

Guidance on Ofwat's approach to competition law in the water and wastewater sector in England and Wales: a consultation

Overview

Northumbrian Water welcomes the draft guidance on Ofwat's approach to the application of competition law. We particularly appreciate the level of explanation and detail in the guidance and the broad range of approaches considered.

Early Resolution Mechanisms

Section 4.9 of the guidance is particularly useful in our view, as a series of practical approaches designed to avoid breaches of competition law.

The use of warning or advisory letters is particularly relevant and useful – either for the industry as a whole or for individual companies. We understand that such a letter does not necessarily mean a breach has occurred, but we can assure Ofwat that we would take such a letter extremely seriously and respond appropriately.

We also welcome the options for commitments and informal resolution. These will be much quicker than the full legal process, whilst achieving the critical changes that are required for compliance.

Finally, at the recent launch event, Cathryn Ross made some observations of some behaviours in preparation of market opening that were not fully aligned to a level playing field approach. We welcome such examples being shared – they are an effective way of quickly communicating issues in an accessible way. We can assure Ofwat that such observations are taken very seriously and we will endeavour to learn any lessons so that we may ensure we remain compliant in our own business.

**Northumbrian Water Wholesale Business
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