

# Schedule of Wholesale Charges

1 April 2020 to 31 March 2021



BRISTOL  
WATER

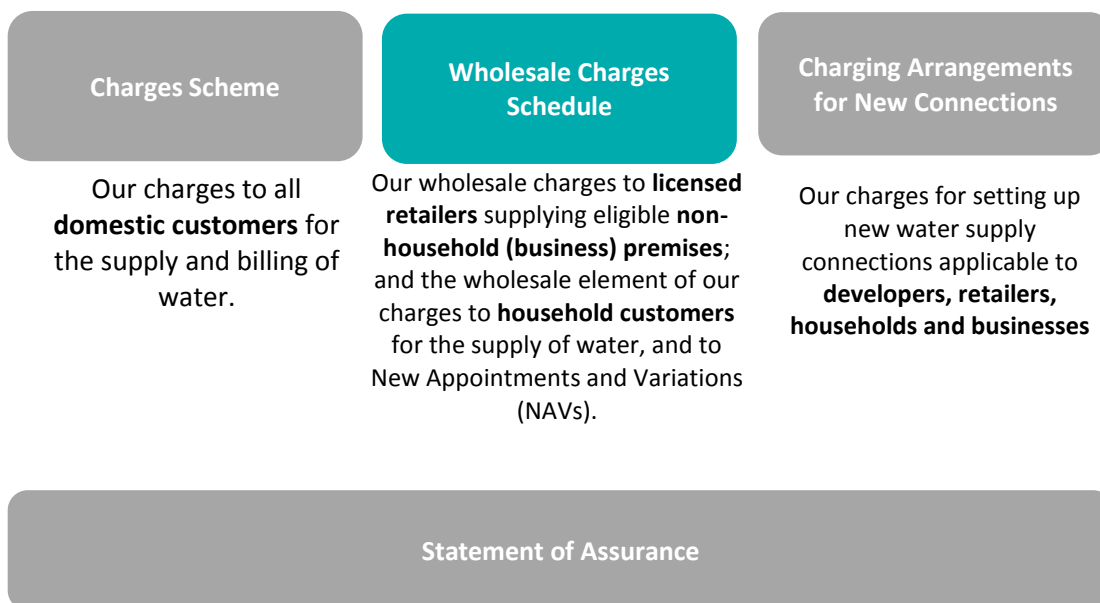
It's what we're made of.

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## 1 Introduction

### Annual Charges Publications



#### Charges Scheme

Our charges to all **domestic customers** for the supply and billing of water.

#### Wholesale Charges Schedule

Our wholesale charges to **licensed retailers** supplying eligible **non-household (business) premises**; and the wholesale element of our charges to **household customers** for the supply of water, and to New Appointments and Variations (NAVs).

#### Charging Arrangements for New Connections

Our charges for setting up new water supply connections applicable to **developers, retailers, households and businesses**

#### Statement of Assurance

A statement of assurance provided by the Bristol Water plc. Board that our Charges Scheme, Wholesale Charges Schedule and Charging Arrangements for New Connection Service are compliant with the Ofwat charging rules.

## 2 General Information

- 2.1 Ofwat’s PR19 Final Determination set separate controls for wholesale and household retail activities. The charges presented in this schedule represent tariffs for **wholesale** activities only. The wholesale revenue control includes revenues for all wholesale activities to both households and non-households, as well as developer services activities. Combined wholesale and retail tariffs for customers not eligible for business retail competition (“household customers”) are shown in the Bristol Water Charges Scheme document.
- 2.2 The wholesale charges stated in this document are payable by retailers, end user prices will be set by the retailer. Bristol Water exited the business retail market with effect from April 2017. Specific tariffs in this document cover charges to New Appointments & Variations (NAVs)
- 2.3 Bristol Water provides water to customers within the area of supply shown in Appendix One.
- 2.4 Bristol Water household customers are billed by Pelican (a trading name of BWBSL), a company jointly owned by Bristol Water and Wessex Water,

which is also responsible for billing Wessex Water customers for water and sewerage services.

