NERA
Economic Consulting

Reporting on energy regulation issues around the world

Global Energy Regulation

March 2007
Issue 94

Contents

General and European Editor
Graham Shuttleworth

Regional Editors
Kristina Sepetys: US
Greg Houston and Ann Whitfield: Australia and New Zealand
Oscar Arnedillo: Spain, Portugal, France, Belgium, and Latin America
Francesco Lo Passo: Italy

European News

UK

Gas Forum Criticises Ofgem's Approach

The Gas Forum, which represents gas shippers, accused Ofgem of inappropriately interfering in the gas network code, which governs use of the British pipeline network. The Gas Forum expressed shippers' concerns that Ofgem was continuing to push for change in a gas market that is highly competitive, and suggested that Ofgem uses the uniform network code as a "back door" to introduce new regulation, instead of changing licenses.

Platts Commodity News, 20/03/2007

Ofgem Official Discusses Interconnector Use

Steve Smith, Managing Director, Markets, Ofgem, said that the Interconnector had now become purely an "arbitration pipeline". Roger Cornish, Managing Director of the pipeline operator, added that the pipeline remains a "balancing valve" for the British gas network. Over the last two months, day-ahead export nominations on the pipeline led National Grid to issue forecasts of higher demand which then failed to materialise. Market sources accused some players of "gaming" the market to push prices higher.

Platts Commodity News, 13/03/2007

Ofgem Criticises Firms' "Green Tariff" Marketing

Ofgem has found that some utilities have been charging customers a "green" premium for renewable energy they are forced to supply by law anyway. The government's Renewables Obligation requires utilities to use a certain amount of renewables in their energy mix, but companies are charging consumers premiums and implying the money goes toward purchasing extra renewable energy. An Ofgem spokesman said the agency would revise its guidelines for marketing electricity.

Greenwire, 08/03/2007

Delays in Implementing Grain LNG Capacity Auctions

The UK's Isle of Grain LNG terminal has not yet introduced a third-party access auction mechanism that was announced in July 2006. The system was never put in place and Grain has recently seen several slots go unused, but low gas prices in the UK may be deterring third party LNG deliveries anyway. A spokesman for Ofgem said it does not have any evidence of problems with capacity hoarding at Grain.

Platts Commodity News, 06/03/2007

Belgium

Regulator Approves Distribution Access Tariffs

The Belgian federal energy regulator, Commission de Régulation de l'Électricité et du Gaz (CREG), has approved the tariffs to be applied by a number of electricity and gas distribution system operators. The new prices affect consumers connected to the electricity and/or gas grids managed by DNB BA, EV GHA, Inter-Energa, IVEG, PBE, WVEM, Gaselwest, IMEA, IMEWO, Intergem, Iveka, Iverlek, Sibelgas Noord, ALE, IDEG, IEH, Interest, Interlux, Intermosane, Sedilec, Simogel, IGAO, ALG and IGH. The new access tariffs will be in force between 1 April 2007 and 30 June 2007.

CREG Press Release, 29/3/07

Regulator Evaluates Energy Policy Report

The Belgian federal energy regulator, Commission de Régulation de l'Électricité et du Gaz (CREG), has issued its evaluation of the report "Belgium's Energy Challenges Towards 2030". This report, drafted by a working group established by the Belgian government in December 2005, aims to identify the main issues for the Belgian energy policy in the medium and long term.

CREG Press Release, 27/3/07

European Union

EU Leaders Fail To Agree On Energy Networks Unbundling

In their last summit in Brussels, the European Union (EU) heads of state and government failed to reach agreement on the European Commission's proposal to require ownership unbundling for energy networks operators. However EU leaders acknowledged that the energy infrastructure should be operated independently to guarantee open access to all operators. EU leaders also called for more independent national regulators, for Commission forecasts of gas and electricity demand and for more cooperation among the transmission system operators to prevent blackouts.

