



PR16 Business retail price controls
Ofwat
21 Bloomsbury Street
London
WC1B 3HF

27th October 2016

Dear Sir,

Business Retail Price Review (PR16: Draft Determinations)

We are pleased that Ofwat have concluded that the evidence we provided to inform price control setting was of reasonable quality and proportionate to the minor changes we proposed. We further note that Ofwat's draft determination accepts our proposals as the basis for the next set of default tariff caps for under 5Ml customers and applies the uniform gross margin controls for customers using more than 5Ml. We have no further representations to make ahead of Ofwat's 15th December finalisation of the price caps.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'M. Hall'.

Martin Hall
Senior Regulatory Economist