



Ofwat Board

Meeting held on Tuesday 15 October 2013

Members in attendance

Chairman:

Jonson Cox

Non-Executive Directors:

Penny Boys
Robin Paynter Bryant
Wendy Barnes
Catherine Waddams
Martin Lawrence
Chris Burchell

Executive Directors:

Cathryn Ross
Sonia Brown
Keith Mason

Apologies

Regina Finn
Penny Boys (views provided via Jonson Cox)

In attendance:

Huw Brooker	(Director of Legal Services)
Robin Pratt	(Chief Economist, Markets & Economics Division)
Andrew Chesworth	(Principal Corporate Finance Adviser)

1. Declarations of interest

1.1 There were no declarations of interest.

2. IDoK application from Thames Water

2.1 The Executive updated Board on the interim determination of K (IDoK) application submitted by Thames Water on 9 August 2013. Board considered the various aspects of the IDoK and the challenges the Executive had made to the information submitted by Thames Water.

Board noted that the onus was on Thames Water to provide robust information to back up its IDoK application.

- 2.2 Board decided that it should proceed with the proposed draft determination, with the signing off of the draft determination being delegated to Cathryn Ross. Board noted that the draft determination was only a draft and the final determination would be subject to further information provided by Thames Water, for example. The signing off of the press notice on the draft determination was delegation to Cathryn Ross in consultation with Jonson Cox.
- 2.3 Board then discussed next steps in relation to the possible "substantial favourable effect" notice which might be served on Thames Water (but not any other company). Board agreed with the recommendation that, at this stage, there should be a short, informal consultation on the general use of the "substantial favourable effect" mechanism. Board noted that it was in consumers' interest to examine whether Thames Water had been benefiting from wider economic circumstances beyond its control. Board delegated signing off the consultation to Cathryn Ross and Jonson Cox.
- 2.4 Board agreed that Jonson Cox should offer discussions with Thames Water's independent non-executive directors, if they thought that would be helpful.

3. Any other business

- 3.1 There was no other business.

Huw Brooker
15 October 2013