

W1 - Outcomes, performance measures and expenditure

Line description	Item references	Units	DPs	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Long-term ambition
A Customers consider the appearance of their water to be acceptable																	
1	Performance measure A1: Survey of customer satisfaction	Score out of 5	1		4.6		4.6	4.6	4.6	4.6	4.6						
2	Incremental Totex required to deliver the performance commitments for measure A1- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
3	Total incremental expenditure required to meet all performance commitments for outcome A	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
B Customers consider the taste and odour of their water to be acceptable																	
1	Performance measure B1: Survey of customer satisfaction	Score out of 5	1		4.3		4.3	4.3	4.3	4.3	4.3						
2	Incremental Totex required to deliver the performance commitments for measure B1- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
3	Total incremental expenditure required to meet all performance commitments for outcome B	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
C Customers consider the level of leakage to be acceptable																	
1	Performance measure C1: Survey of customer satisfaction	Score out of 5	1		3.6						4.0						4.3
2	Incremental Totex required to deliver the performance commitments for measure C1- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
3	Performance measure C2: Regulatory leakage target	Ml/d	1	93.2	93.2	93.0	91.8	90.9	90.0	89.1	88.1						
4	Incremental Totex required to deliver the performance commitments for measure C2- water	£m	3				0.619	0.615	0.606	0.598	0.597	0.000	0.000	0.000	0.000	0.000	0.000
5	Total incremental expenditure required to meet all performance commitments for outcome C	£m	3				0.619	0.615	0.606	0.598	0.597	0.000	0.000	0.000	0.000	0.000	0.000
D Customers consider their direct interaction experience to be positive																	
1	Performance measure D1: Survey of customer satisfaction	Score out of 5	1		4.5		4.5	4.5	4.5	4.5	4.5						
2	Incremental Totex required to deliver the performance commitments for measure D1- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
3	Performance measure D2: SIM	Score	1	72.7							> 80						
4	Incremental Totex required to deliver the performance commitments for measure D2- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
5	Total incremental expenditure required to meet all performance commitments for outcome D	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
E Customers consider their bills to be value for money and affordable																	
1	Performance measure E1: Survey of customer satisfaction	%	0	72							> 80						
2	Incremental Totex required to deliver the performance commitments for measure E1- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
3	Total incremental expenditure required to meet all performance commitments for outcome E	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
F Customers consider the water supply is of sufficient pressure																	
1	Performance measure F1: Survey of customer satisfaction	Score out of 5	1		4.5		4.5	4.5	4.5	4.5	4.5						
2	Incremental Totex required to deliver the performance commitments for measure F1- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
3	Performance measure F2: Properties at risk of low pressure	Number	0	62	62	60	60	60	60	60	60						
4	Incremental Totex required to deliver the performance commitments for measure F2- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
5	Total incremental expenditure required to meet all performance commitments for outcome F	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
G Customers consider the frequency and duration of supply interruptions is acceptable																	
1	Performance measure G1: Survey of customer satisfaction	Score out of 5	1		4.7		4.7	4.7	4.7	4.7	4.7						
2	Incremental Totex required to deliver the performance commitments for measure G1- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
3	Performance measure G2: Average time lost per property	Minutes	0	13			<13	<13	<13	<13	<13						
4	Incremental Totex required to deliver the performance commitments for measure G2- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
5	Total incremental expenditure required to meet all performance commitments for outcome G	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
H Customers consider the frequency of water use restrictions to be acceptable																	
1	Performance measure H1: Survey of customer satisfaction	Score out of 5	1		4.1		4.1	4.1	4.1	4.1	4.1						
2	Incremental Totex required to deliver the performance commitments for measure H1- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
3	Performance measure H2: Security of Supply Index	Score out of 100	0	100	100	100	100	100	100	100	100						
4	Incremental Totex required to deliver the performance commitments for measure H2- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
5	Total incremental expenditure required to meet all performance commitments for outcome H	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
I Outcome I: We are compliant with water quality regulations																	
1	Performance measure I1: Mean Zonal Compliance	%	0	99.96	100	100	100	100	100	100	100						
2	Incremental Totex required to deliver the performance commitments for measure I1- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
3	Total incremental expenditure required to meet all performance commitments for outcome I	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
J We are compliant with environmental obligations																	
1	Performance measure J1: Number of breaches of abstraction licences, discharge consents and environmental permits	Number	0	Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero						
2	Incremental Totex required to deliver the performance commitments for measure J1- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
3	Performance measure J2: Pollution incidents	Number	0	1	Zero	Zero	Zero	Zero	Zero	Zero	Zero						
4	Incremental Totex required to deliver the performance commitments for measure J2- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
5	Total incremental expenditure required to meet all performance commitments for outcome J	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
K We are compliant with health and safety regulations																	
1	Performance measure K1: Number of compliance breaches of legislation	Number	0	Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero						
2	Incremental Totex required to deliver the performance commitments for measure K1- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
3	Total incremental expenditure required to meet all performance commitments for outcome K	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
L We are compliant with National Security obligations																	
1	Performance measure L1: Number of breaches	Number	0	Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero						
2	Incremental Totex required to deliver the performance commitments for measure L1- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
3	Total incremental expenditure required to meet all performance commitments for outcome L	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
M We are compliant with other statutory obligations and licence conditions																	
1	Performance measure M1: Number of compliance breaches	Number	0	Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero						
2	Incremental Totex required to deliver the performance commitments for measure M1- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
3	Total incremental expenditure required to meet all performance commitments for outcome M	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
N Our assets are capable of delivering outcomes in the future																	
1	Performance measure N1: Below ground asset performance assessment	Assessment	0	Stable	Stable	Stable	Stable	Stable	Stable	Stable	Stable						
2	Incremental Totex required to deliver the performance commitments for measure N1- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
3	Performance measure N2: Above ground asset performance assessment	Assessment	0	Stable	Stable	Stable	Stable	Stable	Stable	Stable	Stable						
4	Incremental Totex required to deliver the performance commitments for measure N2- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
5	Performance measure N3: Number of sites at risk from flooding	Number	1		55						0						
6	Incremental Totex required to deliver the performance commitments for measure N3- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
7	Total incremental expenditure required to meet all performance commitments for outcome N	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
O We will reduce our impact on the environment																	
1	Performance measure O1: Kg of carbon emissions per customer per year	Kg	1		39.4						38.7						
2	Incremental Totex required to deliver the performance commitments for measure O1- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
3	Performance measure O2: We will monitor our abstractions at low flows at environmentally sensitive sites	Text	0				Monitoring	Monitoring	Monitoring	Monitoring	Monitoring						
4	Incremental Totex required to deliver the performance commitments for measure O2- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
5	Total incremental expenditure required to meet all performance commitments for outcome O	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
P We will be a financially responsible company providing reasonable returns to our investors																	
1	Performance measure P1: Investors consider the risk and return to be adequate	Assessment	0	Adequate	Adequate	Adequate	Adequate	Adequate	Adequate	Adequate	Adequate						
2	Incremental Totex required to deliver the performance commitments for measure P1- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
3	Performance measure P2: Shareholders consider their reputation is maintained	Assessment	0	Maintained	Maintained	Maintained	Maintained	Maintained	Maintained	Maintained	Maintained						
4	Incremental Totex required to deliver the performance commitments for measure P2- water	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
5	Total incremental expenditure required to meet all performance commitments for outcome P	£m	3				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

Y	Outcomes total															
[11]	Total expenditure required to maintain all outcomes at 2014-15 level of performance	£m	3	155.085	158.823	155.620	152.691	161.942	171.594	165.047	153.899					
[12]	Total incremental expenditure required to meet all performance commitments	£m	3				0.619	0.615	0.606	0.598	0.597	0.000	0.000	0.000	0.000	0.000
[13]	Total expenditure required to maintain all outcomes at 2019-20 level of performance	£m	3									160.008	157.987	158.124	145.314	154.948
[14]	Total expenditure required to deliver all wholesale water outcomes	£m	3				153.310	162.557	172.200	165.645	154.496	160.008	157.987	158.124	145.314	154.948

Key to cells:

