



Charging working group

Meeting 2
25 February 2014

Agenda



Introduction (10 mins)

Issues with splitting charges for 2015-16 (30 mins)

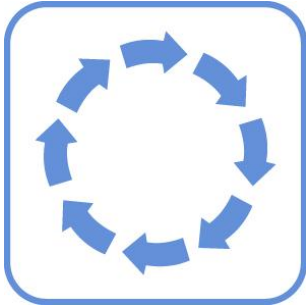
Process for implementation (30 mins)

Schedule of wholesale charges (30 mins)

Potential incidence effects (30 mins)

Actions and next steps (20 mins)

Since the last meeting



The decision was made to separate the charges scheme and access pricing work into two working groups.

Work by group members has been produced and circulated on:

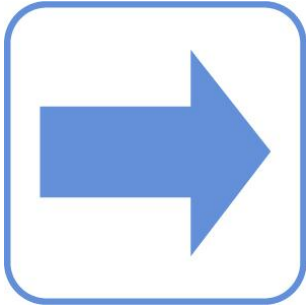
- The process for implementation
- A schedule of wholesale charges
- Potential incidence effects



Have working group members identified any key issues that need to be taken into account when splitting wholesale and retail charges?

What practical options are there for addressing these?

Process for implementation



What are the group's views on the indicative timeline?

What questions need to be answered in order for each phase to start?

What would the implications be for the timeline to start later?

Schedule of wholesale charges

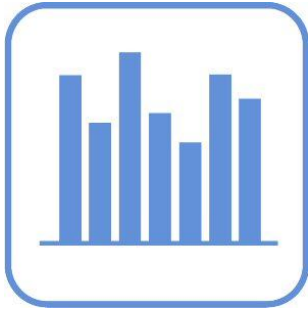


Could existing charges fit into the proposed wholesale 'schedule'?

Would this provide retailers with suitable transparency?

Does anyone propose any changes?

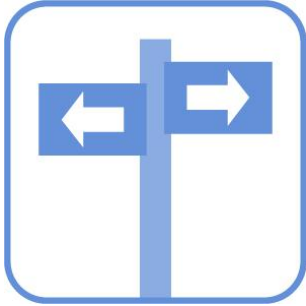
Potential incidence effects



A working group member has produced analysis suggesting significant differences in sewerage costs depending on geographic location.

Does the working group consider that there are any aspects of wholesale charging that could be made more cost reflective without such significant incidence effects?

Does the working group consider whether any types of cost reflectivity should be prioritised?



Actions

Next steps

The wholesale and retail charges consultation closes (7 March)

Thank you for your time