Variation of ESP Water Limited's appointment to include Seaham Garden Village, Durham

On 21 December 2023, Ofwat began a <u>consultation</u> on a proposal to vary ESP Water Limited's ("**ESP Water**") appointment to become the water and sewerage services provider for a development in Northumbrian Water Limited's ("**Northumbrian Water**") water supply and sewerage services area called Seaham Garden Village, Durham ("**the Site**"). Details of the application and our assessment of it were set out in the consultation document.

The consultation ended on 22 January 2024. During the consultation period, we received no representations.

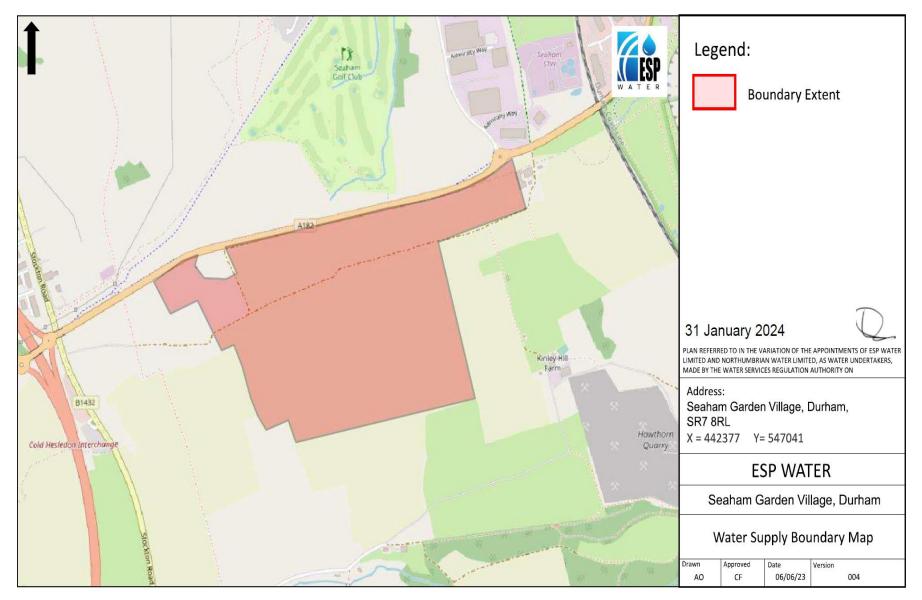
We will only make an appointment or variation if our assessment concludes that the application meets the criterion it has been made under; that customers or future customers on the Site will be no worse off than if the Site had been served by the existing appointee; and if the applicant will be able to finance the proper carrying out of its functions as a water and sewerage company. As set out in our consultation, we are satisfied this is the case.

Having assessed ESP Water's application and having received no responses to our consultation, we decided to grant a variation to ESP Water's area of appointment to allow it to serve the Site for water and sewerage services. This appointment became effective on 1 February 2024.

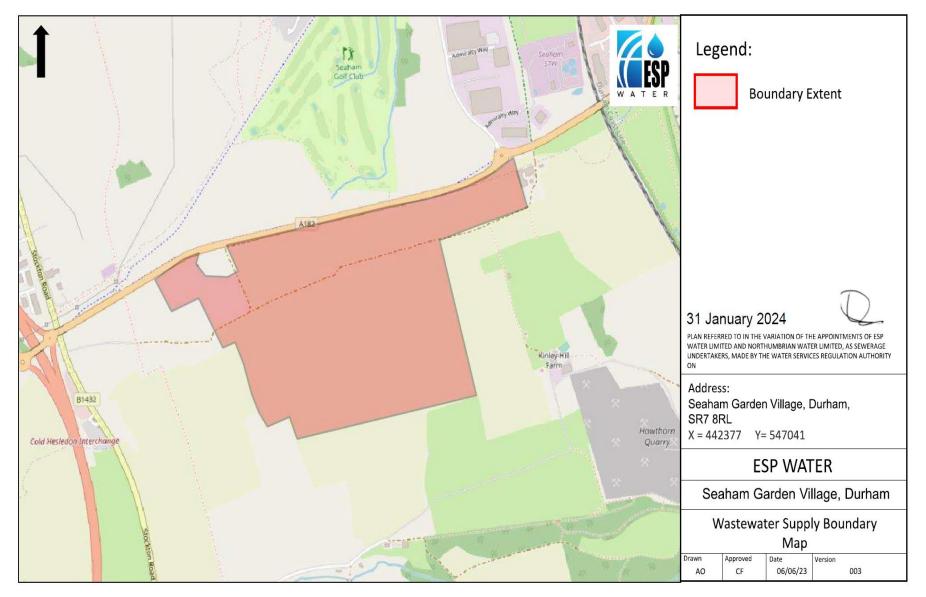
The Site Maps for the variation can be found in Section 1 of this document.