- input cell
- calculated

W2 - Outcome delivery incentives for wholesale water

Line description		Units	Starting level	Annual Milestones					Application of incentive					
A	Customers consider the appearance of their water to be acceptable	Unit	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Performance levels		Annualised incentive rates			
									Lower	Upper	Incremental willingness to pay	Average incremental cost	Outcome delivery incentive	
1	Survey of customer satisfaction													
2	Reward and penalty financial incentives													
3	Performance commitments - (units)	Score out of 5	4.6	4.6	4.6	4.6	4.6	4.6						
4	Performance level associated with penalty collar (i.e. maximum penalty)	Score out of 5		3.6	3.6	3.6	3.6	3.6						
5	Performance level associated with penalty deadband (to account for uncertainty)	Score out of 5		4.4	4.4	4.4	4.4	4.4						
6	Performance level associated with reward deadband (to account for uncertainty)	Score out of 5		4.8	4.8	4.8	4.8	4.8						
7	Performance level associated with reward cap (i.e. maximum reward)	Score out of 5		5.0	5.0	5.0	5.0	5.0						
8	Penalty incentive rate n - performance levels range	Score out of 5							3.6	4.4				
9	Penalty incentive rate n - incentive rates	£m per year if outside deadband												0.054
10	Reward incentive rate n - performance levels range	Score out of 5							4.8	5.0				
11	Reward incentive rate n - incentive rates	£m per year if outside deadband												0.019
B	Customers consider the taste and odour of their water to be acceptable	Unit	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Lower	Upper	Incremental willingness to pay	Average incremental cost	Outcome delivery incentive	
1	Survey of customer satisfaction													
2	Reward and penalty financial incentives													
3	Performance commitments - (units)	Score out of 5	4.3	4.3	4.3	4.3	4.3	4.3						
4	Performance level associated with penalty collar (i.e. maximum penalty)	Score out of 5		3.3	3.3	3.3	3.3	3.3						
5	Performance level associated with penalty deadband (to account for uncertainty)	Score out of 5		4.1	4.1	4.1	4.1	4.1						
6	Performance level associated with reward deadband (to account for uncertainty)	Score out of 5		4.5	4.5	4.5	4.5	4.5						
7	Performance level associated with reward cap (i.e. maximum reward)	Score out of 5		5.0	5.0	5.0	5.0	5.0						
8	Penalty incentive rate n - performance levels range	Score out of 5							3.3	4.1				
9	Penalty incentive rate n - incentive rates	£m per year if outside deadband												0.053
10	Reward incentive rate n - performance levels range	Score out of 5							4.5	5.0				
11	Reward incentive rate n - incentive rates	£m per year if outside deadband												0.066
C	Customers consider the level of leakage to be acceptable	Unit	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Lower	Upper	Incremental willingness to pay	Average incremental cost	Outcome delivery incentive	
1	Survey of customer satisfaction													
2	Reward and penalty financial incentives													
3	Performance commitments - (units)	Score out of 5	3.6					4.0						
4	Performance level associated with penalty collar (i.e. maximum penalty)	Score out of 5						2.6						
5	Performance level associated with penalty deadband (to account for uncertainty)	Score out of 5						3.8						
6	Performance level associated with reward deadband (to account for uncertainty)	Score out of 5						4.2						
7	Performance level associated with reward cap (i.e. maximum reward)	Score out of 5						5.0						
8	Penalty incentive rate n - performance levels range	Score out of 5							2.6	3.8				
9	Penalty incentive rate n - incentive rates	£m per year if outside deadband												0.046
10	Reward incentive rate n - performance levels range	Score out of 5							4.2	5.0				
11	Reward incentive rate n - incentive rates	£m per year if outside deadband												0.122
1	Regulatory leakage target													
2	No financial incentive													
3	Performance commitments - (units)	Score out of 5	93.0	91.8	90.9	90.0	89.1	88.1						
4	Performance level associated with penalty collar (i.e. maximum penalty)	Score out of 5												
5	Performance level associated with penalty deadband (to account for uncertainty)	Score out of 5												
6	Performance level associated with reward deadband (to account for uncertainty)	Score out of 5												
7	Performance level associated with reward cap (i.e. maximum reward)	Score out of 5												
8	Penalty incentive rate n - performance levels range	[variable]												
9	Penalty incentive rate n - incentive rates	£m/(variable)/year												
10	Reward incentive rate n - performance levels range	[variable]												
11	Reward incentive rate n - incentive rates	£m/(variable)/year												
D	Customers consider their direct interaction experience to be positive	Unit	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Lower	Upper	Incremental willingness to pay	Average incremental cost	Outcome delivery incentive	
1	Survey of customer satisfaction													
2	Reward and penalty financial incentives													
3	Performance commitments - (units)	Score out of 5	4.5	4.5	4.5	4.5	4.5	4.5						
4	Performance level associated with penalty collar (i.e. maximum penalty)	Score out of 5		3.5	3.5	3.5	3.5	3.5						
5	Performance level associated with penalty deadband (to account for uncertainty)	Score out of 5		4.3	4.3	4.3	4.3	4.3						
6	Performance level associated with reward deadband (to account for uncertainty)	Score out of 5		4.7	4.7	4.7	4.7	4.7						
7	Performance level associated with reward cap (i.e. maximum reward)	Score out of 5		5.0	5.0	5.0	5.0	5.0						
8	Penalty incentive rate n - performance levels range	Score out of 5							3.5	4.3				
9	Penalty incentive rate n - incentive rates	£m per year if outside deadband												0.013
10	Reward incentive rate n - performance levels range	Score out of 5							4.7	5.0				
11	Reward incentive rate n - incentive rates	£m per year if outside deadband												0.003
1	SIM													
2	Reward and penalty financial incentives													
3	Performance commitments - (units)	Score out of 5						>80						
4	Performance level associated with penalty collar (i.e. maximum penalty)	Score out of 5												
5	Performance level associated with penalty deadband (to account for uncertainty)	Score out of 5												
6	Performance level associated with reward deadband (to account for uncertainty)	Score out of 5												
7	Performance level associated with reward cap (i.e. maximum reward)	Score out of 5												
8	Penalty incentive rate n - performance levels range	Score out of 5												
9	Penalty incentive rate n - incentive rates	£m per year if outside deadband												0.816
10	Reward incentive rate n - performance levels range	Score out of 5												
11	Reward incentive rate n - incentive rates	£m per year if outside deadband												0.408
E	Customers consider their bills to be value for money and affordable	Unit	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Lower	Upper	Incremental willingness to pay	Average incremental cost	Outcome delivery incentive	
1	Survey of customer satisfaction													
2	No financial incentive													
3	Performance commitments - (units)	%	72.0					>80%						
4	Performance level associated with penalty collar (i.e. maximum penalty)	[variable]												
5	Performance level associated with penalty deadband (to account for uncertainty)	[variable]												
6	Performance level associated with reward deadband (to account for uncertainty)	[variable]												

7	Performance level associated with reward cap (i.e. maximum reward)	[variable]
8	Penalty incentive rate n - performance levels range	[variable]
9	Penalty incentive rate n - incentive rates	£m/(variable)/year
10	Reward incentive rate n - performance levels range	[variable]
11	Reward incentive rate n - incentive rates	£m/(variable)/year

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F	Customers consider their water supply is of sufficient pressure	Unit	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
1	Survey of customer satisfaction							
2	Reward and penalty financial incentives							
3	Performance commitments - (units)	Score out of 5	4.5	4.5	4.5	4.5	4.5	4.5
4	Performance level associated with penalty collar (i.e. maximum penalty)	Score out of 5		3.5	3.5	3.5	3.5	3.5
5	Performance level associated with penalty deadband (to account for uncertainty)	Score out of 5		4.3	4.3	4.3	4.3	4.3
6	Performance level associated with reward deadband (to account for uncertainty)	Score out of 5		4.7	4.7	4.7	4.7	4.7
7	Performance level associated with reward cap (i.e. maximum reward)	Score out of 5		5.0	5.0	5.0	5.0	5.0
8	Penalty incentive rate n - performance levels range	Score out of 5						
9	Penalty incentive rate n - incentive rates	£m per year if outside deadband						
10	Reward incentive rate n - performance levels range	Score out of 5						
11	Reward incentive rate n - incentive rates	£m per year if outside deadband						
1	Number of properties at risk of low pressure							
2	No financial incentive							
3	Performance commitments - (units)	Number	60	60	60	60	60	60
4	Performance level associated with penalty collar (i.e. maximum penalty)	Number						
5	Performance level associated with penalty deadband (to account for uncertainty)	Number						
6	Performance level associated with reward deadband (to account for uncertainty)	Number						
7	Performance level associated with reward cap (i.e. maximum reward)	Number						
8	Penalty incentive rate n - performance levels range	[variable]						
9	Penalty incentive rate n - incentive rates	£m/(variable)/year						
10	Reward incentive rate n - performance levels range	[variable]						
11	Reward incentive rate n - incentive rates	£m/(variable)/year						

Performance levels		Annualised incentive rates		
Lower	Upper	Incremental willingness to pay	Average incremental cost	Outcome delivery incentive

