



Retail Market Opening Programme
Ofwat
21 Bloomsbury Street
London
WC1B 3HF

29 March 2016

Dear Sirs

Consultation on Ofwat's section 55 proposals to modify Instruments of Appointment and Water Supply Licences – Market Readiness

Thank you for the opportunity to review and comment on your proposals to introduce a new readiness condition. As set out in our response on 05 February, we continue to believe that the proposed condition is not required and object to its introduction.

The proposal still seems to us to be disproportionate and we remain concerned about the unbounded commitment to do things which are yet to be specified by others. We note Ofwat's statement that our concern is adequately addressed as the condition only requires companies to do things within their control. This seems to miss the point that others may yet specify very onerous requirements that we currently cannot foresee or quantify but would nonetheless be within our power to deliver. It would therefore be imprudent to agree to this condition.

We acknowledge that the proposed licence condition will no longer require undertakers to do all things within their control to ensure 100% data accuracy. This is a helpful development.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'C Offer', with a blue circular stamp or seal partially visible behind it.

Christopher Offer
Director of Regulation