Reuters News, 9/3/07; Associated Press Newswires, 9/3/07

Member States Set Binding Targets For Renewable Energy

European Union (EU) leaders have reached an agreement on targets for renewable energy generation. On average, the EU aims to cover 20% of its electricity consumption with renewable energy sources in 2020. However, the objectives will differ by member state, in proportion to their renewable energy potential. The European Commission will propose specific renewable energy compulsory targets for each member state before the end of the year.
El País, 10/3/07

France

Regulator Seeks To Develop Gas Hub In Southern France

The French energy regulator, Commission de Régulation de l'Énergie (CRE), has issued a communication requiring the two gas transport operators in Southern France, GRTgaz and TIGF, to create a working group and to develop an action plan for coordinating their operations. The objective is to harmonise their procedures and to invest in new entry capacity in the region, in order to establish a single gas hub. CRE considers that the creation of this hub will foster competition in the gas market in the South of France.
CRE Press Release, 21/3/07

Germany

German Regulator Decides on Electricity and Gas Grid Tariffs

Germany's energy regulator, the Bundesnetzagentur, has authorised gas and electricity network charges through delegated powers and by its own authority. For gas tariffs valid until 31 March 2008, the regulator disallowed some costs submitted by every one of the companies, ranging from 1% (Südsachsen Netz GmbH, Chemnitz) to 19% (Energienetze Bayern GmbH, München; and RWE Rhein-Ruhr Verteilnetz GmbH, Wesel). For electricity tariffs valid until 31 December 2007, the cuts in costs ranged between 3% (Niedersachsen Ports GmbH & Co. KG, Emden) and 17% (Energie Waldeck-Frankenberg GmbH, Korbach).
Bundesnetzagentur, 14/3/2007

German Cartel Office Decides Against RWE-SaarFerngas Merger

The German cartel office has not given its permission to RWE to buy a controlling stake in regional gas company, Saar Ferngas. According to the cartel office's explanation, the acquisition would strengthen the dominant position of Saar Ferngas in the gas market and of RWE in the electricity market. Following a warning of the cartel office in December that the merger would not be allowed, the companies had offered some remedies. The cartel office judged these to be insufficient. The parties can appeal to the Higher Regional Court in Düsseldorf.

Bundes Kartellamt, 15/3/2007

German Cartel Office Approves RWE-Eprimo Merger

The German cartel office has approved the takeover of online energy marketing company Eprimo by RWE. The acquisition is part of RWE's strategy to expand its electricity and gas sales to end-users across the whole of Germany.

Platts Commodity News, 20/3/2007; European Spot Gas Markets, 20/3/2007

EEX to Start Gas Trading Already in July

German power bourse, EEX, announced that it would start to trade German gas from 1 July 2007, three months ahead of schedule. Spot and derivatives trading are scheduled to begin in the market areas of E.ON and BEB.

EEX, 27/3/2007

RWE to Merge Gas Market Areas

German utility RWE announced that it would merge its four German gas market areas into two from 1 April - one market area for high-caloric gas and one for low-caloric gas. RWE will also lower network fees at selected entry and exit points. The move follows mounting pressure on gas grid operators to reduce the number of balancing zones in order to improve network access.

Global Insight, 12/3/2007; Reuters, 9/3/2007

Italy

Quarterly Update of Electricity and Gas Tariffs for April-June 2007

AEEG, the Italian energy regulator, has updated electricity and gas tariffs for the second quarter 2007 (April to June). The updates will bring families a reduction of 3.4% for gas prices and of 0.4% for electricity prices.

AEEG's web site, 29/03/2007

Starting Of The Forward Market

AEEG has defined terms and conditions for the information platform used to register forward trades and the related schedule of injections and withdrawals. Operators can apply for access to the platform from 1 April 2007.

