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Brussels 20 March 2026
Case No: 94452
Document No: 1597005

Ministry of Trade, Industry and Fisheries
PO Box 8090 Dep
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Norway

Subject: Norway Price for Electricity (complaint)
- Request for additional information¹

The EFTA Surveillance Authority ("ESA") refers case no 94452 concerning the complaint against the alleged granting of unlawful State aid to electricity producers and producers of electrical heating appliances via "Norway Price for electricity". The complaint was forwarded to the Norwegian authorities on 16 September 2025, and the Norwegian authorities submitted their comments to the complaint in a letter dated 15 December 2025 ("the comments").

Further clarification is necessary for conducting the state aid assessment.

The Norwegian electricity market and features of the Norway Price Act

1. Please provide an overview of the development of the Norwegian electricity market for households from the late 1980s until today, including the liberalisation of the Norwegian electricity market, developments in the markets for electricity and the types of electricity supply contracts used by Norwegian households, the introduction of power exchanges and price zones, implementation of national energy efficiency measures and the main differences between the electricity market in the period 1993-1995 and today.
 - a. In this context, please provide describe the standard variable household tariff called H4 tariff, which ESA understands was in use in the years after the liberalisation.
2. Please provide an overview of the typical features of electricity supply contracts to households in Norway. In particular:

¹ Request for additional information according to Article 10(2) of Part II of Protocol 3 to the Agreement between the EFTA States on the Establishment of a Surveillance Authority and a Court of Justice

- a. Explain how the price paid by households correlates with the spot prices determined by power exchanges.
 - b. Explain from which point in time the price paid by Norwegian households has been directly linked to the spot prices.
 - c. Explain whether households have real-time access to information regarding the spot price. Should this be the case, please explain the technology/devices used, their penetration and when they were introduced into the market.
 - d. Explain at which frequency the electricity bills are typically paid.
3. Please explain why have the distribution system operators (“DSO”) been charged with the administration of the Norway Price for electricity scheme on behalf of the Norwegian State.

4. Reference is made to the Norway Price Regulation.²

Pursuant to Article 14(1)(a) of this regulation, DSOs have an obligation to connect housing associations³ with a metering point that supplies households and holiday-home consumption in the housing association’s common areas, as well as shared heating and ventilation system.

According to Article 15 of the Norway Price Regulation, housing associations with shared heating and ventilation systems shall submit a report to the DSO if more than 20% of the heated area is used by others than the housing association’s household units and/or holiday homes.

Under Article 17(1) of the Norway Price Regulation, the DSO that receives information pursuant to Article 15 shall make a proportionate adjustment of the price-hedging amount.⁴

- a. Please explain whether businesses located in housing associations falling within the scope of Article 14(1)(a) of the Norway Price Regulation and where less than 20% of the heated area is used by other than household and holiday homes may receive the Norway Price subsidy.
- b. If the answer to the preceding question is yes, please explain how this complies with the EEA State aid rules and the rationale behind setting the reporting obligation at 20%.
- c. Please explain what areas of the housing association are included in the term “heated area” and provide an example for how one calculates whether the 20% reporting threshold in Article 15 has been exceeded for a housing association consisting of businesses and households.

² [FOR-2025-09-08-1790](#) (“the Norway Price Regulation”)

³ As defined in Article 3(b) of the Norway Price Regulation.

⁴ As defined in Article 3(l) of the Norway Price Regulation.

- i. Are common areas included, and if so, how are they included in the calculations?
 - d. Please explain what the DSO's proportionate adjustment of the price-hedging amount entails and how it ensures compliance with the EEA State aid rules.
 - e. Reference is made to page 7 in the hearing note for the Norway Price Regulation where it is stated that "metering points organised outside the housing cooperative, for example standalone garages and energy installations, will be covered".
 - i. Please explain what is meant by this sentence, in particular with reference to the scope of the Norway Price for electricity scheme.
 - ii. Please explain whether common (standalone or under housing associations) garages for multiple households with a single metering point can subscribe to the Norway Price for electricity. If so, please explain how the subscription is organised in situations where these common garages include charging infrastructure provided by commercial EV charging-operators who invoice the households a fixed subscription fee for the use of the equipment and electricity to charge their vehicles. In other words, how is the support-element of the Norway Price for electricity scheme allocated to individual households in these instances, and how is the electricity consumption of third-party businesses carved out.
5. Reference is made to page 47 of the comments, where it is stated that "[t]he Ministry considers that the Norway Price Act, and more specifically the Norway Price scheme, constitutes the relevant reference framework for assessing any differentiation within the system" and on page 48 "[t]he relevant reference framework is therefore the Norway Price Act and the scheme itself."
6. Please clarify whether you consider the relevant reference framework to be (a) the Norway Price Act, including the Norway Price scheme for electricity and district heating and the electricity subsidy scheme, or (b) only the part of the Norway Price Act concerning the Norway Price for electricity and district heating.
- a. If (b), please explain on the basis of case law why you consider the Norway Price for electricity and district heating scheme to be the relevant reference framework, e.g. why the scheme is clearly severable from the general system of the Norway Price Act.
 - b. If (b), please also explain whether the objective of the Norway Price scheme includes, in addition to ensuring predictable electricity prices for households in a period of volatile and occasionally very high

