

Grŵp Yr Economi, Sgiliau a Chyfoeth Naturiol
Economy, Skills and Natural Resources Group



Llywodraeth Cymru
Welsh Government

Demonstrating Financial Resilience Consultation Response
Ofwat, Centre City Tower
7 Hill Street
Birmingham
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26 February 2016

Welsh Government Response – Consultation on how companies should demonstrate long term financial resilience.

Thank you for the opportunity to comment on your consultation document ‘Consultation on how companies should demonstrate long term financial resilience.’ This letter sets out our high level comments.

We agree that the proposed approach of stress testing seems a sensible approach to assessing long term financial resilience.

It would have been useful to see some estimate of the costs that would be incurred by companies in conducting stress tests and what frequency the expectation of these tests would be.

We note your intention to revisit a more prescribed approach if the first sets of viability statements are not suitably robust.

Yours sincerely

Cat Osborne

Water Industry Management and Regulation Manager



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