- 2.5 All non-household customers are able to choose their retail service provider. Details of retailers currently operating in the non-household market can be found at <https://www.open-water.org.uk/for-customers/find-a-retailer/>.
- 2.6 All wholesale charges will be subject to VAT where appropriate and are stated net of VAT in this document.
- 2.7 Payment terms are set out in Schedule 3 of your Wholesale agreement for Wholesale services. All charges are payable in accordance with our agreement with you, where applicable. Failure to pay on time will result in recovery action and you may need to pay additional costs because of this.
- 2.8 Bristol Water offers Retailers two forms of payment, in line with the standard market code terms;
  - Post Payment which requires credit terms such as a 3<sup>rd</sup> party guarantee, a letter of credit, a Surety Bond or Cash
  - Pre-payment

Retailers who opt to post-pay their NHH charges have to post collateral with us. The collateral represents 50 days supply. We also plan to provide from 1 April 2020 an Alternative Credit support allowance for post payment Retailers. For Retailers whose collateral requirement is less than £10,000 will no longer need to provide us with any collateral, subject to the retailer being able to demonstrate a good payment history with us. The terms, and the agreements with individual retailers who choose this option, will be available on our website.

### 3 Unmeasured Water – Household Customers

- 3.1 The charges listed in this section represent the wholesale element of the bill applicable to unmeasured household customers. Household customers are also subject to a retail charge. Details of the combined tariffs payable by customers are available in our Charges Scheme document, published on 1<sup>st</sup> February.
- 3.2 Standing Charge per annum: **£10.48**
- 3.3 Charge per pound of Rateable Value: **£1.0503**
- 3.4 Caravans - Caravans are charged the standing charge plus 75% of the standard RV charge. For 2020-21 the charge per pound of rateable value for caravans is: 78.77p
- 3.5 Vacant Properties – Unfurnished unmeasured vacant properties are not charged.
- 3.6 If an unfurnished unmetered property is undergoing refurbishment or renovation, unmetered charges are legally payable. The customer may however switch to a metered charge, by having a water meter installed. Where there is evidence of low water usage during the works, we may agree to charge only 50% of the unmetered charges due, on a pro rate basis for the period of refurbishment or renovation. The customer or the person carrying out the works must notify the Company and request this reduction in the charges. If a property is being used for storage, it will be considered occupied with charges made against the owner of the premises.
- 3.7 If a property is unoccupied due to the customer being hospitalised or residing in care charges will not normally apply. The customer or their representative should contact their retailer at the earliest possible opportunity to inform them of this situation.
- 3.8 Following the death of the sole occupier of a property, charges will not normally apply (from the date of death). The deceased's executors should contact their retailer at the earliest possible opportunity to inform them of these circumstances.
- 3.9 Sprinkler Charges - An unmeasured customer using a sprinkler or other automatic garden-watering device will be charged an annual fee of £50. The Company reserves the right to selectively meter customers using sprinklers or other automatic garden-watering devices.

