Variation of Icosa Water Services Limited's appointment to include Land East of Treloweth Lane, St Erth, Cornwall

On 20 December 2023, Ofwat began a <u>consultation</u> on a proposal to vary Icosa Water Services Limited's ("Icosa Water") appointment to become the water services provider for a development in South West Water Limited's ("South West Water") water supply area called Land East of Treloweth Lane, St Erth, Cornwall ("the Site").

Details of the application and our assessment of it were set out in the consultation document. The map included in the consultation has since been updated to encompass a slightly smaller area (please see section 1 below for more details).

The consultation ended on 23 January 2023. During the consultation period, we received a response from South West Water which is summarised in Section 1 of this document.

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 company. As set out in our consultation we are satisfied this is the case. The responses we have received to the consultation have not changed that view.

Having assessed Icosa Water's application and having taken account of the responses we received to our consultation, we decided to grant a variation to Icosa Water's area of appointment to allow it to serve the Site for water services. This appointment became effective on 28 March 2024.

The Site Map for the variation can be found in Section 2 of this document.

The Variation Notice legally making the variation can be found in Section 3 of this document.

1. Responses received to the consultation

We received a response to our consultation from South West Water. We considered this response before making the decision to vary Icosa Water's appointment.

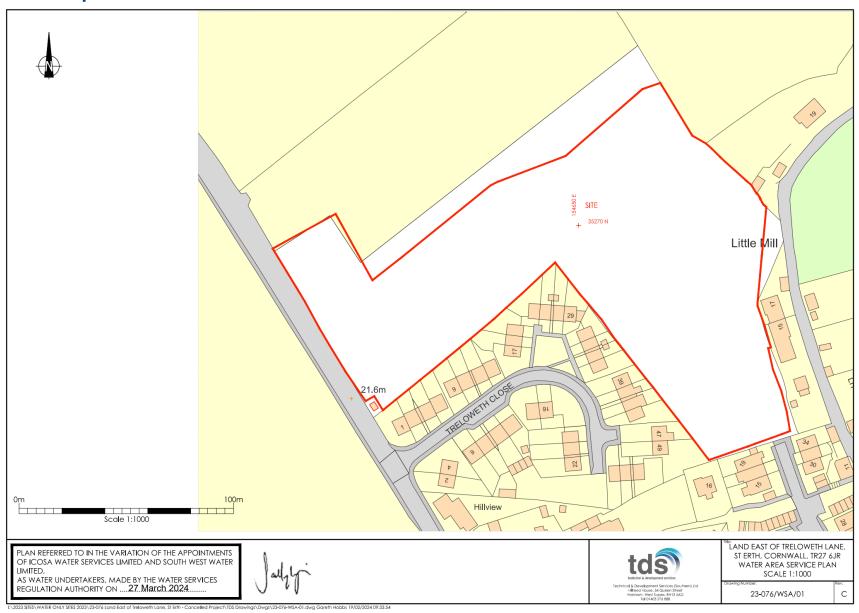
South West Water

South West Water wrote to us on 22 January 2024. It confirmed that it supports the development of markets where customers could benefit, or in the least suffer no detriment. It raised that there was a discrepancy between the map in Ofwat's public consultation document and the map South West Water held on its records.

Ofwat's Response

South West Water's response raised a discrepancy between the map Icosa Water had submitted to them and the map published in Ofwat's public consultation document. Following South West Water's response we engaged with Icosa Water to clarify the map for the Site. Icosa Water had provided Ofwat with an incorrect map which was included in our public consultation document. Icosa Water has since provided Ofwat with a corrected map (please see Section 2). The Site's area is slightly smaller than the map that Ofwat consulted on but the number of properties to be on the Site remain the same. Therefore, Ofwat's assessment remains unchanged.

2. Site Map



3. Variation Notice

WATER SERVICES REGULATION AUTHORITY WATER INDUSTRY ACT 1991, SECTIONS 6 TO 9

Variation of the Appointments of Icosa Water Services Limited and South West Water
Limited as Water Undertakers

Made on 27 March 2024

Coming into effect on 28 March 2024

- Icosa Water Services Limited ("Icosa Water") and South West Water Limited ("South West Water") hold Appointments as water undertakers for their respective areas ("the Appointments").¹ The areas to which the Appointments of Icosa Water and South West Water as water undertakers relate ("Water Supply Area") are set out in their Instruments of Appointment.
- The site called Land East of <u>Treloweth</u> Lane, St <u>Erth</u>, Cornwall, which is shown edged in red on the plan attached to this variation, ("the Site") is within South West Water's Water Supply Area. The Site is being developed by EBC Partnerships Limited.
- 3. Icosa 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 undertaker to include the Site and for a consequential variation of South West 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 Services² 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 Icosa Water's application.
- 5. Therefore, as provided by sections 7(2) and 7(4)(b) of the Act, and with the agreement of EBC Partnerships Limited, the Water Services Regulation Authority varies—
 - (a) the Appointment of Icosa Water as a water undertaker so that the Site is included in Icosa Water's Water Supply Area; and

(b) the Appointment of South West Water as a water undertaker so that the Site is excluded from South West Water's Water Supply Area.

Signed for and on behalf of the Water Services Regulation Authority

July

Sally Irgin
Director of Enforcement

¹ South West Water's original Appointment as a water 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 Industry Act 1991. Icosa Water's original Appointment was made by the Water Services Regulation Authority under sections 6 and 11 of the Water Industry Act 1991.

 $^{^2}$ 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.