



OFWAT
Centre City Tower
7 Hill Street
Birmingham
B5 4UA

20th April 2020

Dear Sirs,

Response to liquidity challenges and increases in bad debt

I'm writing to confirm that our response to this request will be submitted by Waterscan on behalf of the self-supply community. BT have been working closely with Waterscan and the SS community to discuss and debate the changes proposed in the consultation document and have come to a collective view about the best way forward to ensure protection for the water retail market and ongoing benefits of close collaboration between us and our wholesale partners. This collective view provides a better insight into how these changes affect customers across a range of sectors including BT.

British Telecommunications plc
Registered office
[Redacted]
Registered in England No 1800000
www.bt.com

Name
Job title
Consumer
First line of address
Second line of address
Town and Postcode



BT is impacted by COVID-19 with most office-based staff now working from home, although we have not felt it appropriate to utilise the vacancy flag for these sites at this stage as some skeleton staffing is implemented in most cases and the reduced demand will reflect in lower charges. Our mobile phone (EE) retail stores have been forced to close so we have set these as vacant to ensure our costs are reflective and to improve liquidity within this area of our business, we will ensure that the use of this flag is applied appropriately. We will not be deferring payment of our invoices as we are not reliant on customer cash flow to do this and we feel settlement will reflect the charges that are payable. The additional liquidity that has already been provided by Ofwat is a significant improvement for all retailers.

Whilst these short-term measures are useful, it will be important for retailers to build in more resilience in future. This will undoubtedly mean greater retail margins are required and, as a previous retail customer, it will be important to ensure that the customer sees an improvement in retail service as a result, including if implemented only to recover bad debt from this crisis.

Yours faithfully