AEEG's web site, 28/03/2007

Terms And Conditions For Consumer Protection In Light Of Market Opening

AEEG has started a process to define new instructions for electricity sellers in order to protect customers after the full-opening of the electricity market on 1 July 2007. The aim is to force electricity sellers to provide customers with clear information so that customers can choose their supplier after market opening.

AEEG's web site, 23/03/2007

More Efficient Coordination Among Electricity Operators In The Liberalised Market

AEEG has issued a consultation document to improve coordination among different electricity market operators in the light of full opening of the demand side of the market after 1 July 2007.

AEEG's web site, 13/03/2007

Netherlands

DTe introduces Electricity and Gas Information Code

Following a request of EnergieNed, the Dutch Federation of Energy Companies, the Dutch regulator DTe is introducing a Electricity and Gas Information Code. The purpose of this code is to summarise in a single document the existing administrative processes formerly described in various technical codes for electricity and gas. The Information Code will cover the network operators' connection registries, the exchange of customer data, switching and moving procedures, as well as other communications data. The new code is effective as of 11 March 2007.

DTe Website, 09/03/2007

Portugal

EC Tariff Review Deferred To Summer

The European Commission has delayed until the summer its investigation of the domestic tariff increase approved by the Portuguese state at the end of 2006. The aim of this investigation is to determine whether the 2007 domestic tariff increase approved by the Portuguese government, but contrary to the regulator’s own criteria, recovers the full costs of supply.
Diário Económico, 13/3/07

REN And Enagás To Swap Shares

After the creation of the Iberian electricity market, Mibel, a new market is being formed: the Iberian gas market, Mibgás. The first move in that direction has been an exchange between the Portuguese and Spanish gas system operators, with Enagás acquiring 5% of REN’s shares and REE acquiring 3% of Enagás’ shares.
Diário Económico, 12/3/07

Romania

Romania to Increase Further the Volume of Traded Electricity

An Order of the Minister of Economy and Trade will require electricity producers to sell more of their output through the platform operated by OPCOM. From 2008, approximately 40% of electricity produced in Romania is to be traded on the exchange, 50% will be sold at regulated prices and just 10% will be sold through bilateral contracts. In 2006, only 11% of the electricity produced in Romania was traded on the free market. OPCOM, operator of the electricity exchange in Romania, recently launched a forward contracts market called the Centralized Market of Forward Contracts with Physical Delivery (PCCF). Electricity can also be traded through the Bucharest Commodities Exchange.
ROMPRES, 19/03/2007

Russia

FAS May Freeze Corporate Structure of Gencos

The Federal Antimonopoly Service (FAS) announced that it may prevent newly privatised power generation companies from changing their corporate structure for several years.
Aton – Sector news, 27/03/07

FAS Accuses Distribution Company of Unfair Tariff

The Krasnoyarsk division of the Federal Antimonopoly Service (FAS) filed a lawsuit against a local distribution company, Krasnoyarskenergo. FAS accuses Krasnoyarskenergo of setting inflated connection charges, even though the charges have been approved by the energy regulator. FAS also accuses the energy regulator of discriminating against other distribution companies in favour of Krasnoyarskenergo.

Prime-TASS Energy Service, 26/03/07

RAO UES Inserts Extra Stage in Reforms

On 2 March the board of RAO UES approved the revised reform plan. The new plan envisages an extra stage in the reorganization and privatisation of the power sector. Newly created generation companies will merge into two holding entities: “State HoldCo” and “HydroOGK StateHoldCo”. The “State HoldCo” will immediately merge with the Federal Grid Company (FSK) and the “HydroOGK StateHoldCo” will merge with HydroOGK. FSK and HydroOGK will then sell generation assets to investors, enabling the state to maintain at least a 75% stake in FSK and at least 50% of HydroOGK.

