator (*Energetický regulační úřad* or Energy Regulatory Office; hereinafter, 'ERO'). Notably, GasNet provides natural gas distribution services to retail suppliers of natural gas. Retail suppliers collect the fee due for the use of the grid—set in a predictable and transparent manner by ERO—from final customers and pass it to GasNet, directly remunerating it for the provision of the distribution services.[13]

(12) CGNS will not have significant supply and purchase relationships with its shareholders. The only material relationship concerns the provision of natural gas distribution services by GasNet (as the DSO owning and operating a distribution network covering approximately 80% of Czechia's territory) to ČEZ (as a retail supplier of natural gas).[14] This relationship precedes the Transaction. Likewise, GasNet also distributes, and will continue distributing, gas on behalf of ČEZ's competitors. GasNet achieves, and will continue achieving, more than 50% of its

8 Form CO, paragraph 106 and Annex 5.
9 Form CO, paragraph 88 and Annex 5 (Shareholders' Agreement), clause 6.1(b).
10 Form CO, paragraph 90 and Annex 5 (Shareholders' Agreement), clause 10 and Schedule 3.
11 Form CO, paragraph 93.
12 Form CO, paragraph 94.
13 Form CO, paragraph 95.
14 Form CO, paragraphs 97-99 and Notifying Parties' reply to Request for Information 6, Question 1.

turnover with third parties other than ČEZ.[15] As mentioned above, the fees for the distribution of natural gas, to ČEZ and its competitors, are set in a predictable and transparent manner by ERO.

(13) Finally, the JV is intended to operate on a lasting basis.[16]

(14) Therefore, post-Transaction CGNS will continue being a full-function joint venture within the meaning of Article 3(4) of the Merger Regulation.

2.3. Conclusion

(15) Post-Transaction, the JV will remain a full-function joint venture, within the meaning of Article 3(4) of the Merger Regulation, and will be jointly controlled by the Parties, within the meaning of Article 3(1)(b) of the Merger Regulation.

3. UNION DIMENSION

(16) The undertakings concerned have a combined aggregate worldwide turnover of more than EUR 5,000 million (ČEZ: EUR 14,208 million in 2023; Varese: EUR […] in the fiscal year ending on 31 March 2023; CGNS: EUR 543.5 million in 2023).[17] Each of them has a Union-wide turnover in excess of EUR 250 million (ČEZ: EUR […] in 2023; Varese: EUR […] million in the fiscal year ending on 31 March 2023; CGNS: EUR 543.5 million in 2023), but not all of them achieve more than two-thirds of their aggregate Union-wide turnover within one and the same Member State.[18] The Transaction therefore has a Union dimension under Article 1(2) of the Merger Regulation.

4. MARKET DEFINITION

4.1. Introduction to natural gas transport in Czechia

(17) Producers sell and supply natural gas to wholesale suppliers, which, in turn, supply it to retail suppliers. The latter supply natural gas to final customers. The physical transport of the natural gas volumes between these different market operators is done via transportation networks (also referred to simply as 'grids').

(18) The transportation of gas in Czechia involves two types of networks:

(a) The transmission network, used by importers or producers to transport natural gas on behalf of wholesale suppliers that aim to resell it either to other gas wholesalers, to distributors, or to large industrial customers that are directly connected to the gas transmission network.[19] The transmission network is composed of mostly high-pressure pipelines and is operated by the Transmission System Operator ('TSO'), which in Czechia is NET4GAS, s.r.o. ('N4G', Czechia).[20] N4G is the only natural gas TSO in the country.

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15 Notifying Parties' reply to Request for Information 6, Question 1.

16 Form CO, paragraphs 93 and 95.

17 Turnover calculated in accordance with Article 5 of the Merger Regulation.

18 Form CO, Section 4 and Notifying Parties' reply to Request for Information 6, Question 2.

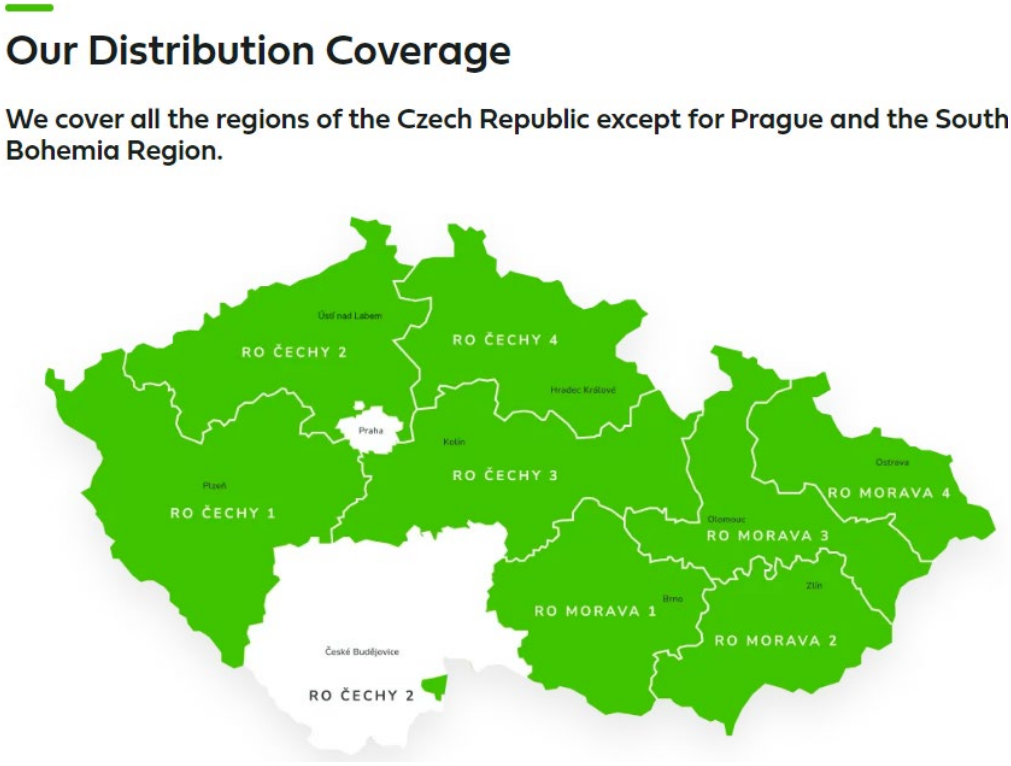
19 *E.g.*, case M.9641 – *SNAM / FSI / OLT*, paragraph 27.

