

## Consultation on the revenue forecasting incentive mechanism for AMP6

### Sembcorp Bournemouth Water's response

#### Introduction

This is the company's response to Ofwat's paper 'Consultation on the revenue forecasting incentive mechanism for AMP6'.

Our response is short and based on our initial reaction to the proposals. The tight 5-week response period and current PR14 supplementary reporting workload are why we are not able to submit a more considered response.

#### Our views – the key points

- We broadly agree with the proposals for the wholesale revenue forecasting incentive mechanism.
- To ensure that companies take ownership of their revenue forecasting they must be free to choose their own methodology. It is unclear from the consultation whether this is Ofwat's intention.
- We agree that there is no compelling argument for a complementary household forecasting incentive.

*Sembcorp Bournemouth Water  
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