The Moscow Times, 05/03/07; Global Insight 06/03/07

Spain

Ministry Of Industry Autorizes Sonatrach To Sell Gas In Spain

Spain’s Ministry of Industry has authorised Algerian state-owned oil and gas firm Sonatrach to sell gas in Spain. Sonatrach will be allowed to sell 1 bcm (billion cubic metres) of gas annually, which represents a 3% market share.
In addition, the Spanish energy regulator has allowed Sonatrach to increase its stake in a pipeline that runs between Algeria and Spain to 36%.

Expansión, 29/3/07; Cinco Días, 6/3/07

Spanish Stock Market Authority Extends Period For Endesa Shareholders To Accept E.ON’s Takeover Bid

The Spanish Stock Market Authority, CNMV, has authorised a new and increased €40 per share offer for Endesa by E.ON and has extended the period for Endesa shareholders to accept E.ON’s offer until 3 April. In addition, CNMV decided that it will not allow Spanish Acciona and Italian Enel to launch a joint takeover bid for Endesa before October.

CNMV press report, 29/3/07; El País, 24/3/07

European Commission Initiates Legal Action Against Spain

The European Commission has decided to refer Spain to the European Court of Justice for failure to comply with the Commission's decisions. The Commission had previously declared the conditions imposed by Spanish authorities on E.ON's takeover bid for Endesa to be illegal under Article 21 of the EU Merger Regulation and required Spain to withdraw them without delay.
El Mundo, 28/3/07

Switzerland

Switzerland and Italy Mutually Recognise Power from Renewables

Switzerland and Italy signed a Memorandum of Understanding introducing mutual recognition of electricity from renewable energy sources. The memorandum builds on a UVEK decree about verification of the origin of electricity, in effect since December 2006.
Bundesamt für Energie, 6/3/2007

North American News

US

FERC Approves Niagara Power Project Relicensing

Federal regulators approved a new 50-year license for the state's largest hydroelectric plant, the 2,755-megawatt Niagara Power Project. The Federal Energy Regulatory Commission also approved agreements between the plant's owner, the New York Power Authority, and those affected by its operation, Erie County and Niagara County. The Niagara facility generates 10 percent of the state's power. The project's current 50-year license expires at the end of August.
The Associated Press, 15/03/07

For Idaho Power, Regulators Unlink Fixed Costs From Sales

The Idaho Public Utilities Commission (IPUC) approved a yearly rate adjustment designed to pay the fixed costs of IdaCorp Inc.'s Idaho Power Company, to remove financial disincentives for the utility to implement efficiency programmes. The measure is a three-year pilot programme that can be modified or eliminated by the commission, and applies initially only for service to homeowners and small businesses, the IPUC said in a press release.
Dow Jones & Company, Inc. 14/03/07

Progress Energy Divests of Remaining Merchant Business

Progress Energy announced that it will divest nearly all of subsidiary Progress Ventures' physical and commercial assets. Progress Ventures will sell 1,855 megawatts (nominal) of gas-fired generation assets in Georgia to a subsidiary of a fund managed by ArcLight Capital Partners, LLC, and will assign its contract portfolio to Constellation Energy Commodities Group, Inc.

PRNewswire-FirstCall, 12/03/07

Texas Market Monitor: TXU Manipulated Power Prices In '05

Staff of the Texas Public Utilities Commission said an investigation by the Texas power market monitor concluded that TXU Corporation manipulated the Texas electricity market in the summer of 2005, raising prices by an average of 15.5 percent, costing consumers at least US$70 million and earning TXU US$19.6 million between 1 June 2005 and 30 September 2005. The finding is likely to lend momentum to pending state legislation that would require TXU and other large generators to sell power plants in parts of Texas where they have a dominant position.

Dow Jones & Company, Inc., 12/03/07

Central and South American News

Argentina

Government Authorises Tax-Free Diesel Import Quota

The Argentinean government has authorised a quota of up to 300,000 cubic meters of tax-free diesel imports in order to avoid shortages during the harvest period. Priority is given to importers who buy fuel from Venezuela under a bilateral agreement. This is the third such quota since 2005.

