



The Consumer Council

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Our ref: 3/15/4.03

Ms Jo Aston
Director of Water Regulation
Utility Regulator
Queens House
14 Queen Street
BELFAST
BT1 6ED

8 July 2011

Dear Jo

NI Water Licence modification consultation

Our reference: PD 20010/861

We are pleased to respond to the Utility Regulator's consultation on modifications to NI Water's Licence.

We agree with the removal of the now redundant references to the first three charging years and understand that the Licence needs to be modified to align with the MoU and written agreement between the Utility Regulator and DRD.

We would ask for clarification on the level and method of consultation to be employed by the Regulator as required by paragraphs 5A.1; 14A.1; 10.1 (i) and (ii); 14A.2; and how decisions of appropriateness will be made.

We would also seek clarification on how disputes in the application of Condition B, Part IV when determining Interim Determinations and other reviews will be resolved. The draft sections 14A and 14B set out how the Authority and DRD will work to determine an application from NI Water. We are unclear how a determination will be made if the Regulator and DRD are not in agreement, and concerned at the potential effects this could have on both the financing of NI Water and the costs to consumers.

I am happy to discuss any of the above points.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'K. Graham'.

Kathy Graham
Head of Water

cc Alan Craig, Head of Regulatory Finance, Utility Regulator