

The CNMC fines Audax Group €9.2 million for attracting electricity and gas customers from other companies through fraudulent practices.

- Thousands of household customers. including vulnerable consumers, were misled by Audax's companies.
- · Among other strategies, they pretended to be the users' usual electricity or gas provider and informed them of supposed tariff changes, discounts or mandatory changes of distributor.
- Audax used these unfair acts to distort competition from January 2018 to October 2021.

Madrid, 17 October 2022.- The CNMC has imposed a €9.2 fine on several distributors of the Audax group for distorting free competition through unfair acts prohibited by Article 3 of Act 15/2007 of 3 July on the Defence of Competition. (S/0013/20)

Audax's distributors engaged in acts of deception and confusion to encourage customers who had contracts with rival distributors to become part of their portfolio of household electricity and gas customers, from January 2018 to October 2021.

In April 2021, in view of the information obtained from various complaints filed with the CNMC, and the information provided by the Organisation of Consumers and Users (OCU), the CNMC initiated disciplinary proceedings for alleged anticompetitive practices. (Press release).

Deception strategies

After conducting the aforementioned proceedings, the CNMC found that the Audax's sanctioned distributors had engaged in acts of deception and confusion in order to attract customers from other electricity and gas distributors by means of the following strategies:

- attempting to attract customers by posing as their usual electricity or (i) gas provider;
- informing consumers of an alleged update or renewal of their tariff, (ii) posing as their usual electricity or gas provider;
- offering consumers alleged discounts on their tariff, assuring them (iii) that they would continue to be linked to their usual electricity or gas provider;



- (iv) informing consumers of an alleged mandatory change of company due to the supposed disappearance or change of name of their usual electricity or gas provider; and
- (v) informing consumers of an alleged change in billing or distributor.

It has also been proven that these acts of unfair competition were widespread, thus affecting thousands of customers, including vulnerable consumers and causing an effective and significant change in the behaviour of demand in the markets for essential services of electricity and gas supply to household customers.

In view of the above, the CNMC has decided to impose a total fine of 9,258,270 euros on several distributors of the Audax group (Audax Renovables S.A., Ads Energy 8.0 S.L.U., Ahorreluz Servicios Online S.L., BY Energyc Energía Eficiente S.L., Iris Energía Eficiente S.A. and Masqluz 2020 S.L.) for a serious infringement of Article 62.3.a) of Act 15/2007.

The CNMC would like to point out that an administrative appeal may be lodged directly with the National High Court against these decisions within two months from the day following their notification.

(S/0013/20)