electricity prices, ensuring financial support to households due to high electricity prices.⁵

- c. Irrespective of (a) or (b) and considering that the Norway Price scheme encompasses district heating, please explain why other heating sources used by Norwegian households, including wood burning and geothermal, are not included under the Norway Price support scheme. In particular, please explain:
 - i. Whether there are other heating sources used by Norwegian households, including wood burning and geothermal, that are affected by volatile and high prices similar to electricity. Please provide relevant sources to support the response.
 - ii. Whether there are other differences (technical, legal, costs etc.) between, on the one side, electricity and electrical heating appliances and, on the other side, other energy sources and associated appliances that render the two groups incomparable by reference to the objective of the Norway Price for electricity.
7. Please expand on the reasons why the Norwegian authorities consider it necessary to conduct a three-step selectivity test in order to assess whether Norway Price for electricity confer a selective indirect advantage on (a) electricity producers and (b) producers and sellers of electrical heating appliances. Please support your reply with references to relevant case law and decisional practice of the European Commission and ESA.
8. Reference is made to point 4.4.1 in the comments, where it is stated that “[t]he fact that a measure is sectoral is not sufficient to make a measure selective, and there is no presumption for selectivity.” Please expand on the reasons why the Norwegian authorities consider that this statement is also true in the context of indirect advantage. Please support your reply with references to relevant case law and decisional practice of the European Commission and ESA.
9. On page 44 in the comments, it is claimed that “given that electricity is an essential good, it is likely that any savings consumers obtain through election of Norway Price will either increase household savings or be spent on goods or services in general. [...]. Several other actors – such as food producers, clothing manufacturers, and others – may also experience positive secondary economic effects from the measure” Please expand on this claim by providing sources to support the claim and concrete examples of how the listed sectors or group of undertakings may benefit from Norway Price on electricity.
10. ESA understands that a household’s subscription to Norway Price for electricity requires a contract with an electricity supplier. Hence, it may be

⁵ To this extent, ESA refers to the following statement of the Ministry of Energy on page 34 in [Prop. 148 L \(2024-2025\) Lov om Norgespris og strømstønad](#): «Som strømstønadsordningen er Norgespris en statlig stønadsordning til husholdningene, og ikke en fastprisavtale i sluttbrukermarkedet.»

claimed that the support element under Norway Price for electricity is conditional on the purchase of electricity. As it seems to have been largely estimated⁶ that Norway Price for electricity would reduce many households' annual electricity bill it may furthermore be claimed that Norway Price for electricity will stimulate demand for electricity. In turn, it is claimed that electricity producers may retain their level of production or even increase it. With this in mind, please explain:

- a. Why the Norwegian authorities do not consider that Norway Price for electricity has the (formal or informal) objective of reducing the cost of electricity consumption, e.g. why the scheme does not constitute a subsidy for electricity consumption.
 - b. Whether the finding of an indirect advantage to electricity producers within the meaning of Article 61(1) requires further substantiation of the effects of the Norway Price for electricity producers than what has been outlined above. E.g. must one demonstrate that the effect on electricity producers would be more than insignificant to conclude that Norway Price for electricity had the foreseeable effect, from an *ex-ante* point of view, of stimulating demand for electricity. Please refer to relevant case law to support your answer.
11. In the preparatory works ("the preparatory works") to the Norway Price Act,⁷ the upper consumption limit was set to 4 000 kWh per meter per month. Please explain why the consumption limit was eventually increased to 5 000 kWh per meter per month and how many percentages of Norwegian households exceeded this consumption limit in 2024.
 12. Please explain the methodology relied on to set the annual reference price under the Norway Price for electricity scheme pursuant to Article 8(4) of the Norway Price Act and Article 10 of the Norway Price Regulation.