20 N4G is indirectly solely owned and controlled by the State-owned operator of the electricity transmission network in Czechia, ČEPS, a.s. ('ČEPS'), controlled by the Ministry of Industry and Trade.

(b) Distribution networks, used to deliver natural gas on behalf of retail suppliers to end customers.[21] The distribution networks are composed of mostly lower-pressure pipelines and are operated by DSOs. In Czechia, there are three DSOs: GasNet (covering approximately 80% of the Czech territory, as shown in **Figure 1**, below), Pražská plynárenská Distribuce, a. s. (covering mostly the city of Prague), and EG.D, a company owned by E.ON (covering mostly the South Bohemian Region). Each grid covers a part of the Czech territory, not overlapping with each other.

Distribution is further carried out on a much smaller scale over gas local distribution systems ('LDS'). LDSs physically deliver natural gas from DSOs' grids to a small number of customers in Czechia (typically, clients in industrial zones, shopping malls, and certain housing types). LDSs are rare, as most customers are connected directly to DSOs' regional grids.[22]

Figure 1: GasNet's distribution coverage (highlighted in green)



Source: GasNet's website (as accessed in July 2024)

(19) N4G has a monopoly, as no other transmission grid exists in Czechia. Likewise, all the DSOs are monopolists, not facing any competitor in the territory covered by each of their grids.[23] By way of example, if a household in Prague wants to contract natural gas, it is free to choose its retail supplier. However, whether it contracts with ČEZ or any of its competitors, the natural gas sold will necessarily be physically distributed through the relevant DSO's network (in this example,

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21 The main customers of DSOs are gas retail suppliers, who sell natural gas to end customers, using DSOs' networks to deliver that gas to customers' connection points (Form CO, paragraph 61).

22 Form CO, paragraph 153.

23 Replies to eRFI 'Competitors – Supply of Natural Gas in Czechia', Question B.2. Non-confidential version of minutes of pre-notification conference call of 8 July 2024, paragraph 4.

Pražská plynárenská Distribuce, a. s.'s grid). In that sense, access to the relevant DSO's network in each territory is a crucial input for retail suppliers.[24]

(20) Moreover, potential competition does not seem to represent a constraint on DSOs' activities. The Commission's market investigation confirmed that the development of new DSOs' networks, to compete with the existing ones, appears uneconomic, due to high investment costs and the fact that the existing grids are sufficient to cover all the territory and demand.[25] Therefore, DSOs seem to be natural monopolists.

(21) Gas transmission and distribution activities (those carried out by N4G, GasNet, and the other DSOs) are subject to sectoral regulation, described below in Section 5.3.2.2.

(22) In the previous decisional practice of the Commission, the gas product markets have been segmented into (i) exploration of crude oil and natural gas, (ii) the development, production, and upstream wholesale supply of natural gas, (iii) downstream wholesale supply of natural gas, (iv) gas transmission (via high-pressure systems), (v) gas distribution (via lower-pressure systems), (vi) gas storage, (vii) gas trading, (viii) retail supply of gas (to end customers), and (ix) the markets for the infrastructure for gas imports.[26]

(23) GasNet is active in the distribution of natural gas, whereas ČEZ is active both in the downstream wholesale and retail supply of natural gas in Czechia.[27] In addition, ČEZ owns and operates certain LDSs in Czechia connected to GasNet's

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24 Replies to eRFI 'Competitors – Supply of Natural Gas in Czechia', Question E.A.3.

25 Non-confidential version of minutes of pre-notification conference call of 7 June 2024, paragraph 13. Replies to eRFI 'Competitors – Supply of Natural Gas in Czechia', Question B.1. Form CO, paragraph 135.

26 Case M.10941 – *ENI / SONATRACH / EQUINOR / IN SALAH JV*, paragraph 19. See also Cases M.10619 – *SNAM / ENI / JV*, M.10139 – *DESFA / COPELOUZOU / DEPA / GASLOG / BTG / GASTRADE*, M.9641 – *SNAM / FSI / OLT,* M.3440 – *ENI / EDP / GDP,* M.3294 – *EXXONMOBIL / BEB,* M.3293 – *SHELL / BEB,* M.4180 – *GAZ DE FRANCE / SUEZ*, and M.3868 – *DONG / ELSAM / ENERGIE*.

27 The Commission notes that while in previous decisions a vertical relationship between natural gas distribution and the downstream wholesale supply of natural gas was identified, such vertical relationship does not appear warranted in the present case. Indeed, the information in the Commission's file indicates that there is no customer relationship between, on the one hand, DSOs such as GasNet and downstream wholesale suppliers of natural gas, on the other hand. Retail suppliers (which purchase natural gas from downstream wholesale suppliers) collect the fee due for the use of the DSOs' networks from final customers and pass them to DSOs, directly remunerating them for the distribution services. The results of the Commission's market investigation corroborate this understanding, with most retail and wholesale market participants (i) identifying only gas retail suppliers as the direct clients of DSOs, (ii) confirming that, in Czechia, only the retail supplier pays a fee to the DSO for the use of the DSO's grid to distribute natural gas, and (iii) indicating that access to a DSO's network is only an essential input for retail suppliers (Replies to eRFI 'Competitors – Supply of Natural Gas in Czechia', Questions E.A.1-E.A.3). Even if a vertical relationship between natural gas distribution and the downstream wholesale supply of gas—where ČEZ has a market share of [20-30]% in Czechia—was identified, the Commission considers that the Transaction would not raise serious doubts as to its compatibility with the internal market or the functioning of the EEA Agreement, as the assessment below regarding the vertical relationship between natural gas distribution and the retail supply of gas equally applies to the wholesale supply of gas. Moreover, wholesale suppliers that participated in the market investigation confirmed that the Transaction would have no material impact on the market for the downstream wholesale supply of natural gas in Czechia (Replies to eRFI 'Competitors – Supply of Natural Gas in Czechia', Question F.2).

