

## **ABSTRACT**

The purpose of this diploma thesis is to use relevant economic knowledge for the analysis of the key legal aspects of the natural monopoly, particularly the main theoretical aspects thereto. The interpretation is not limited to principle features, however, it covers also the related issues. The text is focused mainly on electricity and gas industries.

Apart from applicable law and legal books, the relevant case law of the Constitutional Court and Supreme Administrative Court of Czech Republic has been also a significant source of knowledge hereto. The European Union legal regulations and expert opinions of the European Commission have been taken into account as well. The diploma thesis is divided into five chapters.

The first chapter is focused on economic aspects of the applicable law. It provides thorough overview concerning the model and its introduction into reviewed fields. The principal information, historical background and view of the critics are introduced. This chapter also labels the entities under the Czech law that are considered to be the natural monopolies. Furthermore, three basic fields of legal institutes that are subject to subsequent review are outlined.

The second chapter defines elementary terms relevant for further research. Specifically, it covers the distribution, transmission and transport systems and its operators. In addition, the concept of the “*vertically integrated undertaking*” and related terms are introduced.

The third chapter follows the unbundling institute. A brief overview of the specific unbundling forms is given and the relevant European law directives are described. Furthermore, the provisions of the Czech law are introduced as a result of the transposition of the European legislation.

The fourth chapter gives a concise interpretation of the certificate and license matters.

The last chapter is dealing with the price regulation. The applicable legal and other regulations and the principles under which it is executed are shortly described. The regulatory body and relevant pricing regulations related to both electricity and gas are also analysed. The final part of the chapter presents disputable questions concerning the

legal nature of the price decisions which are the most important legal acts of the price regulation.

The conclusion of the thesis summarises its fundamental outputs.