

DM 1752612

Retail Market Opening Programme
Ofwat
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21 Bloomsbury Street
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WC1B 3HF

15 April 2016

Dear Sirs

Customer Protection code of practice consultation

Thank you for the opportunity to comment on this consultation.

We are supportive of the overall approach and welcome a new Customer Protection Code of Practice. We agree that it should be extended to all retailers in the new Open Water Market.

We note that the Code will include some additional protections for micro-businesses (being customers with fewer than ten employees) and we are supportive of this direction.

The Code will require retailers to issue micro-businesses with at least one accurate bill each year and to read the meters at least annually to inform that bill. This differs from the Open Water market requirement which requires retailers to read meters of larger businesses at least once in every two years. In our experience more frequent meter reading and billing reduces the risks to customers of being exposed to customer-side leakage and of facing unexpectedly large bills in the following billing period so we support this approach.

The Code proposes to limit back billing for micro-businesses to the start of the previous financial year. Obligations on wholesalers to mirror this will be given effect through the Wholesale-Retail Code. While this may be a pragmatic approach since it can be difficult to recover monies from back bills, we are concerned that this change may provide customers with inappropriate incentives (to behave inappropriately and/ or make retailers aware of billing concerns) as the shorter time limit reduces the likelihood that retailers and wholesalers will recover payment for services supplied in good faith.



I trust that you find the comments helpful. Should you require further information or clarification please do not hesitate to contact me.

Yours faithfully

A handwritten signature in black ink, appearing to read 'N Mitchell'. The signature is written in a cursive style with a small dot at the end.

N Mitchell
Open Water team
Wessex Water