



DET KÖNDELIGE
OLJE- OG ENERGI DEPARTEMENT

Ministry of Petroleum and Energy

Fax transmission

To: EFTA Surveillance Authority

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Reasoned Opinion concerning the acquisition of waterfalls in Norway

Reference is made to the Reasoned Opinion of the EFTA Surveillance Authority dated 20 February 2002 concerning the acquisition of waterfalls in Norway. Please find enclosed the response of the Norwegian Government to the Reasoned Opinion. The original letter will be delivered by mail.

Yours sincerely,


P. H. Høisveen
Director General


Lars Christian Sæther
Deputy Director General

Copy:

- Utenriksdepartementet, avd. for bilaterale forbindelser med Europa, Nord-Amerika og EØS-avtalen ved EØS/EFTA-seksjonen, telefaks: 22 24 33 66

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Your ref

Our ref
OED 00/2622 EV AT

Date
19 APR 2002

Reasoned opinion regarding the acquisition of waterfalls in Norway

Reference is made to the Reasoned Opinion of the EFTA Surveillance Authority (ESA) dated 20 February 2002 regarding the acquisition of waterfalls in Norway. Reference is also made to the letter of the Norwegian Government of 28 November 2001 in response to the letter of formal notice of the ESA of 27 June 2001.

Norway reiterates and upholds the views presented in the aforementioned letter. Nevertheless, the Norwegian Government is engaged to make a foundation for effective competition and use of resources in the electricity sector within the frame of national control with the waterfall resources. This can be done by harmonising the provisions on right of reversion between public and non-public actors.

The Norwegian Government has therefore decided to propose an amendment to the Act of 14 December 1917 No. 16 (the Industrial Concession Act) in order to establish conditions of reversion to the State in all existing concessions.

A proposal to this effect will be prepared for public hearing this fall. It should be noted that the area of law involved is of a complex nature and comprises different vital considerations. Therefore, it is necessary for the Norwegian Government to make a thorough examination of the matter at hand, involving hearing of all affected parties, before submitting a proposal to the Norwegian Parliament regarding changes in the Industrial Concession Act.

Based on this, Norway hereby invites ESA to have further discussions regarding the amendment to the Industrial Concession Act.

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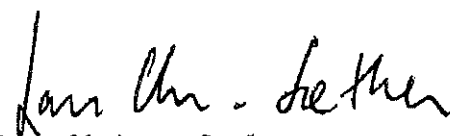
Norway would like to stress that the process is highly prioritised. Hopefully a harmonisation of the provisions in the Industrial Concession Act can come into force 1 January 2003. While admittedly this falls short of the timetable suggested by ESA, we trust that you can accommodate the time requirements of our parliamentary system.

For the Norwegian Minister of Petroleum and Energy

Yours sincerely,



P. H. Høisveen
Director General



Lars Christian Sæther
Deputy Director General