

**THE WATER SERVICES REGULATION AUTHORITY
THE WATER INDUSTRY ACT 1991, SECTIONS 66DA
AND 117F**

DESIGNATION OF THE WHOLESALE-RETAIL CODE

Issuing of Wholesale-Retail Code and Effective Date

1. For the purposes of sections 66DA and 117F of the Water Industry Act 1991 (the "Act"),
 - 1.1 having consulted in accordance with section 66DB(1) and s117G(1) of the Act, and
 - 1.2 not having been directed by the Minister (as defined in section 66DB(7) of the Act) under section 66DB(5) of the Act or the Secretary of State under section 117G(4) of the Act not to issue the code or to issue the code with specified modifications,

the Water Services Regulation Authority (the "Authority") hereby issues the document annexed hereto as the Wholesale-Retail Code.

2. The effective date of the Wholesale-Retail Code is 1 April 2017.

Application of the Wholesale-Retail Code

3. The Wholesale-Retail Code applies in respect of all section 66D agreements (as defined in section 66D(9) of the Act) and section 117E agreements (as defined in section 117E(9) of the Act).
4. Subject to paragraph 8 below, the Wholesale-Retail Code applies in respect of the following persons or descriptions of person:
 - 4.1 all holders of an appointment granted pursuant to sections 11 and 14 of the Water Act 1989 and/or sections 6 of the Act ("Appointees"); and

- 4.2 all holders of licences granted pursuant to sections 17A or 17BA of the Act (“Licensees”),
- who enter into section 66D agreements (as defined in section 66D(9) of the Act) and section 117E agreements (as defined in section 117E(9) of the Act).

Different provision for different persons or descriptions of persons

5. Pursuant to sections 66DA(7) and 117F(7) of the Act the Wholesale-Retail Code may make different provision for different persons or descriptions of persons.
6. Those Appointees and/or Licensees who consider that the Wholesale-Retail Code should make different provision in respect of them may apply to the Authority for the Authority to make such different provision (a “Derogation”).
7. The Authority shall put in place a process for the purposes of determining in every such case whether a Derogation shall be granted.
8. Where an application for a Derogation is successful, the Authority will issue a revised Wholesale-Retail Code in respect of the Appointee(s) and/or Licensee(s) to whom the Derogation applies specifying the different provision to be made in respect of the relevant Appointee(s) and/or Licensee(s).

Signed for and on behalf of the Water Services Regulation Authority



Cathryn Ross

Chief Executive

Date

30th March 2017