3.5	4.3	-	-	0.054
4.7	5.0	-	-	0.041

G	Customers consider the frequency and duration of supply interruptions is acceptable	Unit	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
1	Survey of customer satisfaction							
2	Reward and penalty financial incentives							
3	Performance commitments - (units)	Score out of 5	4.7	4.7	4.7	4.7	4.7	4.7
4	Performance level associated with penalty collar (i.e. maximum penalty)	Score out of 5		3.7	3.7	3.7	3.7	3.7
5	Performance level associated with penalty deadband (to account for uncertainty)	Score out of 5		4.5	4.5	4.5	4.5	4.5
6	Performance level associated with reward deadband (to account for uncertainty)	Score out of 5		4.9	4.9	4.9	4.9	4.9
7	Performance level associated with reward cap (i.e. maximum reward)	Score out of 5		5.0	5.0	5.0	5.0	5.0
8	Penalty incentive rate n - performance levels range	Score out of 5						
9	Penalty incentive rate n - incentive rates	£m per year if outside deadband						
10	Reward incentive rate n - performance levels range	Score out of 5						
11	Reward incentive rate n - incentive rates	£m per year if outside deadband						
1	Average time lost per property							
2	No financial incentive							
3	Performance commitments - (units)	Minutes	13	13	13	13	13	13
4	Performance level associated with penalty collar (i.e. maximum penalty)	[variable]						
5	Performance level associated with penalty deadband (to account for uncertainty)	[variable]						
6	Performance level associated with reward deadband (to account for uncertainty)	[variable]						
7	Performance level associated with reward cap (i.e. maximum reward)	[variable]						
8	Penalty incentive rate n - performance levels range	[variable]						
9	Penalty incentive rate n - incentive rates	£m/(variable)/year						
10	Reward incentive rate n - performance levels range	[variable]						
11	Reward incentive rate n - incentive rates	£m/(variable)/year						

Performance levels		Annualised incentive rates		
Lower	Upper	Incremental willingness to pay	Average incremental cost	Outcome delivery incentive

3.7	4.5	-	-	0.055
4.9	5.0	-	-	0.005

H	Customers consider the frequency of water use restrictions to be acceptable	Unit	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
1	Survey of customer satisfaction							
2	Reward and penalty financial incentives							
3	Performance commitments - (units)	Score out of 5	4.1	4.1	4.1	4.1	4.1	4.1
4	Performance level associated with penalty collar (i.e. maximum penalty)	Score out of 5		3.1	3.1	3.1	3.1	3.1
5	Performance level associated with penalty deadband (to account for uncertainty)	Score out of 5		3.9	3.9	3.9	3.9	3.9
6	Performance level associated with reward deadband (to account for uncertainty)	Score out of 5		4.3	4.3	4.3	4.3	4.3
7	Performance level associated with reward cap (i.e. maximum reward)	Score out of 5		5.0	5.0	5.0	5.0	5.0
8	Penalty incentive rate n - performance levels range	Score out of 5						
9	Penalty incentive rate n - incentive rates	£m per year if outside deadband						
10	Reward incentive rate n - performance levels range	Score out of 5						
11	Reward incentive rate n - incentive rates	£m per year if outside deadband						
1	Security of Supply Index							
2	Penalty-only financial incentives							
3	Performance commitments - (units)	Number	100	100	100	100	100	100
4	Performance level associated with penalty collar (i.e. maximum penalty)	Number						
5	Performance level associated with penalty deadband (to account for uncertainty)	Number		99	99	99	99	99
6	Performance level associated with reward deadband (to account for uncertainty)	Number						
7	Performance level associated with reward cap (i.e. maximum reward)	Number						
8	Penalty incentive rate n - performance levels range	[variable]						
9	Penalty incentive rate n - incentive rates	£m/(variable)/year						
10	Reward incentive rate n - performance levels range	[variable]						
11	Reward incentive rate n - incentive rates	£m/(variable)/year						

Performance levels		Annualised incentive rates		
Lower	Upper	Incremental willingness to pay	Average incremental cost	Outcome delivery incentive

3.1	3.9	-	-	0.055
4.3	5.0	-	-	0.066

I	We are compliant with water quality regulations	Unit	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
1	Mean zonal compliance							
2	No financial incentive							
3	Performance commitments - (units)	Percentage	100	100	100	100	100	100
4	Performance level associated with penalty collar (i.e. maximum penalty)	[variable]						
5	Performance level associated with penalty deadband (to account for uncertainty)	[variable]						
6	Performance level associated with reward deadband (to account for uncertainty)	[variable]						
7	Performance level associated with reward cap (i.e. maximum reward)	[variable]						
8	Penalty incentive rate n - performance levels range	[variable]						
9	Penalty incentive rate n - incentive rates	£m/(variable)/year						
10	Reward incentive rate n - performance levels range	[variable]						
11	Reward incentive rate n - incentive rates	£m/(variable)/year						

Performance levels		Annualised incentive rates		
Lower	Upper	Incremental willingness to pay	Average incremental cost	Outcome delivery incentive

0	99	-	-	0.047
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Performance levels		Annualised incentive rates		
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J	We are compliant with environmental obligations	Unit	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Lower	Upper	Incremental willingness to pay	Average incremental cost	Outcome delivery incentive
1	Number of breaches of abstraction licences, discharge consents and environmental permits												
2	No financial incentive												
3	Performance commitments - (units)	Number	0	0	0	0	0	0					
4	Performance level associated with penalty collar (i.e. maximum penalty)	[variable]											
5	Performance level associated with penalty deadband (to account for uncertainty)	[variable]											
6	Performance level associated with reward deadband (to account for uncertainty)	[variable]											
7	Performance level associated with reward cap (i.e. maximum reward)	[variable]											
8	Penalty incentive rate n - performance levels range	[variable]											
9	Penalty incentive rate n - incentive rates	£m/(variable)/year											
10	Reward incentive rate n - performance levels range	[variable]											
11	Reward incentive rate n - incentive rates	£m/(variable)/year											

K	We are compliant with health and safety regulations	Unit	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Lower	Upper	Incremental willingness to pay	Average incremental cost	Outcome delivery incentive
1	Number of compliance breaches of legislation												
2	No financial incentive												
3	Performance commitments - (units)	Number	0	0	0	0	0	0					
4	Performance level associated with penalty collar (i.e. maximum penalty)	[variable]											
5	Performance level associated with penalty deadband (to account for uncertainty)	[variable]											
6	Performance level associated with reward deadband (to account for uncertainty)	[variable]											
7	Performance level associated with reward cap (i.e. maximum reward)	[variable]											
8	Penalty incentive rate n - performance levels range	[variable]											
9	Penalty incentive rate n - incentive rates	£m/(variable)/year											
10	Reward incentive rate n - performance levels range	[variable]											
11	Reward incentive rate n - incentive rates	£m/(variable)/year											

L	We are compliant with National Security obligations	Unit	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Lower	Upper	Incremental willingness to pay	Average incremental cost	Outcome delivery incentive
1	Number of breaches												
2	No financial incentive												
3	Performance commitments - (units)	Number	0	0	0	0	0	0					
4	Performance level associated with penalty collar (i.e. maximum penalty)	[variable]											
5	Performance level associated with penalty deadband (to account for uncertainty)	[variable]											
6	Performance level associated with reward deadband (to account for uncertainty)	[variable]											
7	Performance level associated with reward cap (i.e. maximum reward)	[variable]											
8	Penalty incentive rate n - performance levels range	[variable]											
9	Penalty incentive rate n - incentive rates	£m/(variable)/year											
10	Reward incentive rate n - performance levels range	[variable]											
11	Reward incentive rate n - incentive rates	£m/(variable)/year											

M	We are compliant with other statutory obligations and licence conditions	Unit	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Lower	Upper	Incremental willingness to pay	Average incremental cost	Outcome delivery incentive
1	Number of breaches												
2	No financial incentive												
3	Performance commitments - (units)	Number	0	0	0	0	0	0					
4	Performance level associated with penalty collar (i.e. maximum penalty)	[variable]											
5	Performance level associated with penalty deadband (to account for uncertainty)	[variable]											
6	Performance level associated with reward deadband (to account for uncertainty)	[variable]											
7	Performance level associated with reward cap (i.e. maximum reward)	[variable]											
8	Penalty incentive rate n - performance levels range	[variable]											
9	Penalty incentive rate n - incentive rates	£m/(variable)/year											
10	Reward incentive rate n - performance levels range	[variable]											
11	Reward incentive rate n - incentive rates	£m/(variable)/year											

N	We will invest in our assets to protect the service for the future	Unit	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Lower	Upper	Incremental willingness to pay	Average incremental cost	Outcome delivery incentive
1	Water infrastructure serviceability assessment												
2	Penalty-only financial incentives												
3	Performance commitments - (units)	Assessment	Stable					Stable					
4	Performance level associated with penalty collar (i.e. maximum penalty)	Assessment						Deteriorating					
5	Performance level associated with penalty deadband (to account for uncertainty)	Assessment						> two marginal assessments					
6	Performance level associated with reward deadband (to account for uncertainty)	[variable]											
7	Performance level associated with reward cap (i.e. maximum reward)	[variable]											
8	Penalty incentive rate n - performance levels range	Assessment							Deteriorating	Stable			
9	Penalty incentive rate n - incentive rates	£m/(variable)/year									-	-	0.459
10	Reward incentive rate n - performance levels range	[variable]											
11	Reward incentive rate n - incentive rates	£m/(variable)/year											
1	Sites at risk from flooding												
2	No financial incentive												
3	Performance commitments - (units)	Number of sites	55					0.0					
4	Performance level associated with penalty collar (i.e. maximum penalty)	[variable]											
5	Performance level associated with penalty deadband (to account for uncertainty)	[variable]											
6	Performance level associated with reward deadband (to account for uncertainty)	[variable]											
7	Performance level associated with reward cap (i.e. maximum reward)	[variable]											

