

FBP2009-ICS, 1.7.12 for WSH (Dwr Cymru Cyfyngedig (Welsh Water))

A1 - Price limits, bills, water sales and supply/demand balance

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		AMP4			AMP5					
		2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	
Line description	Units									
<b>A Price limits &amp; infrastructure charge limit</b>										
1	Proposed price limit "K" (including U)	nr	0.0	0.0	0.0	2.2	0.1	0.8	0.6	-0.4
2	Water service indicative "K"	nr	2.9	2.7	1.5	-3.1	1.8	1.5	1.1	0.2
3	Sewerage service indicative "K"	nr	5.1	3.8	2.5	6.3	-1.1	0.3	0.3	-0.8
4	Proposed infrastructure charge limit - water service	£	276.81			276.81				
5	Proposed infrastructure charge limit - sewerage service	£	276.81			276.81				
6	RPI - year by year assumption	%	3.9	4.3	3.0	2.0	2.0	2.0	2.0	2.0
<b>B Projected household bills - water service</b>										
7	Typical unmeasured h'hold bill (base yr avg chg) - real terms	£	171.22	176.31	179.81	175.58	180.27	184.34	187.67	188.44
8	Typical measured h'hold bill (base yr avg chg) - real terms	£	110.88	113.25	114.16	110.25	111.06	111.87	112.26	112.44
9	Average h'hold bills - real terms	£	155.07	157.71	159.26	153.69	155.68	156.97	157.65	156.69
10	Average h'hold bills - nominal terms	£	155.07	164.46	171.06	168.38	173.97	178.92	183.29	185.82
<b>C Projected household bills - sewerage service</b>										
11	Typical unmeasured h'hold bill (base yr avg chg) - real terms	£	229.14	238.27	245.15	260.85	259.43	261.53	263.65	261.94
12	Typical measured h'hold bill (base yr avg chg) - real terms	£	150.28	154.70	157.24	165.72	163.23	162.79	162.35	161.26
13	Average h'hold bills - real terms	£	206.95	212.58	216.57	227.86	224.20	223.27	222.41	219.06
14	Average h'hold bills - nominal terms	£	206.95	221.68	232.62	249.64	250.54	254.49	258.59	259.78
<b>D Water sales &amp; supply/demand balance</b>										
15	Billed water delivered	Ml/d	642.75	637.77	634.56	629.37	623.48	618.42	613.44	608.46
16	Total volume of sewage collected	Ml/d	561.05	555.13	549.49	545.30	540.45	535.52	530.70	525.93
17	Total water available for use baseline (dry year annual average)	Ml/d	1,048.85	1,042.69	1,052.84	1,053.31	1,053.22	1,053.02	1,052.86	1,052.73
18	Distribution input (dry year annual average)	Ml/d	840.23	847.89	839.86	832.46	825.53	820.06	815.12	810.89
19	Total leakage	Ml/d	204.01	196.99	193.50	190.45	188.10	186.20	184.77	184.08
20	Total water savings achieved or assumed from company's water efficiency strategy	Ml/d	2.07	1.70	0.00	0.00	0.00	0.00	0.00	0.00

Table A1

FBP2009-ICS, 1.7.12 for WSH (Dwr Cymru Cyfyngedig (Welsh Water))