Dow Jones International News, 8/3/07

Brazil

Regulator Allows Price Adjustment

Brazil's power regulator, Aneel, approved changes in electricity tariffs for three power distributors in Southern states of Paraná and Santa Caterina. Power firms Companhia Campolarguense de Energia and Empresa Força e Luz Joao Cesa will increase low voltage tariffs by 8.62% and 8.63%, respectively, and will increase high voltage tariffs by 14.28% and 25.72%, respectively. On the other hand, Empresa Força e Luz de Urussanga will decrease tariffs for low voltage consumers by 0.49% and increase in tariffs for high voltage consumers by 12.72%.

Latin America News Digest, 29/3/07; Invest News, 28/3/07; Reuters, 28/3/07

Regulator Approves Decrease In Electricity Tariff

Aneel approved a 5% decrease in electricity tariffs for low voltage consumers of Ampla, the distribution company operating in 66 municipalities of the Southeastern state of Rio de Janeiro. Tariffs for high voltage consumers of this company will also decrease by 1.77%.

Folha de São Paulo, 14/3/07; Valor News, 14/3/07, 13/3/07; O Globo, 13/3/07

Regulator Opens Public Consultation For Renewables Power Sale Rules

Aneel launched a public consultation on the rules for the sale of electricity from renewable sources. The draft regulation applies to sales from biomass, solar and wind plants with less than 30MW installed capacity and to hydro plants with 1MW or less. It also considers the possibility of providing discounts to consumers who purchase electricity from these sources.

Business News Americas, 9/3/07

Regulator Authorizes Increase In Thermoelectric Plant

Aneel authorised State-owned energy company Petrobras to increase installed capacity from 9 MW to 57 MW at its Gabriel Passos thermoelectric plant, in the Southeastern State of Minas Gerais.

Business News Americas, 2/3/07

Nicaragua

High Court Supports Increase In Electricity Tariffs

Nicaragua's High Court has confirmed the electricity tariffs increases that were approved by Nicaragua's power regulation, INE, during 2005 and 2006. The Consumer Protection National Association had challenged INE, after the approval of four consecutive increases in tariffs between December 2005 and April 2006 that raised tariffs in total by 14.8%. The Court has decided that these increases were justified due to the change in international fuel prices.

Agencia EFE, 9/3/07

Peru

Ministry Awards Transmission Line Construction

Peru's mines and energy ministry has awarded a contract to build a transmission line to local engineering and construction company Graña y Montero, which bid US$20.3 million. The line will run at 138kV from San Gabán to Mazuco and at 66 kV from Mazuco to Puerto Maldonado and will be operated by Peruvian distributor Electro Sur Este.

Business News Americas, 22/3/07

Trinidad and Tobago and Venezuela

Hydrocarbons Unification Treaty Signed

Trinidad and Tobago's Prime Minister and Venezuela's President have signed a treaty regarding the hydrocarbons reserves that cross the boundary between the two countries. The treaty is part of a 2003 agreement to divide offshore gas properties and avoid conflicts between the two countries. According to the agreement, the costs and profits of E&P in these reserves will be divided equally.

Business News Americas, 21/3/07

Asia Pacific News

Australia

Alinta In New Fight With Utility Regulator

Victoria's Essential Services Commission (ESC) is attempting to force takeover target Alinta to reveal more details about the cost of services it provides to gas distributor Multinet, as regulators nationwide become increasingly concerned about the concealment of costs behind complicated contract structures.
The ESC is already seeking a ruling that Alinta, as an agent of Multinet, should have a gas distribution license (see Global Energy Regulation Newsletter, issue 88, p.20).

Australian Financial Review, 20/3/07

Energy Cap Jeopardises State's Upgrades

The Australian Energy Regulator (AER) allowed Queensland government-owned transmission company Powerlink A$2,030 million (US$1,640 million) in capital spending over the next five years, considerably less than originally sought. This represents the first such decision since the AER's inception.

