



# News Release

10/09

6 March 2009

## OFWAT REFERS SUTTON AND EAST SURREY WATER APPEAL

Ofwat has referred an appeal from Sutton and East Surrey Water to the Competition Commission (CC) following the water authority's decision to reject the company's application to increase its price limits by 10.2 per cent before inflation in April 2009.

Sutton and East Surrey Water had argued that it should be able to have an interim increase in its price limits for 2009/10 from RPI -1.1 per cent to RPI +10.2 per cent, because of a shortfall in water consumption and an increase in power costs. The existing price limit for 2009/10 has been set by Ofwat as part of a five-year price control, of which 2009/10 is the final year.

Sutton and East Surrey Water formally appealed Ofwat's decision to reject the company's application and so the matter has been referred to the CC for determination.

[www.ofwat.gov.uk/pricereview/pr04/pr04idok/ltr\\_stk\\_ses\\_finaldet161208.pdf](http://www.ofwat.gov.uk/pricereview/pr04/pr04idok/ltr_stk_ses_finaldet161208.pdf)

The CC has until 5 September 2009 to determine and report on the reference.

### Notes for editors

1. The CC is an independent public body, which carries out investigations into mergers, markets and the regulated industries.
2. The Water Industry Act 1991 requires Ofwat in accordance with the terms of Sutton and East Surrey Water's licence to refer any disputed determination of price limits to the CC for determination.
3. Enquiries should be directed to Rory Taylor (email [rory.taylor@cc.gsi.gov.uk](mailto:rory.taylor@cc.gsi.gov.uk)) on 020 7271 0242.
4. Sutton and East Surrey Water is a water-only supplier, providing water to parts of Surrey, Sussex, Kent and the London boroughs of Merton, Sutton and Croydon. It supplies 257,000 domestic properties and around 19,000 non-domestic properties.