

Volume 1 : Financing and governance of Scottish Water

Introduction

Every four years, we set limits on the prices that Scottish Water can charge customers for water and sewerage services. The next price review covers the period from 1 April 2010 to 31 March 2014.

Our methodology consultation outlines the factors that we must take into account in order to set prices. They are grouped into four volumes, as follows :

Methodology volume	Date volume is published
Volume 1: Financing Scottish Water	10 May 2007
Volume 2: Customer revenue and levels of service	31 May 2007
Volume 3: Operating costs	28 June 2007
Volume 4: Capital expenditure	26 July 2007

We have also published 9 information papers, providing more detailed information on some of the major issues arising from Volume 1. These papers may be quite technical in nature, although we have tried to keep them as readable as possible. We trust that you may find these useful.

Taking part in the review

We want this review to be as open as possible, so that stakeholders are well informed and can take part in ways that suit them. The four methodology consultation volumes are intended to provide information, explain our thinking and elicit stakeholders' views. Each will be supported by supplementary information.

How to respond to this consultation

We welcome your views on the issues outlined in this volume and the supporting information papers.

You can write, fax or email your representation to:

Katherine Russell
Director of Corporate Affairs and Customer Service

The Water Industry Commission for Scotland
Ochil House
Springkerse Business Park
Stirling
FK7 7XE

Telephone: 01786 430200
Fax: 01786 462018
Email: src10-14@watercommission.co.uk

Please submit your response no later than **Friday 19 October 2007** (12 weeks after we publish Volume 4 of the methodology consultation).

We will publish all responses to this consultation unless respondents request otherwise. Once we have considered the responses, we will publish a decision document on **Thursday 20 December 2007**.

Throughout the review process, we are holding stakeholder information days, which provide an open forum for stakeholders to ask questions and express their views about particular aspects of the review. Please see our website for further information about the stakeholder information days: www.watercommission.co.uk