

A Study on the Competition Law of the Energy Industries

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Abstract

The enactments of the Petroleum Administration Act in 2001, the Renewable Energy Development Act in 2009, the Natural Gas Businesses Act in 2011, and the discussions on amending the Electricity Act, etc. indicates that Taiwan is moving toward liberation of energy industries by deregulations. Premised on the national energy policy of “opening up energy businesses,” this paper emphasizes that the purposes of antitrust laws in the short term are to allow consumer choices among options that a free market would have offered if there had been no interferences by antitrust violation, as well as to ensure that the free market is able to undertake an optimal amount of innovation in the long run. A competition law stressing consumer choice not only is good for the traditional values of economic freedom, fairness and efficiency, but also facilitates non-price competition factors such as innovation, diversification, quality and safety, etc. This paper applies Neil W. Averitt and Robert H. Lande’s “consumer choice” theory on the competition law, puts it in use in the regulations plan for energy industries, and also compares the development of competition laws for liquefied petroleum(LPG), natural gas(LNG), and electricity, in European Union, United States, and Japan, and their business behavior patterns respectively after liberalization. The author wishes to take an observation stand on “consumer choice” value, to study its potential impact on our national energy policy and regulation adjustments in the future. It is hoped that this paper can provide some assistances and suggestions to governmental authority to manage the energy fields in the near future.

Keywords: Energy Industry, Competition Policy, Liberalization, Consumer Choice, Non-Price Competition.

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