8	Penalty incentive rate n - performance levels range	Assessment
9	Penalty incentive rate n - incentive rates	£m/(variable)/year
10	Reward incentive rate n - performance levels range	[variable]
11	Reward incentive rate n - incentive rates	£m/(variable)/year

O	We will reduce our impact on the environment	Unit	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
1	Kg of carbon emissions per customer per year							
2	No financial incentive							
3	Performance commitments - (units)	Kg CO2e p/customer/yr	39.4					38.7
4	Performance level associated with penalty collar (i.e. maximum penalty)	[variable]						
5	Performance level associated with penalty deadband (to account for uncertainty)	[variable]						
6	Performance level associated with reward deadband (to account for uncertainty)	[variable]						
7	Performance level associated with reward cap (i.e. maximum reward)	[variable]						
8	Penalty incentive rate n - performance levels range	[variable]						
9	Penalty incentive rate n - incentive rates	£m/(variable)/year						
10	Reward incentive rate n - performance levels range	[variable]						
11	Reward incentive rate n - incentive rates	£m/(variable)/year						
1	We will monitor our abstractions at low flows at environmentally sensitive sites							
2	No financial incentive							
3	Performance commitments - (units)	Text	Monitoring	Monitoring	Monitoring	Monitoring	Monitoring	Monitoring
4	Performance level associated with penalty collar (i.e. maximum penalty)	[variable]						
5	Performance level associated with penalty deadband (to account for uncertainty)	[variable]						
6	Performance level associated with reward deadband (to account for uncertainty)	[variable]						
7	Performance level associated with reward cap (i.e. maximum reward)	[variable]						
8	Penalty incentive rate n - performance levels range	[variable]						
9	Penalty incentive rate n - incentive rates	£m/(variable)/year						
10	Reward incentive rate n - performance levels range	[variable]						
11	Reward incentive rate n - incentive rates	£m/(variable)/year						

Performance levels		Annualised incentive rates		
Lower	Upper	Incremental willingness to pay	Average incremental cost	Outcome delivery incentive

P	We will be a financially responsible company providing reasonable returns to our investor	Unit	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
1	Investors consider the risk and return to be adequate							
2	No financial incentive							
3	Performance commitments - (units)	Text	Adequate	Adequate	Adequate	Adequate	Adequate	Adequate
4	Performance level associated with penalty collar (i.e. maximum penalty)	[variable]						
5	Performance level associated with penalty deadband (to account for uncertainty)	[variable]						
6	Performance level associated with reward deadband (to account for uncertainty)	[variable]						
7	Performance level associated with reward cap (i.e. maximum reward)	[variable]						
8	Penalty incentive rate n - performance levels range	[variable]						
9	Penalty incentive rate n - incentive rates	£m/(variable)/year						
10	Reward incentive rate n - performance levels range	[variable]						
11	Reward incentive rate n - incentive rates	£m/(variable)/year						
1	Shareholders consider their reputation is maintained							
2	No financial incentive							
3	Performance commitments - (units)	Text	Maintained	Maintained	Maintained	Maintained	Maintained	Maintained
4	Performance level associated with penalty collar (i.e. maximum penalty)	[variable]						
5	Performance level associated with penalty deadband (to account for uncertainty)	[variable]						
6	Performance level associated with reward deadband (to account for uncertainty)	[variable]						
7	Performance level associated with reward cap (i.e. maximum reward)	[variable]						
8	Penalty incentive rate n - performance levels range	[variable]						
9	Penalty incentive rate n - incentive rates	£m/(variable)/year						
10	Reward incentive rate n - performance levels range	[variable]						
11	Reward incentive rate n - incentive rates	£m/(variable)/year						

Performance levels		Annualised incentive rates		
Lower	Upper	Incremental willingness to pay	Average incremental cost	Outcome delivery incentive

W2a - Cost benefit analysis

Line description		Units	Starting level	Assessed levels		
A	Customers consider their water supply is of sufficient pressure	Unit	2014-15	Performance level 1	Performance level 2	Performance level 3
1	Number of properties at risk of low pressure					
2	Performance level - (units)	Number	62	210	62	62
3	Annualised willingness to pay (change from 2014-15 level)	£m/year		-0.204	0.000	0.000
4	Annualised other benefits (change from 2014-15 level)	£m/year		0.000	0.000	0.000
5	Annualised costs (change from 2014-15 level)	£m/year		0.516	0.618	0.618
Total for outcome						
6	Annualised total benefits (change from 2014-15 level)	£m/year		-0.204	0.000	0.000
7	Annualised total costs (change from 2014-15 level)	£m/year		0.516	0.618	0.618
8	Annualised net benefit (change from 2014-15 level)	£m/year		-0.720	-0.618	-0.618
9	Performance commitment level?	Yes/No		No	Yes	No
B	Customers consider the frequency and duration of supply interruptions is acceptable	Unit	2014-15	Performance level 1	Performance level 2	Performance level 3
1	Average hours lost per property					
2	Performance level - (units)	Hours	0.22	0.81	0.22	0.22
3	Annualised willingness to pay (change from 2014-15 level)	£m/year		-2.479	0.000	0.018
4	Annualised other benefits (change from 2014-15 level)	£m/year		0.000	0.000	0.000
5	Annualised costs (change from 2014-15 level)	£m/year		2.058	3.101	3.599
Total for outcome						
6	Annualised total benefits (change from 2014-15 level)	£m/year		-2.479	0.000	0.018
7	Annualised total costs (change from 2014-15 level)	£m/year		2.058	3.101	3.599
8	Annualised net benefit (change from 2014-15 level)	£m/year		-4.538	-3.101	-3.581
9	Performance commitment level?	Yes/No		No	Yes	No
C	Customers consider the frequency of water use restrictions to be acceptable	Unit	2014-15	Performance level 1	Performance level 2	Performance level 3
1	Security of Supply Index					
2	Performance level - (units)	Number	100	100	100	100
3	Annualised willingness to pay (change from 2014-15 level)	£m/year		0.000	0.000	0.000
4	Annualised other benefits (change from 2014-15 level)	£m/year		-0.701	-0.701	-0.701
5	Annualised costs (change from 2014-15 level)	£m/year		29.176	29.176	29.176
Total for outcome						
6	Annualised total benefits (change from 2014-15 level)	£m/year		-0.701	-0.701	-0.701
7	Annualised total costs (change from 2014-15 level)	£m/year		29.176	29.176	29.176
8	Annualised net benefit (change from 2014-15 level)	£m/year		-29.877	-29.877	-29.877
9	Performance commitment level?	Yes/No		No	Yes	No
D	We are compliant with water quality regulations	Unit	2014-15	Performance level 1	Performance level 2	Performance level 3
1	Mean zonal compliance					
2	Performance level - (units)	Percentage	100	99.89	100	100
3	Annualised willingness to pay (change from 2014-15 level)	£m/year		0.000	0.000	0.000
4	Annualised other benefits (change from 2014-15 level)	£m/year		-2.887	0.000	0.000
5	Annualised costs (change from 2014-15 level)	£m/year		0.000	0.996	0.996
Total for outcome						
6	Annualised total benefits (change from 2014-15 level)	£m/year		-2.887	0.000	0.000
7	Annualised total costs (change from 2014-15 level)	£m/year		0.000	0.996	0.996
8	Annualised net benefit (change from 2014-15 level)	£m/year		-2.888	-0.996	-0.996
9	Performance commitment level?	Yes/No		No	Yes	No

Key to cells:

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W3 - Water service expenditure by purpose

