

# Customer protection Code of Practice for the non-household retail water market

## Template for TPI letter of authority

This template is a requirement under CPCoP for micro-business customers.

**[Insert name and address details of TPI to whom letter is addressed] [1]**

**[Insert date] [2]**

Dear Sir/Madam,

### Letter of Authority

Further to the agreement entered into between us, **I/we [3]** understand that you, **[name of TPI]** of **[insert details sufficient to identify the TPI i.e. full designation, company number, registered address] [4]** need written confirmation from **me/us**, in the form of this letter, so that you can provide **(and show relevant service providers that I/we want you to provide)** the services we have agreed. Therefore, for the purpose of you dealing with water supply and/or wastewater services retailers on **my/our** behalf, **I/we** confirm that you are authorised to carry out the following activities in relation my/our water supply and/or sewerage services arrangements to the extent indicated below: **[5]**

Activity	Confirmation of authority	Confirmation of authority with restrictions
Request and receive current and historical information relating to premises registered in my/our name including, without limitation – consumption history, meter numbers, contract end dates and termination fees		
Request and receive current and historic information about my/our billing, consumption, meter details, tariff and debt information held by my/our current and/or previous water supply and/or sewerage service providers.		

Request, receive and negotiate quotes from providers of water supplies and/or sewerage services		
Negotiate contract terms with providers of water supplies and/or sewerage services		
Issue contract termination notice(s) in relation to my/our existing water supply arrangements and/or sewerage services arrangements		
Agree and enter into new water supply and/or sewerage services arrangements		
Agree changes to my water supply and/or sewerage services arrangements including, without limitation, adjustments to bill amounts, refunds or changes to payment methods		
Receive bills and make payment		
Other <b>(please specify) [6]</b>		

I acknowledge that we have discussed and agreed your charges and how you are to be paid and therefore I understand that **[delete as appropriate] [7]**

**[the bill I receive will reflect the charges of the relevant water supply and/or sewerage services provider plus your charges]**

**[I will receive a separate bill for your charges and the charges of the relevant water supply and/or sewerage services]**

**[other – please specify].**

This Letter of Authority shall remain valid until **[insert date] [8]** unless I/we tell you otherwise in writing. .

Yours faithfully

Signed .....

Print Name .....

Director/Authorised Signatory **(delete as appropriate)**

For and on behalf of:

Customer name .....

Customer address .....

Contact name .....

Contact telephone number .....

Contact e-mail ..... **[9]**

**SPID number if known**

**Submitted to [name of retailer]**

## **Explanatory Note**

The Customer Protection Code of Practice requires that where micro-business business customers have any third party acting on their behalf, retailers are required to obtain written confirmation in the form of a template letter of authority (LOA) setting out the name of the third party, the extent of the third party's authority and how the third party's fees are being paid. Ofwat can publish a template LOA and revise it from time to time.

We do not intend that the template LOA is the only agreement between the parties. We know that some TPIs will have detailed contracts with customers, some of which will be carefully negotiated and others which will have been accepted through checking a box confirming acceptance of online terms. The purpose of the template LOA is to set out in clear terms the authority that the customer will have granted to a TPI so that we and relevant retailers can be confident that the customer understands certain key terms in its TPI arrangements and is happy for retailers to deal with a TPI on its behalf.

Ofwat has received constructive feedback from stakeholders in relation to our proposed form of LOA and the attached template reflects that feedback. We understand that TPIs may have their own form of LOA which may be used across multiple sectors. Therefore, we remain open to receiving further comments and/or suggested templates so that we can consider if we should issue a revised template or templates.

The purpose of this note is to explain how the template should be used and how it can be completed. The numbers below correspond to the numbers in [ ] on the template provided.

1. The template letter of authority is written by the customer to their chosen TPI. The details of the relevant TPI should be added. The TPI can then use the template to demonstrate to retailers that it can deal with them on behalf of the named customer.
2. The date of the letter should be inserted. We expect this to be the date from which authority is granted.
3. Customers should delete as appropriate "I" or "we" depending on whether the customer is a legal entity, like a company, or an individual sole trader.
4. The name and details of the TPI should be inserted.
5. Customers should tick the box next to the activity which the TPI is authorised to provide. The list has been compiled from template letters provided to us by TPIs and, therefore, we think that it reflects a reasonable list of the services a TPI is likely to provide. As a minimum, we would expect a TPI would need authority to obtain information about the customer and obtain quotes from retailers.

6. We do not wish to exclude other services and, have provided for “other” activities to be included.
7. We consider it important that the customer understands how the TPI is paid. We do not expect the LOA to disclose confidential information about the level of a TPI’s commission. However information from other sectors suggests it is important that the customer understands at the outset what its bill will contain. Therefore, the template letter sets out whether the bill will add on the TPI’s fees or if it will be charged separately. We do not rule out other payment structures and, therefore have provided for “other” payment structures to be included.
8. The customer should consider how long it wishes the letter of authority to remain valid and insert an appropriate date as well as how any authority could be revoked.
9. Details for the customer should be inserted. We expect that it will be useful for retailers to be able to contact a customer directly if they are in doubt about the authority granted.