A2 - Water service - Current performance & planned outputs

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		Level of performance		Level of performance by 2009-10	Level of performance by 2014-15	Level of performance by 2019-20
		2002-03	2007-08			
Line description	Units					
<b>A Service performance</b>						
1	DG2 properties at risk of receiving low pressure	nr	410	220		154
2	DG3 Supply interruptions (overall performance score)	nr	0.08	0.54		0.03
3	DG6 % billing contacts dealt with within 5 days	%	100.0	100.0		100.0
4	DG7 % written complaints dealt with within 10 days	%	99.7	99.2		99.9
5	DG8 % metered customer's receiving bill based on a meter reading	%	100.0	99.9		99.5
6	DG9 % calls abandoned	%		2.9		5.0
7	DG9 % calls receiving engaged tone	%		0.2		0.0
8	Security of supply index (dry year annual average planned levels of service)	nr	90	95		100
9	Security of supply index (critical index)	nr		97		100
<b>B Quality &amp; environmental compliance</b>						
10	% distribution input covered by section 19 undertakings at water treatment works	%		35.900		0.000
11	% distribution input not affected by section 19 undertakings or temporary relaxations or Authorised Departures	%	95.572	64.792		100.000
12	% of properties in water supply zones affected by section 19 undertakings in distribution or Authorised Departures	%		63.006		0.000
13	% mean zonal compliance with drinking water regulations	%		99.95		99.95
<b>C Serviceability to customers (maintaining asset systems fit for purpose)</b>						
14	Below ground assets assessment - infrastructure pipelines	Text	STABLE	IMPROV'G		STABLE STABLE
15	Surface assets assessment (non-infrastructure)	Text	STABLE	STABLE		STABLE STABLE
<b>D Carbon Accounting</b>						
16	Carbon emissions' produced in providing the service	ktonnes/yr			81.8	84.6
17	Other GHG emissions ( as CO2e) produced in providing the service	ktonnes/yr			5.1	6.1

Table A2

Line description	Units	Level of performance		Level of performance by 2009-10	Level of performance by 2014-15	Level of performance by 2019-20
		2002-03	2007-08			
<b>A Service performance</b>						
1	DG5 properties at risk of flooding (2 in 10 years)	nr	90	120	0	0
2	DG5 properties at risk of flooding (1 in 10 years)	nr	207	245	196	146
3	DG5 Properties at risk of internal flooding (1 in 20 years)	nr		300	371	476
4	Properties internally flooded in year due to overloaded sewers excluding severe weather	nr		78	86	95
5	DG5 Properties internally flooded in year due to other causes	nr	124	182	100	100
6	Areas flooded externally due to overloaded sewers, excluding severe weather	nr		445	836	952
7	Areas externally flooded in year due to other causes	nr		967	900	900
<b>B Quality &amp; environmental compliance</b>						
8	% intermittent discharges satisfactory	%	66.2	94.0	100.0	
9	% Bathing waters not meeting "excellent" quality	%		23.1	26.0	
10	% Bathing waters not meeting "good" quality	%		7.7	10.0	
11	% Bathing waters not meeting "sufficient" quality	%		2.6	0.0	
12	% of sewage treatment works non compliant (Water Resources Act numeric consents)	%		2.44	2.44	
13	% of sewage treatment works non compliant (Urban Waste Water Treatment Directive consents)	%		0.70	0.00	
14	% of total p.e. served by sewage treatment works in breach of Water Resources Act consent (LUT)	%		0.19	0.10	
15	% of total p.e. served by sewage treatment works in breach of Urban Waste Water Treatment Directive consents (LUT)	%		0.00	0.00	
<b>C Serviceability to customers (maintaining asset systems fit for purpose)</b>						
16	Below ground assets assessment (infrastructure)	Text	STABLE	STABLE	STABLE	STABLE
17	Surface assets assessment (non infra)	Text	STABLE		STABLE	STABLE
<b>D Carbon Accounting</b>						
18	Carbon emissions produced in providing the service in 2014-15	ktonnes/yr			91.1	77.7
19	Other GHG emissions ( as CO2e) produced in providing the service in 2014-15	ktonnes/yr			80.6	83.1