## 4 Measured Water - Household Customers

- 4.1 The charges listed in this section represent the wholesale element of the bill applicable to unmeasured household customers. Household customers are also subject to a retail charge. Details of the combined tariffs payable by customers are available in our Charges Scheme document, published on 1<sup>st</sup> February.
- 4.2 Standing Charge: **£11.98** per annum
- 4.3 Volumetric Charge per cubic metre of water: **£1.2669**
- 4.4 Assessed Charges – Where it is not possible to fit a meter and the customer does not wish to remain on Rateable Value charging, an assessed charge will be levied. This will consist of the Standing Charge as set out in para 4.2 above plus a charge per bedroom of:
- First Bedroom: £67.90
  - Each Additional Bedroom: £46.00
- 4.5 Customers in sheltered accommodation may be eligible for a discounted level of assessed charge – see page 12 for details.
- 4.6 Where an assessed charge property is occupied by one person we will not charge for additional bedrooms. Customers must contact Pelican to inform us of their eligibility for this discount. Proof of single-occupancy may be required.
- 4.7 Leakage allowances may be given, according to the terms set out in the latest version of our leakage allowance leaflet.
- 4.8 Vacant Properties – Measured vacant properties are not charged, however meter readings will still be taken and if any consumption is recorded normal charges will apply.
- 4.9 Premises that are undergoing refurbishment or being used for storage will be considered occupied, with charges made to the owners of the premises
- 4.10 If a property is unoccupied due to the customer being hospitalised or residing in care charges will not normally apply. The customer or their representative should contact their retailer at the earliest possible opportunity to inform them of this situation.
- 4.11 Following the death of the sole occupier of a property, charges will not normally apply (from the date of death). The deceased's executors should contact their retailer at the earliest possible opportunity to inform them of these circumstances.

## 5 Measured Water - Non-Household Customers

- 5.1 These charges are for the wholesale services provided by Bristol Water. Charges for retail services provided by retailers will be added to the tariffs payable by customers. Details of these tariffs are available from your Retailer.
- 5.2 Non-Domestic charges are grouped into bands based on annual consumption. These tariffs are detailed in the table below.

Band	Forecast annual use in cubic metres	Fixed annual charges £	Volume charges (£ per cubic metre)
A	to 500,000	23733.00	0.9213
B	to 250,000	9443.00	0.9794
C	to 100,000	4054.00	1.0350
D	to 50,000	1836.00	1.0897
E	to 15,000	37.96	1.2298
F	to 5,000	11.03	1.2476
G	Under 1,000	5.09	1.2638

- 5.3 Assessed Charges - Where water is not used by the customer in a production process a banded charge will be levied. Bands will consist of up to 5 employees. The first band is charged at £53.07 subsequent bands are charged at £38.15. In addition a standing charge of £5.09 will be made.
- 5.4 Where water is used by the customer as part of a production process, we will undertake a site survey during which evidence of process consumption must be provided by the applicant. We will then make an individual assessment.
- 5.5 Leakage allowances may be given, according to the terms set out in the latest version of our leakage allowance policy.
- 5.6 Vacant properties – Normal charges apply to vacant measured agricultural properties. We do not charge for other vacant measured non-household properties. A vacant property is one where the previous occupant has notified us or via their retailer to this fact, and the property remains unoccupied by the previous occupant and no new occupier is in place.
- 5.7 Where meter readings record consumption, then normal charges will apply where an occupier of the premises is identified. These meter readings will have been recorded by the relevant retailer through the MOSL central settlement system, and in the case where there is no occupant the retailer should reflect this through the normal market processes.

## 6 Unmeasured Water – Non-Household Customers

- 6.1 These charges are for the wholesale services provided by Bristol Water. Charges for retail services provided by retailers will be added to the tariffs payable by customers. Details of these tariffs are available from your retailer.
- 6.2 Standing Charge per annum £10.48
- 6.3 Charge per £RV 1.0503
- 6.4 Trough Charges - Field troughs unless metered, fixed standpipes and similar devices will be charged at: £298.00 per annum.
- 6.5 Vacant Properties – Unfurnished unmeasured vacant properties are not charged.
- 6.6 If an unfurnished unmetered property is undergoing refurbishment or renovation, unmetered charges are legally payable. The customer may however switch to a metered charge, by having a water meter installed. Where there is evidence of low water usage during the works, we may agree to charge only 50% of the unmetered charges due, on a pro rate basis for the period of refurbishment or renovation. The customer or the person carrying out the works must notify the retailer and request this reduction in the charges. If a property is being used for storage, it will be considered occupied with charges made against the owner of the premises.



