



**CONFIDENTIAL TO OFWAT**

28 May 2019

Charging  
Ofwat  
21 Bloomsbury Street  
London  
WC1B 3HF

By email: [charging@ofwat.gov.uk](mailto:charging@ofwat.gov.uk)

Dear Sirs

**Response to consultation – Consultation on charging rules for new connections and new developments for English companies from April 2020**

We are writing on behalf of Icosa Water Services Limited (Icosa) in response to the above consultation that was published on 30 April 2019. We welcome the opportunity to contribute to the consultation.

We have considered Ofwat's proposed amendments to the New Connection Rules and Charges Scheme Rules aimed at removing asset payments and implementing changes to income offset payments in a way that would reduce some of the competitive disadvantages faced by NAVs. We agree that the proposed drafting changes certainly achieve this by applying income offset against infrastructure charges instead of requisition charges. We are also of the view that the amendments to Rule 19 of the New Connection Rules succeed in clarifying the balance of charges rule by linking the balance of charges calculation to the charges specified in Defra's guidance.

We support Ofwat's intention to promote bill stability by requiring the provision of certain information similar to that already required under the Charges Scheme Rules and Wholesale Charges Rules. We agree with Ofwat's decision to exclude small companies from this requirement.

Yours faithfully,

A handwritten signature in blue ink, appearing to be 'R. King', is written over a light blue dotted grid background.

Icosa Water Group