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# Roadmap to a Flourishing Market - Appendix I

## Market Actions, Benefits and Complexity Scoring

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This appendix is used to provide the detail behind each of the 34 actions. Each action has been assessed against their benefit, costs and complexity to deliver.

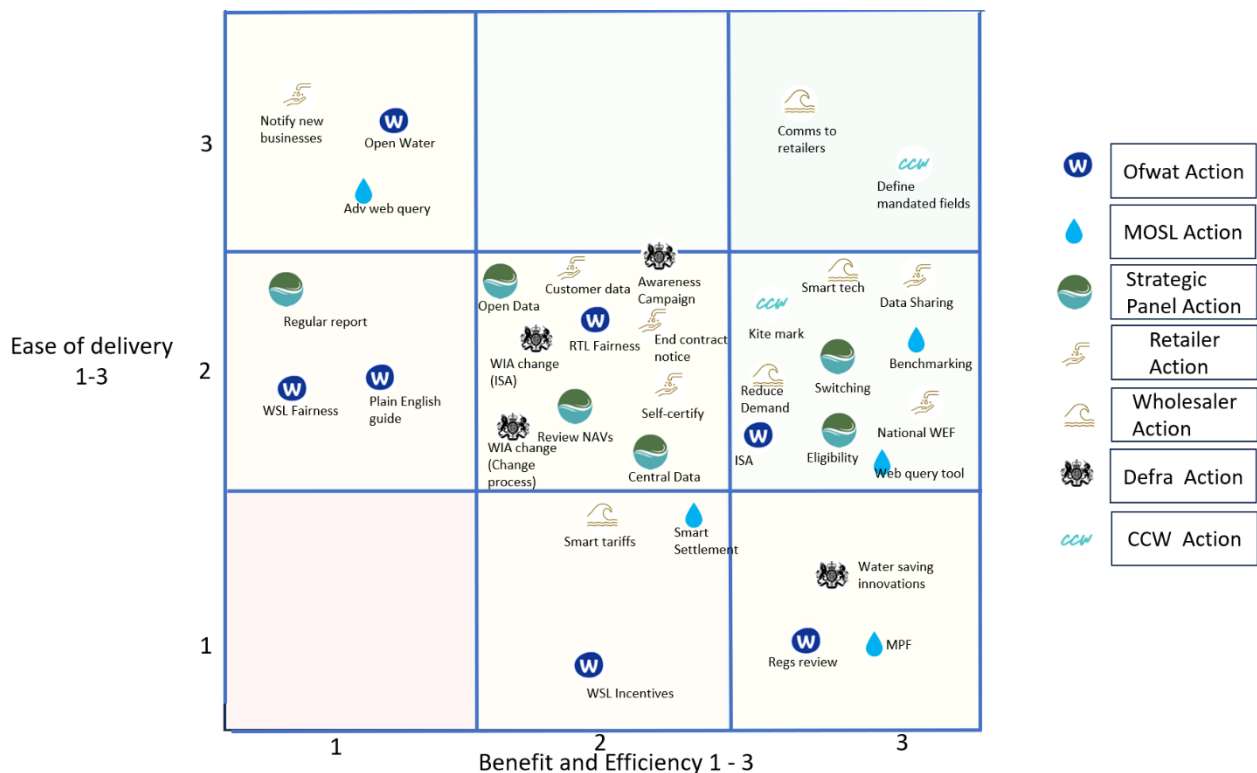
The benefits were assessed against the direct benefit to the customer and the improved efficiency that the action brought to the market (methodology below).

| Combined benefit score. Benefit to the customer and positive impact on the market   | Direct benefit to the customer  | How much more efficient does this make the market  |
|---|---|--|
| Average of the two fields   | E.g. what percentage of the customer base will benefit and when will customer experience the benefits   | E.g. to what degree will this remove a specific market friction or speed up a processes  |
| Scored 1 – 3<br>1 = Benefits are not immediately felt by customers<br>3 = positive impact for the majority of the customers delivered immediately | Scored 1 – 3<br>1 = Benefits are not immediately felt by customers or only affect a minority of customers<br>3 = benefits will affect customers immediately or will affect all customers (although not necessarily immediately) | Scored 1 – 3<br>1 = Will only improve some areas of the market<br>3= activities will become easier to complete across many areas of the market |