## 7 Special Agreement Tariffs

- 7.1 Bristol Water is currently engaged in special agreements with a small number of customers, where discounted water supplies are provided, normally in exchange for historic access arrangements.
- 7.2 Each agreement is subject to separate terms and conditions relating to the end user tariff, but for the purpose of wholesale charges we have simplified these into six special agreement tariffs.
- 7.3 Each tariff may comprise some or all of:
- a fixed charge per customer per year,
  - a volumetric charge per cubic meter,
  - an allowance of water for which no charge is made; or
  - an allowance of water to be charged at a discounted rate
- 7.4 Our wholesale special agreement charges for 2020/21 are:

Special Agreement Tariff Short Code	Fixed Annual Charge 2020-21 (£)	Volume Charge 2020-21 (£/m <sup>3</sup> )	First Block Charge (£/m <sup>3</sup> )	First Block Volume (m <sup>3</sup> )
SA1	0.00	1.1848	0.0200	273
SA2	0.00	0.7806	n/a	n/a
SA3	0.00	0.00	n/a	n/a
SA4	3087.50	0.00	n/a	n/a
SA5	11.03	1.2476	n/a	n/a
SA6	5.09	0.6950	n/a	n/a

- 7.5 We also have a small number of customers who receive free supplies of potable or non-potable water. These are designated as Band Z.

## 8 Non-Potable Supplies

- 8.1 Where a customer's circumstances do not require water to be treated to normal standards, we may be able to offer a non-potable supply, if this is technically possible.
- 8.2 Any application for a non-potable supply should be made to Bristol Water to assess the technical feasibility.
- 8.3 Non-potable supplies are charged at the following rates. Customers anticipating to use more than 50,000m<sup>3</sup> should contact the Company for a specific tariff based on the site.

Band	Forecast annual use in cubic metres	Fixed annual charges £	Volume charges (£ per cubic metre)
A	to 500,000	on application	on application
B	to 250,000	on application	on application
C	to 100,000	on application	on application
D	to 50,000	1836	1.0025
E	to 15,000	37.96	1.1315
F	to 5,000	11.03	1.1478
G	Under 1,000	5.09	1.1627

## 9 Methods of Charging

### 9.1 Household Unmeasured Charges

- a) Customers on unmeasured charges are charged a standing charge, and a variable charge calculated by the Rateable Value (RV) of their property. Unmeasured customers may choose to switch to Measured Charges.
- b) Notional Rateable Value - Where unmeasured properties have been structurally altered then we will use a 'notional rateable value' that is based on comparable households or similar properties of the same type. These may be used on a temporary basis or as a permanent charge depending on circumstances. This may also apply where the property has been substantially altered so that the loading units have increased by 25%. (A standard property has a loading unit of 24 through such items as taps and other water fittings). These charges are detailed in the table below:

Property Type	No. of Bedrooms	Notional RV £	Property Type	No. of Bedrooms	Notional RV £
Bedsit	1	80	Semi detached	1	230
Flat/ Maisonette	1	110		2	260
	2	140		3	290
	3	170		4*	320
	4*	200	Detached	1	290
Terrace	1	170		2	320
	2	200		3	350
	3	230		4*	380
	4*	260			
Temporary caravan charge		95			

\*note: Add £30 Notional RV for each additional bedroom.

- c) Where none of these applies, a fixed annual fee of £239 will be used.

### 9.3 Household Measured Charges

- a) Customers on measured charges are charged a standing charge, and a variable charge based on their water consumption, which is measured by a water meter fitted by Bristol Water.
- b) Retailers are responsible for reading customer meters.
- c) If a customer believes that the consumption recorded on their bill is incorrect they may contact their retailer who will investigate. A guide to the normal consumption of a household can be found on the Bristol Water website

[www.bristolwater.co.uk](http://www.bristolwater.co.uk) and in the “Now you’ve turned on to water metering” leaflet provided to new measured customers.

- d) The retailer may request that the meter is tested to check its accuracy. The cost of this to the retailer is £70, plus VAT. If the meter is found to have been recording inaccurately the cost of the meter testing will not be payable.