Table A3

A4 - Water service - Key activity projections

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		Activity in AMP5 period relating to base service	Activity in AMP5 period relating to enhancements	Total planned activity in AMP5 period	Profile of activity	Total planned activity in AMP6 period	
Line description	Units						
<b>A Key activity projections - water resources</b>							
1	Length of raw water aqueducts refurbished	km	15.0	0.0	15.0	S	10.0
2	Work on dams & impounding reservoirs	nr	76	18	76	S	72
3	Capital investment in aqueducts, dams & impounding reservoirs	£m	10.412	11.522	21.934	S	2.639
<b>B Key activity projections - water treatment</b>							
4	Number of refurbished or new treatment works	nr	67	43	68	S	40
5	Ml/day of refurbished or new treatment works	Ml/d	1,448.00	637.00	1,452.00	S	510.00
6	Capital investment in refurbished or new treatment works	£m	57.851	211.002	268.853	S	131.057
<b>C Key activity projections - water distribution</b>							
7	Length of mains renewed	km	573.7	66.4	640.1	S	650.0
8	Length of mains relined	km	0.0	0.0	0.0	S	0.0
9	Length of new mains	km	0.0	130.7	130.7	F	130.0
10	Number of refurbished or new district meters & pressure control valves	nr	5,527	0	5,527	S	5,000
11	Capital investment in underground water distribution activity (incl investment in meters reported in Block E of this table)	£m	282.037	16.323	298.360	S	290.700
12	Number of refurbished or new pumping stations	nr	326	17	326	S	200
13	Capital investment in refurbished or new pumping stations	£m	16.380	3.157	19.537	S	10.000
14	Number of refurbished or new service reservoirs	nr	371	0	371	S	250
15	Capital investment in refurbished or new service reservoirs	£m	13.803	0.000	13.803	S	10.000
<b>D Key activity projections - management &amp; general</b>							
16	Offices, labs, depots, workshops	m <sup>2</sup>	16,918.0	0.0	16,918.0	S	16,918.0
17	Capital investment in offices, labs, depots, workshops and vehicles	£m	26.714	0.000	26.714	S	24.060
18	Capital investment in instrumentation, control and automation (ICA), telemetry & computers	£m	39.254	0.000	39.254	S	25.000
<b>E Key activity projections - metering performance</b>							
19	Number of household meters renewed	nr			90,550	R	250,010
20	Optional meters: households	nr			98,812	F	86,247
21	Selective meters: households	nr			0	S	0
22	Percentage of households metered (at the end of the period)	%			41	R	49
<b>F Total - water service</b>							
23	Total capital investment in the water service	£m	446.451	242.004	688.455		493.456

Table A4

A5 - Sewerage service - Key activity projections

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		Activity in AMP5 period relating to base service	Activity in AMP5 period relating to enhancements	Total planned activity in AMP5 period	Profile of activity	Total planned activity in AMP6 period	
Line description	Units						
<b>A Key activity projections - sewers</b>							
1	Length of critical sewers renewed	km	78.9	4.0	82.9	S	67.1
2	Length of critical sewers renovated	km	13.9	0.3	14.2	S	14.2
3	New critical sewers	km	0.0	17.1	17.1	S	17.1
4	Length of non-critical sewers renewed	km	20.8	9.1	29.9	S	32.0
5	Length of non-critical sewers renovated	km	24.9	0.7	25.6	S	28.2
6	New non-critical sewers	km	0.0	76.9	76.9	S	76.9
7	Capital investment in critical and non-critical sewers	£m	106.716	52.946	159.662	S	156.098
8	Number of refurbished or new intermittent discharges	nr	0	16	16	P2	10
9	Capital investment in refurbished or new intermittent discharges	£m	10.067	35.306	45.373	P2	33.000
<b>B Key activity projections - sewage treatment &amp; disposal</b>							
10	Number of refurbished or new treatment works	nr	5	65	70	P2	5
11	Population equivalent of refurbished or new treatment works	000	286.26	697.69	983.95	P2	250.00
12	Capital investment in refurbished or new treatment works	£m	126.170	93.932	220.102	P2	184.000
13	Number of refurbished or new sludge treatment works	nr	8	0	8	P1	1
14	Capital investment in refurbished or new sludge treatment works	£m	102.100	3.900	106.000	P1	14.000
<b>C Key activity projections - sewerage service</b>							
15	Number of refurbished or new pumping stations	nr	3	2	5	R	2
16	Capital investment in refurbished or new pumping stations	£m	37.136	24.550	61.686	R	49.000
17	Number of refurbished or new sea outfalls	nr	4	0	4	P4	5
18	Capital investment in refurbished or new sea outfalls	£m	26.100	0.000	26.100	P4	18.100
<b>D Key activity projections - management &amp; general</b>							
19	Offices, labs, depots, workshops	m <sup>2</sup>	16,918.0	0.0	16,918.0	S	16,918.0
20	Capital investment in offices, labs, depots, workshops and vehicles	£m	11.901	0.000	11.901	S	9.800
21	Capital investment in instrumentation, control and automation (ICA), telemetry & computers	£m	36.521	0.000	36.521	S	22.000
<b>E Total - sewerage service</b>							
22	Capital investment in the sewerage service	£m	456.711	210.634	667.345		485.998