Line description		Item reference	Units	DPs	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
A Capital expenditure purposes										
1	Making ecological improvements at abstractions (habitats directive, SSSI, BAPs)	W3001	£m	3	0.000	2.387	2.369	2.337	2.305	2.288
2	Addressing low pressure	W3002	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
3	Improving taste / odour / colour	W3003	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
4	Maintaining the long term capability of the infrastructure assets	W3004	£m	3	29.543	26.215	26.083	26.050	26.268	24.895
5	Maintaining the long term capability of the non-infrastructure assets	W3005	£m	3	21.288	25.071	24.551	22.480	21.768	21.939
6	Meeting lead standards	W3006	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
7	Enhancements to the supply / demand balance (dry year critical / peak conditions)	W3007	£m	3	14.980	16.763	23.660	27.096	24.394	17.020
8	Enhancements to the supply / demand balance (dry year annual average conditions)	W3008	£m	3	14.819	10.539	12.893	14.080	13.373	9.831
9	New developments	W3009	£m	3	4.858	3.392	3.438	3.427	3.416	3.427
10	Investment to address raw water deterioration (THM, nitrates, Crypto, pesticides, others)	W3010	£m	3	3.119	1.195	1.678	5.530	1.154	1.146
11	Resilience	W3011	£m	3	0.887	1.216	1.554	1.749	1.792	1.508
12	SEMD	W3012	£m	3	2.096	1.043	1.035	1.021	1.007	1.000
13	NEP - Flow monitoring at water treatment works	W3013	£m	3	0.000	0.112	0.111	0.110	0.108	0.107
14	NEP - Drinking water protected areas	W3014	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
	<i>[Company to insert other purposes as required]</i>									
B Summary totals										
15	Total gross capital expenditure	W3015	£m	3	91.589	87.931	97.372	103.881	95.586	83.161
16	Grants and capital contributions for infrastructure maintenance	GW00640	£m	3	0.750	0.184	0.188	0.189	0.191	0.193
17	Grants and capital contributions for non-infrastructure maintenance	BP1740	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
18	Grants, capital contributions, infrastructure charge receipts for new connections	BC11270	£m	3	3.790	2.233	2.280	2.304	2.328	2.353
19	Enhancement requisitions, grants and capital contributions	BC11298	£m	3	1.626	1.042	1.064	1.075	1.086	1.098
20	Total net capital expenditure	BP767N	£m	3	85.423	84.473	93.841	100.313	91.980	79.517
21	Total wholesale operating expenditure	BM351TAS	£m	3		68.838	68.716	71.887	73.665	74.979
C Other cash expenditure - wholesale water										
22	Cash item 1	W3016	£m	3						
	<i>[Company to insert items as required]</i>		£m	3						
23	Total cash expenditure	W3017	£m	3						
D Export and import costs - wholesale water										
24	Bulk supply export costs - contract qualifying for bulk supply export incentives	W3023	£m	3						
25	Bulk supply import costs - contract qualifying for bulk supply import incentives	W3024	£m	3						
E Split of net capex for calculating tax										
26	IRE	W3018	£m	3		26.342	26.204	25.922	25.618	24.503
27	Infrastructure Enhancement	W3019	£m	3		15.868	18.629	19.403	20.196	15.183
28	MNI	W3020	£m	3		25.462	24.940	23.124	22.919	22.826
29	New capital expenditure - water	W3021	£m	3		16.800	24.067	31.863	23.247	17.005
30	Total capital expenditure (net of grants & contributions)	W3022	£m	3		84.473	93.841	100.313	91.980	79.517

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W3A - Transition capital expenditure in the water service by purpose

Line description	Item reference	Units	DPs	2010-11	2011-12	2012-13	2013-14	2014-15
A Transition capital expenditure purposes								
1 Making ecological improvements at abstractions (habitats directive, SSSI, BAP)	W3001T	£m	3					0.000
2 Addressing low pressure	W3002T	£m	3					0.000
3 Improving taste / odour / colour	W3003T	£m	3					0.000
4 Maintaining the long term capability of the infrastructure assets	W3004T	£m	3					0.000
5 Maintaining the long term capability of the non-infrastructure assets	W3005T	£m	3					0.000
6 Meeting lead standards	W3006T	£m	3					0.000
7 Enhancements to the supply / demand balance (dry year critical / peak conditio	W3007T	£m	3					0.000
8 Enhancements to the supply / demand balance (dry year annual average cond	W3008T	£m	3					0.000
9 New developments	W3009T	£m	3					0.000
10 Investment to address raw water deterioration (THM, nitrates, Crypto, pesticide	W3010T	£m	3					0.000
11 Resilience	W3011T	£m	3					0.000
12 SEMD	W3012T	£m	3					0.000
13 NEP - Flow monitoring at water treatment works	W3013T	£m	3					0.000
14 NEP - Drinking water protected areas	W3014T	£m	3					0.000
<i>[Company to insert other purposes as required]</i>								
B Transition summary totals								
15 Total gross capital expenditure	W3015T	£m	3					0.000
16 Grants and capital contributions for infrastructure maintenance	GW00640T	£m	3					0.000
17 Grants and capital contributions for non-infrastructure maintenance	BP1740T	£m	3					0.000
18 Grants, capital contributions, infrastructure charge receipts for new connectio	BC11270T	£m	3					0.000
19 Enhancement requisitions, grants and capital contributions	BC11298T	£m	3					0.000
20 Total net capital expenditure	BP767NT	£m	3					0.000

Key to cells:

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W3B - Drinking water quality and environmental obligations - totex

Line description	Item reference	Units	DPs	2015-16	2016-17	2017-18	2018-19	2019-20	
A Drinking water quality									
1	Acceptability of drinking water to consumers	W3B001	£m	3	0.000	0.000	0.000	0.000	0.000
2	Cryptosporidium risk reduction	W3B002	£m	3	0.000	0.000	0.000	0.000	0.000
3	Euratom Directive	W3B003	£m	3	0.000	0.000	0.000	0.000	0.000
4	Lead communication pipe replacement	W3B004	£m	3	0.000	0.000	0.000	0.000	0.000
5	Nitrate reduction	W3B005	£m	3	0.000	0.000	0.000	0.000	0.000
6	Pesticide reduction	W3B006	£m	3	0.849	0.826	0.794	0.821	0.814
7	Plumbosolvency control	W3B007	£m	3	0.000	0.000	0.000	0.000	0.000
8	Trihalomethane reduction	W3B008	£m	3	0.000	0.000	0.000	0.000	0.000
9	Turbidity reduction	W3B009	£m	3	0.000	0.000	0.000	0.000	0.000
10	Other drinking water quality statutory items	W3B010	£m	3	0.000	0.508	4.501	0.161	0.169
11	Drinking water quality obligations total	W3B011	£m	3	0.849	1.334	5.295	0.981	0.984
B Environmental quality: EU Directives - investigations									
12	Drinking Water Protected Areas	W3B012	£m	3	1.508	1.497	1.477	1.457	1.446
13	Eel Regulation	W3B013	£m	3	0.000	0.000	0.000	0.000	0.000
14	Freshwater Fish Directive	W3B014	£m	3	0.000	0.000	0.000	0.000	0.000
15	Groundwater Directives	W3B015	£m	3	0.000	0.000	0.000	0.000	0.000
16	Habitats and Birds Directives	W3B016	£m	3	0.000	0.000	0.000	0.000	0.000
17	Revised Bathing Waters Directive	W3B017	£m	3	0.000	0.000	0.000	0.000	0.000
18	Shellfish Waters Directive	W3B018	£m	3	0.000	0.000	0.000	0.000	0.000
19	Urban Waste Water Treatment Directive	W3B019	£m	3	0.000	0.000	0.000	0.000	0.000
20	Urban Waste Water Treatment Directive (unsatisfactory intermittent discharges)	W3B020	£m	3	0.000	0.000	0.000	0.000	0.000
21	Water Framework Directive	W3B021	£m	3	0.563	0.558	0.643	0.634	0.629
22	Water Framework Directive (no deterioration)	W3B022	£m	3	0.000	0.000	0.000	0.000	0.000
23	Floods Directive (Flood Risk Regulations)	W3B023	£m	3	0.000	0.000	0.000	0.000	0.000
24	EU Directives total	W3B024	£m	3	2.071	2.055	2.119	2.090	2.075
B Environmental quality: EU Directives - actions									
25	Drinking Water Protected Areas	W3B025	£m	3	0.000	0.000	0.000	0.000	0.000
26	Eel Regulation	W3B026	£m	3	0.470	0.466	0.458	0.451	0.447
27	Freshwater Fish Directive	W3B027	£m	3	0.000	0.000	0.000	0.000	0.000
28	Groundwater Directives	W3B028	£m	3	0.000	0.000	0.000	0.000	0.000
29	Habitats and Birds Directives	W3B029	£m	3	0.000	0.000	0.000	0.000	0.000
30	Revised Bathing Waters Directive	W3B030	£m	3	0.000	0.000	0.000	0.000	0.000
31	Shellfish Waters Directive	W3B031	£m	3	0.000	0.000	0.000	0.000	0.000
32	Urban Waste Water Treatment Directive	W3B032	£m	3	0.000	0.000	0.000	0.000	0.000
33	Urban Waste Water Treatment Directive (unsatisfactory intermittent discharges)	W3B033	£m	3	0.000	0.000	0.000	0.000	0.000
34	Water Framework Directive	W3B034	£m	3	0.000	0.000	0.000	0.000	0.000
35	Water Framework Directive (no deterioration)	W3B035	£m	3	0.000	0.000	0.000	0.000	0.000
36	Floods Directive (Flood Risk Regulations)	W3B036	£m	3	0.000	0.000	0.000	0.000	0.000
37	EU Directives total	W3B037	£m	3	0.470	0.466	0.458	0.451	0.447
C Environmental quality: national legislation and policy initiatives									
38	Biodiversity Action Plan / Biodiversity 2020	W3B038	£m	3	0.098	0.098	0.098	0.098	0.098
39	Countryside and Rights of Way Act	W3B039	£m	3	0.000	0.000	0.000	0.000	0.000
40	Environmental Permitting Regulations	W3B040	£m	3	0.000	0.000	0.000	0.000	0.000
41	First-time sewerage	W3B041	£m	3	0.000	0.000	0.000	0.000	0.000
42	Flow monitoring	W3B042	£m	3	0.112	0.111	0.110	0.108	0.107
43	Local priority	W3B043	£m	3	0.093	0.093	0.000	0.000	0.000
44	Sewage sludge management	W3B044	£m	3	0.000	0.000	0.000	0.000	0.000
45	Sustain planned level of environmental protection	W3B045	£m	3	0.000	0.000	0.000	0.000	0.000
46	Floods and Water Management Act 2010	W3B046	£m	3	0.000	0.000	0.000	0.000	0.000
47	National legislation and policy initiatives total	W3B047	£m	3	0.303	0.302	0.208	0.206	0.206
D Catchment management									
48	Catchment management programmes	W3B048	£m	3	2.357	2.323	2.271	2.277	2.260