The ease of delivery was assessed against the changes to codes or regulations that would be required, the system changes that the action necessitated and the economic impact on market participants(methodology below).

| Ease of delivery<br>Combined score          | Ease of delivery of changes required to regulation and/or codes and licences   | Ease of delivery of system changes required to support actions   | Ease of delivery of changes to the current economic models and cost of implementation  |
|---|--|--|--|
| Average of the three complexity fields      | E.g. changes to the Retail Exit Code or Wholesaler Retailer Contract   | E.g. changes to CMOS   | E.g. cost to retailers to add new fields to billing engines, cost to produce a regular report  |
| Scored 1 – 3<br>Combination of three scores | Scored 1 – 3<br>1 = significant changes to codes or regulations required<br>3 = little change to codes or regulations required | Scored 1 – 3<br>1 = significant changes to MOSL or TP systems required<br>3 = little change to MOSL or TP systems required | Scored 1 – 3<br>1 = high cost to build or high impact on TPs' revenues or current spend<br>3 = low cost to build or little impact on current TP revenue or current spend |

The actions have been represented on a nine box model using the benefits as the X-Axis and the ease of delivery as the Y-Axis (below). The Strategic Panel has not identified any actions that are both highly complex, but deliver little benefit.



**Customer engagement and choice**
**Accurate and accessible data**
**Unlocking processes, capability and economics**

## Actions for Strategic Panel

| Action  | Description  | Market Health Indicators (MHI)  | Assisted By                      | When                      | Harms <sup>1</sup> | Con Ref   | Benefit | Reg | Tech | Econ | Ease of Del |
|---|--|---|----------------------------------|---------------------------|--------------------|-----------|---------|-----|------|------|-------------|
| <b>P1. Report on progress to a flourishing market</b> | Produce a regular report on progress to a flourishing market to meet the condition that potential new entrants have access to the state of the market. This would enable informed decisions on whether to enter the market which could enable increased customer choice. | Progress against this will be assessed by the number of retailers in the market and the Herfindahl-Hershman Index (HHI). (dependent on condition IC3)   | To be supported by Ofwat and CCW | Delivery to be ongoing    | 2                  | IC6       | 1       | 3   | 3    | 2    | 2.6         |
| <b>P2. Debate on NHH open market data</b>             | Facilitate a debate on what open data means to the market, including who holds what responsibilities and who can access what. This will enable the conditions that rely on 'information accessibility'. This could enable TPIs   | We expect a rise in the Engagement indicator as a result of this action; the customer satisfaction indicator may initially drop if poor quality data is | To be supported by Ofwat         | Near term delivery (2025) | 1, 2, 3, 4, 8      | MSD2/ IA4 | 2       | 1   | 3    | 3    | 2.6         |

<sup>1</sup> **Theories of Harms:** (1) Market Power and Monopoly Behaviour; (2) Lack of Effective Competition; (3) Inconsistent provision of information to customers; (4) Risk Allocation and Risk Aversion; (5) Operational inefficiency; (6) Customer Engagement and Inertia; (7) Market Complexity and Cost; (8) Wholesaler Monopoly Power.

