

State utility company to acquire half of universal service of electricity distributors from new year

Hungary's state-owned utilities company ENKSZ is to acquire 50% of Elmű-Émász Ügyfélszolgálati, that is, the universal service providing unit of electricity distributors Elmű and Émász, on January 1, 2016, with the remaining half of the shares to be transferred as of January 1, 2017, if EGMs of Elmű and Émász, to be held on December 21, approve the deal. Universal service providers are companies that provide households with electricity using a price structure and level controlled by the state. The Hungarian government signed a letter of intent on May 28, 2015 with Elmű and Émász shareholders RWE AG, RWE Power AG, and RWE Beteiligungs GmbH on the acquisition of their universal service businesses in Hungary.

In preparation of the deal, Elmű and Émász shareholders approved on October 20 the transfer of their universal service providing divisions into a new jointly-owned company Elmű-Émász Ügyfélszolgálati is to acquire a permit to provide universal services on the areas served so far by Elmű and Émász — Budapest and North Hungary, respectively — on December 1, the EGM invitations published on the Budapest Stock Exchange website on Monday showed. In addition to Elmű and Émász, the only other universal service providers in the field of electricity in Hungary are French-owned EDF Démász and German-owned E.ON. ENKSZ launched services on the gas market last May, using Főgáz, also a former unit of RWE, as a bridgehead.

source: politics.hu