Key to cells:

- input cell
- calculated

W4 - Explanatory variables and volume measures for the wholesale water service (line numbers retained to match August submission table 2)

Line description		Item reference	Units	DPs	2015-16	2016-17	2017-18	2018-19	2019-20
A	Scale, company characteristic, activity and quality variables								
1	Average pumping head total	BN4880	m.hd	2	163.15	163.15	163.15	163.15	163.15
2	DG2 properties below reference level at the end of the year	BN1004	nr	0	60	60	60	60	60
3	DG3 properties affected by planned and warned interruptions of more than 3 hours	W4001	nr	0	7092	7092	7092	7092	7092
4	DG3 properties affected by unplanned interruptions of more than 3 hours	W4002	nr	0	21542	21542	21542	21542	21542
5	Distribution input	BN1000	MI/d	2	537.58	535.60	534.37	533.75	533.77
8	Non-households billed measured water	BN2210	000s	3	55.306	55.681	56.056	56.431	56.805
9	Number of assets assessed to be critical national infrastructure	W4003	nr	0					2
10	Number of customer complaints relating to taste/odour/colour	W4004	nr	0	3806	3728	3650	3572	3494
11	Number of treatment works requiring remedial action because of raw water deterioration	W4005	nr	0	0	0	3	0	0
12	Number of household meters renewed	BN1765	nr	0	4740	4740	4740	4740	4740
13	Number of meter optants	BN1715	nr	0	4000	3000	2000	1500	1000
14	Number of selective meters installed	BN1711	nr	0	36220	36220	36220	36220	23815
15	Proportion of distribution input derived from impounding reservoirs	BN4831	%	3	5.200	5.200	5.200	5.200	5.200
16	Proportion of distribution input derived from river abstractions	BN4836	%	3	15.600	15.600	15.600	15.600	15.600
17	Serviceability assessment - infrastructure	BP245	Text		Stable	Stable	Stable	Stable	Stable
18	Serviceability assessment - non-infrastructure	BP255	Text		Stable	Stable	Stable	Stable	Stable
19	Total connected properties at year end	BN1001	000s	3	922.360	931.081	939.656	947.905	955.884
20	Total enhancements to the supply demand balance (dry year critical / peak conditions)	W4006	MI/d	2	3.97	10.45	14.67	19.55	61.38
21	Total enhancements to the supply demand balance (dry year annual average conditions)	W4007	MI/d	2	2.39	8.14	12.06	15.60	28.11
22	Total leakage	BN2345	MI/d	2	91.82	90.90	89.98	89.06	88.13
23	Number of lead communication pipes replaced for water quality	BN1231	nr	0	0	0	0	0	0
24	Total length of mains as at 31 March	BN1100	km	1	14479.2	14523.3	14567.9	14626.8	14681.7
25	Total length of mains relined	BN1204	km	1	0.0	0.0	0.0	0.0	0.0
26	Total length of mains renewed	BN1200	km	1	71.0	71.0	71.0	71.0	71.0
27	Total length of new mains	BN1208	km	1	39.7	44.1	44.6	58.9	54.9
28	Total number of new connections	W4008	000s	3	8.218	8.565	8.879	8.272	8.226
29	Total number of sources	BN4843	nr	0	160	161	162	162	163
30	Total population served	BN2590	000s	3	2147.404	2163.270	2179.840	2195.016	2210.344
31	Water delivered (non-potable)	BN2350	MI/d	2	0.00	0.00	0.00	0.00	0.00
32	Water delivered (potable)	BN2330	MI/d	2	464.08	462.65	461.99	461.93	462.52
33	Water delivered (billed measured households)	BN2000	MI/d	2	217.70	237.48	256.28	274.90	293.44
34	Water delivered (billed measured non-households)	BN2010	MI/d	2	104.77	105.04	105.32	105.60	105.88
35	Water delivered (billed total households)	W4009	MI/d	2	346.39	345.17	344.06	343.53	343.62
36	Water delivered (billed total non-households)	W4010	MI/d	2	109.91	110.04	110.18	110.33	110.50

Key to cells:

- input cell
- calculated

W5 - Asset information for the water service

Base year 2012-13

				Summary of asset stock					All assets			
Line description	Item references	Units	DPs	Band 1	Band 2	Band 3	Band 4	Total	GMEAV £m	NMEAV £m		
A Water resources												
1	Dams and impounding reservoirs	See individual cells	nr	0				4	216			
2	Transmission between raw water sites		km	1				11.8	7.5			
3	Intake and source pumping stations		nr	0				278	118	67		
4	Water resources management and general								31	19		
B Raw water distribution												
5	Raw water aqueducts		km	1				101.4	64.0			
6	Raw water balancing tanks and other structures		nr	0				4	1	1		
7	Booster pumping stations		nr	0				0	0	0		
8	Raw water distribution management and general								2	1		
C Water treatment												
9	Water treatment works		nr	0				83	218	139		
10	Forwarding pumping stations		nr	0				65	16	6		
11	Water treatment management and general								217	116		
D Treated water distribution												
12	Service reservoirs and water towers		nr	0				260	297	191		
13	Booster pumping stations		nr	0				153	14	6		
14	Treated water storage		nr	0				85	28	23		
15	Water mains < 320mm		km	1	11437.3	2103.1		13540.4	3071.2			
16	Water mains ≥ 320mm		km	1		694.4	84.3	778.8	531.2			
17	Communication pipes		nr	0				858616	817			
18	Treated water distribution management and general								89	50		
E Other												
19	Customer meters		nr	0				535572	113	21		
20	Retail management and general								34	21		
F Water mains age profiles				pre 1880	1881-1900	1901-1920	1921-1940	1941-1960	1961-1980	1981-2000	2001 - to date	
21	Potable and other mains age profile (date of construction)		km	1	12.4	41.5	886.1	3704.2	3836.5	2684.3	2142.9	1129.8

Key to cells:

 input cell

 calculated

W7 - Abstraction incentive mechanism - surface and ground water abstractions under the AIM threshold

Line description	Units	DPs	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
A Abstraction Q95 - surface water sites								
1 Insert site name	MI	0						
2 Insert site name	MI	0						
3 Insert site name	MI	0						
.....	MI	0						

Price review solution?	Impacted surface water body	Abstraction data source	Effect on water body (%)

B Abstraction Q70 - surface water sites								
1 Insert site name	MI	0						
2 Insert site name	MI	0						
3 Insert site name	MI	0						
4	MI	0						

C Abstraction Q95 - ground water sites								
1 Insert site name	MI	0						
2 Insert site name	MI	0						
3 Insert site name	MI	0						
.....	MI	0						

D Abstraction Q70 - ground water sites								
1 Insert site name	MI	0						
2 Insert site name	MI	0						
3 Insert site name	MI	0						
4	MI	0						

