



15 January 2025

Market Performance Framework Reform Programme

Dear Sarah McMath,

The Strategic Panel (the Panel) and the Consumer Council for Water (CCW) are writing to formally express our continued support for the reform of the Market Performance Framework (MPF). Its delivery aligns with the strategic, customer-focused objectives for MPF set by the Panel, as well as CCW's objectives for the water retail market to deliver better outcomes for business customers.

It is important there are robust incentives in place to deliver improved services to business customers. The Panel recognises the significance of this work in shaping the future of the water retail market and the delivery of the Panel's <u>Roadmap to a Flourishing Market</u>. Both the Panel and CCW believe that the programme represents a crucial step in advancing a more effective, customer-focused, and responsive market.

A key element of the MPF Reform is the emphasis on robust programme governance. We are pleased to see that the programme has been developed with a clear framework for accountability and transparency, with the interests of all stakeholders being considered throughout the process.

It's important that the reformed MPF achieves its original stated outcome. It is essential that the programme remains true to the overarching objectives set out by the Panel at the inception of the MPF Reform —namely, promoting a fair, competitive, and transparent market that drives positive outcomes for customers and stakeholders. We are encouraged by the mechanisms in place to track the alignment of the programme with the MPF principles, the Panel's objectives and it, and CCW's, request for a reformed MPF.

Equally important is MOSL's continued engagement to seek views, listen carefully to feedback and respond effectively to comments and concerns raised by various parties. While it is not MOSL (nor any party's role) to seek consensus, it is essential that MOSL remain willing to consider a wide range of perspectives in shaping the future of the MPF, and indeed the market. The Panel and CCW offer our support to MOSL in continuing to achieve this important level of engagement.





We believe that work undertaken to date demonstrates that the future framework will be designed to prioritise customer experience, service quality, and satisfaction. We are particularly supportive of the emphasis on outcomes-based performance measures that reflect not only operational efficiency but also the quality of service provided to customers. This is a crucial step toward creating a market that is both competitive and customer-centric, fostering long-term trust and confidence among consumers.

As the reform programme progresses, the Panel and its newly established Performance Assurance Committee are committed to working closely with MOSL and other stakeholders to provide strategic advice and oversight, where required. Likewise, CCW continues to be committed to working with MOSL, both bilaterally and through our customer representative memberships, to help ensure the programme remains focused on delivering good customer outcomes.

The Panel and CCW support the direction of travel for the implementation of the MPF and its enduring performance assurance, in helping to meet the strategic objectives to deliver the best outcomes for business customers in the market.

Yours sincerely,

Trisha McAuley OBE

Chair of the Strategic Panel

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Dr Mike Keil
CEO of CCW