Table A5

A6 - Efficiency improvements

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Line description	Units	AMP3	AMP4					AMP5					
		2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	
<b>A Operating expenditure outperformance since PR04</b>													
1	Water operating expenditure outperformance	£m	0.000	11.669	7.222	8.089	0.000						
2	Water outperformance as a % of regulatory expectations	%	0.0	9.0	5.7	6.5	0.0						
3	Total adjusted water opex incentive revenue allowance	£m						0.000	0.000	0.000	0.000	0.000	
4	Sewerage operating expenditure outperformance	£m	0.000	8.355	4.210	2.620	0.000						
5	Sewerage outperformance as a % of regulatory expectations	%	0.0	7.4	3.7	2.3	0.0						
6	Total adjusted sewerage opex incentive revenue allowance	£m						0.000	0.000	0.000	0.000	0.000	
<b>B Capital expenditure outperformance since PR04</b>													
7	Water service capex outperformance	£m	12.888	9.545	8.647	8.504	-19.916	-12.031					
8	Water service capex outperformance as a % of regulatory expectations	%	15.3	12.1	8.6	9.0	-16.9	-11.3					
9	Sewerage service capex outperformance	£m	9.575	9.956	13.993	13.586	36.682	22.506					
10	Sewerage service capex outperformance as a % of regulatory expectations	%	6.1	8.3	12.5	10.3	21.2	17.0					
<b>C Water service - overall compounded efficiency improvements</b>													
11	Operating expenditure (base service)	%					0.00	0.00	0.66	2.02	3.19	4.51	5.07
12	Operating expenditure (enhancements)	%					0.00	0.00	0.50	1.00	1.49	1.99	2.48
13	Capital maintenance expenditure - infrastructure	%					0.00	0.00	0.50	1.00	1.49	1.99	2.48
14	Capital maintenance expenditure - non-infrastructure	%					0.00	0.00	0.50	1.00	1.49	1.99	2.48
15	Capital enhancement expenditure - infrastructure	%					0.00	0.00	0.75	1.49	2.23	2.97	3.69
16	Capital enhancement expenditure - non-infrastructure	%					0.00	0.00	0.75	1.49	2.23	2.97	3.69
17	Capital enhancement expenditure - meters	%					0.00	0.00	0.75	1.49	2.23	2.97	3.69
<b>D Sewerage service - overall compounded efficiency improvements</b>													
18	Operating expenditure (base service)	%					0.00	0.20	1.04	7.22	9.38	10.70	11.54
19	Operating expenditure (enhancements)	%					0.00	0.00	0.50	1.00	1.49	1.99	2.48
20	Capital maintenance expenditure - infrastructure	%					0.00	0.00	0.55	1.10	1.64	2.18	2.72
21	Capital maintenance expenditure - non-infrastructure	%					0.00	0.00	0.55	1.10	1.64	2.18	2.72
22	Capital enhancement expenditure - infrastructure	%					0.00	0.00	0.82	1.64	2.45	3.26	4.06
23	Capital enhancement expenditure - non-infrastructure	%					0.00	0.00	0.82	1.64	2.45	3.26	4.06