Key to cells:

input cell

calculated

W8 - Non-household demand for wholesale water service

Line description		Item reference	Units	DPs	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
A	Special agreements									
1	Number of supplies	W8001	000s	3	0.000	0.000	0.000	0.000	0.000	0.000
2	Weighted volume	W8002	MI/a	2	0.00	0.00	0.00	0.00	0.00	0.00
3	Revenue	W8003	£m	3		0.000	0.000	0.000	0.000	0.000
B	Over 250 mla	W8006								
4	Number of supplies	W8001	000s	3	0.002	0.002	0.002	0.002	0.002	0.002
5	Weighted volume	W8002	MI/a	2	735.57	735.57	735.57	735.57	735.57	735.57
6	Revenue	W8003	£m	3		0.555	0.566	0.575	0.579	0.578
7	Lower threshold	W8004	MI/a	2	250					
8	Upper threshold	W8005	MI/a	2	1000					
C	Between 50mla and 250mla	W8006								
4	Number of supplies	W8001	000s	3	0.088	0.088	0.088	0.088	0.088	0.088
5	Weighted volume	W8002	MI/a	2	4701.12	4701.12	4701.12	4701.12	4701.12	4701.12
6	Revenue	W8003	£m	3		4.432	4.516	4.592	4.619	4.613
7	Lower threshold	W8004	MI/a	2	50.00					
8	Upper threshold	W8005	MI/a	2	250.00					
D	Between 10 and 50mla	W8006								
4	Number of supplies	W8001	000s	3	0.371	0.371	0.371	0.371	0.371	0.371
5	Weighted volume	W8002	MI/a	2	7362.49	7362.49	7362.49	7362.49	7362.49	7362.49
6	Revenue	W8003	£m	3		7.715	7.862	7.994	8.041	8.031
7	Lower threshold	W8004	MI/a	2	10.00					
8	Upper threshold	W8005	MI/a	2	50.00					
E	Between 5mla and 10mla	W8006								
4	Number of supplies	W8001	000s	3	0.646	0.646	0.646	0.646	0.646	0.646
5	Weighted volume	W8002	MI/a	2	4984.47	4984.47	4984.47	4984.47	4984.47	4984.47
6	Revenue	W8003	£m	3		5.681	5.789	5.887	5.921	5.914
7	Lower threshold	W8004	MI/a	2	5.00					
8	Upper threshold	W8005	MI/a	2	10.00					
F	Below 5mla	W8006								
4	Number of supplies	W8001	000s	3	53.943	54.318	54.693	55.068	55.443	55.817
5	Weighted volume	W8002	MI/a	2	20356.31	20456.55	20557.44	20658.99	20761.21	20864.11
6	Revenue	W8003	£m	3		24.035	24.615	25.152	25.424	25.518
7	Lower threshold	W8004	MI/a	2	0.00					
8	Upper threshold	W8005	MI/a	2	5.00					
G	Unmeasured	W8006								
4	Number of supplies	W8001	000s	3	4.913	4.813	4.714	4.615	4.515	4.416
5	Weighted volume	W8002	MI/a	2	5.31	5.15	5.00	4.85	4.72	4.61
6	Revenue	W8003	£m	3		1.748	1.744	1.736	1.709	1.669
7	Lower threshold	W8004	MI/a	2	n/a					
8	Upper threshold	W8005	MI/a	2	n/a					
E	Non-potable									
X	Number of supplies	W8001	000s	3	0.000	0.000	0.000	0.000	0.000	0.000
X	Weighted volume	W8002	MI/a	2	0.00	0.00	0.00	0.00	0.00	0.00
X	Revenue	W8003	£m	3		0.000	0.000	0.000	0.000	0.000

Key to cells:

input cell

calculated

W9 - Wholesale revenue projections for water service

Line description		Item reference	Units	DPs	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
A Revenues - wholesale water										
1	Wholesale control (excluding connection & infrastructure charges)	W9001	£m	3	182.288	180.683	182.729	187.186	190.063	190.412
2	Connection & infrastructure charges	W9002	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
3	Revenue grants	W9003	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
4	Rechargeable works	W9004	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
5	Bulk supplies - contract not qualifying for water trading incentives (or signed before 1 April 2015)	W9005	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
6	Bulk supplies - contract qualifying for water trading incentives (to be signed on or after 1 April 2015)	W9006	£m	3		0.000	0.000	0.000	0.000	0.000
7	Other appointed business	W9007	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
8	Third party services	W9008	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
9	Other sources	W9009	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
10	Total forecast revenue - wholesale water	W9010	£m	3	182.288	180.683	182.729	187.186	190.063	190.412
B Other operating income										
11	Other operating income	W9011	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
C Other income										
12	Other income	W9012	£m	3	0.539	0.539	0.539	0.539	0.539	0.539
D Capital contributions from connection and infrastructure charges										
13	Capital contributions from connection and infrastructure charges	W9013	£m	3	2.376	3.459	3.531	3.568	3.606	3.644

Key to cells:

input cell

calculated

W10 - Cost recovery for water service

Line description		Item reference	Units	DPs	2015-20	2020-25
A	2015 RCV					
1	Run-off rate - water	W10001	%	2	3.26%	3.26%
2	Method used to apply run off rate (straight line or reducing balance)	W10002	Text	-	RB	RB

B	Post 2015 totex RCV additions					
3	Totex average life	W10003	years	1	50.0	50.0

C	Totex PAYG% split					
4	PAYG% - water	W10004	%	2	60.38%	62.19%

Line description		Item reference	Units	DPs	2015-16	2016-17	2017-18	2018-19	2019-20
C	Totex PAYG% split								
4a	PAYG% - water	W10004a	%	2	62.00%	58.32%	56.87%	60.33%	64.65%

Key to cells:

 input cell

 calculated

W12 - Water wholesale totex rolling reconciliation table

Line description	Item reference	Units	DPs	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2015-20 total
A Totex and outcomes 2012-13 - less menu exclusions												
1	Totex for 2012-13	W12001	£m	3	155.085							
2	Less: menu exclusion a)	W12002	£m	3	13.083							
3	Less: menu exclusion b)	W12003	£m	3	1.895							
4	Less: menu exclusion c)	W12004	£m	3	0.400							
5	Less: menu exclusion d)	W12004	£m	3	10.569							
6	Less: menu exclusion e)	W12004	£m	3	0.539							
7	Less: menu exclusion f)	W12004	£m	3	3.765							
8	Less: menu exclusion g)	W12004	£m	3	3.558							
9	Less: one-offs	W12005	£m	3	0.000							
10	Totex and outcomes 2012-13, less menu exclusions	W12006	£m	3	121.277							
B Rollforward to Business Plan totex - re 2014-15 outcomes												
11	Prior year totex less menu exclusions	W12007	£m	3								
12	Add: change in spend due to workload variation - 2014-15 outcomes	W12008	£m	3								
13	Add: change due to real price effects	W12009	£m	3								
14	Less: change due to net efficiency	W12010	£m	3								
15	Totex on 2014-15 outcomes - before exclusions	W12011	£m	3								
16	Add: menu exclusion a)	W12012	£m	3								
17	Add: menu exclusion b)	W12013	£m	3								
18	Add: menu exclusion c)	W12013	£m	3								
19	Add: menu exclusion d)	W12013	£m	3								
20	Add: menu exclusion e)	W12014	£m	3								
21	Add: menu exclusion f)	W12014	£m	3								
22	Add: menu exclusion g)	W12014	£m	3								
23	Subtotal - menu exclusions	W12015	£m	3								
24	Business Plan totex - 2014-15 outcomes	W12016	£m	3								
C Rollforward to Business Plan totex - additional outcomes (post 2014-15)												
25	Prior year totex less menu exclusions (beyond 2014/15 outcome commitments)	W12017	£m	3								
26	Add: change in spend due to workload on additional (post 2014-15) outcomes	W12018	£m	3								
27	Add: change due to real price effects	W12019	£m	3								
28	Less: change due to net efficiency	W12020	£m	3								
29	Totex on additional outcomes - before exclusions	W12021	£m	3								
30	Add: menu exclusion a)	W12022	£m	3								
31	Add: menu exclusion b)	W12022	£m	3								
32	Add: menu exclusion c)	W12022	£m	3								
33	Add: menu exclusion d)	W12022	£m	3								
34	Add: menu exclusion e)	W12023	£m	3								
35	Add: menu exclusion f)	W12024	£m	3								
36	Add: menu exclusion g)	W12024	£m	3								
37	Subtotal - menu exclusions	W12025	£m	3								
38	Business Plan totex - additional outcomes per table W1	W12026	£m	3								
D Combined Rollforward of Business Plan totex												
39	Prior year totex less menu exclusions	W12027	£m	3								
40	Add: change in spend due to workload variation - 2014-15 outcomes	W12028	£m	3								
41	Add: change in spend due to workload on outcome commitments post 2014-15	W12029	£m	3								
42	Add: change due to real price effects	W12030	£m	4								
43	Less: change due to net efficiency	W12031	£m	5								
44	Subtotal - change in outcome spend	W12032	£m	3								
45	Totex before exclusions	W12033	£m	3								
46	Add: menu exclusion a)	W12034	£m	3								
47	Add: menu exclusion b)	W12035	£m	3								
48	Add: menu exclusion c)	W12022	£m	3								
49	Add: menu exclusion d)	W12022	£m	3								
50	Add: menu exclusion e)	W12023	£m	3								
51	Add: menu exclusion f)	W12036	£m	3								
52	Add: menu exclusion g)	W12037	£m	4								
53	Subtotal - menu exclusions	W12037	£m	3								
54	Business Plan totex	W12038	£m	3								

