21 July 2026

Centre City Tower
7 Hill Street
Birmingham
B5 4UA

By email: charging@ofwat.gov.uk

Dear Charges and Developer Services Team,

Statutory consultation on changing our Wholesale Charging Rules and Charges Scheme Rules to promote greater water efficiency

Thank you for the opportunity to respond to the statutory consultation on changing the Wholesale Charging Rules and Charges Scheme Rules to promote greater water efficiency.

We are supportive of the proposed amendments. In our view, the changes provide a helpful clarification of the existing charging framework and reflect the way we have understood the rules and are already applying them in practice.

We welcome the clarification that long-run costs include those associated with addressing water scarcity and the supply-demand balance. We also support the proposed clarification that differences in charges may reflect incentives to promote greater water efficiency, including the associated environmental and wider societal benefits.

We consider that these changes will support continued tariff innovation and provide useful clarity for companies when developing and trialling charging approaches that encourage more efficient water use. In particular, the proposed amendments should further support the use of tariff trials and help enable successful approaches to be rolled out in practice, while maintaining appropriate flexibility for companies to reflect local circumstances and customer impacts.

Yours sincerely

[redacted]

[redacted]
Director of Economic Regulation