

NAV pricing

2024-25



NAV Discount – a run through of the charges

The starting point for our NAV charges is our standard wholesale standing and volumetric 2024-25 tariff

We have followed guidance to remove our last mile costs:

- Standing charge discount – includes fixed costs, such as capital costs and company overheads
- Volumetric discount – includes operational costs, such as network support, emergency response, compliance, and allowed leakage value
- Retail costs are excluded in full

Final discounts are reflected though:

- Negative standing charge, for elements that relate to the number of properties supplied
- Reduced volumetric charge, for elements that relate to the volume of water supplied. The discount is 14% for our Western region and 10% for our Eastern region



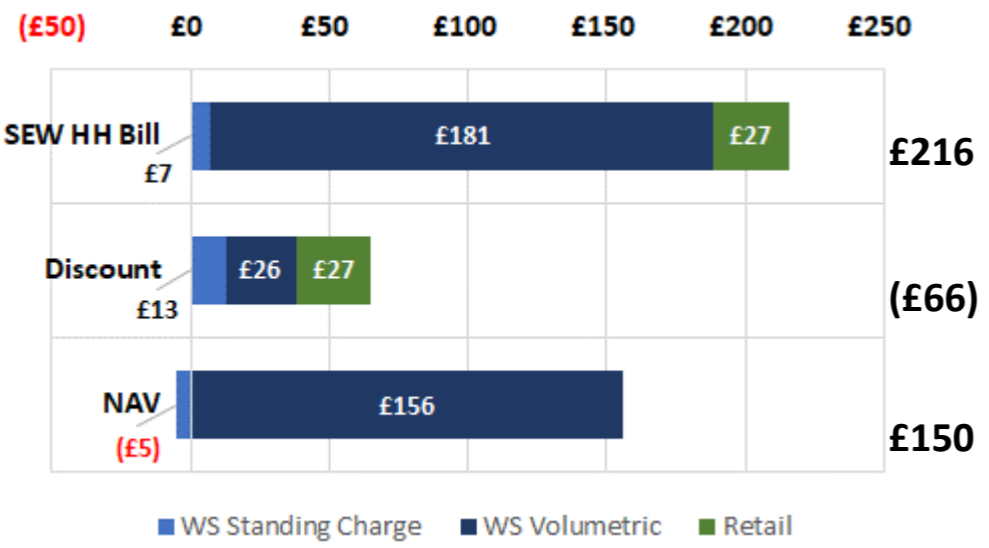
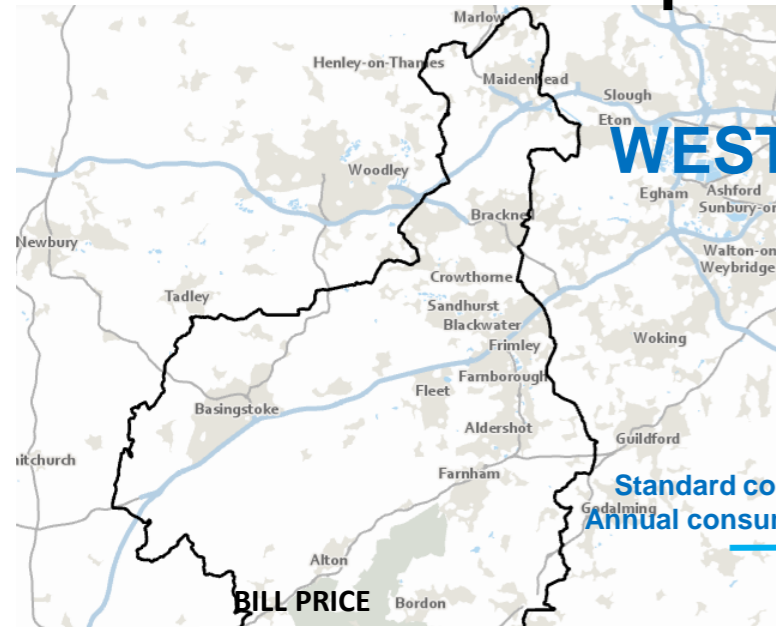
		WESTERN	EASTERN
SEW WHOLESAL Tariffs			
WHOLESALE	Standing Charge: 12/15mm	£7.3700	
WHOLESALE	Volumetric: £/m3	£1.6876	£2.2276
RETAIL	Standing Charge	£25.1100	
RETAIL	Volumetric: £/m3	£0.0169	£0.0223

NAV Discount			
WHOLESALE	Standing Charge: 12/15mm	-£13.1148	
WHOLESALE	Volumetric: £/m3	-£0.2380	-£0.2773
RETAIL	Standing Charge	EXCLUDED	
RETAIL	Volumetric: £/m3	EXCLUDED	

SEW <u>NAV</u> WHOLESAL Tariffs			
WHOLESALE	Standing Charge: 12/15mm	-£5.7448	
WHOLESALE	Volumetric: £/m3	£1.4496	£1.9503
RETAIL	Standing Charge	EXCLUDED	
RETAIL	Volumetric: £/m3	EXCLUDED	