|                                       |  |  |  |                           |      |          |   |   |   |   |   |
|---------------------------------------|--|--|--|---------------------------|------|----------|---|---|---|---|---|
|                                       | and authorised stakeholders (e.g. landlords and customers) to request data corrections and make informed choices on water saving or switching. This will look to build on ongoing work by the Strategic Panel's Metering Committee as described in the National Metering Strategy.   | exposed to customers, but this should rise as improvements are implemented. Overall a clear understanding of the customer's role and function combined with consumption patterns will contribute to the overall 9% reduction target. |  |                           |      |          |   |   |   |   |   |
| <b>P3. Debate on centralised data</b> | Facilitate a debate on the holding of centralized customer data to meet the condition that there is clarity on where correct customer and consumption data is held and who has access to it. This will enable a common standard for benchmarking to exist so that the market can provide empirical evidence on water demand by customer segment, water resource zone, postcode or catchment area. It should also take account of the need for retailers to innovate and differentiate their services. With P2, this will start the work on data and will propel further actions based on outcome of debates. | The ability to compare a customer's consumption with similar customers is a basic requirement for any water efficiency measures. This action will contribute to reducing demand to the 9% target.                                    |  | Near term delivery (2025) | 4, 7 | DA5, DA6 | 2 | 2 | 3 | 2 | 2 |

|   |  |   |                        |                            |            |      |   |   |   |   |     |
|---|--|---|------------------------|----------------------------|------------|------|---|---|---|---|-----|
| <b>P4. Review and refine market eligibility</b> | Define a common eligibility standard to enable the condition that clear market eligibility rules are applied consistently across all wholesaler regions. This will ensure the right customer sites are included in, and able to engage and derive benefits from, the market. This work will look to build on ongoing work by MOSL/CCW and is expected to include consideration of temporary building supplies.   | Satisfaction should increase as customers are definitively in or out of the market and so national customers are treated consistently; may see the number of parties increase if investor confidence grows in the longer term with certainty of whether customers are part of the market. | To be supported by CCW | Near term delivery (2025)  | 3, 4, 7, 8 | MSD1 | 3 | 2 | 3 | 2 | 2.3 |
| <b>P5. Review Switching Process</b>             | Once confidence in the switching service has been encouraged by establishing protections for customers who have moved away from the deemed rate, the customer experience of the switching process should be reviewed, to identify further barriers of required protections for customers. This will help meet the condition that customers trust the switching process. This will encourage smaller customers in Group 1 to re-negotiate their contracts or switch suppliers to gain better value. | Customer engagement should increase in the longer term with a potentially associated increase in switching activity.  |                        | Short term delivery (2026) | 6          | EMP6 | 2 | 2 | 1 | 2 | 2   |

Actions for Ofwat

| Action                                     | Description  | Market Health Indicators  | Assisted By | When                      | Harms <sup>2</sup> | Con Ref | Benefit | Reg | Tech | Econ | Ease of Del |
|--|--|---|-------------|---------------------------|--------------------|---------|---------|-----|------|------|-------------|
| <b>O1. Update the open water website</b>   | Update and regularly maintain the Open Water website to meet the condition that a dedicated website provides customers with clear guidance on the market. In addition, ensure the outputs of Market Improvement Fund Project CATRID are incorporated to meet the condition that customers can access the identity of their retailer and wholesaler in order to make informed choices around tariffs and/or supplier. | Awareness and engagement are expected to rise   | CCW, MOSL   | Near term delivery (2025) | Harm 6             | IA12    | 1.5     | 3   | 3    | 3    | 3           |
| <b>O2. Ofwat incentives on Wholesalers</b> | Ofwat incentivises and holds Wholesalers to account appropriately, to support efficient market functioning Wholesaler provision of services to customers and retailers is rated through a Business Customer/ Retailer measure of experience survey (BR-  | Satisfaction should rise for consistent basic service across country; R-MeX and B-MeX should improve; there may be a positive impact on retailer decisions to join market - improving the HHI | MOSL        | Near term delivery (2025) | Harm 8             | EMP5    | 2.5     | 1   | 2    | 1    | 1.3         |

<sup>2</sup> **Theories of Harms:** (1) Market Power and Monopoly Behaviour; (2) Lack of Effective Competition; (3) Inconsistent provision of information to customers; (4) Risk Allocation and Risk Aversion; (5) Operational inefficiency; (6) Customer Engagement and Inertia; (7) Market Complexity and Cost; (8) Wholesaler Monopoly Power.

