Variation of Advanced Water Infrastructure Networks Limited's appointment to include Abbots Vale, Bury St Edmunds

On 18 December 2023, Ofwat began a <u>consultation</u> on a proposal to grant an appointment to Advanced Water Infrastructure Networks Limited ("**Advanced Water**") to allow it to become the water and sewerage services provider for a development in Anglian Water Services Limited's ("**Anglian Water**") water supply area and sewerage services area called Abbots Vale, Bury St Edmunds in Suffolk ("**the Site**"). Details of the application and our assessment of it were set out in the consultation document.

Advanced Water was granted an appointment on 16 April 2024 allowing it to provide water and sewerage services to customers on a site called, Old Ham Lane, Lehman. Therefore, we are now granting a variation to this appointment to allow Advanced Water to provide water and sewerage services on the Site.

The above consultation ended on 19 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 Advanced Water's application and having received no responses to our consultation, we decided to grant a variation to Advanced Water's appointment to allow it to serve the Site for water and sewerage services. This appointment became effective on 17 April 2024.

The Site maps 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.

Granting a variation to Advanced Water Infrastructure Networks Limited's appointment to allow it to provide water and sewerage services to Abbots Vale, Bury St Edmunds

1. Next steps

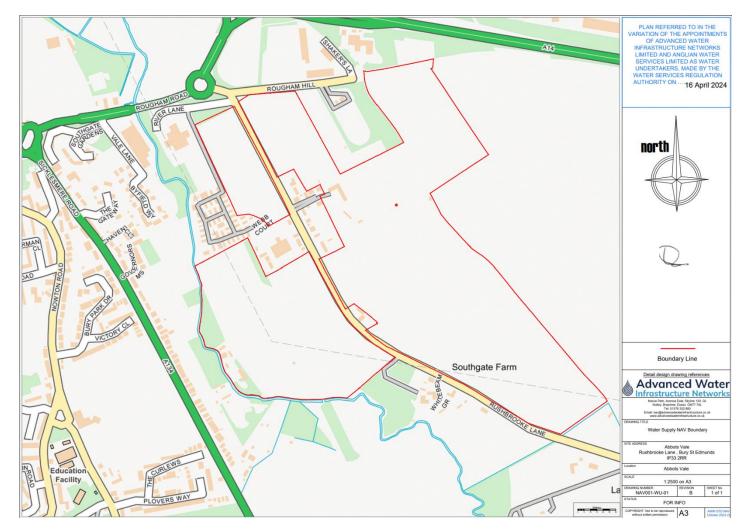
Having been granted it's appointment, Advanced Water intends to apply to the Department for Environment, Food & Rural Affairs ("**Defra**"), to exit the business retail market. Advanced Water can apply to Defra to exit the market once the appointment is granted and Defra will process its application in accordance with The Water and Sewerage Undertakers (Exit from Non-household Retail Market) Regulations 2016.

Prior to exiting the market Advanced Water has an interim arrangement with Castle Water Limited ("**Castle Water**"), whereby Castle Water will serve its business customers until it exits the market. Once exited, Advanced Water will act as a wholesaler to household and business customers.

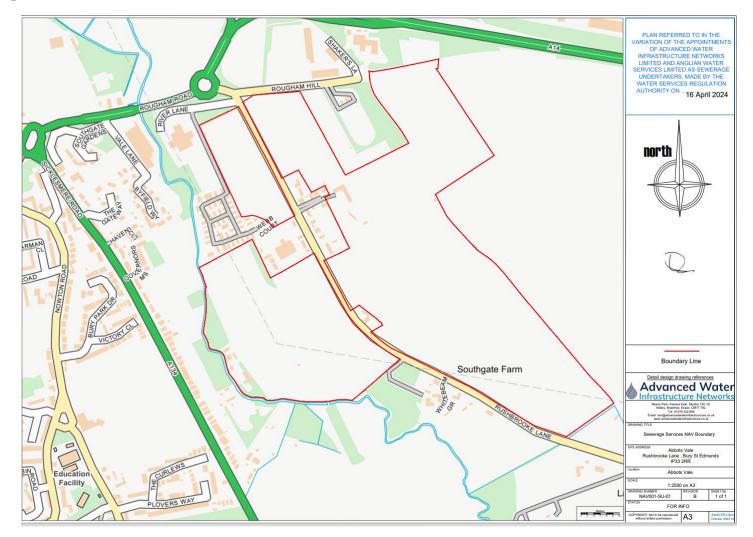
Business customers on any of Advanced Water's future sites will be appointed a retailer in accordance with MOSL's gap site process and once appointed a retailer, all business customers will be able to move to retailers of their choice.

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2. Site Maps Water



Sewerage



3. Variation Notice

WATER SERVICES REGULATION AUTHORITY

WATER INDUSTRY ACT 1991, SECTIONS 6 TO 9

Variation of the Appointments of Advanced Water Infrastructure Networks Limited and Anglian Water Services Limited as Water and Sewerage Undertakers

Made on 16 April 2024

Coming into effect on 17 April 2024

- Advanced Water Infrastructure Networks Limited ("Advanced Water"), trading as Leaf Water, and Anglian Water Services Limited ("Anglian Water") hold Appointments as water and sewerage undertakers for their respective areas ("the Appointments").¹ The areas to which the Appointments of Advanced Water and Anglian 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 Abbots Vale, Bury St Edmunds in Suffolk which is shown edged in red on the plan attached to this variation ("the Site") is within Anglian Water's Water Supply Area and Sewerage Services Area. The Site is being developed by Denbury Homes Limited.
- 3. Advanced 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 Anglian 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 Advanced Water's application.
- 5. Therefore, as provided by sections 7(2) and 7(4)(b) of the Act, and with the agreement of Denbury Homes Limited, the Water Services Regulation Authority **varies**–

¹ Anglian 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 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.

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.

- (a) the Appointment of Advanced Water as a water and sewerage undertaker so that the Site is included in Advanced Water's Water Supply Area and Sewerage Services Area; and
- (b) the Appointment of Anglian Water as a water and sewerage undertaker so that the Site is excluded from Anglian Water's Water Supply Area and Sewerage Services Area.

Signed for and on behalf of the Water Services Regulation Authority

Lynn Parker Senior Director, Casework, Enforcement and Customers