



South Staffs Water

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Regulatory Ring-fencing,  
Ofwat,  
Centre City Tower,  
7 Hill Street,  
Birmingham,  
B5 4UA

By email to: [FinanceAndGovernance@ofwat.gsi.gov.uk](mailto:FinanceAndGovernance@ofwat.gsi.gov.uk)

8 January 2019

Dear Sir,

**South Staffs Water response to Consultation on strengthening the regulatory ring-fencing framework**

Thank you for the opportunity to respond to the above consultation. This has been discussed by our Board and we support the proposed licence amendments.

With respect to the proposed licence change requiring that companies 'must ensure' an investment grade credit rating, we take comfort from the assurance on page 12 of the consultation that Ofwat will take into account our remedial actions where breaches are outside of our control in considering the appropriate enforcement procedures to take.

Yours faithfully,

Phil Newland,  
Managing Director,  
South Staffordshire Water PLC