



Water Act 2014

2014 CHAPTER 21

PART 1

WATER INDUSTRY

CHAPTER 4

RETAIL EXIT: NON-HOUSEHOLD PREMISES

43 Application for retail exit

- (1) Exit regulations about exit applications must make provision requiring a relevant undertaker to apply to the Secretary of State, and may include—
- (a) provision requiring a relevant undertaker to take such steps as the regulations may specify before making an application;
 - (b) provision as to the form and manner in which an application is to be made and as to the contents of an application;
 - (c) provision about payment to the Secretary of State of a fee of an amount specified in or determined under the regulations;
 - (d) provision about the information that is to accompany an application;
 - (e) provision for the Secretary of State to require a relevant undertaker to provide such further information as the Secretary of State may require in order to make a determination;
 - (f) provision as to the grounds on which an application may be refused;
 - (g) provision for the Secretary of State to grant an application subject to conditions.
- (2) Provision under subsection (1)(a) may require a relevant undertaker—
- (a) to consult—
 - (i) its non-household customers and its other customers,
 - (ii) the WSRA,
 - (iii) the Chief Inspector of Drinking Water,

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- (iv) the Consumer Council for Water, and
 - (v) any other person specified in the regulations;
 - (b) to prepare and publish a report assessing the effect on non-household customers and other customers if the undertaker withdraws from the non-household retail market;
 - (c) to publish notice of its proposed exit application in such manner as the regulations may specify.
- (3) The grounds that may be specified under subsection (1)(f) include—
- (a) grounds relating to the public interest or to the interests of a section of the public;
 - (b) grounds relating to the interests of non-household customers or other customers;
 - (c) grounds relating to costs associated with a transfer of part of the relevant undertaker's undertaking;
 - (d) grounds relating to the eligible licensee or licensees to which a transfer of part of the relevant undertaker's undertaking is proposed to be made.
- (4) The conditions that may be imposed under subsection (1)(g) include—
- (a) conditions as to the persons who are to pay the costs associated with a transfer of a part of the relevant undertaker's undertaking;
 - (b) conditions as to the application of money received by the relevant undertaker in connection with a transfer of a part of its undertaking;
 - (c) conditions about the relevant undertaker giving consent to modifications of the undertaker's conditions of appointment;
 - (d) conditions about an eligible licensee to which a transfer of part of the relevant undertaker's undertaking is proposed to be made giving consent to modifications of the conditions of its water supply licence or sewerage licence;
 - (e) conditions about the treatment of non-household customers affected by the transfer of part of the relevant undertaker's undertaking.
- (5) Exit regulations may make provision about how particular descriptions of customers and premises are affected by a relevant undertaker's withdrawal from the non-household retail market, including in particular any of the following—
- (a) premises to which the supply of water has been disconnected,
 - (b) premises that are to be demolished,
 - (c) premises that are temporarily unoccupied,
 - (d) premises in relation to which the owner or occupier has served notice under section 63AA of the Water Industry Act 1991 (supply by water supply licensee: domestic supply),
 - (e) premises in relation to which the owner or occupier has served notice under section 63AB of the Water Industry Act 1991 (supply by water supply licensee: non-domestic supply), and
 - (f) premises in relation to which the owner or occupier has served notice under section 110K of the Water Industry Act 1991 (provision by sewerage licensee).
- (6) Provision under subsection (5) may include provision about how exit applications deal with particular descriptions of customers and premises.

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- (7) Exit regulations may make provision about the disclosure by a relevant undertaker of such information as the regulations may specify about—
- (a) its non-household customers, and
 - (b) the charges payable by them (whether payable under a charges scheme under section 143 of the Water Industry Act 1991 or under an agreement).
- (8) Exit regulations may specify—
- (a) the persons to whom the information may be disclosed;
 - (b) the purposes for which it may be disclosed.

Commencement Information

II S. 43 in force at 6.4.2015 by [S.I. 2015/773](#), **art. 2(2)(b)(ii)** (with art. 5)

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Changes and effects yet to be applied to :

- specified provision(s) amendment to earlier commencing S.I. 2017/1288, art. 3(c)(d) by [S.I. 2019/706 art. 2](#)
- specified provision(s) amendment to earlier commencing S.I. 2017/462, arts. 4, 5 by [S.I. 2017/926 art. 2](#)