

### Summary

We support Ofwat's approach to incentivise more water trading. In our view water trading can benefit customers by improving the resilience of supplies in a cost-effective and sustainable way. It also benefits the customers of exporting companies by sharing the costs water resources, proving opportunities to lower bills. We have embraced water trading in our draft water resources management plan – proposing an adaptive plan to support new exports.

In this consultation Ofwat has proposed updating the guidance for Trading and Procurement Codes to align with the PR19 Methodology. We welcome these changes as being necessary and proportionate.

### Responses to consultation questions

1. Do you support the new requirements or principles we have set out in section 2.2?  
Yes, we support these new requirements. They are necessary to support the functioning of trading and procurement codes during 2020 to 2025 and are proportionate.
2. Do you support our proposed approach to approving new codes, as set out in section 2.3?  
Yes, we welcome the streamlined process.
3. Do you support our proposed approach to updating approved codes, as set out in section 2.4?  
Yes, we support proposed process because it is straightforward.
4. Do you have any other comments on the draft guidance document published alongside this consultation?  
We have no further comments.