• Greece: The Competition Commission imposes Fine on Gas Transmission Operator DESFA for Abuse of Dominant Position in Primary Market of Natural Gas Transmission

On 30 April 2013, the Hellenic Competition Commission (HCC) published its decision No 555/VII/2012 regarding the market of natural gas transmission in Greece.

By virtue of the above decision, the HCC fined the ‘Hellenic Gas Transmission System Operator SA’ (DESFA) a total of € 4 299 163 for violation of Articles 2 of competition law 703/1977 (replaced by law 3959/2011) and 102 TFEU. DESFA, a wholly owned subsidiary of DEPA, the incumbent supplier of natural gas in Greece, was found to have abused its dominant position in the primary market of natural gas transmission, by way of denying access to the gas transmission network (an essential facility) to the complainant (ALUMINIUM S.A), an aluminium manufacturer and electricity producer, which is a customer and potential competitor of DEPA.

According to the decision, DESFA’s abusive conduct took place from November 2009 until May 2010, when DESFA initially denied the complainant access to the pipeline entry point dedicated to its facilities (Aluminium de Greece - AdG) and subsequently to the liquefied natural gas (LNG) terminal in Revithousa, the sole entry point of LNG into the Greek transmission grid. As a result of DESFA’s practices, the complainant was effectively denied access to the national natural gas transmission network and, consequently, the opportunity to source natural gas from an alternative supplier competing with DEPA and to compete with DEPA on the market of natural gas supply.

The above decision is the second issued by the HCC regarding the markets of natural gas transmission and supply. The HCC, by virtue of its decision of 12 November 2012, had previously accepted and made binding on DEPA an extensive set of commitments, which notably involved the unbundling of gas supply from gas transportation services, the provision of a higher degree of customer mobility, the increase of liquidity in the market of natural gas, as well as the gradual opening up of reserved capacity at points of entry into the gas transmission network, in order to ensure sufficient access by suppliers competing with DEPA (see ECN Brief 5/2012).