

# OFFICE OF FAIR TRADING

---

161/06

16 November 2006

## **OFT REFERS MERGER OF MID KENT WATER AND SOUTH EAST WATER TO THE COMPETITION COMMISSION**

The OFT today referred the acquisition of Macquarie Luxembourg Water Sarl (now Hastings Luxembourg Water Sarl) by Utilities Trust of Australia (UTA) Hastings Diversified Utilities Fund (HDUF) to the Competition Commission (CC).

The OFT has decided that the test for reference is met since the merger brings together two water enterprises - namely Mid Kent Water Limited which is already owned by UTA and HDUF and South East Water Limited, a water enterprise owned by Hastings Luxembourg Water Sarl.

This is the first time the OFT's duty to refer a water merger has been triggered since the Enterprise Act came into force. The CC is expected to report by 2 May 2007.

### **NOTES**

1. The full title of the merger is the completed acquisition of Macquarie Luxembourg Water Sarl (now Hastings Luxembourg Water Sarl) by HDF (UK) Holdings Limited jointly owned by Utilities of Australia Pty Limited (in its capacity as trustee of Utilities Trust of Australia (UTA)) and Hastings Funds Management Limited (in its capacity as responsible entity (trustee) of Hastings Diversified Utilities Fund (HDUF)).
2. The Reference Test — Under the Water Industry Act 1991 (as amended by the Enterprise Act 2002) the OFT has a duty to make a reference to the CC if the OFT believes that it is or may be the case that a merger of any two or more water enterprises has taken place and (i) that the value of the turnover of the target water enterprise exceeds £10 million; or (ii) that the acquiring firm already owns water enterprises that each has turnover exceeding £10 million.
3. The CC may extend the 24 week period within which it is required to publish its report by no more than eight weeks if it considers that there

are special reasons why the report cannot be published within that period.

4. The text of these decisions will be placed on the Office of Fair Trading's web site at [www.oft.gov.uk](http://www.oft.gov.uk) and will also appear in the Office's Weekly Gazette as soon as is reasonably practicable.

**MEDIA** enquiries: 020 7211+

Corinne Gladstone	<b>8899</b>	Alex Hunter	<b>8900</b>
Jonathan Marciano	<b>8898</b>	Nick Spears	<b>8901</b>
Nnenna Oleforo	<b>8133</b>		

**Out of hours:** mobile: 07774 134814      messages: 020 7211 8961  
**Copies of press notices:** Ext. 8993  
<http://www.oft.gov.uk>

---

**PUBLIC** enquiries: 0845 7224499      enquiries@oft.gov.uk  
**OFT reports and consumer information leaflets are available free from:**  
OFT, PO Box 366, Hayes UB3 1XB 0800 389 3158 oft@ecgroup.uk.com