Question for written answer E-006194/2016 to the Commission Rule 130 Ernest Maragall (Verts/ALE)

Subject: Competition in the electricity market

The mechanism of the free market is supposed to confer advantages in terms of efficiency, whereby this increased efficiency is in any case due to the existence of genuine competition and not to the fact that the individual players are private entities. If there is no competition, the market becomes a farce which serves the interests of the dominant players.

In sectors formerly dominated by public monopolies, as is the case of many public services such as telecommunications, energy and water, the market is very often more a wish than a reality, given the dominant position of some players.

The energy sector in Spain is an obvious case in point: not only are two major companies responsible for more than 50% of power generation, but these companies are also the main distributors. This situation goes a long way to explaining why Spain has one of the highest energy prices in Europe, a situation that has already led to State competition regulation agency imposing fines for manipulating the daily energy auction.

In view of the above, will the Commission say:

- 1. Is it aware of flaws in the way the Spanish energy market operates?
- 2. Does it plan to take any measures, such as forcing the entry onto the market of new competitors or a genuine separation of generation and distribution activities?

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