



Anglian Water Services Limited

Lancaster House
Lancaster Way
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Huntingdon
Cambridgeshire
PE29 6XU

19 June 2018

Tel: 01480 323000

Rachel Fletcher
Chief Executive
Ofwat
Centre City Tower
7 Hill Street
BIRMINGHAM B5 4UA

www.anglianwater.co.uk

Dear Rachel

Following Ofwat's April consultation "Putting the Sector Back in Balance", we have continued to think through alternatives the specific proposals within that document, with the benefit of more time to consider these complex issues than was afforded by the initial 3 week consultation window.

I have also had a number of conversations with Regulation Directors in other companies and have worked with them to consider a constructive package of measures that we believe would further the long term interests of customers and the environment. We have however decided to write individually rather than collectively.

We believe these measures could address the principles set out by the Secretary of State for the Environment in his City Conference speech in March, and meet the suggested revised IAP tests we describe herein, but avoid the downside risks that we believe would be triggered if the specific proposals in Ofwat's consultation paper were implemented.

These proposals are without prejudice to our formal response to the April consultation.

We would of course be happy to meet to discuss further.

Yours sincerely

Alex Plant

Regulation Director
Anglian Water

Copies to: David Black, Aileen Armstrong (OFWAT), Sebastian Catovsky (DEFRA), Kirsty Innes (HMT)



Registered Office
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Lancaster House, Lancaster Way
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PE29 6YJ
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