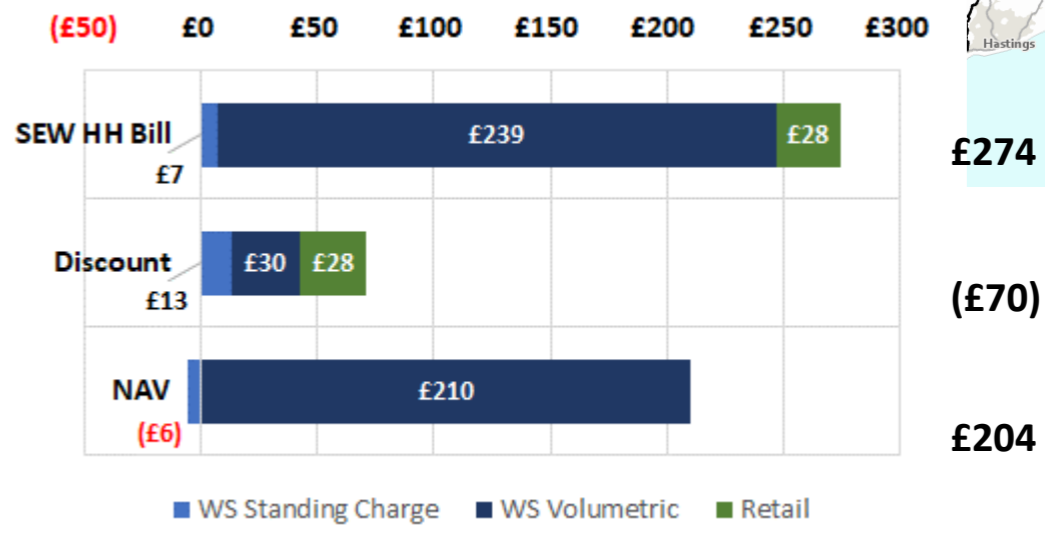
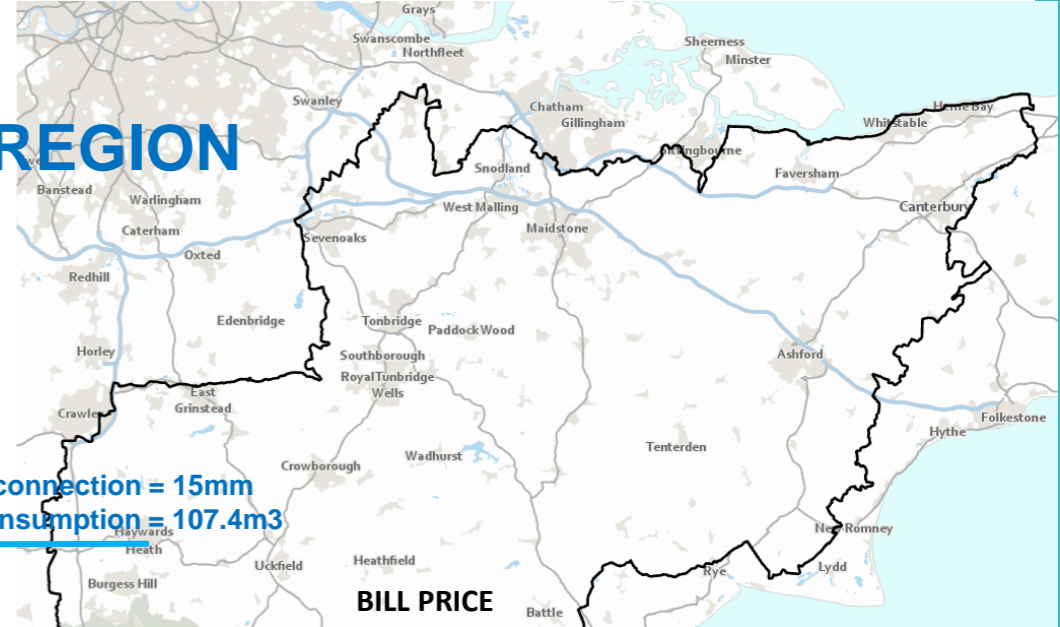
SEW <u>NAV</u> WHOLESAL % DISCOUNT			
WHOLESALE	Standing Charge: 12/15mm	177.9%	
WHOLESALE	Volumetric: £/m3	14.1%	12.4%

NAV Discount – expected discount for an average household



Average NAV discount Western Region 30% Region

> EASTERN REGION



Average NAV discount Eastern Region 26% Region

The above outlines the expected discount for an average consuming domestic property across our two regions

NAV – menu options

- A NAV may choose not to undertake certain activities themselves directly
- The menu options below outlines a number of services SEW can offer
- We have presented these as a volumetric cost, and can be added back onto your discounted tariff
- Menu tariffs have been calculated to recover relevant costs
- We are happy to discuss these offered services further with NAVs

MENU OPTIONS

£/m³

Network Support

£0.126

(to include reactive comm pipe / network bursts, leak detection, tech investigation, emergency support)

Compliance

£0.011

(to regulatory support, WQ compliance - incl customer sampling, water regs)

Wholesale service desk

£0.006

(to include HH and nHH activity)

Wholesale Customer Support

£0.002

(to include vulnerable and water efficiency support)

Appendix One – Avoided Costs

In calculating the avoided costs, we have included the following items:

- Reactive maintenance
- Planned maintenance (e.g. communication pipe / meters)
- Water fittings
- Leakage detection and repair
- Water quality activity – sampling, analysis, and compliance
- Regulatory reporting and compliance
- Emergency response
- Wholesale service desk activity
- Associated vulnerable customer activity
- Supporting overheads including: finance, human resources, IT, legal, marketing, procurement, and health and safety