

1. Purpose & Background

The purpose of this document is to outline the policy for how Anglian Water Services will approach the backdating of primary charges and make refund payments to Retailers and/or recover charges from Retailers. For clarity, the document does not replace the published AWS Wholesale Charges Scheme, and it seeks to provide further guidance on the application of the backdating of charges policy.

2. Scope

The scope of this policy document includes the following items.

2.1 Backdating of primary charges following a retrospective amendment market transaction.

2.2 Payment of charge refunds to Retailers.

2.3 Recovery of charges from Retailers.

For clarity, the guidance does not include market transactions for dealing with leakage allowances.

3. Backdating Of Primary Charges

Where Anglian Water Services or a Retailer discover that the Retailer or Customer as appropriate has been billed incorrectly for all, or part, of their Water Supply and/or Sewerage Services, we reserve the right where circumstances allow and subject to Market Codes, to make retrospective adjustments. These adjustments will be handled in the following manner:

- (i) If the adjustment is in the Retailer's or Customer's favour, we will make retrospective adjustments in respect of a period of up to six years prior to the date we receive the market notification and depending on the effective date of the market data transaction.
- (ii) If the adjustment is in our favour, we will make retrospective adjustments in respect of a period allowed by the Market Codes unless a different period is agreed with the Retailer.

For clarity, and subject to validation checks, AWS will process Post RF requests for refunds that meet the materiality criteria as set out in the market codes, where charge corrections do not meet materiality then, unless there are specific circumstances to the case whereby AWS agrees to waive the materiality threshold, we would not provide our approval to submit the request to MOSL. This also applies whereby requests for refunds apply only to periods that fall outside of the Post RF periods.

4. Payment of Charge Refunds to Retailers

Where a retrospective amendment is made in CMOS and the charge adjustment is in the Retailer's favour, the adjusted charges will be returned to the Retailer in the following ways.

- For open Settlement periods, adjusted charges will be included in the relevant Settlement report balances and included in the AWS monthly invoice.
- For closed Settlement periods, Retailers will need to submit a Post RF Settlement run request to AWS for review and approval in accordance with the Market Codes.
- For periods which fall outside the Market Settlement Post RF recovery period and are therefore not subject to an Unplanned Settlement Run, AWS will process this component of the charge refund as an adjustment on the next available primary charges invoice.

5. Recovery of Charges from Retailers

Where a retrospective amendment is made in CMOS and the charge adjustment is in our favour, the adjusted charges will be recovered from the Retailer via the Market Settlement codes and subject to a Post RF correction submission.

In some cases, it may be necessary for AWS to ask the Retailer to certify that they have not recovered charges from their customer for periods outside of the Post RF period.

Once the corrected charges are received from MOSL the value of the charges to be recovered will appear on the next monthly Primary charges invoice.

Where a Retailer has submitted a Post RF Correction request for the same billing period(s) it will be our preference to include the SPID in the same submission to MOSL with the agreement of the Retailer.



AWS Primary Charges Backdating and Payment Guidance Document