



Retail Market Opening Programme
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21 March 2016

Dear Sir

PRT Response to Ofwat's Consultation on section 55 proposal to modify Instruments of Appointment and Water Supply Licences – Market readiness

Thank you for the opportunity to comment on your consultation, published on 3 March 2016, on the proposed section 55 changes to Instruments of Appointment to implement a market readiness condition.

Following our response to the previous consultation we have appreciated the dialogue with Ofwat in respect of our concerns. We note that some of these areas have been addressed through the modified wording in respect of "data" and clarification in respect of definitions.

Our most significant point, in respect of the use of the broad terms "any central systems" "any market operator" has not been addressed. Whilst we continue to have concerns that this results in an open ended obligation for PRT we note that both the use of terminology "within its powers" and Ofwat's confirmation that it will act "reasonably and proportionately" go some way to address this risk to the company.

On balance the Board has agreed to accept the proposed changes.

If you wish to discuss further, please do not hesitate to contact me.

Kind regards,

Helen Orton
Finance and Regulation Director