distribution network.[28] Neither Varese nor BCI are active in the distribution of natural gas or in any vertically related upstream or downstream markets.[29]

4.2. Distribution of natural gas

4.2.1. Product market definition

(24) In previous decisions, the Commission identified two separate markets for the transportation of gas: transmission and distribution.[30]

(25) In relation to distribution networks, the Commission has found the operation and management of a lower-pressure gas distribution network to be a relevant product market and a natural monopoly.[31] The Commission has previously assessed, but ultimately left open, whether LDSs are part, along DSOs' activities, of a single market for the distribution of natural gas.[32]

(26) The Notifying Parties do not question the conclusions reached by the Commission in its prior decisional practice.[33]

(27) During the Commission's investigation, all respondents confirmed that the distribution of gas constitutes a separate market from the transmission of gas.[34] Respondents moreover confirmed that DSOs do not face competition from alternative distribution grids for the distribution of natural gas.[35]

(28) The Commission's market investigation did not reveal reasons that would justify including LDSs as part of the DSO's distribution markets. Consistent with the Notifying Parties' views, the market investigation confirmed that LDSs do not have any competitors.[36] This extends to the LDSs that ČEZ owns and operates in Czechia that are connected to GasNet's grid (in Ostrava, Mohelnice, Dětmarovice, and Dolní Lutyně; in Kdyně; and in Lovosice).[37]

(29) For purposes of the present case, the exact product market definition, namely the question of whether LDSs are part of DSOs' distribution markets, may be left open, considering that the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible market definition. The Commission will assess the effects of the Transaction by reference to the narrowest plausible product market delimitations, *i.e.*, separate markets for the DSOs' distribution networks and for the local distribution of gas through LDSs.

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28 Form CO, Annex 10, paragraphs 10-13

29 Form CO, paragraph 60.

30 Cases M.8870 – *E.ON/INNOGY*, paragraph 493 and M.4238 – *E.ON / PRAZSKA PLYNARENSKA*, paragraph 13.

31 Cases M.8870 – *E.ON/INNOGY*, paragraph 494 and M.4238 – *E.ON / PRAZSKA PLYNARENSKA*, paragraph 13.

32 Case M.8870 – *E.ON/INNOGY*, paragraph 498.

33 Form CO, paragraph 135.

34 Replies to eRFI 'Competitors – Supply of Natural Gas in Czechia', Questions B.4.

35 Replies to eRFI 'Competitors – Supply of Natural Gas in Czechia', Questions B.2.

36 Non-confidential version of minutes of pre-notification conference call of 12 June 2024, paragraph 14. Non-confidential version of minutes of pre-notification conference call of 8 July 2024, paragraph 7.

37 Form CO, paragraph 60 and Form CO, Annex 10, paragraphs 10-13.

4.2.2. Geographic market definition

(30) In its previous decisions, the Commission found the geographic market for gas distribution to be in line with the territory covered by each distribution network, such that each grid constitutes a distinct relevant geographic market.[38] Likewise, the Commission has previously considered that each LDS constitutes a distinct relevant geographic market.[39]

(31) The Notifying Parties do not question the conclusions reached by the Commission in its prior decisional practice.[40]

(32) All respondents to the Commission's market investigation confirmed that it is appropriate to consider the area that each DSO's network covers to be a distinct geographic market (as the networks of the different DSOs in Czechia do not overlap between themselves).[41] Respondents indicated that each DSO is a natural monopolist in its geographic area, since duplication of the infrastructure would be uneconomic.[42] For the same reasons, the area that each LDS's grid covers will also be considered, for purposes of this decision, to be a distinct geographic market.

(33) For purposes of the present case, the exact geographic market definition may be left open, considering that the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible market definition. The Commission will assess the effects of the Transaction by reference to the narrowest plausible geographic market delimitations, *i.e.*, geographic markets corresponding to the territory covered by each (regional or local) distribution network.

4.3. Retail supply of natural gas

4.3.1. Product market definition

(34) The Commission has, in its previous decisions, considered the market for the retail supply of gas to final customers as a separate relevant product market, generally distinguishing between the supply of gas to (i) gas-fired electricity plants, (ii) large industrial customers, (iii) small commercial customers, and (iv) households.[43] As ČEZ is not active in the supply of gas to gas-fired electricity plants, this segment will not be further discussed.[44]

(35) In the past, the Commission has considered, with regard to Czechia, sub-segmentations based on the methodology used by ERO.[45] In a more recent

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38 Cases M.8870 – *E.ON/INNOGY*, paragraphs 494-498 and M.4238 – *E.ON / PRAZSKA PLYNARENSKA*, paragraph 15.

39 Case M.8870 – *E.ON/INNOGY*, paragraph 498.

40 Form CO, paragraph 135.

41 Replies to eRFI 'Competitors – Supply of Natural Gas in Czechia', Questions B.6.

42 Replies to eRFI 'Competitors – Supply of Natural Gas in Czechia', Questions B.1-B.2.

43 Cases M.8870 – *E.ON/INNOGY*, paragraphs 499-500, M.7927 – EPH / ENEL / SE, paragraph 33; M.6984 – *EPH / STREDOSLOVENSKÁ ENERGETIKA*, paragraph 29.

