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Dear Sirs,

Response to Incumbent Water Companies and the Development of Effective Markets' letter

Many thanks for the opportunity to provide feedback to support your current review: we very much look forward to seeing the output in due course.

We have provided responses to the relevant questions where we feel we could add value. With regards to questions 16a & b we have not had any direct engagement with the Wholesalers; however, we employ Waterscan to manage the Wholesaler relationship so we would expect the Wholesalers to have engaged directly with them and anticipate Waterscan responding directly to this.

Question 11

Please describe any processes you have in place to take into account information received from retailers or end customers concerning incomplete or inaccurate data held in your systems or in CMOS. (For example this could relate to: meter location; customer or retailer meter readings; change of tenancy; or disconnection). Please also set out the process that a retailer would need to follow in order to inform you about incomplete or inaccurate data and your process and timetable for responding to this.

Meter location - Any information available from retailer should be held in CMOS under the meter location free descriptor. We have not received details regarding meter location from retailers on SPIDs that we currently hold, however should we receive this we would verify the data received before inputting this to any systems (internal or Central Market). Where customers provide meter location data this is often accompanied by photographic proof and the market is updated accordingly.

Meter reads - Customer meter reads are validated against known consumption on site and where available photographs of the read are used before this data is input to the market. We do not accept data from non-contracted third parties without photographic proof; this goes for reads provided by the retailer for a SPID prior to ourselves where the read is before the registration start date but is not input to the market or after the registration start date.

Change of Tenancy - Customers report change of tenancy which then follows the sold site process. Any information received from other parties is verified with the customer before any further action is taken.

Disconnection - normally we identify redundant supplies and confirm them as such before raising a disconnection; if a Customer notifies us of a redundant supply, we will raise the appropriate bilateral (I/02) to have the supply capped off and disconnected. We would never disconnect a customer's supply on the say so of a third party, including a previous retailer.

Question 16c

Understanding causes for, and improving levels of rejected, deferred or late OPS tasks?

Failed customer contact is the most frequent reason for rejected and deferred tasks.

Question 17a

Do you offer alternative credit arrangements under Schedule 3 of the Business Terms of the Wholesale-Retail Code? If you have, what have you agreed and why? If not, or if you have refused a request for Schedule 3 terms, why not / why refused?

We have 4 active alternative credit arrangements with Anglian Water, Severn Trent Thames and United Utilities.

Anglian's is based on Good Payment Performance history.

United Utilities was negotiated based on credit worthiness and payment behaviour

For both Severn Trent and Thames cash collateral has had to be posted.

Question 17b

Do you offer alternative payment arrangements, under Section 9.2.4 and Schedule 3A of the Business Terms of the Wholesale-Retail Code Please describe. If not, why not?

No request for an Alternative Payment arrangement has been tabled by the Retailer.

Question 17c

Do you offer tailored offerings under (a) or (b) above to reflect specific characteristics of retailers (for example, self-supply retailers)? If not, please explain why this is the case.

Proposals for Self-Supply tailored offerings based on a proportionate methodology to incorporate Retailers credit worthiness and payment behaviour to date have submitted, to Severn Trent, South West Water, Thames and United Utilities

United Utilities accepted and implemented in the market 01/04/2019 allowing Greene King to access an unsecured credit allowance of £600, 000 in support of a P1 credit support balance requirement of £256k per month

Proposal was rejected by South West Water on grounds the merits of creditworthiness of any Retailer cannot be considered on an individual basis or in isolation of the market that the proposal did not offer any tangible protection to the Wholesaler as it would need to be offered to the rest of market if granted

No formal responses have been received from both Thames and Severn Trent, 6 months from the date of submission of formal prop. Levels of engagement has been slow and obstructionist.

Yours sincerely

A large black rectangular redaction box covers the signature area, obscuring the name and any handwritten notes or dates.

Greene King Brewing and Retailing

