Modifications to the standard licence conditions that apply to water supply and sewerage licences - CCWater’s response to Ofwat’s consultation
1 Introduction

1. The Consumer Council for Water (CCWater) is the statutory consumer organisation that represents the interests of customers of water and sewerage companies and licensees in England and Wales. CCWater has four regional committees in England and a committee for Wales.

2. We welcome the opportunity to reply to Ofwat’s consultation on its proposed modifications to the standard licence conditions that apply to water supply and sewerage licences.

2 CCWater Feedback

3. Overall, CCWater accepts that the proposed modifications to the standard licence conditions are reasonable as Ofwat’s intention is to:

   a. Correct drafting errors to ensure that standard licence conditions apply to sewerage only licences,
   b. ensure that standard licence conditions apply to licenses limited to self-supply, and
   c. recognise that a revised certificate of adequacy may be required during the financial year if licensees’ material circumstances change.

4. In particular, we agree that the third modification is important for customer protection. For example, it would be right for Ofwat to require submission of a revised certificate of adequacy where a retailer has taken on (or intends to take on) a large volume of customers which were not part of its original licence application. We would expect a licensee to demonstrate that it has the organisational capability, resource and expertise to offer a good level of service to a substantially larger customer base than was initially anticipated.

5. As Ofwat is consulting on licence conditions, we propose that it could also consider implementing a post-application/approval survey of licensees. This would enable the regulator to gather feedback on whether the application process itself is working efficiently, and whether it is sufficiently robust while not putting undue burden on applicants.

3 Enquiries

6. If you have any questions about CCWater’s response to this consultation, please contact:

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