44 Form CO, Annex 10, paragraph 18.

45 ERO subsegments the market based on annual consumption, between (i) large commercial customers (consumption above 4,200 MWh), referred to as the 'VO' supply category, (ii) medium-sized commercial customers (between 630 and 4,200 MWh), referred to as the 'SO' supply category, (iii) small commercial customers (below 630 MWh, excluding households), referred to as the 'MO' category, and (iv) household customers, referred to as the 'DOM' supply category. Cases M.4238 – *E.ON/PRAŽSKÁ PLYNÁRENSKÁ*, paragraph 14 and M.5365 – *IPO/ENBW/PRAHA/PT*, paragraphs 21-22. Form CO, paragraph 141.

decision, it distinguished the market for the retail supply of gas in Czechia between the supply to (i) small customers, with an annual consumption below 630 MWh and (ii) large customers, with an annual consumption above 630 MWh.[46]

(36) The Notifying Parties do not consider it necessary to further segment the market for the retail supply of natural gas.[47]

(37) Most of the participants in the Commission's market investigation confirmed that it is appropriate to distinguish between (i) small customers, with an annual consumption below 630 MWh and (ii) large customers, with an annual consumption above 630 MWh. While the majority of respondents do not consider further sub-segmentations to be necessary, a non-negligible minority of respondents consider that a further sub-segmentation of small customers between (a) small commercial customers and (b) households, as well as a further sub-segmentation of large customers between (a) large customers with an annual consumption exceeding 4,200 MWh, and (b) large customers with an annual consumption below 4,200 MWh would be appropriate.[48] However, for purposes of this decision, it can be left open whether the retail supply of gas market should be further sub-divided, as the Transaction does not raise concerns with regard to its compatibility with the internal market under any market definition.

(38) Therefore, for purposes of the present case, the Commission considers that the exact product market definition of the retail supply of gas market in Czechia can be left open as the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible market definition. As market shares are not significantly different in the additional sub-segmentations considered above, the Commission will assess the effects of the Transaction only on the markets for (i) small customers, with an annual consumption below 630 MWh ('small customers') and (ii) large customers, with an annual consumption above 630 MWh ('large customers').

4.3.2. Geographic market definition

(39) In its decisional practice, the Commission considered the geographic market for the retail supply of gas to large customers as well as the retail supply of gas to small customers to be national, although for the retail supply to small customers the Commission found local elements of competition.[49]

(40) The Notifying Parties do not question the Commission's previous practice of considering the retail supply market of natural gas to be national in scope.[50]

(41) Most of the respondents to the Commission's market investigation confirmed that the market for the retail supply of gas to large customers is national in scope. With regard to the market for the retail supply of natural gas to small customers, most of the respondents consider the market to be national, with local elements of competition. Respondents note differences in terms of purchasing power, customers preferences, and the importance of physical shops.[51]

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46 Case M.8870 – *E.ON/INNOGY*, paragraphs 504-508.
47 Form CO, paragraphs 137-141.
48 Replies to eRFI 'Competitors – Supply of Natural Gas in Czechia', Questions D.1–D.6.
49 Case M.8870 – *E.ON/INNOGY*, paragraphs 514-518.
50 Form CO, paragraph 138.
51 Replies to eRFI 'Competitors – Supply of Natural Gas in Czechia', Questions D.7-D.10.

(42) The Commission concludes that, for the purposes of this case, the exact geographic market definition of the markets for the retail supply of natural gas to large customers and to small customers can be left open as the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible market definition. For the purposes of this decision, the Commission will only assess the market for the retail supply of natural gas at the national level.

5. COMPETITIVE ASSESSMENT

5.1. Preliminary question of whether ČEZ is an economic unit with a power of decision independent from the Czech State

(43) The majority (69.78%) of ČEZ's share capital is owned by Czechia via its MoF. No other shareholder holds more than 3% of ČEZ's share capital.[52] As ČEZ is a State-owned enterprise ('SOE'), controlled by the MoF, the question arises of whether other SOEs owned by the Czech State should also be taken into consideration for the competitive assessment of the Transaction.[53]

(44) The Notifying Parties argue that ČEZ, though controlled by the MoF, is an '*economic unit with an independent power of decision*' within the meaning of recital 22 of the Merger Regulation and that, therefore, the activities of other SOEs should not be considered.[54]

(45) In its 2017 decision in merger case *PRISKO / OKD NASTUPNICKA*, the Commission concluded that ČEZ was not an economic unit with an independent power of decision from the Czech State, as the latter had the ability to exercise decisive influence over ČEZ.[55] As a result, the Commission aggregated ČEZ's turnover to the turnover of the notifying party in that case. The Commission's conclusion relied on the facts that, because the MoF owns the majority of ČEZ's shares, it is entitled to appoint eight out of the 12 members of ČEZ's Supervisory Board, which, in turn, appoints the members of the Board of Directors, the governance body where the budget and other strategic decisions are adopted.[56]

(46) The described corporate governance structure still currently applies:[57]

(a) Shareholders of ČEZ sit at the General Meeting of Shareholders which appoints most of the members of the Supervisory Board. Because the MoF owns a majority of ČEZ's shares, it is capable of solely appointing eight out of the 12 members of ČEZ's Supervisory Board, the remaining four members being appointed by workers' unions.

(b) In turn, ČEZ's Supervisory Board appoints the seven directors of its Board of Directors. ČEZ's Board of Directors is responsible for setting up the business plan, the budget and for adopting strategic decisions. The other shareholders of ČEZ have no representation at the Supervisory Board or at the Board of Directors.

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52 Form CO, paragraph 73.

53 The Commission notes that the turnover thresholds of Article 1(2) of the Merger Regulation are met irrespective of whether ČEZ's turnover includes the turnover of other Czech SOEs or solely ČEZ's turnover.