The Variation Notice legally making the variation can be found in Section 2 of this document.

1. Site Map – Water



Site Map – Sewerage



2. Variation Notice

WATER SERVICES REGULATION AUTHORITY
WATER INDUSTRY ACT 1991, SECTIONS 6 TO 9
Variation of the Appointments of ESP Water Limited and Northumbrian Water Limited as Water and Sewerage Undertakers
Made on 31 January 2024
Coming into effect on 1 February 2024
 ESP Water Limited ("ESP Water"), and Northumbrian Water Limited ("Northumbrian Water") hold Appointments as water and sewerage undertakers for their respective areas ("the Appointments").¹ The areas to which the Appointments of ESP Water and Northumbrian Water as water and sewerage undertakers relate ("Water Supply Area" and "Sewerage Services Area") are set out in their Instruments of Appointment.
 The site called Seaham Garden Village, Durham which is shown edged in red on the plan attached to this variation ("the Site") is within Northumbrian Water's Water Supply Area and Sewerage Services Area. The Site is being developed by Karbon Homes Limited, Miller Homes Limited, and Taylor Wimpey UK Limited.
3. ESP Water has applied under section 7(4)(b) of the Water Industry Act 1991 ("the Act") for a variation of its Appointment as a water and sewerage undertaker to include the Site and for a consequential variation of Northumbrian Water's Appointment to exclude the Site.
4. On 27 June 1995, the Secretary of State for the Environment and the Secretary of State for Wales acting jointly and pursuant to sections 6(1) and 7(2) of the Act authorised the Director General of Water Services ¹ to make variations such as those contained in paragraph 5 below. After public consultation, as required by section 8 of the Act, the Water Services Regulation Authority has decided that it should grant ESP Water's application.
 Therefore, as provided by sections 7(2) and 7(4)(b) of the Act, and with the agreement of Karbon Homes Limited, Miller Homes Limited, and Taylor Wimpey UK Limited, the Water Services Regulation Authority varies-
¹ Northumbrian Water's original Appointment as a water and sewerage undertaker was made by the Secretary of State for the Environment under sections 11 and 14 of the Water Act 1989, now replaced by sections 6 and 11 of the Water's original Appointment was made by the Water Services Regulation Authority under sections 6 and 11 of the Water Industry Act 1991. ESP Water's original Appointment was made by the Water Services Regulation Authority under sections 6 and 11 of the Water Industry Act 1991. ³ With effect from 1 April 2006 the functions of the Director General of Water Services were transferred to the Water Services Regulation Authority in accordance with section 36 of, and Schedule 3 to, the Water Act 2003.
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(a) the Appointment of ESP Water as a water and sewerage undertaker so that the Site is included in ESP Water's Water Supply Area and Sewerage Services Area; and
(b) the Appointment of Northumbrian Water as a water and sewerage undertaker so that the Site is excluded from Northumbrian Water's Water Supply Area and Sewerage Services Area.
Signed for and on behalf of the Water Services Regulation Authority
Q
Lynn Parker Senior Director, Casework, Enforcement & Customers Directorate