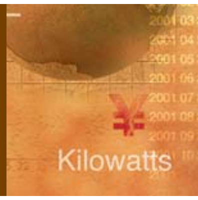
Australian Financial Review, 19/3/07

China

NPC Highlights Need for Energy Ministry

The National People's Congress (China's legislature) is urging the government to re-establish an energy ministry to better control the use of resources, stating that China's energy supervision department is seriously understaffed. In 2005, China set up a State Energy Leading Small Group, including leaders from major ministries. It is the first central body to deal with energy issues since 1993, when the Ministry of Energy was dissolved. The group functions as a high-level advisory council.

Dow Jones Chinese Financial Wire, 04/03/2007



China Outlines Plans to Overcome Gas Shortages

China's economic planners have introduced measures to overcome shortages of natural gas in various provinces and cities, including Shanghai. According to the National Development and Reform Commission (NDRC), China's three biggest oil and gas producers will have to work together and adopt measures that help increase natural gas production and supply. However, the NDRC did not detail the precise action required of the companies.

Dow Jones International News 01/03/2007

India

Government Intends to Encourage Gas Pipeline Investment

The government intends to facilitate the construction of gas pipelines to redress the imbalance between domestic supply and domestic demand. The government intends to ensure that exploration companies can recover the costs of investment in pipelines. The Indian government stated in its recent policy on the gas sector that only those companies holding production rights to a source of gas can set up a trunk pipeline. This restricts competition in the pipeline business.

Indian Business Insight, 11/02/2007

Indonesia

Pertamina Notes Lack of Gasoil Storage Capacity

The Indonesian government's plan to sell two grades of gasoil in the country may encounter difficulties due to lack of adequate fuel storage facilities, according to the state-owned energy company, Pertamina. Indonesia currently uses 0.5% sulphur gasoil, but had planned to switch to 0.35% sulphur gasoil from mid-March onwards. The government has now announced the tighter sulphur specification will apply only to the transport sector while industrial end-users can continue to use lower-cost 0.5% gasoil.

Platts Commodity News, 09/03/2007

Philippines

Manila Electric Co Under-Recovery Reaches 13.73 Billion Pesos

According to Manila Electric Co, it has under-recovered 13.73 billion pesos from consumers, compared to its regulated revenue. Meralco told the stock exchange that it could only recover the amount if the government made appropriate amendments to the Electric Power Industry Reform Act of 2001. Meralco said the unrecovered money was meant to cover transmission charges, system loss charges, certain subsidies and the cost of its purchases from the Wholesale Electricity Spot Market, which started operation last year.

AFX Asia, 14/03/2007

Thailand

Thai Government to Encourage Gasohol Consumption

Thailand's energy ministry announced measures intended to increase the price gap between conventional gasoline and 10% ethanol-blended gasoline ("gasohol"). The ministry announced it would lower taxes on gasohol by Baht 0.50/litre to Baht 1/litre. Ethanol stocks in Thailand have been rising steadily and reached 28 million litres in late February, enough to cover demand for 80 days at current rates.

Platts Commodity News, 18/03/2007

Thailand to Form Nuclear Power Committee

Thailand's National Energy Policy Council approved the formation of a committee to study the possibility of setting up a nuclear power plant. The committee would take about seven years to study the issue and decide whether Thailand should have a nuclear power plant. The Council's representative said the average construction and fuel cost of a nuclear power plant is THB 1.6 per kilowatt-hour, while the cost for gas-fired and coal-fired power plants is THB 2/kWh.

Dow Jones International News, 02/03/2007

Our Practice

NERA is at the forefront of the continuing transformation of energy industries worldwide. Our experts have developed approaches for introducing competition in segments such as power generation, where competition is workable, and for improving the regulation of sectors where it is not. We work with companies and governmental bodies worldwide to design competitive power markets and to develop tariffs and rules of access for regulated transmission and distribution systems for electricity and gas and transport of oil and oil products. With industry restructuring, we also help companies develop strategies for exploring new opportunities and minimising new risks, including issues related to climate change and other environmental initiatives.

