



SHEPHERD+ WEDDERBURN

Implementing Retail Competition in Scotland

How does the Market work?

Presentation by Charles Coulthard and
Gordon Downie

June 2012

WHAT DID WE DO? (1)

- A) We identified areas that could be opened to competition
- B) We identified the potential customer base
- C) We introduced licensing
- D) We drafted market documents

WHAT DID WE DO? (2)

E) Wholesale Services Agreement

F) Central Market Agency

G) Wholesale charge

H) Business Separation

HOW DID WE DO IT?

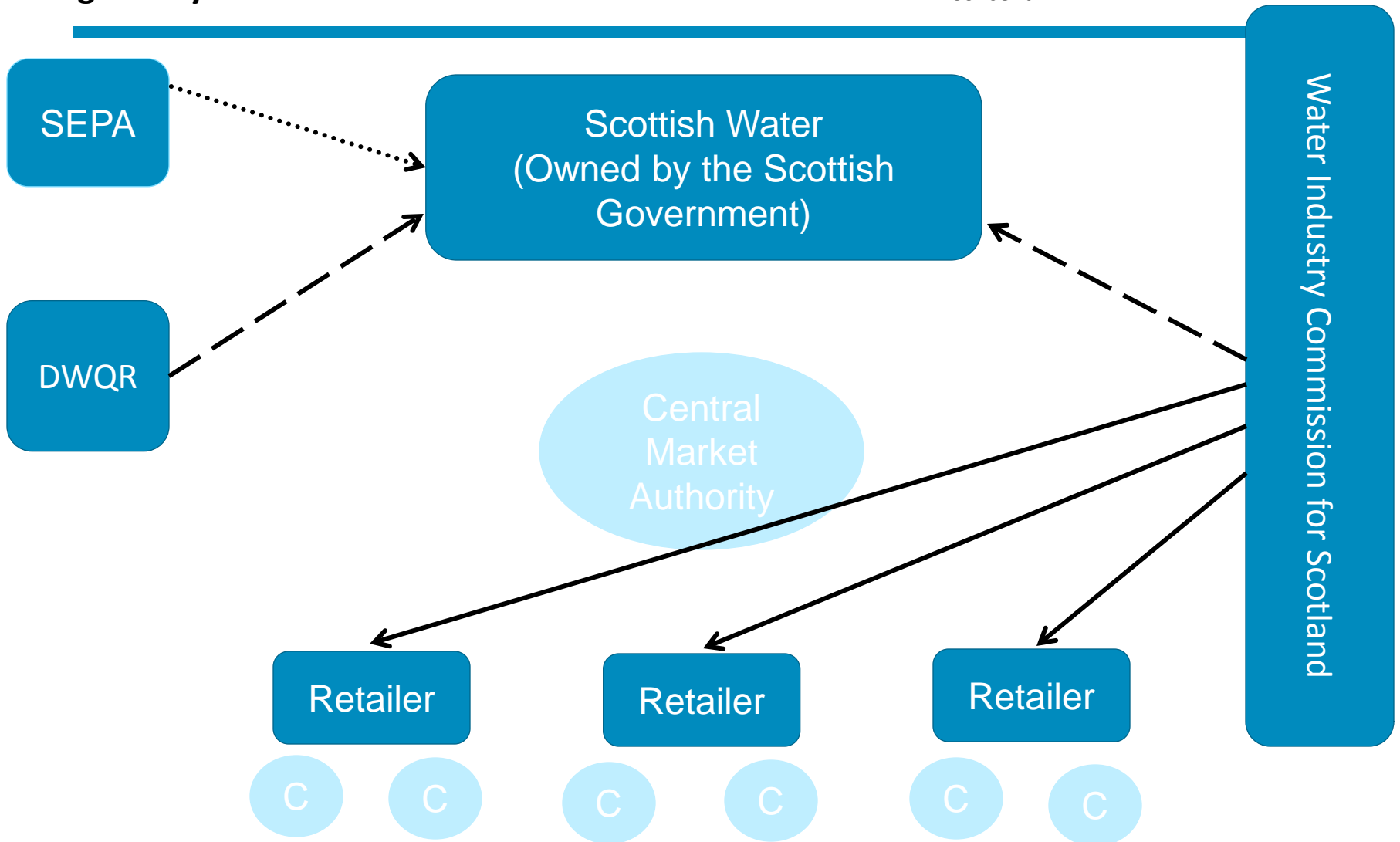
Consultation Process

Default Tariffs

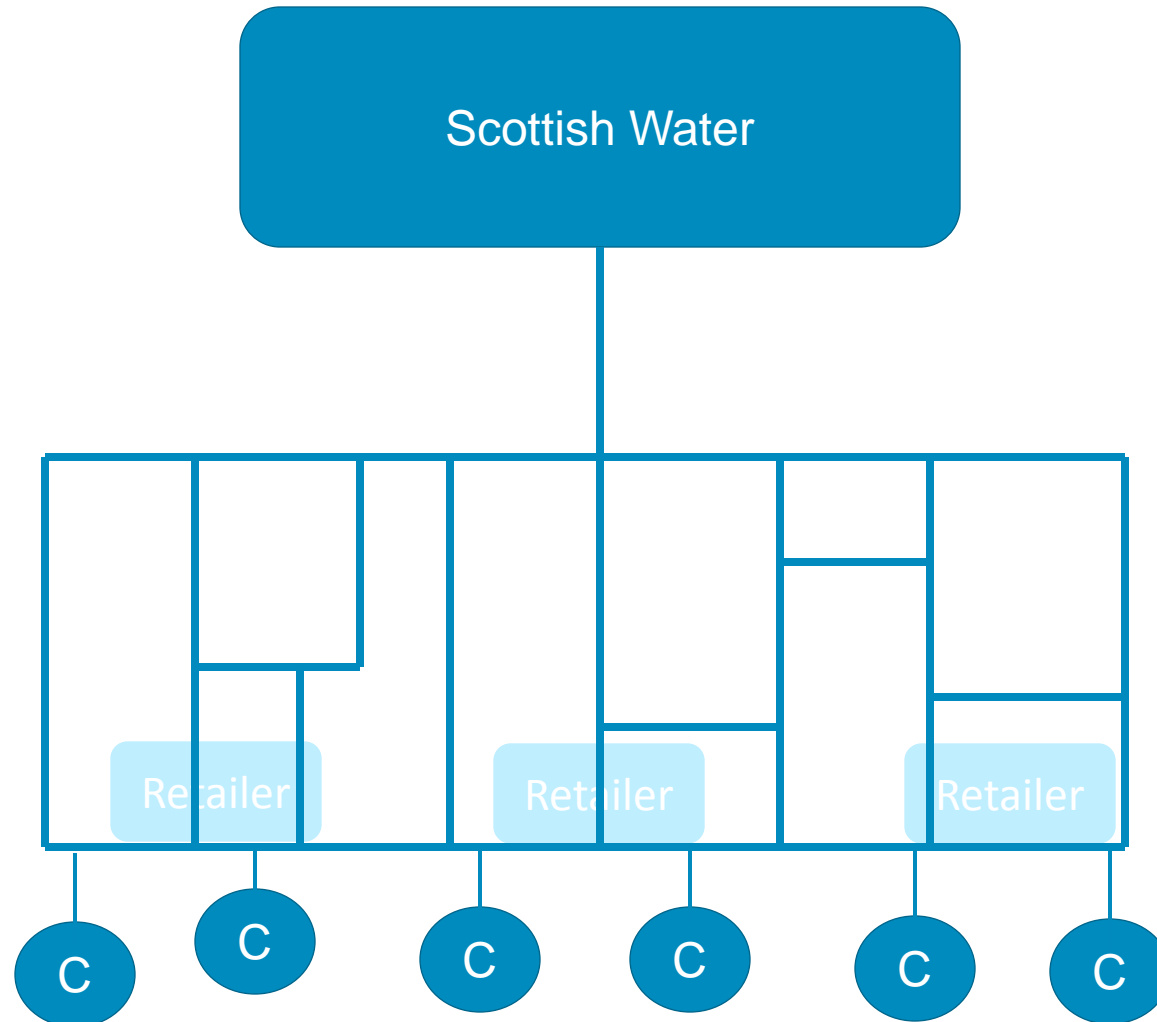
Prepayment

Licences, directions and regulatory consents

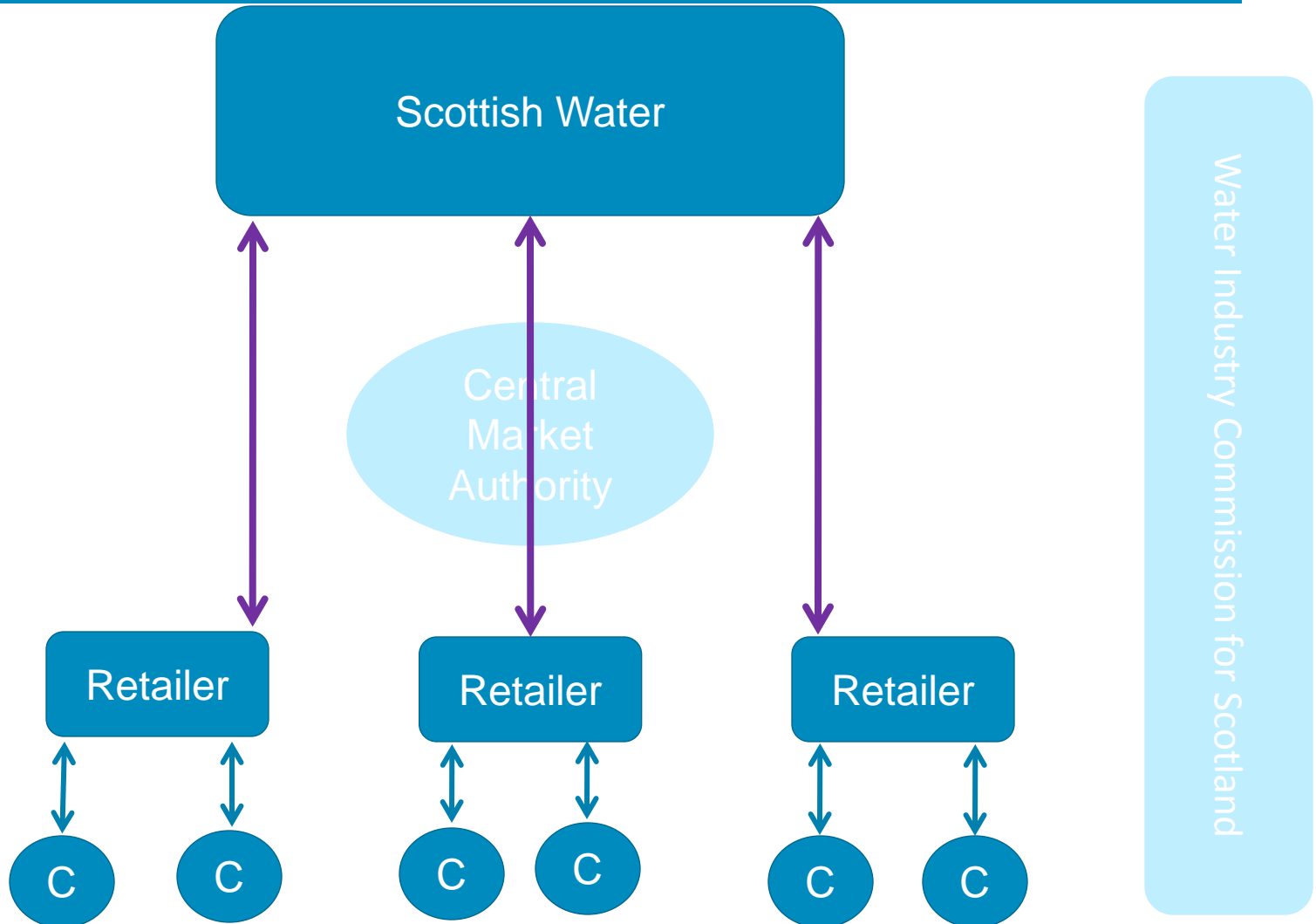
Licence: —————→
Direction: - - - - -→
Consent: ······→



