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**31<sup>st</sup> October 2019**

**RE: Incumbent water companies and the development of effective markets**

Dear Emma,

Thank you for your letter dated 16 September 2019 and subsequent letter. I attach our detailed responses to your questions; we have aimed to provide relevant evidence of the work we do to engage constructively with all and to promote a competitive market environment. More supporting information is available and can be provided if needed.

I also attach my response to Rachel Fletcher's letter for your information.

Working closely with stakeholders, business retailers, MOSL and Ofwat, I believe we can achieve rapid improvements in targeted harmonisation of the market, market data quality and the design of an incentive framework. We are also supportive of the bilateral project which we see as essential to enabling better interaction between wholesalers and retailers.

I am very aware that we need to do more and we are committed to improve our performance and the experience retailers, developers, SLPs and NAVs get when working with Affinity Water.

We welcome the review as I believe that it will drive a more proactive and collaborative approach to supporting the development of markets in the sector. I look forward to the findings which will help us to share practices and improve behaviours.

Yours sincerely

A solid black rectangular box used to redact the signature of Pauline Walsh.

Pauline Walsh