

By email: [REDACTED]

29 September 2022

Dear Ofwat

Re: Consultation under sections 13 and 12 A of the Water Industry Act 1991 on proposed modifications to strengthen the ring-fencing licence conditions of the largest undertakers

In respect of the above consultation, we note the specific request for companies based in Wales to indicate their agreement or otherwise of the proposed modifications by 29th September 2022.

Our Board considered this matter at its meeting on 7th September and provided its consent to this licence modification subject to receipt of written confirmation from Ofwat that the rating of our Standard and Poor's Class B debt continues to meet the requirements of limb (c) of the licence definition of "Issuer Credit Rating".

As discussed in our meeting and confirmed by the information provided by email on 23 September 2022, we do not consider there to have been a 'significant increase' in the proportion of Class C sub-ordinated debt issued. We would be happy to provide further clarification should that be helpful.

Yours Sincerely,

[REDACTED]
Eleri Rees
Strategy and Regulation Director