



Anglian Water Services Ltd

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Our ref

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

16 December 2016

Dear Ofwat,

Re: Consultation on the Market Arrangements Code (MAC)

This letter sets out our response to the above consultation.

As with the Wholesale-Retail code, the MAC is part of a significant body of material that has been co-created and formed with the sector through the Open Water Programme over an extended period since 2014.

The nature of this current consultation is to capture any final changes required to the codes deemed necessary for the market to open. Any changes required to the codes that we believe to be absolutely necessary ahead of market opening have been tabled with the Interim Code Panel which we have been closely engaged with since it came into existence in 2015. Therefore we do not have any material comments which must be addressed prior to market opening.

In terms of the revised text to the MAC, we welcome the addition of the text in the MAC setting out the hierarchy of law, licences and codes in the event of conflict. In terms of the wider changes proposed as part of this consultation; we consider that these provide clarity on the proposed governance and timetable arrangements for dealing with changes.

Our only material comment is that we believe that it would be beneficial for Ofwat to set out under what criteria changes will be considered urgent and minor given that these types of changes will not involve the enduring Panel. For example, we assume urgent changes should be clearly defined as those with the potential to have a significant, immediate adverse impact on the market if not rectified.



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an AWG Company

Given that this is the case, it will be particularly important that such changes are implemented correctly to avoid any unintended consequences on market participants and market outcomes. To this end; the panel could still have an important advisory role.

In terms of minor changes, previously the Interim Code Panel has dealt with code changes such as housekeeping, so it would be useful to clarify which route comparable "minor" changes will be dealt with in the enduring market.

If you have any questions on this response, in the first instance please contact Darren Rice (dRice@anglianwater.co.uk 01480 323906) who will be happy to help.

Yours sincerely

A handwritten signature in black ink that reads "Jean Spencer". The signature is written in a cursive, slightly slanted style.

Jean Spencer
Regulation Director