54 Form CO, Annex 9.

55 Case M.8687 – *PRISKO / OKD NASTUPNICKA*, paragraph 27.

56 Case M.8687 – *PRISKO / OKD NASTUPNICKA*, paragraphs 11-14.

57 Form CO, Annex 9.

(c) Therefore, through its majority shares' voting rights in the General Meeting, the MoF is entitled to appoint two thirds of the members of the Supervisory Board of ČEZ, which in turn appoints and removes the members of its Board of Directors, giving the MoF the ability to exercise decisive influence over ČEZ's strategic decisions.

(47) It bears emphasis, as evidence of MoF's current influence in ČEZ's commercial decision making, that one of the members of the current composition of ČEZ's Supervisory Board is simultaneously a deputy minister of the Czech MoF. Moreover, in the past ten years, the composition of ČEZ's Supervisory Board included several deputy ministers in the Czech MoF, a deputy minister at the Ministry of Defence, and one Head of the Office of the Government of the Czech Republic.[58]

(48) These elements suggest that ČEZ is not an economic unit with an independent power of decision from the Czech MoF. In any event, in the present case, it is not necessary to conclude this analysis, as this determination does not seem to be crucial to the Transaction's competitive assessment, as the Notifying Parties confirmed that the other Czech SOEs are not active in the gas distribution supply chain, with two exceptions. The Notifying Parties informed the Commission that the State-owned operator of the electricity transmission network, ČEPS, controlled by the Ministry of Industry and Trade, solely owns and controls, indirectly:

– Gas Storage CZ, s.r.o. ('Gas Storage CZ', Czechia), which, according to publicly available information, operates a total of six underground natural gas storages. This company's activity is not horizontally or directly vertically related to the relevant market in which CGNS is active;[59]

and

– N4G, the natural gas TSO in Czechia. The Commission's investigation revealed that there may be a vertical relationship between TSO and DSOs, as DSOs pass on to the TSO the regulated fee that they receive from retail operators for the transmission of natural gas. As neither GasNet nor N4G, as monopolists, face any competitor in their respective markets, nor are they expected to face in the foreseeable future (due to it not being cost-efficient and profitable to replicate the existing natural gas transmission and distributions networks), any hypothetical input or customer foreclosure strategies would not further strengthen such dominant positions and there are also no serious doubts that there would be another significant impediment to effective competition in the upstream or downstream markets. Accordingly, this relationship will not be further discussed in this decision.

(49) Since, regardless of the exact conclusion, the Transaction does not raise serious doubts as to its compatibility with the internal market, the questions of whether ČEZ is an economic unit with an independent power of decision can be left open.

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58 Form CO, Annex 9, paragraphs 46-47.

59 Non-confidential version of minutes of pre-notification conference call of 7 June 2024, paragraph 17. Producers, importers, wholesalers, and retailers are the typical customers of natural gas storage operators.

5.2. Overview of affected markets

(50) The Transaction results in merger-specific affected vertical relationships between, upstream, GasNet's activity in the distribution of natural gas in the territory covered by its natural gas distribution system (approximately 80% of the Czech territory), where it is a monopolist (100% market share), and each of the following downstream activities:

(a) ČEZ's activity in the local distribution of natural gas via LDSs in Ostrava, Mohelnice, Dětmarovice, and Dolní Lutyně; in Kdyně; and in Lovosice (Czechia). ČEZ is a monopolist in the territory covered by each of its LDSs (100% market share).

As this vertical relationship involves, both upstream and downstream, monopolists with shares of 100%, any hypothetical input or customer foreclosure strategies would not further strengthen such dominant positions and there are also no serious doubts that there would be another significant impediment to effective competition in the upstream or downstream markets, as the parties do not face, nor it is likely that they will face in the near future, any upstream or downstream competitors.[60] Consequently, this relationship will not be further discussed in this decision; and

(b) ČEZ's activity in the retail supply of natural gas to (i) small customers in Czechia, where it had a market share of [10-20]% in 2023, and (ii) large customers in Czechia, where it had a market share of [10-20]% in 2023.[61]

(51) Finally, the Transaction also results in horizontal overlaps on other markets.[62] However, none of these overlaps give rise to affected markets within the meaning of recital 25(g) Annex I to Regulation (EU) 2023/914.[63] Since there are no indications that the concentration would lead to serious doubts on any of these markets, these overlaps will not be assessed in detail in this decision.

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60 Moreover, like DSOs, LDSs are also subject to sectoral regulation carried out by ERO with rules similar to those applying to DSOs.

61 ČEZ supplies natural gas via ČEZ ESCO, a.s. (Czechia) to large customers and via ČEZ Prodej, a.s. (Czechia) to smaller customers (including small undertakings). Form CO, Section 6.2. and paragraph 55. The Commission notes that on the additional sub-segmentations considered in Section 4.3.1, above, the market shares of ČEZ are the following: [10-20]% in the supply to large commercial customers (annual consumption exceeding 4,200 MWh), [10-20]% for medium-sized commercial customers (annual consumption between 630 and 4,200 MWh), [20-30]% for small commercial customers (annual consumption below 630 MWh) and [10-20]% for household customers. Form CO, paragraph 155.

62 The Transaction leads to horizontal overlaps on the markets for energy-related services in Czechia, where both ČEZ and CGNS have limited activities. However, the Parties submit that under any plausible market definitions, the Parties' combined market shares are below 20%, thus meeting the condition laid down in point 5(d)(i)(aa) of Commission Notice on a simplified treatment for certain concentrations under Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings 2023/C 160/01, OJ C 160, 5.5.2023, p. 1.

63 Commission Implementing Regulation (EU) 2023/914 of 20 April 2023 implementing Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings and repealing Commission Regulation (EC) No 802/2004, OJ L 119, 5.5.2023, p. 22.

