

Northumbrian Water Limited Response

## **1 General Comments**

Overall we are supportive of the changes proposed and support the rationale behind the changes. Specifically this is based on the fact that the changes will continue to support those customers most in need; whilst helping to ensure that those customers who remain largely unaffected are still obliged to pay for the services that they receive. This approach seems fair and proportional to the situation. We do not comment on the specific questions asked as we believe that Retailers are better placed to provide comment on these matters but we make below a general comment/observation in respect of the three classifications of customers proposed under the amendment.

## **2 Customer Classifications**

The change proposes three classifications of Customer;

- Non-Household Customers that are seriously affected by Covid-19 because all of its premises are not open or available to workers, the public or visitors or it has seen a significant decrease in its usual activities (significant being a reduction of 95% or more) and all of whose premises Retailers have been flagged as Vacant in accordance with CSD 0104 (Covid-19 Affected Customers);
- Non-Household Customers that are affected by Covid-19 because they are experiencing difficulties paying or have experienced an unforeseen reduction in consumption as a result of Covid-19;
- Non-Household Customers that are not affected by Covid-19 because they continue to require water or sewerage services at the same (or higher) level as prior to Covid-19 and are not experiencing payment difficulties as a result of Covid-19.

We accept that it is very difficult to fully define a set of criteria that can cope with all circumstances but do believe that the guidance associated with the first bullet point classification would benefit from a slight revision in order to ensure alignment with the guidance associated with CSD0104. This will help to avoid different interpretations and remove a potential area of customer confusion.

Ofwat have confirmed to the sub-group looking at the guidance associated with CSD0104 that the 95% reduction in activities relates to the consumption of water and wastewater services at the premise; as opposed to a 95% reduction in its business activities.

Covid-19 and the business retail market: Proposal to accept a Customer Protection Code Change Proposal – CP0007 – a consultation

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We believe that the proposed legal drafting, reproduced below, is correct as drafted.

*“1. Covid-19 Affected Customers: means a Non-Household Customer for whom all of its premises have been designated as Vacant Premises by the Retailer in accordance with section 3.1.6 of CSD 0104 of the Wholesale Retail Code, unless the exception applies. The exception is where a Retailer can provide robust evidence that the Non-Household Customers’ ability to pay is unaffected by Covid-19. Where a Non-Household Customer has multiple premises but only some of which have been designated Vacant Premises, this definition does not apply.”*

However, for clarity we feel it would be useful for the guidance associated with the change to affirm therefore that a customer could be classified as a Covid-19 Affected Customer under the Code of Practice but could still be in an “occupied” status premise under CSD0104.

Northumbrian Water Limited

20<sup>th</sup> May 2020