NERA helps our clients to develop new regulatory strategies and, when needed, support our clients with analysis and testimony before regulatory commissions, antitrust and competition policy agencies, and domestic and international courts. Our economists help clients to decide which lines of business to pursue; to divest assets no longer consistent with their strategy; to identify and evaluate opportunities for mergers, acquisitions and investment; and to develop bidding, trading, contracting, and marketing strategies and organisations. Our work also includes designing and conducting energy auctions and providing strategy and valuation advice on mergers and acquisitions, the financing of energy companies, and the financial restructuring of distressed companies.

Subscribe

NERA produces two newsletters that report and analyse energy matters around the world. *Energy Regulation Briefs* summarise NERA's views on the economics behind topical developments in energy sector regulation. Previous issues have discussed regulators' use of "benchmarking," FERC's Order 2000, problems in the California electricity sector, and competition policy in the UK electricity market. The *Global Energy Regulation Newsletter* compiles brief summaries of news stories about energy regulation around the world. The coverage includes network regulation, industry restructuring, and the organisation of electricity and gas markets. The "GERN" allows energy sector professionals to easily keep in touch with looming problems, the latest developments in regulatory methods, and innovative solutions. To view the latest editions or to receive our newsletters each time they are published, click here: **www.nera.com/newsletters.asp**.

About NERA

Founded in 1961 as National Economic Research Associates, NERA Economic Consulting is an international firm of economists with practical experience creating strategies, studies, reports, expert testimony, and policy recommendations reflecting our specialisation in industrial and financial economics. Our global team of more than 600 professionals operates in offices across North and South America, Europe, Asia, and Australia.

For a complete listing of offices and practice areas, please visit **www.nera.com**.

NERA
Economic Consulting

Contact

London
15 Stratford Place
London W1C 1BE
Tel: +44 20 7659 8500
Fax: +44 20 7659 8501
Contact: Graham Shuttleworth

Rome
Via XXIV Maggio 43
Roma 00187, Italy
Tel: +39 06 488 8101
Fax: +39 06 485 838
Contact: Francesco Lo Passo

Madrid
Paseo de la Castellana, 13
Madrid 28046, Spain
Tel: +34 91 212 6400
Fax: +34 91 521 7876
Contact: Oscar Arnedillo

White Plains
50 Main Street
White Plains, New York 10606
USA
Tel: +1 914 448 4000
Fax: +1 914 448 4040
Contact: Jeff Makholm (Boston),
Gene Meehan (Washington DC)

Sydney
Darling Park Tower 3
201 Sussex Street
Sydney NSW, 2000
Australia
Tel: +61 2 8864 6500
Fax: +61 2 8864 6549
Contact: Greg Houston, Ann Whitfield

Additional NERA Offices:

Boston, MA	+1 617 621 0444
Brussels, Belgium	+32 2 282 4340
Chicago, IL	+1 312 573 2800
Denver, CO	+1 303 327 1467
Detroit, MI	+1 313 267 9500
Frankfurt, Germany	+49 69 710 447 500
Ithaca, NY	+1 607 277 3007
Los Angeles, CA	+1 213 346 3000
Melbourne, Australia	+61 3 9623 9800
New York, NY	+1 212 345 3000
Paris, France	+33 1 45 02 30 00
Philadelphia, PA	+1 215 864 3880
San Francisco, CA	+1 415 291 1000
Shanghai, China	+86 21 6335 3358
São Paulo, Brazil	+55 11 9653 4834
Tokyo, Japan	+81 3 3500 3290
Washington DC	+1 202 466 3510

Disclaimer: the information contained in this document is publicly available. It does not incorporate NERA research.

For further information, please visit our global website at: **www.nera.com**

MMC Marsh & McLennan Companies