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By email

To Retailer CEOs

REC Review – Request for information under Standard Condition A8 of the Water Supply and Sewerage Licence

As set out in my letter dated 17th December 2021, for the purpose of our 2022 review of the Retail Exit Code ('REC') price and non-price protections, we require detailed information from Retailers regarding their past and anticipated retail costs.

I am therefore writing to you today to formally request this information. This letter is a formal Request for Information (RFI) under Standard Condition A8 of the Water Supply and Sewerage Licence (WSSL). This licence condition requires Retailers to provide Ofwat with such information as it reasonably requires for the purposes of carrying out its statutory functions under the Water industry Act 1991 (**the 'Act'**) and the Water Act 2014.

As signalled in my previous [letters](#), our approach depends on Retailers providing accurate, assured, and high-quality information and data submissions to Ofwat in line with Licence Standard Condition A8. **We therefore require assurance on behalf of your company's Board that your company has undertaken robust and adequate assurance processes to ensure the information provided in your returns to our RFI is consistent, accurate and reliable.**

Please see attached the formal RFI spreadsheet and accompanying guidance notes. To respond to this request for information, please complete the following documents as listed in the check list in Table 1 below. The requested information should be returned by email to retailexitcode@ofwat.gov.uk by **11am on Monday 11 April 2022**.

We understand some of the data and information you provide in response to our RFI will be commercially sensitive and confidential; as a result, you can be assured that your response to the RFI will not be published. You are also reminded that you should not be sharing your response with other Trading Parties as this may constitute a breach of competition law.

I would like to thank Retailers for engaging in and taking time to review and provide comments on our draft RFI and draft guidance notes, both in written form and via participation at our 10th February webinar. We have carefully considered all feedback received and where relevant we have amended the RFI and guidance. We will publish a list of comments received together with a description of if, how and why we have amended the RFI and guidance on our [website](#).

Table 1: Requested submissions checklist

| Requested submissions | Format | Check list |
|-------------------------|--|------------|
| Request for Information | Please complete the attached RFI Excel spreadsheet. The attached guidance notes document provides a guide to completing the RFI spreadsheet, including definitions relating to costs and cost drivers, and tab by tab instructions. | |
| Narrative document | Please provide a document (word or pdf format) with narrative descriptions of the bases of your submission. This narrative document should include explanations requested and highlighted in the attached guidance notes and the RFI spreadsheet, as well as the bases for any of your assumptions. It is also an opportunity for you to describe or set out the approach you have taken to completing the RFI, including any points relevant to your own circumstances or business which you wish to highlight as having determined or influenced how you have completed relevant parts of the RFI. Please set out the document in line with the tabs in the RFI spreadsheet. | |
| Assurance document | Please provide a document (word or pdf format) evidencing that appropriate level of assurance at Board level has been undertaken. The document should include description of the assurance process you have undertaken to verify that the data and information submitted are accurate, as well as signed statement on behalf of your company's Board. | |
| 2 x contact details | We may need to raise queries in relation to Retailer submissions. Please provide contact details for two separate contacts who can deal with technical queries. | |

If you have any questions regarding the completion of the RFI and require clarification from Ofwat before being able to complete parts of the RFI, please send your queries to us as soon as possible (at retailexitcode@ofwat.gov.uk). We will publish (in anonymised form) questions and any resultant clarifications on our [website](#).

This letter together with the attached RFI spreadsheet, guidance notes and a list of amendments to the draft RFI will be publish on our [website](#) shortly.

We are planning to consult on proposed revisions to the REC price and non-price protections in early September 2022 and make decisions by the end of 2022. As I noted in my previous letters regarding the RFI for the REC review, it is possible that further RFIs may be necessary during the course of 2022 as we undertake our review.

Yours sincerely

Georgina Mills