

05 July 2022



Mr Alan Sutherland
Chief Executive
Water Industry Commission for Scotland

The Bridge
6 Buchanan Gate
Steps
Glasgow
G33 6FB

Emailed to [REDACTED]

W: www.scottishwater.co.uk

Dear Alan,

Thank you for your letter of 1 July in relation to your information request and concerns surrounding the present uncertainties in respect of the current regulatory period.

We appreciate your willingness to work with us in determining how we can provide the available information in the most appropriate manner and look forward to discussing this with you further on Friday 31 July. In the meantime, our team is working to provide information by the 31 August deadline.

Thank you for your offer to work constructively with us in determining the most appropriate way forward in the remainder of the current regulatory control period. We set out in our recently published annual report that, with rising financial pressures on households and businesses, we doubt whether it would be feasible to return quickly to the charge level expectations set out in the final determination of charge and yet the financing set out in the final determination will be required across the 2021-27 period to enable us to deliver Ministers Objectives. We are therefore exploring with the Scottish Government (as our owner and setter of the objectives and charging principles) the options that may be available to inform our consideration and discussions with you.

Thank you again for your willingness to work constructively with us in addressing the current challenges.

Yours sincerely,



Douglas Millican
Chief Executive

cc Jon Rathjen, Scottish Government