

# [Press release: Rough gas storage facility undertakings to be removed](#)

Removing these will facilitate the closure of the North Sea gas storage facility, which has been deemed unsafe by its operator.

In June this year the facility's operator, Centrica Storage Limited (CSL), [announced](#) that it intended to close the plant due to its age, physical deterioration and the associated safety risks, plus the high cost of refurbishing the facility to make it workable.

The facility's owners, Centrica plc (Centrica) and Centrica Storage Limited (CSL), requested that the Competition and Markets Authority (CMA) remove historic undertakings – designed to ensure competition in the sector – as part of the closure process.

Following a review the CMA has decided to release CSL and Centrica from the undertakings. Agreement to the closure by the Oil and Gas Authority is still required.

Martin Cave, Chair of the Inquiry Group, said:

After a public consultation on our provisional findings the CMA has made the final decision based on the age and degradation of the gas wells and other facilities at Rough. These mean it is no longer capable of safe operation for gas storage without substantial refurbishment.

Present and anticipated market conditions were also considered, which meant the level of investment required to meet the legal obligation to operate safely was not economically viable.

These considerations have led to our final decision that the undertakings are no longer required, and so will be removed.

Further details can be found on the CMA's [case page](#).

## **Notes to editors**

1. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law. For CMA updates, follow us on Twitter [@CMAgovuk](#), [Facebook](#), [Flickr](#) and [LinkedIn](#).
2. The Rough undertakings were first given by Centrica Storage Ltd and

Centrica plc following Centrica plc's acquisition in 2002 of the Rough gas storage facility and have been subsequently amended following Competition Commission reviews in 2006 and [2011](#) and a [review by the CMA in 2016](#).

3. The Rough undertakings were accepted by the Secretary of State under section 88 of the Fair Trading Act 1973. By virtue of paragraph 16 of Schedule 24 to the Enterprise Act 2002, and The Enterprise Act 2002 (Enforcement Undertakings and Orders) Order 2004 (SI 2004/2181), the CMA has the ability to supersede, vary or release certain undertakings accepted under the Fair Trading Act 1973; this includes the Rough undertakings. This power is exercisable in the same circumstances, and on the same terms and conditions as applied to the Secretary of State under the Fair Trading Act 1973; namely that by reason of any change of circumstances the undertakings are no longer appropriate and need to be varied, superseded or released.
4. The group of CMA panel members acting as decision-makers in the review are [Martin Cave](#) (Chair), [Anne Fletcher](#), [Jayne Scott](#) and [Jon Stern](#).
5. Any businesses or individuals that have concerns about compliance with the commitments can contact the CMA by email [general.enquiries@cma.gsi.gov.uk](mailto:general.enquiries@cma.gsi.gov.uk) or by phone 020 3738 6000.
6. Media enquiries to the CMA should be directed to [press@cma.gsi.gov.uk](mailto:press@cma.gsi.gov.uk) or 020 3738 6337.