|  |   |   |      |                            |         |           |     |   |   |   |     |
|--|---|---|------|----------------------------|---------|-----------|-----|---|---|---|-----|
|  | MeX). Incentives are provided to recognise and drive positive performance and encourage correction of poor performance.<br><br>ECN to follow (Ofwat)  |   |      |                            |         |           |     |   |   |   |     |
| <b>O3. Produce plain English guide</b>           | Produce a guide in plain English that provides sufficient and clear information on the costs, metrics, and obligations that are defined in the codes. Also, the protections afforded to customers. This guide will inform decisions to join the market because complexity and ambiguity have been identified as a current barrier to new entrants.  | This action should drive awareness and confidence in potential entrants. The number of trading parties is expected to rise and the HHI should reflect a less concentrated market. | MOSL | Short Term delivery (2026) | 6       | IC2       | 1.5 | 2 | 3 | 2 | 2.3 |
| <b>O4. Retailer and TPI 'fairness framework'</b> | Establish via the Customer Protection Code of Practice (CPCoP) a 'fairness framework' to govern Retailer and TPI behaviour. This is aimed at reassuring customers that retailer and TPI behaviours are not just guided by competitive market forces. TPIs will be required to be transparent about their charges, commissions, partnerships and data sources to assure customers of their | Satisfaction should rise and awareness and engagement could rise  | -    | Short term delivery (2026) | 1, 2, 6 | IC4 / IC8 | 2.5 | 1 | 3 | 3 | 2.3 |

|  |   |  |                            |                            |         |      |     |   |   |   |     |
|--|---|--|----------------------------|----------------------------|---------|------|-----|---|---|---|-----|
|  | objectivity so that TPI comparison sites can be trusted by the customer.  |  |                            |                            |         |      |     |   |   |   |     |
| <b>O5. Wholesaler 'fairness framework'</b> | Define and deliver a wholesaler 'fairness framework' via the market codes and licence conditions. This is intended to reassure customers that wholesalers behave in the interests of customers and that is not impacted by the nature of being regional monopoly providers. | Satisfaction should rise for consistent basic service across country; R-MeX and B-MeX should improve; there may be a positive impact on retailer decisions to join market, improving the number of market entrants and the HHI should reflect a less concentrated market | CCW, MOSL                  | Short term delivery (2026) | 6, 8    | IC4  | 1.5 | 1 | 3 | 3 | 2.3 |
| <b>O6. Define mandated fields on bills</b> | Update the Customer Protection Code of Practice (CPCoP) to define the mandated fields once agreed (see related action led by CCW).  | The signaling of key information to the customer such as their contract end date, current tariff, charges are expected to drive an increase in awareness and engagement  | CCW, retailers, wholesaler | Short term delivery (2026) | 1, 2, 6 | IA3  | 2   | 1 | 1 | 1 | 1   |
| <b>O7. Sandbox supports innovation</b>     | Ofwat to implement provisions in licences and market codes to support sandboxing that allows ringfenced trials of new approaches to better support innovation and subsequent wider change   | This should encourage more innovative services for customers resulting in an increase in engagement scores and contributing to a reduction in demand as water efficient tariffs become more prevalent.   | The Panel, MOSL            | Short term delivery (2026) | 1, 4, 7 | MSD7 | 2.5 | 1 | 1 | 2 | 1.5 |



|   |  |   |      |                                    |            |           |   |   |   |   |     |
|---|--|---|------|------------------------------------|------------|-----------|---|---|---|---|-----|
| <b>O8. Develop and communicate ISA process including SOLR</b> | Publish a clear explanation of the market processes to safeguard customer supply and service if a retailer or wholesaler were to fail. The process will apply to all retailers and wholesalers giving customers confidence that their service and supply will be secure if they switch.  | With clear contingency plans the risk of failure is mitigated and there could be an increase in customer engagement and switching   | MOSL | Short term delivery (2026)         | 4, 5, 6    | EMP1, CO2 | 1 | 1 | 3 | 2 | 2   |
| <b>O9. Review the balance of regulation and competition</b>   | Review the appropriate balance of regulation to protect customers and promote competition (supported by greater segmentation of Group 1). This could include regulatory requirements for retailers to protect customers who have switched and come off the deemed rate from being placed on disproportionately high standard variable rates at the end of their contracts. This will ensure that a positive customer switching experience is not undermined by a negative and unexpected billing experience. | Increase of potential customers not covered by cap could encourage more trading parties to enter the market so that the HHI would reflect a less concentrated market. This may increase also increase the Engagement scores as customers explore options with their retailer. | -    | Medium term delivery (2027 / 2028) | 1, 4, 5, 6 | IC3       | 3 | 1 | 2 | 1 | 1.3 |