5.3. Competitive assessment

5.3.1. Legal framework

(52) According to the Non-Horizontal Merger Guidelines,[64] foreclosure occurs when actual or potential rivals' access to markets is hampered, thereby reducing those companies' ability and/or incentive to compete.[65] Such foreclosure can take two forms: (i) input foreclosure, when access of downstream rivals to supplies is hampered[66] and (ii) customer foreclosure, when access of upstream rivals to a sufficient customer base is hampered.[67]

(53) For input or customer foreclosure to be a concern, three conditions need to be met post-Transaction: (i) the merged entity needs to have the ability to foreclose its rivals, (ii) the merged entity needs to have the incentive to foreclose its rivals, and (iii) the foreclosure strategy needs to have a significant detrimental effect on competition on the downstream market (input foreclosure) or on consumers in the downstream market (customer foreclosure).[68] In practice, these factors are often examined together since they are closely intertwined.

(54) The Commission will not assess the likelihood of customer foreclosure strategies given that, in the relevant upstream market, GasNet is a natural monopolist, facing no actual or potential competitor (because, in principle, it would be uneconomic to duplicate the existing infrastructure). Accordingly, regardless of the level of ČEZ's market shares downstream, a customer foreclosure strategy would have no effect in the relevant upstream markets (*i.e.*, there are no actual or potential competitors that could be foreclosed). The likelihood of customer foreclosure strategies will therefore not be further assessed in this decision.

5.3.2. Input foreclosure

(55) The Commission will assess whether the Transaction could lead to input foreclosure, pursuant to which the merged entity would, post-Transaction, foreclose ČEZ's competitors by restricting access to, increasing the price of, or deteriorating the quality of GasNet's distribution services that it provides to ČEZ's competitors in the relevant downstream markets, *i.e.*, the retail supply of natural gas to small customers in Czechia and the retail supply of natural gas to large customers in Czechia.

5.3.2.1. Notifying Parties' views

(56) The Notifying Parties submit that the risk of input foreclosure can be ruled out because the merged entity would not have the ability nor incentive to foreclose access to its distribution network to competitors of ČEZ in the downstream market for the retail supply of gas.

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64 Guidelines on the assessment of non-horizontal mergers under the Council Regulation on the control of concentrations between undertakings, OJ C 265, 18.10.2008, p. 7

65 Non-Horizontal Merger Guidelines, paragraphs 20-29.

66 Non-Horizontal Merger Guidelines, paragraph 31.

67 Non-Horizontal Merger Guidelines, paragraph 58.

68 Non-Horizontal Merger Guidelines, paragraphs 32 and 59.

Ability to foreclose

(57) The Notifying Parties submit that gas distribution activities are subject to licensing under the Czech Act No. 458/2000 Coll., on business conditions and public administration in the energy sectors, as amended ('Energy Act').[69] GasNet, as a holder of a natural gas distribution license, is therefore subject to strict oversight and economic, structural and behavioral regulation by ERO, the Czech energy regulator.

(58) The Notifying Parties submit that ERO is an independent administrative authority tasked with the regulation of the Czech energy sectors. In the exercise of its powers, ERO shall neither accept nor require instructions from the President of the Republic, the Government, or any other body of Czechia's executive power or any other natural or legal person.[70]

(59) The Notifying Parties explain that DSOs are subject to the following main regulatory requirements:[71]

(a) DSOs must allow access to their distribution network to any operator that requests it and meets the specified technical conditions (notably, Section 59(8) of the Energy Act). DSOs cannot deny access or discriminate without a justification grounded in the applicable legislation.

(b) The fees DSOs charge for the distribution of natural gas are set by ERO in a transparent and predictable manner, in accordance with its established price regulation methodology (in particular, Sections 19(a) and 19(b) of the Energy Act). The methodology is determined by following a clear and transparent procedure outlined in the Energy Act.

(c) Unbundling rules (notably, in Section 59(a) of the Energy Act),[72] according to which DSOs that are vertically integrated with entities active in the natural gas supply chain must separate their gas distribution operations from the supply operations. Unbundling rules require: (i) personal separation of the staff involved in the decision-making processes, (ii) a prohibition on day-to-day operational or maintenance instructions being given by the parent company to the distributor, (iii) adoption and adherence to a compliance program, including the appointment of a compliance officer, (iv) clearly different branding vis-à-vis customers, and (v) strict rules on information sharing.

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69 Form CO, paragraph 62.

70 The Notifying Parties submit that ERO's independency is enshrined in Section 17(3) of the Energy Act and derives from applicable EU law, notably from the implementation of Articles 39(4) and 39(5) of Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC, OJ L 211, 14.08.2009 ('Directive 2009/73/EC'). Form CO, Annex 8.

71 Form CO, paragraphs 63-65 and Annex 8.

72 These provisions reflect Article 26 of Directive 2009/73/EC, pursuant to which (i) appropriate measures must be taken to ensure that the professional interests of persons responsible for the management of the distribution system operator are taken into account in a manner that ensures that they are capable of acting independently and (ii) the distribution system operator must have effective decision making rights, independent from the integrated natural gas undertaking, with respect to assets necessary to operate, maintain or develop the network.

(60) Due to the strict regulatory requirements imposed on DSOs, the Notifying Parties consider that the merged entity would lack the ability to foreclose competitors of ČEZ on the downstream market for the retail supply of natural gas.

