New appointments and variations policy and assessment guidance

Consultation response

June 2023





Hafren Dyfrdwy response

We welcome Ofwat's proposal to introduce a requirement that applicants from new appointments for sites in Wales clearly evidence how the applicant serving the site rather than the current incumbent water company would be beneficial to customers. Making this change will increase the transparency on the benefits expected for customers, increase confidence that new appointments do deliver such benefits and, ultimately, help the market for new appointments to mature further and expand to the benefit of more customers overtime.

Given the positives that we expect to see materialise in Wales, we would agree that Ofwat should consider placing a similar requirement on applicants for New Appointments in England in the future. As such a future would be underpinned by transparency, we would suggest that any demonstration of new appointment benefits should include:

- evidence on the level of benefits that the new appointee states it will deliver for customers;
- evidence from any of the its existing sites the idea being that a strong record in this area will
 increase the confidence that even more customers will get to benefit from this service provider
 in future; and
- assurances that it will provide the same levels of service as incumbents in the surrounding area for example social tariff availability and support levels.