

DETERMINATION OF MERGER NOTIFICATION M/24/007 – SSE CONTRACTING GROUP/ENERVEO

Section 21 of the Competition Act 2002

Proposed acquisition by SSE Contracting Group Limited, an indirectly wholly owned subsidiary of SSE plc, of the entire issued share capital of Enerveo Limited including its subsidiaries Enerveo Ireland Limited and Pride (SERP) Limited.

Dated 16 February 2024

Introduction

1. On 1 February 2024, in accordance with s18(1)(a) of the Competition Act 2002, as amended (the “Act”), the Competition and Consumer Protection Commission (the “Commission”) received a notification of a proposed acquisition whereby SSE Contracting Group Limited (“SSE Contracting Group”), an indirectly wholly owned subsidiary of SSE plc (“SSE”), would acquire the entire issued share capital of Enerveo Limited including its subsidiaries Enerveo Ireland Limited and Pride (SERP) Limited (together the “Target”) (the “Proposed Transaction”). SSE Contracting and the Target are collectively referred to as the “Parties”.

The Proposed Transaction

1. The Proposed Transaction will be implemented pursuant to a share purchase agreement dated 26 January 2024 (the “SPA”). Pursuant to the SPA, SSE Contracting will acquire the entire issued share capital of the Target.
2. Following implementation of the Proposed Transaction, the Target will be an indirectly wholly owned subsidiary of SSE.
3. The business activities of the undertakings involved are:

The Acquirer – SSE through its wholly owned subsidiary SSE Contracting Group

- SSE is a Scottish energy company which develops, builds, operates and invests in low-carbon electricity infrastructure. SSE is listed on the London Stock Exchange.

- In the State, SSE is active in electricity generation; the wholesale and retail supply of gas; the retail supply of electricity; solar energy services; and other energy solution services such as gas boiler repair services and gas boiler replacement services and financing.
- SSE Contracting Group is a holding company and an indirectly wholly owned subsidiary of SSE.

The Target – Enerveo

- The Target provides specialist mechanical and electrical engineering services in the State and the United Kingdom. These services primarily consist of high, medium and low voltage street lighting services, with [...] electric vehicle charging installations and smart city technology services.
4. After examination of the notification, the Commission has concluded that the Proposed Transaction falls within the scope of paragraph 2.1 of the Simplified Merger Notification Procedure Guidelines (“SMNPG”) for assessing certain notifiable mergers or acquisitions under section 18(1)(a) of the Act since no Party to the Proposed Transaction is active or potentially active in the same product and geographic markets, or in any market(s) which is upstream or downstream to a market(s) in which any Party is active or potentially active in the State. Additionally, none of the exclusions stipulated in paragraphs 2.8 to 2.15 of the SMNPG apply to the Proposed Transaction.
 5. In the light of this, the Commission considers that the Proposed Transaction will not substantially lessen competition in any market for goods or services in the State.

Ancillary Restraints

6. No ancillary restraints were notified to the Commission.

Determination

The Competition and Consumer Protection Commission, in accordance with section 21(2)(a) of the Competition Act 2002, as amended, has determined that, in its opinion, the result of the proposed acquisition, whereby SSE Contracting Group Limited, an indirectly wholly owned subsidiary of SSE plc, would acquire the entire issued share capital of Enerveo Limited including its subsidiaries Enerveo Ireland Limited and Pride (SERP) Limited, will not be to substantially lessen competition in any market for goods or services in the State, and, accordingly, that the acquisition may be put into effect.

For the Competition and Consumer Protection Commission

Ibrahim Bah
Director
Competition Enforcement and Mergers Division
Competition and Consumer Protection Commission