

28 July 2017

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By email: [Victoria.ellis@cma.gsi.gov.uk](mailto:Victoria.ellis@cma.gsi.gov.uk)

Dear Victoria,

## **LENIENCY APPLICATIONS IN THE REGULATED SECTORS**

This is South West Water's response to the Competition and Markets Authority's consultation of 30 June 2017 requesting companies' views on the proposal that the CMA should act as a single port of call for all leniency applications in the regulated sectors.

We are supportive of the publication of Information Notices if those Notices give clarity or guidance on the interpretation of legislation, processes or initial guidance. The draft Information Notice on which this Consultation is based does just this.

The Consultation asks a simple question of whether the CMA should act as a single port of call for all leniency applications in the regulated sector. The reasons set out in the Consultation are all valid, but we would also add that the proposed "single port of call" is to be applauded as such an approach usually lead to consistency of decision making, rather than a divergence of interpretations of the Licence guidance (in this case) by a range of different regulators. Leniency applicants will want to know in advance the likely response of the regulator, as the leniency application is likely to have been made by weighing up risks. If different regulators have their own interpretation of the rules, there could be a different outcome depending on which regulator is reviewing the application.

Further a single regulator as a one stop shop is attractive. This reduces the duplication of applying to different regulators with concurrent authority during what is usually a fairly tense, short time scale.

However, our concern is that the CMA, as a single port of call is properly resourced to be able to accommodate acting as the single contract point, so that there isn't a bottle neck of leniency applications waiting for the CMA's attention.

If you have any questions on our views we will be pleased to provide further information.

Yours sincerely,

**Iain Vosper**  
**Regulatory Director**