Clarification regarding studies and papers relied on in the comments

13. Please provide the underlying data and computations for the figures in the comments, to the extent available. Specifically in relation to:
 - a. Figure 13 (also reported as Figure 20)
 - i. Please submit the underlying data and computations relied on to produce Figure 13.
 - ii. Please explain the decrease in households' electricity consumption shown in Figure 13 during the years 2001 to 2003.
 - iii. Please explain whether there is any correlation between the introduction of the electricity support scheme in 2021 and the increase in households' electricity consumption shown in the graph

⁶ See as example: <https://www.forbrukerradet.no/strompris/norgespris>

⁷ [LOV-2025-06-20-44](#) (the Norway Price Act) and [Prop. 148 L \(2024-2025\) Lov om Norgespris og strømstønad](#) (legislative preparatory works).

in Figure 13 for 2022. If such correlation exists, please explain why the Norway Price for electricity scheme will not lead to an increase in electricity consumption for households similar to the electricity support scheme.

b. Figure 15.

14. Reference is made to table A1 in Appendix 1 to the comments. Please provide the underlying papers and the extended references for the literature listed in table A1, including in particular Bergland (2021) (unpublished).
15. Please provide data and/or analysis highlighting changes in electricity consumption following the implementation of the electricity support scheme in 2021.
16. ESA notes that the literature relied on to estimate the price elasticity of household electricity consumption in Norway do not recognise or discuss the issue of endogeneity of prices and quantity demanded. Please explain whether and how this affects the reliability of the price elasticity figures put forward in the comments. Please also submit relevant papers or studies that estimates electricity price elasticity and that address the issue of endogeneity (if any).
17. Please provide relevant studies, papers and/or statistics showing the degree of substitutability between, on the one side, electricity and electricity-based heating appliances and, on the other side, other sources of energy and heating appliances such as wood and wood-burning ovens (if any).
18. Please provide any studies or statistics demonstrating an increase in purchases of conventional electrical heating appliances following the introduction of the electricity support scheme in 2021.
19. Recently, there have been reports showing increases in electricity consumption amongst customers that have subscribed to Norway Price for electricity for the period October 2025 – January 2026 compared to the same customers' electricity consumption for the same period in the preceding year.⁸ Moreover, customers who subscribed to Norway Price seems to have increased their consumption *more* than customers who did not subscribe to Norway Price. Considering your argument in section 3.2 of the comments that the Norway Price for electricity scheme will result in little to no increase in household electricity consumption, please provide a comment on the reports.
20. Reference is made to page 25 in the comments, where it is stated that “[t]he Ministry expects air-to-air heat pumps [...]to still be a profitable investment with Norway Price.” Please state the reasons as to why you expect the air-to-air heat pump to still be a profitable investment for consumers subscribing to Norway Price.
21. Reference is made to pages 42 – 43 in the comments, where it is claimed that “[m]ost Norwegian households do not have the option to replace electricity-

⁸ See Annex I to this letter.

based heating with another energy source.” Please expand on the claim and provide sources to support the claim.

Miscellaneous questions

22. Reference is made to pages 25 – 26 of the preparatory works to the Norway Price Act, where it is stated that the:

“Ministry notes that several consultation bodies point out that the Norway Price scheme may reduce the incentives for energy efficiency and energy savings. The Ministry assumes that certain energy-efficiency measures that are profitable today may be considered unprofitable after the introduction of the Norway Price scheme.”

Please elaborate on the energy-efficiency measure that the Ministry assumes may be considered unprofitable following the introduction of the Norway Price scheme.

This letter is a formal request for information made in accordance with Article 10(2) in conjunction with Article 5(1) of Part II of Protocol 3.

The information requested in this letter should reach ESA **by 22 April 2026**. Please clearly indicate in your reply whether there are any business secrets contained in the information provided, and annex a non-confidential version if necessary.

Yours faithfully,

Harald Evensen
Director
Competition and State Aid Directorate

This document has been electronically authenticated by Harald Evensen.

Enclosure

Annex I – Article from Montel News – Fixed Norway price leads to higher power use – grid date (Document No 1597015)