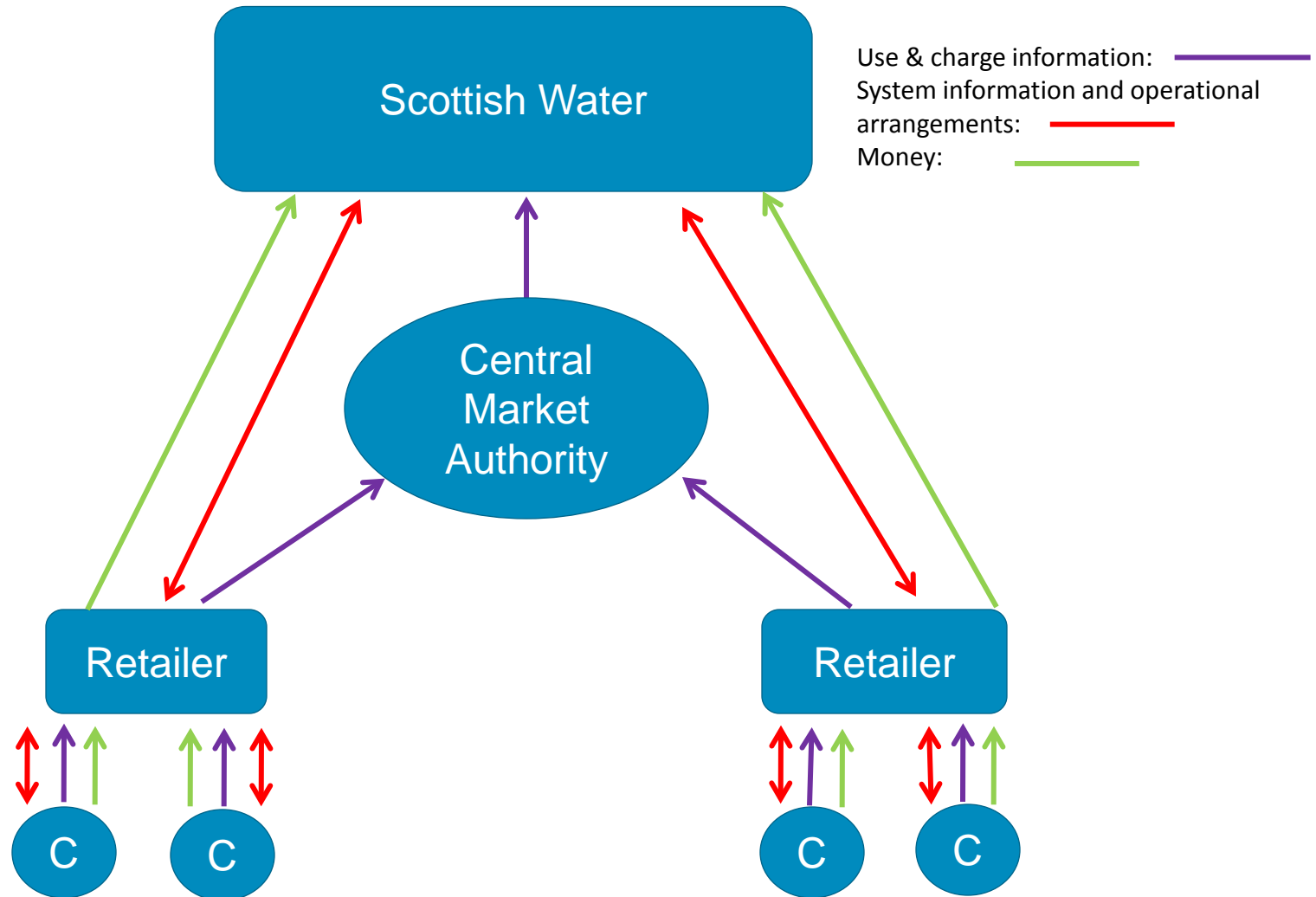
Physical flows and wholesale services



Retailers buy Wholesale Services from Scottish Water and sell them to consumers



Settlement arrangements: via the Central Market Agency/ operational information flows





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