

## **WATER INDUSTRY ACT 1991 SECTION 13(2) MODIFICATION OF CONDITIONS OF APPOINTMENTS**

Pursuant to section 13(2) of the Water Industry Act 1991 ("the Act"), the Director General of Water Services ('Director') hereby gives notice that he proposes to make modifications to the conditions included in the appointments as a water undertaker or a sewerage undertaker under that Act. The effects of the modifications are:

1. to remove an unintended effect on prices where a company changes its charges with the effect that it changes the number of unmeasured properties that are subject to charges.
2. to align the definition of large users in the Appointments with the definition in the Act.
3. in the case of Thames Water Utilities Limited and United Utilities Water PLC, to introduce a mechanism for either the company or the Director to seek a review of price limits where a circumstance beyond a company's control occurs which has a substantial effect on the business
4. to change to 15<sup>th</sup> September the date by which a notice triggering a standard interim determination of prices must be given
5. to replace a condition about the disconnection of domestic customers for non-payment of bills with a condition requiring a Code of Practice for domestic customers on the payment of bills
6. to ensure consistency between the detail of the Appointments and the way that the Director carries out interim determinations in practice, and amending the standard interim determination mechanism to cover revenue gains in the same way as revenue losses.

None of the above will apply to the Appointment of Albion Water Limited, and only 5 above will apply to the Appointment of Cholderton and District Water Company Limited.

The effect of the modifications and the reasons for making them are set out in letters referenced MD 189, MD 194 and MD 196. Copies of these letters and of the modifications themselves are available free of charge from the website ([www.ofwat.gov.uk](http://www.ofwat.gov.uk)) or on application to Paul Hope at the Office of Water Services at City Centre Tower, Hill Street, Birmingham B5 4UA. Any representations or objections to these modifications should be made to this address by 15 February 2005.