Actions for MOSL

| Action   | Description  | Market Health Indicators  | Assisted By | When                        | Harms <sup>3</sup> | Con Ref              | Benefit | Reg | Tech | Econ | Ease of Del |
|--|--|---|-------------|-----------------------------|--------------------|----------------------|---------|-----|------|------|-------------|
| <b>M1. A reformed MPF appropriately incentivises wholesaler and retailer performance</b> | An effective market performance framework is in place which incentivises retailers and wholesalers to deliver positive customer outcomes and encourages them to take corrective measures to rectify poor performance | Satisfaction should rise for consistent basic service across the country; R-MeX and B-MeX should improve; there may be a positive impact on retailer decisions to join the market resulting in the HHI reflecting a less concentrated market. | MOSL        | Near term delivery (2025)   | 1, 8, 2            | EMP5                 | 3       | 1   | 1    | 1    | 1           |
| <b>M2. Basic Query tool on Open Water Website</b>  | Customers should be able to identify their retailers on the Open Water Website   | Awareness should rise; Customer engagement is expected to rise; Switching may rise  | Ofwat, CCW  | Near term delivery (2025)   | 3, 6               | IA2                  | 1.5     | 3   | 3    | 3    | 3           |
| <b>M3. Create a data model for consumption benchmarking by market segment</b>            | <b>M3. Create a data model for consumption benchmarking by market segment</b>  | MOSL will establish the minimum standards to which customer consumption data is provided by retailers so that a single source of truth for segment and associated   | -           | Medium term delivery (2028) | Harm 3<br>Harm 6   | DA3, DA4, DA5, DA1.1 | 3       | 2   | 1    | 2    | 2           |

<sup>3</sup> **Theories of Harms:** (1) Market Power and Monopoly Behaviour; (2) Lack of Effective Competition; (3) Inconsistent provision of information to customers; (4) Risk Allocation and Risk Aversion; (5) Operational inefficiency; (6) Customer Engagement and Inertia; (7) Market Complexity and Cost; (8) Wholesaler Monopoly Power.

|                             |  |  |             |                             |      |      |   |   |   |   |   |
|-----------------------------|--|--|-------------|-----------------------------|------|------|---|---|---|---|---|
|                             |  | consumption exists against which consumption data can be compared. This will allow the market to provide empirical and unambiguous data on consumption for formal benchmarking and monitoring. |             |                             |      |      |   |   |   |   |   |
| <b>M4. Smart settlement</b> | MOSL to develop smart settlement so that the capabilities of smart meters allow the agreement of supply side tariffs which are harmonised across regions and unlock opportunities for load shifting, and support demand side solutions for smarter use of water. MOSL to support the enhanced settlement process with a settlement sandbox in which wholesaler retailer pairings can explore the outcomes delivered by smart settlement. | Customer satisfaction is expected to increase; Customer engagement is expected to rise; reduction in consumption demand towards the 9% target is expected; may encourage more entrants.        | Ofwat / CCW | Longer term delivery (2029) | 5, 8 | MSD6 | 3 | 2 | 1 | 3 | 2 |

Actions for Wholesalers

| Action   | Description   | Market Health Indicators  | Assisted By | When                      | Harms <sup>4</sup> | Con Ref  | Benefit | Reg | Tech | Econ | Ease of Del |
|--|---|---|-------------|---------------------------|--------------------|----------|---------|-----|------|------|-------------|
| <b>W1. Communicate tariffs, customer incentives and initiatives to retailers</b> | Retailers have sufficient information on wholesaler water efficiency solutions to target customers with appropriate messaging so that the customers receive communications around innovative solutions that are relevant to them. | Customer engagement is expected to rise. Smart technology and smart tariffs will contribute to reducing demand against the 9% target. | Retailers   | Near term delivery (2025) | 3, 6, 8            | DA1, DA2 | 3       | 3   | 3    | 3    | 3           |