Table A6

A7 - Water service - Expenditure projections

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Line description	Units	AMP4			AMP5					
		2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	
<b>A Base service levels (£/property served)</b>										
1	Operating expenditure to maintain current services to consumers	£/prop	89.50	97.00	97.18	98.20	96.57	95.06	93.48	90.63
2	Expenditure on pipelines, dams and aqueducts to maintain current services to consumers - "infrastructure"	£/prop	32.01	31.16	25.82	26.50	26.65	26.03	27.25	27.67
3	Expenditure on surface assets (includes abstraction, treatment, pumping and service storage) to maintain current services to consumers - "non-infrastructure"	£/prop	31.34	36.39	30.55	37.07	30.87	41.47	49.45	39.96
<b>B Enhanced service levels (£/property served)</b>										
4	Additional operating expenditure for improving services to consumers	£/prop	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Additional capital expenditure for improving services to consumers	£/prop	0.00	0.00	0.00	2.09	2.07	0.13	0.07	0.07
<b>C Supply/demand balance (£/property served)</b>										
6	Additional operating expenditure to continue to maintain and improve the balance between the water available and the demand from consumers	£/prop	0.00	-0.07	-0.08	0.90	0.86	0.83	0.81	0.80
7	Additional capital expenditure to continue to maintain and improve the balance between the water available and the demand from consumers	£/prop	0.28	6.36	4.22	8.02	7.09	10.95	7.20	6.47
<b>D Quality enhancements (£/property served)</b>										
8	Additional operating expenditure to meet new environmental and water quality standards	£/prop	0.00	0.37	0.61	1.04	1.50	1.58	1.66	1.92
9	Additional capital expenditure to meet new environmental and water quality standards	£/prop	37.67	56.46	32.79	56.82	18.38	16.41	7.03	4.43
<b>E Enhancements - large projects (£/property served)</b>										
10	Additional operating expenditure for large projects	£/prop	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Additional capital expenditure for large projects	£/prop	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>F Water service totals (£/property served)</b>										
12	Total operating expenditure	£/prop	89.50	97.30	97.71	100.14	98.92	97.47	95.95	93.35
13	Total capital expenditure excluding grants and contributions	£/prop	101.29	130.38	93.38	130.49	85.06	95.00	91.00	78.58
14	Average connected properties - water (excluding empty properties)	000	1,305.20	1,312.44	1,314.71	1,317.89	1,321.23	1,324.99	1,328.72	1,332.46
<b>G Water service totals (£m)</b>										
15	Total operating expenditure	£m	116.809	127.699	128.465	131.968	130.695	129.151	127.488	124.389
16	Total capital expenditure excluding grants and contributions	£m	132.203	171.110	122.770	171.976	112.380	125.869	120.916	104.711
17	Total capital grants, contributions and compensation for abstractions.	£m	10.477	6.220	4.710	5.216	5.590	5.751	5.671	5.588

