



GAZDASÁGI
VERSENYHIVATAL

Tigáz in dominant position

The GVH established that Tigáz Co. Ltd. abused its dominant position. The undertaking determined connection fees that were excessively high and it did not allow consumers to take part in selecting the undertakings laying the pipes that were necessary for the connection to the gas network. The undertaking was fined HUF 4 million (approx. EUR 16 thousand) and the GVH made further commitments binding on Tigáz.

The GVH initiated an investigation, because between 2004 and 2006 Tigáz charged its customers connection fees several times for capacity-increases, without providing an increased service, though the gas was transported by Tigáz through the connecting pipes that have been laid at the expense of consumers, Tigáz took possession of the pipes without any financial contribution of its own actually.

Pursuant to the Act on Connection Fees, at the time of the questioned practice there were two ways of connecting to the natural gas network: regulated connection and negotiated connection. In the case of consumers having a regulated connection, the amount of the fee is fixed by the Act. Consumers having a negotiated connection agree freely with the supplier about the fee. The business terms and conditions of Tigáz determined the connection fee valid for consumers having an agreement with it in advance. Of consumers with similar consumption parameters, those with a regulated connection paid a fee of HUF 3 thousand/m³/h, while consumers having a negotiated connection paid HUF 10 thousand/m³/h pursuant to the business terms and conditions of Tigáz.

A gas distributing-pipe has to be built from the supply station to the boundary of the estate of the consumer in order to enable the consumer to connect to the network of the supplier chosen. This section of the pipe is the property of the operator of the distributing-network. The consumer has to build the section of the pipe running from the boundary of the estate to the final delivery station, thus this section of the pipe is the property of the consumer. The investigation proved that it was Tigáz, which announced the tendering for the undertakings laying the pipes and also Tigáz selected the winner. Consumers could only take part in this procedure as the result case by case petitioning. However, Tigáz did not draw consumers' attention to this possibility, neither in its business terms and conditions, nor in the network-connecting contracts.

According to the GVH, Tigáz abused its dominant position between 2004 and 2006 when:

- it determined the connection fees for consumers with a negotiated connection in an unfair way; connection fee had to be paid in the case of connecting a new consumer

to the network or of satisfying an increased demand for capacity by old consumers with consumptions over 20m³/h, and

- it did not enable consumers to get involved in the procedure of selecting the undertakings laying the pipes.

Therefore Tigáz was fined HUF 4 million (approx. EUR 16 thousand). Furthermore, the GVH prohibited Tigáz the continuation of its conduct violating the law. The GVH obliged Tigáz that 45 days after receipt of the decision it enables consumers to take part in the selection of undertakings laying the pipes. Tigáz has to inform consumers about this possibility at the time of the conclusion of its contracts with them.

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Hungarian Competition Authority
Communication Group

Further information:

András Mihálovits

Hungarian Competition Authority

Address: 1054 Budapest, V., Alkotmány u. 5

Postal address: 1245 Budapest 5, POB 1036

Tel: +36-30 618-6618

E-mail: Mihalovits.Andras@gvh.hu

<http://www.gvh.hu>