

DR. CAROLINE LUCAS

Green Party
for the South East of England

Eric Van Ginderachter
Acting Director
DG Competition
The European Commission
200 Rue de la Loi
B1049 Brussels
Belgium

July 17th 2008

Dear Eric,

Re: state aid CP290/07

Thank you for your letter of July 1st reporting on the outcome of the Commission's investigation into a contract between Veolia Environmental Services and Brighton, Hove City and East Sussex County Councils. It is helpful to know that the Commission is confident that EU rules have not been breached with regard to Rescue and Restructuring or to covering any legal risks of the planning permission for an incinerator at Newhaven.

However, the Commission has not commented on the two other points I made. Namely:

- Whether the decision to extend the contract with Veolia Environmental Services Ltd (or, indeed, SDWS, a daughter company of Veolia) to build and run Newhaven incinerator from 25-30 years is legitimate under the Public Participation Directive or if it breaches other Aarhus commitments.
- Whether the failure to make public the details of the new financial arrangement between the Councils involved and Veolia (or SDWS) is a breach of Directive 80/723/EEC on the transparency of financial relations between Member States and public undertakings.

I appreciate that you may not be the best person to address these points, in which case please would you be kind enough to forward this correspondence, as appropriate.

Thank you for your assistance.

Yours sincerely,



Caroline Lucas - Green Party MEP for South East England.