Table A7

Line description	Units	AMP4			AMP5					
		2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	
<b>A Base service levels (£/property served)</b>										
1	Operating expenditure to maintain current services to consumers	E/prop	83.38	91.55	89.83	95.60	89.41	86.96	85.51	82.11
2	Expenditure on below ground assets (includes sewers and storm overflows) to maintain current services to consumers - "infrastructure"	E/prop	24.14	21.81	17.89	16.04	20.18	26.49	26.34	16.87
3	Expenditure on surface assets (includes sewage treatment & disposal and pumping) to maintain current services to consumers - "non-infrastructure"	E/prop	40.47	36.56	28.31	79.76	46.96	32.70	31.82	34.13
<b>B Enhanced service levels (£/property served)</b>										
4	Additional operating expenditure for improving services to consumers	E/prop	0.00	0.03	0.05	-0.17	-0.45	-0.64	-0.78	-0.85
5	Additional capital expenditure on improving services to consumers	E/prop	8.71	9.57	3.43	2.72	4.33	8.74	8.45	5.46
<b>C Supply/demand balance (£/property served)</b>										
6	Additional operating expenditure to continue to accommodate and deal with increased waste water from consumers	E/prop	0.00	0.36	0.61	0.84	0.95	1.16	1.54	2.04
7	Additional capital expenditure to continue to accommodate and deal with increased waste water from consumers	E/prop	5.29	8.98	7.08	4.78	7.75	11.64	5.51	7.22
<b>D Quality enhancements (£/property served)</b>										
8	Additional operating expenditure to meet new environmental standards	E/prop	0.09	0.53	1.08	1.68	1.57	2.73	3.24	3.33
9	Additional capital expenditure to meet new environmental standards	E/prop	36.69	42.44	45.83	15.38	32.05	14.31	5.71	3.59
<b>E Enhancements - large projects (£/property served)</b>										
10	Additional operating expenditure for large projects	E/prop	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Additional capital expenditure for large projects	E/prop	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>F Sewerage service totals (£/property served)</b>										
12	Total operating expenditure	E/prop	83.48	92.47	91.58	97.95	91.48	90.21	89.51	86.63
13	Total capital expenditure excluding grants and contributions	E/prop	115.31	119.35	102.54	118.67	111.27	93.88	77.83	67.28
14	Average connected properties (excluding empty properties)	000	1,324,559	1,331,789	1,334,059	1,337,244	1,340,579	1,344,340	1,348,070	1,351,809
<b>G Sewerage service totals (£m)</b>										
15	Total operating expenditure	£m	110.568	123.144	122.168	130.985	122.641	121.274	120.660	117.106
16	Total capital expenditure excluding grants and contributions	£m	152.740	158.950	136.800	158.691	149.162	126.210	104.914	90.951
17	Total grants and contributions received by companies from third parties	£m	7.200	6.170	4.150	4.664	5.156	5.426	5.342	5.252

Table A8



**FBP2009-ICS, 1.7.12 for WSH (Dwr Cymru Cyfyngedig (Welsh Water))**

**A9PD - Financial projections - Public domain**

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		AMP4		AMP5	
		2007-08	2010-11	2014-15	
Line description	Units				
<b>A</b>	<b>Current cost profit &amp; loss and financial indicators</b>				
<b>1</b>	Turnover	£m	614	657	651
<b>2</b>	Operating costs	£m	227	263	242
<b>3</b>	Capital charges	£m	215	182	191
<b>4</b>	Operating profit	£m	173	211	218
<b>5</b>	Regulatory capital value-year end	£m	3,522	3,757	3,819
<b>6</b>	Pre tax return on regulatory capital value	%	4.9	5.7	5.7

Table A9PD

		Contribution to annual average household bill in 2014-15	Net present value of costs arising from investment proposals in 2010-15	Net present value of benefits arising from investment proposals in 2010-15	Capital expenditure proposed for 2010-15 [AMP5]	Operating expenditure in 2014-15
		£/year	£m	£m	£m	£m/year
Line description	Units					
<b>A</b>	<b>Water Service</b>					
1	The total plan for the water service 2010-2015	16	765	880	688	4
2	Investment proposals demonstrated to be cost-beneficial	3	147	816	154	1
3	Investment proposals shown to be non-cost-beneficial	13	618	64	535	3
4	Investment proposals not assessed	0	0	0	0	0
5						
<b>B</b>	<b>Sewerage Service</b>					
6	The total plan for the sewerage service 2010-2015	13	688	775	667	-1
7	Investment proposals demonstrated to be cost-beneficial	4	173	687	264	-1
8	Investment proposals shown to be non-cost-beneficial	8	513	88	401	1
9	Investment proposals not assessed	0	2	0	2	0
10						

Table A10