



The voice for water consumers
Llais defnyddwyr dŵr

Consultation under section 12A of the Water Industry Act 1991 on proposed modifications to condition B of Thames Water Utilities Limited's conditions of appointment to extend the separate price control for delivery of the Thames Tideway Tunnel.

March 2024

1. Introduction

1. The Consumer Council for Water (CCW) is the statutory consumer organisation representing household and non-household water and sewerage consumers in England and Wales. We welcome the opportunity to provide input to Ofwat's proposed licence modifications to extend the separate price control for delivering the Thames Tideway Tunnel

2. CCW's comments on the proposed modifications

- 2.1 CCW agrees with the extension of the licence modification to allow Ofwat to set a separate price control for the period 2025 to 2030 for the work Thames Water carries out on the Thames Tideway Tunnel (TTT) project.
- 2.2 The separate price control ensures there is a clear boundary between Thames Water's core business and the TTT, allowing for separate regulation and transparency for stakeholders of the two activities. The separate price control includes a bespoke interim determination mechanism and materiality threshold for the project to take into account the risks of the project during the construction phase.
- 2.3 We agree that the separate price control is in customers' interests as it increases the level of transparency of TTT delivery and Thames' accountability for the project. It can also help ensure costs are efficient as the TTT is subject to its own price determination and cost of capital.

Enquiries

Enquiries about this consultation should be addressed to:

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