



Confidential:

The Market Investigations Review team
7th Floor
Competition and Markets Authority
Victoria House
37 Southampton Row
London WC1B 4AD

Name Jagmit Bhohi

02nd May 2017

Consultation: Updated guidance on the CMA's approach to market investigations

Dear Sir / Madam,

I refer to the above mentioned consultation letter dated 06th March 2017 and would like to thank you for the opportunity to respond. We have reviewed the proposed amendments to the CMA's approach to Market Investigations and there are some comments that we wish to make.

npower understands and appreciates the requirement of streamlining the Market Investigations process as well as strengthening synergies between Market Studies and Market Investigations. However, there are some concerns that we would like to raise within Proposals A and B.

Please see our comments in reference to the five questions that were asked. I hope that the information we have given provides satisfactory responses to your questions. If you require any further information, please do not hesitate to contact me.

Yours sincerely,

Jag Bhohi

Future Regulatory Developments Team
Regulation

Npower Group PLC

Npower

Npower Group plc
Trigonos
Windmill Hill Business Park
Whitehill Way
Swindon
Wiltshire SN5 6PB

T +44(0)1793/87 77 77
F +44(0)1793/89 25 25
I www.npower.com

Registered office:
Npower Group plc
Windmill Hill Business Park
Whitehill Way
Swindon
Wiltshire SN5 6PB

Registered in England
and Wales no. 8241182

Consultation Response

- 1. Do you agree with the proposed changes to MIs set out under proposal (A) (streamlining the MI process)? If not please explain why and whether there are any alternative changes that would achieve the stated aims set out in paragraphs 1.10 and 1.11?**

Npower has a mixture of views around key aspects of Proposal A.

- We welcome the view that Market Investigations should consider potential remedies when assessing potential problems. This would allow for remedies to be consulted upon at an earlier stage which would benefit the process, overall.
- Whilst we understand the reduction at the process level of consultations, we believe that the removal of the 'Updated Issues Statement' would be detrimental as this provides the business with an early view of the direction of the consultation before a final decision is published, which allows us to plan for implementation with far greater efficiency.
- With regards to increasing opportunities for early engagement with parties, npower would welcome additional hearings earlier in the investigation, multi-party hearings, roundtable discussions as well as slide packs. However, we believe that the risk factor would be very high as it pertains to confidentiality rings as there is a potential for wrongful release of working papers therefore, would not support this level of visibility.

- 2. Do you agree with the proposed changes set out under proposal (B) (strengthening synergies between market studies and market investigations, and clarifying the relationship between the Board and the Group in relation to the scope of MIs)? If not please explain why and whether there are any alternative changes that would achieve the stated aims set out in paragraphs 1.10 and 1.11?**

We generally agree with the changes under Proposal B. We would also like to highlight the importance of the Market Study and Market Investigation being as transparent as possible and that the relationship between the Board and the Group is well defined and a clear segregation of duties is established from the very beginning.

- 3. What do you consider to be the potential benefits arising from the changes? Are there any possible risks arising from the proposals, and how could these be mitigated?**

As stated in Question 1 regarding Proposal A, npower believes that confidentiality rings would pose a great risk of leaked information and/or wrongful release of working papers.

- 4. Is the updated text of the guidance sufficiently clear and does it adequately reflect the proposed changes? If there are particular aspects of the**

amended text where you feel greater clarity is necessary, please be specific about the aspects concerned and the changes you would propose to improve them.

Yes

npower believes that the updated text of the guidance is sufficiently clear and adequately reflects the proposed changes.

- 5. Do you have any other comments about the proposed changes and the resulting amendments to the guidance?**

No

Not at this stage.