

Dear Water Customer,

Recent reports about sewage discharging into rivers have, understandably, caused widespread public alarm and concern. We all expect water and wastewater companies to treat sewage properly and to protect our rivers and wildlife. New checks on wastewater treatment plants have led to some companies admitting that they may not be treating all sewage in the way they should be.

This could mean that their treatment plants are not as effective as they have to be or that they are even releasing unpermitted sewage discharges into rivers and watercourses. As a result, both Ofwat and the Environment Agency have launched investigations.

The Environment Agency will investigate whether companies are breaking environmental law by not complying with the permits for their treatment works. Ofwat's investigation is looking at how companies manage and report the performance of their wastewater treatment works, especially in light of commitments they give us each year that they have all the resources they need to do their jobs effectively.

We have written to relevant companies requiring information on the performance of their works, whether all their plants are working to permitted standards, and if they have released unpermitted spills into the environment. In addition, we have asked for their plans to address any wrongdoing by the 22 December, including how they will put things right for customers.

We also want to know how the boards of water and wastewater companies check their company is meeting its environmental obligations and how they take account of this when deciding on executive pay and dividends.

If we find that water and wastewater companies have done wrong, we will hold them to account. This is what happened in 2019 when we ordered Southern Water to pay £126m of penalties and payments to customers following serious failures at its wastewater treatment sites and for deliberately misreporting its performance.

We're at the early stages of this investigation and we will publish updates on our website as we progress. How long this investigation takes will depend on what we find and what further information we might need to gather. Some information will stay private for longer. This is because publishing it may prevent us or the Environment Agency from taking enforcement action which could lead to financial penalties for companies or criminal prosecutions.

Our investigation will identify any wrongdoing: it is up to water and wastewater companies to rebuild customers' trust. Customers and CCW, who speak on their behalf, will expect companies to be honest and open about what's happened and, if they have broken the law, to explain how they will put things right for customers and the environment.

Yours,

David Black
Interim Chief Executive