Incentives to foreclose

(61) The Notifying Parties put forward a number of arguments according to which the merged entity would have no incentive to foreclose access to GasNet's distribution network:

(a) *First*, GasNet has considerable excess distribution capacity. Its maximum measured daily utilisation was only […]%, […]%, and […]% of its maximum daily technical capacity, respectively in 2021, 2022 and 2023. Instead of reducing the amount of gas it distributes, GasNet would rather have a strong incentive to maximise the utilisation of its distribution network, given that the operation of natural gas distribution networks is characterized by a high proportion of fixed and sunk costs.[73]

(b) *Second*, GasNet will be jointly controlled by ČEZ and BCI. As a financial investor without other activities in the gas value chain in Czechia, […] that, given its illegality and applicable sanctions, would harm the economic results and reputation of GasNet.[74]

(c) *Third,* the merged entity would have no financial incentive to engage in a hypothetical foreclosure strategy as it would undermine the economic results of GasNet with no potential comparable or outweighing benefits on the downstream market—notably, because ČEZ accounts on average for only approximately [10-20]% of GasNet's utilised capacity and because margins on the downstream market are lower than on the upstream market.[75] Furthermore, ČEZ would struggle to onboard any supra-ordinary inflow of new customers due to its moderate market share and corresponding resources dedicated to natural gas customers.[76]

(d) *Finally,* the Notifying Parties submit that the illegality of the potential foreclosure strategy serves as a strong deterrent of such conduct. A potential foreclosure behaviour would indeed be in breach of the sectoral regulation and be easily detected by ERO, retail gas suppliers, and final customers. Given the sanctions applicable in case of breach of the sectoral regulation—that could go as far as to the revocation of the distribution license—and the high likelihood of detection, the merged entity would be strongly deterred from input foreclosing ČEZ's competitors in the downstream market.[77]

(62) The Notifying Parties conclude that, in addition to lacking the ability to foreclose, the merged entity would also lack the incentive to foreclose.

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73 Form CO, paragraphs 168-170 and 199-208.

74 Form CO, paragraph 201.

75 The Notifying Parties submit that the upstream per-customer gross margin of GasNet is significantly higher than the downstream per-customer gross margin of ČEZ. Form CO, paragraphs 199-210 and Annex 11.

76 Form CO, paragraphs 199-210, and Annex 11.

77 Form CO, paragraphs 211-215.

5.3.2.2. The Commission's assessment

Ability to foreclose

(63) Input foreclosure may raise competition problems if it concerns an important input for the downstream product.[78] The distribution services of GasNet are a critical component because, without them, downstream retail suppliers would not be able to supply natural gas to their customers located in the territory covered by GasNet's grid.

(64) In addition, for input foreclosure to be a concern, the vertically integrated firm resulting from the concentration must have a significant degree of power in the upstream market and thus, possibly, on prices and supply conditions in the downstream market.[79] As described above, GasNet is a natural monopolist in the relevant upstream market. However, it seems unlikely that GasNet would be able to exercise its market power to implement an input foreclosure strategy, for the following reasons.

(65) The Commission notes that gas distribution activities in Czechia are subject to well-established sectoral regulation provided for in the Energy Act. The supervision and enforcement of the sectoral regulation is carried out by ERO, an independent administrative authority. ERO confirmed to the Commission that it is an independent regulator that does not receive or request instructions from the Czech State, Government, or any ministry.[80]

(66) The mere existence of sectoral regulation may not be sufficient to deter a merged entity to exercise market power and therefore exclude competitive concerns. Accordingly, the Commission's investigation focused on ascertaining whether the sectoral regulation in place in Czechia applying to the distribution of natural gas would sufficiently constrain the merged entity's ability to input foreclose. In that regard, the overwhelming majority of respondents to the Commission's market investigation confirmed that the sectoral regulation is effective in preventing DSOs from influencing tariffs and denying or degrading access to downstream retail suppliers of gas. Notably, the results of the market investigation confirmed that (i) DSOs' activities are subject to the independent and effective oversight and regulation of ERO, (ii) DSOs (including GasNet) cannot discriminate between suppliers, (iii) fees for the use of DSOs' networks are set by ERO in a transparent and predictable manner, and (iv) unbundling rules, requiring vertically integrated DSOs to separate their gas distribution from their other natural gas operations, are in place.[81] Moreover, ERO expressed confidence in the sectoral regulation's efficacy in preventing DSOs from implementing foreclosure strategies.[82] Furthermore, when asked about past foreclosure behaviour by DSOs, both market participants and ERO replied that they have not detected such behaviour in the last five to 10 years (from GasNet or other DSOs).[83]

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78 Non-Horizontal Merger Guidelines, paragraph 34.

79 Non-Horizontal Merger Guidelines, paragraph 35.

80 Non-confidential version of minutes of pre-notification conference call of 8 July 2024, paragraph 11.

81 Replies to eRFI 'Competitors – Supply of Natural Gas in Czechia', Question E.A.4.

82 Non-confidential version of minutes of pre-notification conference call of 8 July 2024, paragraph 21-22.

83 Replies to eRFI 'Competitors – Supply of Natural Gas in Czechia', Question E.A.7 and Non-confidential version of minutes of pre-notification conference call of 8 July 2024, paragraph 15.

(67) Any infringements of sectoral regulation, such as the charge of higher prices to ČEZ's competitors or other discriminatory measures in the relevant downstream market would moreover be easily detected. Most market participants confirmed that denial or deterioration of access, as well as price increases, would be easily detected by market participants and ERO.[84] One competitor of ČEZ in the market for the retail supply of natural gas in Czechia explained that '*ERO publishes public decisions for the price system which allow every participant to be aware of the current prices, so any price deviation would be obvious. Moreover, all market operators have compliance officers that will write an annual report to ERO and the ministry. This report is later available on the company's website*'.[85] ERO also confirmed that it monitors DSOs' compliance with the distribution fee it sets and that any discriminatory practice aimed at benefiting ČEZ's supply divisions would be easily detected by itself and market operators.[86]

(68) The Commission notes that infringements of the sectoral regulation, including the non-discriminatory access obligation, unbundling requirements, and deviations from prices set by ERO, are subject to fines. Pursuant to Section 18(3) of the Energy Act, ERO may impose corrective measures aimed at eliminating the unlawful state (and, in most serious cases, revoke the distribution license as envisaged in Section 10(2) of the Energy Act). In addition, financial sanctions pursuant to Section 91(16) of the Energy Act and pursuant to Section 16 of the Czech Price Act (526/1990 Sb) are foreseen.[87] The large majority of market participants consider that the applicable sanctions have a deterrent effect.[88]

