

17 November 2017

Jon Ashley
Centre City Tower
7 Hill Street
Birmingham
B5 4UA

Dear Jon

South West Water Draft Determination of in-period ODIs for 2017

In response to the publication of Ofwat's draft determination in respect of in period outcome delivery incentives (ODIs) for South West Water I would like to confirm our agreement with the proposed treatment of the outperformance payment and underperformance penalty.

The draft determination is aligned to our proposed treatment that was researched with our customers and discussed with our independent WaterShare Panel. A determination that is consistent with our customer wishes is therefore welcomed.

Yours sincerely



Iain Vosper
Regulatory Director