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<sup>4</sup> **Theories of Harms:** (1) Market Power and Monopoly Behaviour; (2) Lack of Effective Competition; (3) Inconsistent provision of information to customers; (4) Risk Allocation and Risk Aversion; (5) Operational inefficiency; (6) Customer Engagement and Inertia; (7) Market Complexity and Cost; (8) Wholesaler Monopoly Power.

|  |   |  |                                      |                                    |                |                       |            |          |          |          |            |
|--|---|--|--------------------------------------|------------------------------------|----------------|-----------------------|------------|----------|----------|----------|------------|
| <b>W2. Incentivise retailers to reduce demand</b>                      | <p>Wholesalers provide incentives to retailers to deliver (or encourage uptake of) services that reduce demand for water and alleviate the pressure on wastewater services. This may require new or reformed frameworks or tariffs and updates to charging rules and so may need the support of the regulator, the Panel and/or MOSL. By reducing demand for water and, by extension, costs in the treatment of wastewater, wholesalers can direct the savings towards incentives for customers and retailers</p> | <p>Customer engagement is expected to rise; reduction in consumption demand towards the 9% target is expected; may encourage more entrants and HHI</p>                 | <p>Retailers, Panel, Ofwat, MOSL</p> | <p>Short term delivery (2026)</p>  | <p>6, 7, 8</p> | <p>IC7</p>            | <p>3</p>   | <p>3</p> | <p>2</p> | <p>3</p> | <p>2</p>   |
| <b>W3. Leverage smart technology to stimulate demand-side response</b> | <p>Wholesalers to exploit the rollout of smart metering technology as outlined in their WRMPs (RC3) to provide water security and innovative tariffs for all retailers across all regions and send clear, appropriate and timely pricing signals through the supply chain. This could also enable water efficiency solutions to be offered by any retailer to any customer regardless of region.</p>  | <p>Customer engagement is expected to rise. Smart tariffs will contribute to reducing demand against the 9% target. This may encourage more entrants to the market</p> | <p>Retailers and MOSL</p>            | <p>Longer term delivery (2029)</p> | <p>7, 8</p>    | <p>MSD6, IC7, RC3</p> | <p>2.5</p> | <p>1</p> | <p>1</p> | <p>3</p> | <p>1.6</p> |
| <b>W4. Wholesalers to have rolled out</b>                              | <p>Co-ordinated rollout of smart technology according to WRMPs so that customer choice is not</p>   | <p>Customer engagement is expected to rise. Smart technology and smart</p>   |                                      | <p>Longer term delivery</p>        | <p>7, 8</p>    | <p>RC3, IC7, MSD6</p> | <p>3</p>   | <p>2</p> | <p>3</p> | <p>3</p> | <p>2.6</p> |

|                                  |  |   |  |                |  |  |  |  |  |  |  |
|----------------------------------|--|---|--|----------------|--|--|--|--|--|--|--|
| <b>smart metering technology</b> | constrained in some regions resulting in more expensive water and wastewater services as an enabler to smart tariffs and smart settlement. | tariffs will contribute to reducing demand against the 9% target. |  | (2030 onwards) |  |  |  |  |  |  |  |
|----------------------------------|--|---|--|----------------|--|--|--|--|--|--|--|

