

Water for Business

Frequently Asked Questions

This is an exciting new opportunity for businesses in England and Wales to better manage their water bills, so naturally there are many questions about the changes. Please refer below to answers to some of the more common questions.

What are the changes?

In April 2017, the water retail market will open to businesses across England (and for businesses in Wales, or those that have their existing water company based mainly in Wales, and that use more than 50 million litres of water per year). Simply, this means that business water customers will be able to switch providers, but are not obligated to. Whilst the water wholesaler will remain geographically determined, the licensed provider i.e. the company undertaking the billing and meter readings, can be chosen by the customer.

Why is the system changing?

The Government's aim is for a fairer system for businesses by creating choice, and opening the water and sewerage market to competition from new suppliers/retailers. The Water Act 2014 lays out several reforms, including making it easier for non-domestic water supplies to be changed. They hope this will improve customer service, create efficiencies and push for sustainable water collection and distribution.

Is waste water included?

Yes. Businesses will also not be obliged to use the same supplier for water as the one that takes away the waste water. Businesses will be allowed to negotiate the deal that is best for them.

Will businesses be able to get water from a different part of the country?

No. A business's water will still come through their pipes from the same source, but the company that provides the billing and meter readings to them will no longer have to be the one which was previously forced upon them due to their location in the country.

How can a business learn about the different suppliers/retailers?

Open Water will list all licenced suppliers/retailers from April 2017.

How will the changes be managed?

A programme called [Open Water](#) has been set up to manage the changes. It is made up of three parties: The Department for Environment, Food & Rural Affairs (Defra), the Water Services Regulations Authority (Ofwat) and Market Operator Services Ltd (MOSL).

Together they will ensure:

- The Government's legislation is carried out accurately;
- There is a regulatory framework;
- A good central IT infrastructure is in place.

How will the new system be regulated?

Ofwat has created a [Customer Protection Code of Practice](#), and they are also creating a 'Market Monitoring Framework' within the industry. This will measure and record each water supplier's performance and standards, and make the information public. Open Water and the Consumer Council for Water will also be able to offer guidance on businesses' rights. These controls will ensure that mis-selling and poor practice does not affect businesses.

Is there protection in case a supplier/retailer is liquidated?

Yes. Ofwat and MOSL have created a 'Direction to Supply' arrangement, whereby affected businesses will be allocated a new, approved supplier.

Why would a business switch?

A business may choose to switch to reduce costs on their water bills, but they are under no obligation to do so. Other expected benefits include an improved and more tailored service, better access to smart meters and water usage data, and helping the environment by improving water efficiency.

Can any business switch?

Most businesses in England will be able to switch if they wish from April 2017. Open Water has an [eligibility checker](#) that any business may use to determine if they can change water supplier/retailer.

How can Energycentric help?

With agreements in place with all the major new water retailers, Energycentric is well placed to negotiate new contracts going forwards. But it's not just about the cost of the commodity, because as you will see from the accompanying documentation, savings will be minimal in England and Wales. It is about reducing consumption, paying for services that are used, consolidation of billing and recovering overpaid monies from the past.