Centrica plc's acquisition of Killingholme

160/04

On 8 June 2004 Centrica plc announced its acquisition of the 652MW CCGT Killingholme power station. As a result, Centrica's total generation capacity in Great Britain is now around 2910MW.¹

Killingholme is a gas fired power station in North Lincolnshire, which adds to Centrica's 60 per cent share in Humber Power Ltd's 1260 MW gas-fired CCGT power station, its tolling agreement with Spalding (which will be fully online end at the of 2004) and its five other wholly owned power stations in England and Wales. Centrica has other significant interests in the gas and electricity markets—namely the supply of gas and electricity, gas production, gas shipping, and gas and electricity trading, as well as gas storage assets.²

The acquisition is subject to the merger control provisions of the Enterprise Act 2002, and, in accordance with the Concordat between Ofgem and the Office of Fair Trading (OFT), Ofgem will advice the OFT on whether the proposed acquisition could give rise to competition concerns.

Ofgem will take into account information and views from interested parties in preparing its advice, and will forward any submissions to the Office of Fair Trading (interested parties may also contact the Office of Fair Trading directly). Submissions should be sent to Pamela Taylor (pamela.taylor@ofgem.gov.uk) and must be received by 5pm on Tuesday 27 July 2004. Submissions will be placed on Ofgem's website (www.ofgem.gov.uk) unless respondents request otherwise.

¹ Data from Centrica's press release 8 June 2004

² Information from www.centrica.com