

Smarta Water Limited Jo Dando North House Elland Road LS27 7QZ 18 November 2021

Our Ref: 181121 SLC

Dear Jo

Standard Licence Conditions B4 (financial resilience) and Standard Licence Condition B5 (wholesale relief scheme support)

On 27 August, the Commission issued Directions to modify your wholesale services agreement with Scottish Water in the absence of consent to standard licence condition B4 or B5 coming into effect in your licences.

On 11 November, you have confirmed your commitment to the new voluntary standard licence conditions on financial resilience B4 and wholesale relief scheme support B5.

Please note, the specific directions issued on 27 August to modify your wholesale services agreement with Scottish Water reinstating two month prepayment of wholesale charges to Scottish Water under their wholesale services agreements will continue to apply to Advanced Demand Side Management Limited.

Please find enclosed a copy of the new standard licence conditions.

Yours sincerely,

Alan D A Sutherland Chief Executive Officer

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cc. Scottish Water

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