### Actions for Retailers

| Action   | Description  | Market Health Indicators  | Assisted By | When                       | Harms <sup>5</sup> | Con Ref | Benefit | Reg | Tech | Econ | Ease of Del |
|--|--|---|-------------|----------------------------|--------------------|---------|---------|-----|------|------|-------------|
| <b>R1. Notify businesses of recently occupied vacant sites</b> | Notifications to be sent by retailers – to replicate awareness push at market opening for companies that may have missed this at the time so that all customers who are eligible for the market are in it. | Awareness and engagement rates should go up   |             | Near term delivery (2025)  | 3, 6               | IC1     | 1.5     | 3   | 3    | 3    | 3           |
| <b>R2. Issue End Contract Notices</b>                          | Retailer licences require retailers to inform customers as they approach the end of their contract, what their consumption has been, what tariffs they are on, what services they have                     | Awareness and engagement rates should go up. Switching activity may increase. This action | Ofwat       | Short term delivery (2026) | 1, 2, 3            | IA6     | 2.5     | 1   | 2    | 3    | 2           |

<sup>5</sup> **Theories of Harms:** (1) Market Power and Monopoly Behaviour; (2) Lack of Effective Competition; (3) Inconsistent provision of information to customers; (4) Risk Allocation and Risk Aversion; (5) Operational inefficiency; (6) Customer Engagement and Inertia; (7) Market Complexity and Cost; (8) Wholesaler Monopoly Power.

|   |   |  |  |                             |          |           |   |   |   |   |     |
|---|---|--|--|-----------------------------|----------|-----------|---|---|---|---|-----|
|   | received and how much they have paid for them so that they can exercise their option to compare prices and service and chose an alternative supplier and (if they are no longer on the deemed rate) are not at risk of remaining on high standard variable rates. Licence changes to be driven by Ofwat | will contribute to reducing demand to the 9% target.   |  |                             |          |           |   |   |   |   |     |
| <b>R3. Self-certify compliance with mandated fields on bills</b>                  | Retailers to Self-certify their compliance to providing the mandated fields on bills Customers should clearly understand their tariffs, consumption, contract end dates and obligations by their retailer so that they can base and choices of supplier on accurate existing information.               | Awareness and engagement rates should go up. Switching activity may increase. This action will contribute to reducing demand to the 9% target. |  | Short term delivery (2026)  | 1, 2, 3  | IA3       | 2 | 2 | 3 | 2 | 2.3 |
| <b>R4. Retailers offer tariffs to incentivise demand side response nationally</b> | Customers to manage their demand more efficiently through smart retailer tariffs which offer time or volume-based incentives to any of their sites (IC7), across all regions and are enabled through smart technology (RC3).  | Awareness should go up; Customer engagement is expected to rise; Progress to 9% to improve.  |  | Medium term delivery (2027) | 6, 7, 8  | IC7, MSD6 | 3 | 3 | 2 | 2 | 2.3 |
| <b>R5. Share accurate, granular consumption data</b>                              | Granular consumption data can be paired with customer segmentation data and shared so that conclusions around the efficient use of water can be made by the retailer and other retailers and appropriate actions can be taken with the customer.  | Awareness should go up; Customer engagement is expected to rise; Progress to 9% to improve. Satisfaction may improve.                          |  | Medium term delivery (2028) | 1, 2, 3, | DA3       | 3 | 1 | 2 | 3 | 2   |

### Actions for Defra

| Action   | Description   | Market Health Indicators  | Assisted By                       | When                        | Harms <sup>6</sup> | Con Ref | Benefit | Reg | Tech | Econ | Ease of Del |
|--|---|---|-----------------------------------|-----------------------------|--------------------|---------|---------|-----|------|------|-------------|
| <b>D1. Define incentive schemes to reduce demand</b>                 | Water saving credit schemes similar to those trialed in the STORT WRZ and as part of the Cambridge pilot should be established as scalable models that are compatible with all regions.   | Customer engagement is expected to rise; reduction in consumption demand towards the 9% target is expected; may encourage more entrants and HHI                           | MOSL, the Panel                   | Short term delivery (2026)  | 7, 8               | MSD5    | 3       | 3   | 1    | 1    | 1.6         |
| <b>D2. Review provisions for independent networks and new builds</b> | Review the self-lay process to ensure the condition that clarity is provided on the role and opportunities for NAVs temporary building supplies and self-lay customers is met. This should seek to ensure developers have choices for the laying of pipe that includes not only | Customer satisfaction should increase where there is increased clarity and efficiency (and competition) increases for sites entering the market. We may see the number of | Could be Defra supported by Ofwat | Medium term delivery (2027) | 3, 4, 7, 8.        | MSD1    | 2       | 2   | 3    | 2    | 2           |

