

DETERMINATION OF MERGER NOTIFICATION M/23/022 – VPI HOLDING / LUMCLOON POWER, SHANNONBRIDGE POWER & DERRYCARNEY SOLAR

Section 21 of the Competition Act 2002

Proposed acquisition by the Vitol Group, through VPI Holding Limited, of indirect sole control of Lumcloon Power Limited, Shannonbridge Power Limited and Derrycarney Solar Limited

Dated: 9 June 2023

1. On 22 May 2023, in accordance with s18(1)(a) of the Competition Act 2002, as amended (the “Act”), the Competition and Consumer Protection Commission received a notification of a proposed acquisition whereby the Vitol Group, through VPI Holding Limited (“VPI”), would acquire indirect sole control of Lumcloon Power Limited (“LPL”), Shannonbridge Power Limited (“SPL”), and Derrycarney Solar Limited (“DSL”) (the “Proposed Transaction”).
2. The Proposed Transaction is to be implemented by way of three Share Purchase Agreements, dated 16 May 2023, which are interconditional and interdependent.¹ Pursuant to these Share Purchase Agreements, VPI will acquire 80% of the ordinary share capital of LPL, 80% of the ordinary share capital of SPL, and 75% of the ordinary share capital of DSL, giving VPI indirect sole control of each entity.
3. The parties are involved in the following business activities:

VPI

- VPI is a member of the Vitol Group.

¹ These SPAs are interconditional and, for the purposes of merger review, can be considered as one single transaction due to the fact that they are linked *de jure* within the meaning of paragraphs 39 and 43 of the European Commission Consolidated Jurisdictional Notice, which is available [here](#). Furthermore, in the merger notification form, the parties state that “each [transaction] would not proceed without the other.”

Vitol Group

- The Vitol Group is a multinational energy and commodity-trading company with business activities worldwide. The Vitol Group's business activities comprise the refining, storing, distribution and trade of mineral oils, biofuels and other mineral oil products; as well as energy trading, and ownership and operation of electricity generation assets.
- The Vitol Group's primary activities in the State comprise developing a project to build a new Open Cycle Gas Turbine power plant in County Westmeath, as part of a joint venture, as well as the trading of crude oil and jet kerosene.

LPL

- LPL owns and operates a Battery Energy Storage System project at Lumcloon, County Offaly.

SPL

- SPL owns and operates a Battery Energy Storage System project at Shannonbridge, County Offaly.

DSL

- DSL owns the development rights in an early stage solar project, which is not yet operational, proposed to be located in County Offaly.

4. After examination of the notification, the Commission has considered that the Proposed Transaction falls within the scope of paragraph 2.1 of the Simplified Merger Notification Procedure Guidelines for assessing certain notifiable mergers or acquisitions under section 18(1)(a) of the Act since:

- two or more of the undertakings involved in the merger/acquisition are active in the same product and geographic market, but their combined market share is less than 15%.

5. This conclusion was reached on the basis that, although there is potential for future horizontal overlaps between the Vitol Group's Open Cycle Gas Turbine joint venture, on one hand, and LPL, SPL and DSL, on the other hand, the collective generation capacity of all of these entities combined will account for less than 15% of all renewable energy sources in the State.
6. 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

7. No ancillary restraints are notified.

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 the Vitol Group, through VPI Holding Limited, would acquire 80% of the ordinary share capital of Lumcloon Power Limited, 80% of the ordinary share capital of Shannonbridge Power Limited and 75% of the ordinary share capital of Derrycarney Solar Limited, and, thus, indirect sole control of all three entities, 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