Key to cells:

- input cell
- calculated

W13 - Water service logging up, logging down and shortfalls

Line description	Item reference	Units	DPs	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2009-15 total
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A Water service - total (2012-13 prices)										
1	Capex - net change to costs	CWLOG005	£m	3						
2	Opex - net change to costs	OWLOG003	£m	3						
3	Grants and contributions - net change	W13001	£m	3						

B Water service - individual claim (2012-13 prices)										
4	Title of individual claim		Text							
5	Description of claim		Text							
6	Classification		Text		Logging Up, Logging Down, or Shortfall					
7	Capex - net change to costs		£m	3						
8	Opex - net change to costs		£m	3						
9	Net change in output									
10	Grants and contributions - net change		£m	3						

				Infrastructure	Non-infrastructure		
11	Split of capex between infrastructure and non-infrastructure	W13004	%	1			

Key to cells:

- input cell
- calculated
- No input required

W14 - Water service overlap programme

Line description	Item reference	Units	DPs	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2010-15 total	2015-20 total
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A Scheme 1 <i>SEMD - Security Measures for Non-Designated Sites</i>																
1	Capex - final determination assumption	W14001	£m	3										2.372	4.695	
2	Capex - current actuals and estimates	W14002	£m	3	0.426	0.407	0.434	0.475	0.419	1.011	1.003	0.990	0.976	0.969	2.161	4.949
3	Opex - final determination assumption	W14003	£m	3										0.00	0.00	
4	Opex - current actuals and estimates	W14004	£m	3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

F Total water overlap programme summary																
21	Capex - final determination assumption	W14021	£m	3										2.372	4.695	
22	Capex - current actuals and estimates	W14022	£m	3	0.426	0.407	0.434	0.475	0.419	1.011	1.003	0.990	0.976	0.969	2.161	4.949
23	Opex - final determination assumption	W14023	£m	3										0.000	0.000	
24	Opex - current actuals and estimates	W14024	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	

Key to cells:

input cell

calculated

W15 - CIS reported and projected actual expenditure for water service

Line description		Item reference	Units	DPs	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
A	Water (outturn prices)									
1	Water: IRE (net of grants & contributions)	W15001	£m	3		20.785	23.147	26.991	30.035	30.389
2	Water: MNI (net of grants & contributions)	W15002	£m	3		26.986	26.268	27.128	26.955	22.469
3	Water: Infrastructure enhancements (net of grants & contributions)	W15003	£m	3		17.265	17.898	20.439	21.780	26.785
4	Water: Non-infrastructure enhancements (net of grants & contributions)	W15004	£m	3		12.476	13.454	14.866	12.500	10.517
5	Water: Large projects infrastructure enhancements (exc large project capex not subject to CIS)	W15005	£m	3		0.000	0.000	0.000	0.000	0.000
6	Water: Large projects non-infrastructure enhancements (exc large project capex not subject to CIS)	W15006	£m	3		0.000	0.000	0.000	0.000	0.000
7	Water: Total capital expenditure	W15007	£m	3		77.512	80.767	89.423	91.270	90.159

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W16 - Operating expenditure outperformance

Line description	Item reference	Units	DPs	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
A Water service operating expenditure expectation														
1	Water operating expenditure final determination assumptions in PR09 (or a subsequent interim determination)	BP4700W	£m	3	82.261	92.710	93.773	93.526	93.201	92.878				
2	Water operating expenditure adjustments from logging up / down	W16001	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
3	Shortfalls in meeting outputs	BP4710W	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
4	Mergers savings	BP4711W	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
5	Revised regulatory expectations	BP4715W	£m	3	82.261	92.710	93.773	93.526	93.201	92.878				
B Water service operating expenditure outperformance														
6	Actual reported water operating expenditure	BP4720W	£m	3	76.500	77.333	77.553	73.910	91.977					
7	Pension adjustment to reported water operating expenditure	BP4721W	£m	3	4.707	5.563	5.134	9.212	-2.965					
8	Other adjustments to reported water operating expenditure	BP4725W	£m	3	0.000	0.000	0.000	0.000	0.000					
9	Revised actual water operating expenditure	BP4730W	£m	3	81.207	82.896	82.686	83.122	89.012					
10	Actual operating expenditure outperformance in the water service	BP4735W	£m	3	1.054	9.814	11.086	10.404	4.189					
11	Outperformance as a % of regulatory expectations	BP4740W	%	2	1.28	10.59	11.82	11.12	4.50					
12	Incremental outperformance year by year	BP4745W	£m	3	0.000	4.189	4.189	4.189	4.189					
13	Assumed water operating expenditure incentive revenue allowance	BP4750W	£m	3						4.189	0.000	0.000	0.000	
14	Effective tax rate	TX01140SR	%	2						20.00	20.00	20.00	20.00	20.00
15	Total adjusted water operating expenditure incentive revenue allowance	BC40000	£m	3						3.352	0.000	0.000	0.000	0.000

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W17 - Revenue correction mechanism for the water service

Line description		Item reference	Units	DPs	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Calculation/copy rule
A	Water										
1	Water: Unmeasured - household	BR581	£m	3		100.046	102.734	93.354	79.515	64.521	
2	Water: Unmeasured - non-household	BR583	£m	3		2.581	2.075	1.987	1.976	1.999	
3	Water: Measured - household	BR582	£m	3		52.502	57.104	67.982	80.537	95.163	
4	Water: Measured - non-household	BR584	£m	3		39.281	34.940	35.923	42.110	42.388	
5	Water: Net revenue movement out of tariff basket (outturn)	RCMW002	£m	3	0.423	0.489	-0.134	-0.023	-0.022	-0.022	
6	Water: Win-win tariffs	W17001	£m	3		0.000	0.000	0.000	0.000	0.000	
7	Water: Back-billing amount identified	W17002	£m	3		0.055	0.102	0.244	0.237	0.212	
8	Water: Non-households billed	BN2215	000	3	65.749	64.078	61.770	58.685	59.568	59.844	
9	Water: Properties served by new appointee in supply area as at 1 April 2009	W17003	000	3		0.000	0.000	0.000	0.000	0.000	

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W18 - Weighted average cost of capital for water service

Line description	Item reference	Units	DPs	2015-20	Calculation/copy rule
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A WACC - based on company's actual structure					
1	Average cost of embedded debt	W18001	%	2	3.55
2	Average cost of raising new debt	W18002	%	2	2.95
3	Weighting	W18003	ratio	2	5.86
4	Cost of debt	W18004	%	2	3.46
5	Risk free rate	W18005	%	2	2.00
6	Equity risk premium	W18006	%	2	5.13
7	Equity beta	W18007	dec	2	1.44
8	Cost of equity (post tax)	W18008	%	2	9.38
9	Gearing	W18009	%	2	80.00
10	WACC - vanilla (pre-tax cost of debt and post-tax cost of equity)	W18010	%	2	4.65
11	Tax (marginal rate of corporation tax)	W18011	%	0	20
12	WACC - fully post-tax	W18012	%	2	4.09

B WACC - based on assumed notional structure					
13	Average cost of embedded debt	W18013	%	2	2.90
14	Average cost of raising new debt	W18014	%	2	2.50
15	Weighting	W18015	ratio	2	3.00
16	Cost of debt	W18016	%	2	2.80
17	Risk free rate	W18017	%	2	2.00
18	Equity risk premium	W18018	%	2	5.13
19	Equity beta	W18019	dec	2	0.96
20	Cost of equity (post tax)	W18020	%	2	6.92
21	Gearing	W18021	%	2	60.00
22	WACC - vanilla (pre-tax cost of debt and post-tax cost of equity)	W18022	%	2	4.45
23	Tax (marginal rate of corporation tax)	W18023	%	0	20
24	WACC - fully post-tax	W18024	%	2	4.11

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W19 - Wholesale returns for water service

Line description		Item reference	Units	DPs	2015-16	2016-17	2017-18	2018-19	2019-20
A	Wholesale return - actual capital structure								
1	Assumed vanilla WACC	W19001	%	2	4.65	4.65	4.65	4.65	4.65
2	Actual return on RCV	W19002	%	2	5.34	5.30	5.31	5.28	5.29
3	Assumed cost of equity	W19003	%	2	9.38	9.38	9.38	9.38	9.38
4	Actual return on regulated equity (RORE)	W19004	%	2	13.05	12.63	12.65	12.49	12.53
B	Wholesale return - notional capital structure								
5	Assumed vanilla WACC	W19005	%	2	4.45	4.45	4.45	4.45	4.45
6	Actual return on RCV	W19006	%	2	4.14	4.14	4.18	4.15	4.21
7	Assumed cost of equity	W19007	%	2	6.92	6.92	6.92	6.92	6.92
8	Actual return on regulated equity (RORE)	W19008	%	2	5.84	5.81	5.88	5.88	6.09

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