<sup>6</sup> **Theories of Harms:** (1) Market Power and Monopoly Behaviour; (2) Lack of Effective Competition; (3) Inconsistent provision of information to customers; (4) Risk Allocation and Risk Aversion; (5) Operational inefficiency; (6) Customer Engagement and Inertia; (7) Market Complexity and Cost; (8) Wholesaler Monopoly Power.



|   |  |  |       |                             |      |      |     |   |   |   |     |
|---|--|--|-------|-----------------------------|------|------|-----|---|---|---|-----|
|   | the wholesaler but also self-lay providers and NAVs. Provisions should facilitate the entry of new customers and new parties into the market. There may be benefits in separating NAV functions so that NAVs are not required to enter the market as both retailer and wholesaler. | NAVs and self-lay providers increase as investor confidence grows  |       |                             |      |      |     |   |   |   |     |
| <b>D3. Make changes to the Water Industry Act (WIA) for ISA</b> | Make changes to the Water Industry Act (WIA) to strengthen the Supplier of Last Resort element of the Interim Supply allocation process  | Customers should be confident that the system will allocate them a retailer if their own retailer exits the market   | Ofwat | Medium term delivery (2027) | 4, 7 | EMP1 | 2   | 1 | 3 | 2 | 2   |
| <b>D4. Deliver an awareness campaign if needed</b>              | Evaluate the need for a centrally driven awareness campaign, focusing on group 1, if actions such as end contract notices, fairness commitments, new entrant notifications, plain English guides, and website relaunches have not raised market awareness.                         | Awareness should rise; engagement should increase; switching may rise  | MOSL  | Medium term delivery (2027) | 6    | IC1  | 1.5 | 3 | 3 | 1 | 2.3 |
| <b>D5. Make changes to the WIA (Change process)</b>             | Make changes to the WIA to reduce Ofwat obligations on some code changes in support of a more efficient change process.  | A more agile market which can respond faster to changes (both planned and unplanned) should improve customer confidence and may see customer engagement go up. The increased confidence may generate an increase in switching. | Ofwat | Medium term delivery (2027) | 4, 7 | EMP1 |     |   |   |   |     |

## Actions for CCW

| Action                                     | Description  | Market Health Indicators   | Assisted By                   | When                        | Harms <sup>7</sup> | Con Ref  | Benefit | Reg | Tech | Econ | Ease of Del |
|--|--|--|-------------------------------|-----------------------------|--------------------|----------|---------|-----|------|------|-------------|
| <b>C1. Define mandated fields on bills</b> | Lead the work in collaboration with market participants to agree list of fields (e.g. best tariff notification, current tariff, cost, usage) to be mandated on bills.                                | Awareness should go up; Customer engagement is expected to rise; Switching may go up; Progress to 9% to improve. | Retailers, wholesalers, Ofwat | Short term delivery (2026)  | 1                  | IA3      | 3       | 3   | 3    | 3    | 3           |
| <b>C2. TPI accreditation</b>               | A “kitemark” style accreditation is endorsed by CCW that confirms that the TPI has signed up to the CPCOP. Customers can therefore be confident that their TPI is operating in their best interests. | Awareness should go up; Customer engagement is expected to rise; Switching may go up                             | Ofwat                         | Medium term delivery (2028) | 2                  | IC8, IA8 | 3       | 2   | 3    | 2    | 2.6         |

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<sup>7</sup> **Theories of Harms:** (1) Market Power and Monopoly Behaviour; (2) Lack of Effective Competition; (3) Inconsistent provision of information to customers; (4) Risk Allocation and Risk Aversion; (5) Operational inefficiency; (6) Customer Engagement and Inertia; (7) Market Complexity and Cost; (8) Wholesaler Monopoly Power.