

## FREQUENTLY ASKED QUESTIONS

### **What is Retail Competition and why is it happening?**

In 2014, the Government passed legislation to allow non-household (business) customers to choose their water supplier, and it is intended that this becomes effective from 1<sup>st</sup> April 2017. The creation of this new market will allow businesses to switch from their local monopoly water company (the “incumbent water company”) to another water supplier for account management activities. Currently most water supplies are provided by a single “incumbent water company” who is responsible for supplying the water to a customer’s premises. This is known as the “Wholesale” service, and the customer facing services including billing and handling customer queries etc., are known as the “Retail” service. In this area, Portsmouth Water is responsible for drinking water and Southern Water is normally responsible for the sewerage service.

As a result of this new legislation water and sewerage services to business customers premises will be split into Wholesale services and Retail services. The Retailer will be responsible for providing the customer facing service; they will issue bills and deal with customer contacts, queries and complaints. This retail activity will be open to competition and customers will have the choice of who they want to provide this service. The legislation also allowed incumbent water companies to “Exit the Market” which means that they would transfer the retail activities to another party, but this would have to be approved by the Secretary of State for the Department of the Environment, Fisheries and Rural Affairs. The Wholesaler who provides the clean drinking water, or sewerage services will not change. As such, Portsmouth Water will continue to provide the same high quality of water we do now.

### **Why have Portsmouth Water decided to exit the Retail market?**

When the market for business retail services opens in April 2017, it is likely that there will be a number of large water companies and specialist retail companies competing in the new market. Whilst Portsmouth Water has an excellent record of customer service it is a relatively small company and its retail activity for businesses is a small proportion of its activity. Portsmouth Water does not believe it has systems, skills and experience to compete on a national scale in this market. It has decided therefore to focus on its wholesale and household business, where it has much greater scale.

### **Will my bills go up as a result?**

Not as a result of this change. Prices during the period 2015 to 2020 were agreed in 2014 with Ofwat, the economic regulator of the water industry in England and Wales.

### **What if I don’t want to be a customer of “Castle Water”?**

You have the choice to stay with Castle Water or switch to another retailer. There will be a number of retailers available. A choice of retailers available can be found at [www.open-water.org.uk](http://www.open-water.org.uk)

### **Who are business customers?**

Business customers, in respect of these changes, are customers running a business and non-household organisations that occupy premises that are not principally a home. Advice on whether or not you are a non-household customer can be found at [www.open-water.org.uk](http://www.open-water.org.uk)

### **Will household customers be affected?**

No. Portsmouth Water will continue to supply and bill its household customers. This change only relates to business and non-household customers.

### **Who do I call if there is no water or water quality issues?**

For issues relating to the quality of water, or if you have no water, you can still contact us directly. For issues relating to your bills you will contact Castle Water.

We will still be providing the water and therefore the product remains the same high quality.

## **What happens if I have a complaint?**

Your retailer will be responsible for complaints from market opening. Unresolved complaints at market opening will be passed by us to your retailer to respond to.

If you are still dissatisfied then you can refer your complaint to the Consumer Council for Water who provide a free and impartial complaints handling service. They can be contacted on 0300 034 2222, by email to [enquiries@ccwater.org.uk](mailto:enquiries@ccwater.org.uk) or writing to the Consumer Council for Water, 1<sup>st</sup> Floor, Victoria Square House, Victoria Square, Birmingham B2 4AJ.

## **How much impact will this have on my business?**

Engaging in the new market may provide an opportunity to save water, save money and have different products and services available to you. Find more information at [www.open-water.org.uk](http://www.open-water.org.uk)

## **Does this mean I am no longer a customer of Portsmouth Water?**

You remain our customer until the new market opens, which is expected to be in April 2017.