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*By email to: [retaillicensing@ofwat.gsi.gov.uk](mailto:retaillicensing@ofwat.gsi.gov.uk)*

04 May 2016

Dear Chris,

## **CONSULTATION ON SELF-SUPPLY LICENCES**

Thank you for the opportunity to comment on this consultation. We note that elements of the proposals were included in the June 2015 consultation on licensing and policy issues in relation to the opening of the non household retail market, and welcome the opportunity to comment on the specific drafting which was not available at that time.

As a wholesaler and statutory undertaker, we consider it is important for us to understand the requirements placed on those holding self supply licences, such that we may ensure that we can continue to provide our statutory duties and protect both customers and consumers.

Our comments are on Part A of the standard conditions:

### **SECTION 5: EMERGENCIES AND UNPLANNED EVENTS**

Paragraph (3) describes how a self-supply Licencee may refer the reasonableness of an instruction to the Authority in relation to an urgent incident, and paragraph (4) describes how such a reference suspends the emergency instructions until the Authority makes a determination.

We do not think that it is appropriate for paragraphs (3) and (4) to have effect during an emergency or unplanned event. We suggest that paragraph (3) should be modified to ensure compliance with emergency or unplanned requests by the Licencee during the event, and to allow a request for a determination *after* the event, to ensure services are maintained as described in 5(2)(b) (relevant purposes). As drafted, the Authority may be required to make decisions at short notice and at any part of the day to ensure that there is not an adverse effect on the emergency or unplanned situation. We consider that this may introduce unnecessary risk.

### **SECTION 9: LICENCE FEES**

Paragraph (4)(b) makes provision for the cost of the Licence to include the Licencee's share of the estimated costs of the Council for that year.

We assume that the Council to which the paragraph refers is the Consumer Council for Water, and suggest that this is added to the list of definitions in Section 1(2).

We trust you find these comments useful. Please do not hesitate to contact us if you wish to discuss these points further.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Iain Vosper', with a long horizontal flourish extending to the right.

**Iain Vosper**  
**Regulatory Director**