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Title - Fire Starter Presentation

Many countries rely on State-owned companies to provide different energy services. These companies include gas producers and marketers; electricity generators and suppliers; transmission and distribution providers, or system operators.

In certain cases these State-owned companies act as monopolies. In other cases (depending on market structure) they might face some kind of competition.

Under a monopoly regime, some argue that there is no need to have an independent regulator since the government can internalize through these companies the benefits of regulation. Others point that an independent regulator is needed because the government faces conflicts between different policies and therefore fails in achieving the desired benefits.

But the prior is not the only debate related to this issue. Many questions arise concerning the specifics of regulation. Should there be differences in regulation depending on the nature and mandate of these companies? What is the kind of incentives that regulators have to take into account when these companies are not necessarily profit seekers? In case they have to compete with private companies, How to avoid perceptions of an unlevelled field? Should asymmetric regulation apply?

If the convenience (or not) of having State-owned companies providing energy services is not part of the debate, then it is critical to seriously address this kind of questions when designing the regulatory framework.