

## **MARKET STUDY INTO HEAT NETWORKS**

### **Notice of Decision not to make a Market Investigation Reference under Section 131 of the Enterprise Act 2002**

The Competition and Markets Authority (CMA) hereby publishes notice of its decision not to make a reference under section 131B(3) of the Enterprise Act 2002 (the Act). In this notice 'Heat Networks' means the distribution of heat (or cooling) energy from a central source through a network of pipes to multiple buildings or in a single building to multiple domestic occupants.

1. On 7 December 2017 the CMA published a market study notice, in accordance with section 130A of the Act, that it proposed to carry out its function under section 5 of the Act in relation to Heat Networks. The CMA has since considered if it has reasonable grounds for suspecting that any feature, or combination of features, of a market in the United Kingdom for goods and services prevents, restricts or distorts competition in relation to the supply of Heat Networks and to assess the extent to which steps ought to be taken to remedy, mitigate or prevent any such adverse effects.
2. The CMA provided details of the market study, including detailed issues on which the market study welcomed responses, in a statement of scope document annexed to the market study notice.
3. The market study notice invited any persons wishing to make representations, including on whether the CMA should make a market investigation reference under section 131 of the Act, to do so in writing not later than 12 January 2018.
4. No representations were made to the CMA within the specified period to the effect that a reference under section 131 of the Act should be made in relation to the matters specified in the market study notice.
5. The CMA has decided not to make a reference under section 131 of the Act in relation to the supply of heat networks in the United Kingdom.

10 May 2018

Competition and Markets Authority

## Notes

- (i) Where the CMA has published a market study notice, but no representation has been made within the period specified in the notice to the effect that a reference under section 131 of the Act should be made, and has decided not to make a reference, it is required by section 131B(3) of the Act to publish a notice of its decision not to make a reference. This notice must be published within 6 months of the date on which the CMA published its market study notice. Paragraph 5 of the market study notice specified that notice of such a decision would be published no later than 6 June 2018.
  
- (ii) The CMA has no duty under section 131B of the Act to consult interested parties before making its decision, and the CMA is not inviting comments on its decision.