

31 October 2019



**By email to:** [incodem@ofwat.gov.uk](mailto:incodem@ofwat.gov.uk)

Emma Kelso  
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Please ask for   Helen Orton  
Our Ref            [REDACTED]  
Your Ref

Dear Emma

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

Please find attached our response to your letter dated 16 September 2019.

I should like to reiterate that the Company's Board and Senior Leadership Team remain committed to the aims of both promoting effective market activity and ensuring compliance with Competition Law.

This document covers our response to the questions raised in Appendices A, B, C & D. We have also attached a number of Board papers which give a flavour for the type of matters that are covered at the Board level in relation to markets. I would also add that markets are also covered during separate Board strategy sessions. Due to the confidential nature of the Board papers provided I should be grateful if you would confirm that these will remain as "Commercial in Confidence" and will not be published as part of our response. Within the body of our response we have also included relevant documents or links to further information.

Further to my discussion of 30 October with [REDACTED] there are some areas of the response, relating primarily to details around the build-up of tariffs, that our internal review has identified as needing further additional information. Unfortunately, due to the small size of our team one individual is critical to providing this information, and is currently absent from work. We have therefore agreed with Shaun that, following his return, we will update these sections and provide a revised document no later than COB on Wednesday 6<sup>th</sup>.

If you or your team would like any further information or have any follow on questions, please do let me know.

Yours sincerely

[REDACTED]

Helen Orton  
Finance and Regulation Director

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