(69) Finally, most market participants considered it unlikely that, post-Transaction, the merged entity would have the ability to increase prices, deny access to GasNet's grid, or deteriorate quality of access to GasNet's grid (*e.g.*, delays, less capacity, or other discriminatory terms) to ČEZ's competitors in the downstream market for the retail supply of natural gas in Czechia.[89] One gas retail supplier explained that '*There is sufficient legal regulation applied and the regulator is independent and respected by market participants*.'[90] Another retailer confirmed that '*The access to the grid is granted by the law and we do not think that ČEZ would be able to deny or deteriorate quality of it*.'[91]

(70) In view of the above, it appears that downstream retail suppliers of natural gas in Czechia have access to the distribution networks, including to that of GasNet, on non-discriminatory terms. The distribution price is regulated and end users may freely choose the gas retail supplier, no matter who owns or operates the distribution network that will be used to deliver natural gas to them. The Commission therefore considers that, for purposes of this case, due to the regulatory framework that applies to the distribution of natural gas in Czechia, and in view of the results of the market investigation, it is unlikely that the merged entity would have the ability to implement input foreclosure strategies.

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84 Replies to eRFI 'Competitors – Supply of Natural Gas in Czechia', Question E.A.6.

85 Non-confidential version of minutes of pre-notification conference call of 12 June 2024, paragraph 18.

86 Non-confidential version of minutes of pre-notification conference call of 8 July 2024, paragraph 19.

87 Form CO, paragraph 213 and non-confidential version of minutes of pre-notification conference call of 8 July 2024, paragraph 16.

88 Replies to eRFI 'Competitors – Supply of Natural Gas in Czechia', Question E.A.4.

89 Replies to eRFI 'Competitors – Supply of Natural Gas in Czechia', Question E.C.3.

90 Non-confidential reply to eRFI 'Competitors – Supply of Natural Gas in Czechia', Question E.C.3-4.

91 Non-confidential reply to eRFI 'Competitors – Supply of Natural Gas in Czechia', Question E.C.3-4.

(71) While it can be considered that the applicable sectoral regulation in Czechia provides a well-established framework with numerous safeguards and mechanisms to prevent vertically integrated operators from being able to engage in input foreclosure strategies, the role of the regulatory framework is only one element in the Commission's assessment of the Transaction. The Commission will also assess whether the merged entity would have the incentive to input foreclose.

Incentive to foreclose

(72) When assessing the incentive of the merged entity to foreclose, the Commission assesses the degree to which foreclosure would be profitable. The vertically integrated firm will take into account how its supplies of inputs to competitors downstream will affect not only the profits of its upstream activities, but also of its downstream activities. Essentially, the merged entity faces a trade-off between the profit lost in the upstream market due to a reduction of input sales to (actual or potential) rivals and the profit gain, in the short or longer term, from expanding sales downstream or, as the case may be, being able to raise prices to consumers.[92]

(73) The Commission finds it unlikely that in this case the merged entity would have the incentives to implement an input foreclosure strategy post-Transaction, for the following reasons.

(74) *First*, CGNS is not only controlled by ČEZ, but also jointly controlled by BCI, which is not active across the natural gas supply chain in Czechia and, as such, has diverging interests from those of ČEZ. It is unlikely that BCI would agree to the implementation of an input foreclosure strategy, which is illegal and could put GasNet's activity at risk, and from which it would not, in principle, profit.

(75) *Second*, ERO confirmed that, in the past 10 years, there has not been any case of violation of the unbundling rules or deviations from price regulation on the part of GasNet or vertically integrated DSOs.[93] Similarly, market participants did not experience any foreclosure conduct by DSOs in Czechia that would have hampered their ability to provide their retail supply services, such as discriminatory terms or prices and limitations of distribution capacity.[94]

(76) *Third,* according to information submitted by the Notifying Parties, the per-customer gross margin of GasNet upstream is significantly higher than the per-customer gross margin of ČEZ in the downstream retail market, which makes, other things constant, input foreclosure less likely.[95]

(77) *Finally*, most retail suppliers that participated in the Commission's investigation consider that the Transaction will not significantly impact the market for the retail

92 Non-Horizontal Merger Guidelines, paragraph 40.

93 Non-confidential version of minutes of pre-notification conference call of 8 July 2024, paragraph 15. E.On Energie a.s. (through its subsidiary EG.D, a.s.) and Pražská plynárenská, a. s. (through its subsidiary Pražská plynárenská Distribuce, a.s.) are already vertically integrated, as they own and operate the two other gas distribution networks in Czechia, respectively in South Bohemia and in Prague, and are also retail suppliers of gas in Czechia. Form CO, paragraphs 175, 195.

94 Replies to eRFI 'Competitors – Supply of Natural Gas in Czechia', Question E.A.7.

95 Non-Horizontal Merger Guidelines, paragraph 41.

supply of natural gas market or their business.[96] ERO did not express concerns either.[97]

(78) Considering the above, the Commission concludes that it is unlikely that the merged entity would have either the ability or the incentive to implement a successful input foreclosure strategy post-Transaction. It is therefore not necessary to assess whether such hypothetical strategy could have a significant detrimental effect in the relevant downstream markets.

5.3.3. Conclusion

(79) As such, the Commission considers that the Transaction does not raise serious doubts as to its compatibility with the internal market or the functioning of the EEA Agreement in relation to potential foreclosure of GasNet's distribution network to ČEZ's competitors on the downstream market of retail supply of gas.

6. CONCLUSION

(80) For the above reasons, the European Commission has decided not to oppose the notified operation and to declare it compatible with the internal market and with the EEA Agreement. This decision is adopted in application of Article 6(1)(b) of the Merger Regulation and Article 57 of the EEA Agreement.

For the Commission

(Signed)
Margrethe VESTAGER
Executive Vice-President

96 Replies to eRFI 'Competitors – Supply of Natural Gas in Czechia', Question F.3.

97 Non-confidential version of minutes of pre-notification conference call of 8 July 2024, paragraph 21-22.