

United Utilities Group PLC
3 May 2016

CMA APPROVES UNITED UTILITIES AND SEVERN TRENT NON-HOUSEHOLD RETAIL JOINT VENTURE

United Utilities (UU) announced on 1 March 2016 that it intended to enter into a joint venture agreement with Severn Trent, whereby UU and Severn Trent will combine their non-household water and wastewater retail businesses, principally comprising billing and customer service activities, into one business (the JV), to be centrally located in Stoke-on-Trent.

UU and Severn Trent are now pleased to confirm that clearance for the JV has been announced by the Competition and Markets Authority (CMA) today.

The new JV business will be called Water Plus and operations will be transferred progressively to the new head office, in Stoke-on-Trent, over the course of this year.

UU and Severn Trent have strong track records in operating and growing successful non-household retail services in Scotland. With the non-household retail market in England opening for competition in 2017, Water Plus will combine the complementary skills of both companies, including sales, customer service, business strategy and credit management, to deliver an attractive proposition for large and small business customers across England and Scotland. Bringing our businesses together will create a JV with the synergies to provide an efficient and cost-effective operation focussed on improved customer service and growth.

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Notes to editors

The economic regulator for the water industry, Ofwat, is opening up fully the water and wastewater non-household retail market in England to competition from April 2017. The retail market principally comprises billing and customer service activities. The non-household market comprises business and other non-domestic users. Large non-household customers are already able to switch their retail supplier for water services. All other activities, including retail services to the household market and all wholesale activities in the supply of water and wastewater services are unaffected by this announcement.