

Case Management Office  
Ofwat  
7 Hill Street  
Birmingham  
B5 4UA

Direct line: 01392 443073  
Email: LMackenz@southwestwater.co.uk

For the attention of Emma Hart

21 October 2016

By email:  
[casemanagementoffice@ofwat.gsi.gov.uk](mailto:casemanagementoffice@ofwat.gsi.gov.uk)

Dear Emma,

**Consultation Response: Revised application process for Water Supply and Sewerage Licences**

Thank you for the opportunity to respond to this consultation; it is helpful to enable all parties to contribute to ensure that the processes for future licencing are not only easy to use, but serve to protect customers and the environment into the future.

We welcome the provision of guidance to applicants. This is important and will make the process easier for all to operate and understand.

Our response is provided with the intent to suggest potential further improvements, from an incumbent water and sewerage company's consideration, to ensure the licencing process is smooth, transparent and purposeful.

*Retail licences*

The application process as drafted reads appropriately for applications for Water Supply and Sewerage Licences (WSSL) Retail licences, and we have no comments in this regard.

*Wholesale or Supplementary licences*

We suggest that Ofwat considers whether more explicit detail should be included for applications for Wholesale or Supplementary licences. The guidance notes request appropriate information which we consider would be important in considering these kinds of applications; for example, awareness of the role of the Drinking Water Inspectorate (DWI), the definitions of water unfit for human consumption and the responsibilities of licencees under WIA91 for water supply (page 25 of the guidance), and, to an extent, the equivalent

for the Environment Agency (EA); waste water discharge controls and WIA91 duties for wastewater collection and treatment (page 26 of the guidance). However, the application form does not ask a specific question(s) about how, for Wholesale or Supplementary licences, the applicant will ensure it has adequate knowledge of these things, and confirmation that it has processes in place to secure adequate control.

Whilst the guidance clearly shows consultation with the DWI and EA, explicit questions in Section 2, seeking focussed information in this regard, could both ease the process, and bring further trust and confidence to the licencing regime.

*Self supply licences*

We suggest that Ofwat considers the merits of an explicit section to enable applicants to provide details specific to self supply licences, as described on pages 19/20 of the guidance (in addition to the Appendix requirements). It would also be useful to provide further guidance about what information should be provided, such as site plans or supply point identification, as this detail could help drafting and application of the resulting licence.

We trust that you find these comments helpful.

Yours sincerely,



**Leonie Mackenzie**  
**Head of Regulation**