#### 9.4 Household Assessed Charges

- a) Where a household customer has requested to be charged on a measured basis, but it is not possible to install a water meter at their property, the customer may be offered an assessed charge, based on the number of bedrooms in their property.
- b) Where customers live in sheltered accommodation with communal laundry facilities, we may discount the bedroom-related portion of the assessed charge by 15%. Please contact Pelican for more details of this discount.

## 10 Switching to Measured Charges

- 10.1 Household customers who are charged on an unmeasured basis have the option to switch to a measured charge, by having a water meter installed. The cost of the meter installation is normally free to domestic customers.
- 10.2 Bristol Water operates a change of occupier metering policy, whereby the Company may install a meter at a customer's property. When there is a change of occupier at that property, measured charges may commence.
- 10.3 Household customers who wish to switch to a measured charge should contact Pelican.
- 10.4 Non-Household customers who wish to switch to a measured charge should contact their retailer.

## 11 Non- Primary Services and Charges for Retailers

- 11.1 Our non-primary charges to Retailers are set out in this section.
- 11.2 If the work related to the non-primary services is completed outside of the agreed code service level, unless this is outside of our control, then any non primary charge will not be passed on to the Retailer.
- 11.3 Verification or confirmation of a supply - At a retailer's request we will carry out supply route, leakage and/or high consumption checks. For a meter confirmation or supply route check where our data is found to be incorrect then no charge will apply.

Product/Service	Charge Basis	Wholesale Charge
Single person site visit during Standard Hours (services and/or meter details are as specified)	Fixed Price	£71
Single person site visit outside Standard Hours (services and/or meter details are as specified)	Fixed Price	£95
Additional resource (irrespective of time) when services and/or meter details are as specified	Fixed Price	£71

- 11.4 Water Regulations Breach/Inspections - following a Water Regulations Breach or Inspection, we will carry out follow up visits. If the work to rectify the breach or infringements has not been successfully started or completed, then an abortive charge will apply (up to a maximum of 3).
- 11.5 At a retailer's request we will also provide Water Regulations advice/Information.

Product/Service	Charge Basis	Wholesale Charge
Bristol Water's Water Regulation aborted visit	Fixed Price	£75
Repeat Inspection during Standard Hours	Fixed Price	£75
Repeat Inspection outside Standard Hours	Fixed Price	£101
Additional resource (irrespective of time)	Fixed Price	£75
Advice/Information on Water Regulations	Fixed Price	£75

- 11.6 Temporary Disconnections of a Supply - At a retailer's request we will carry out a temporary disconnection to their customer's supply.

Product/Service	Charge Basis	Wholesale Charge
Standard disconnection during Standard Hours where no pipework modifications or excavation is required	Fixed Price	£83
Standard disconnection outside Standard Hours where no pipework modifications or excavation is required (non payment)	Fixed Price	£126

Product/Service	Charge Basis	Wholesale Charge
Standard disconnection outside Standard Hours where no pipework modifications or excavation is required (water regs breach/illegal use)	Fixed Price	£134
Non-standard disconnection where excavation or pipework modifications are required (water regulations breach/illegal use)	Quotation	Quote
Standard disconnection during Standard Hours where no pipework modifications or excavation is required (retailer request)	Fixed Price	£80.00
Standard disconnection outside Standard Hours where no pipework modifications or excavation is required (retailer request)	Fixed Price	£105.00
Non-standard disconnection where excavation or pipework modifications are required (retailer request)	Quotation	Quote

11.7 Permanent Disconnection of a Supply for non-payment - At a retailer's request we will carry out a permanent disconnection to their customers supply. Where the permanent disconnection is for non-payment, we may request that the retailer or their representative will also be on-site during this work.

Product/Service	Charge Basis	Wholesale Charge
Survey during Standard Hours	Fixed Price	£71
Survey outside Standard Hours	Fixed Price	£95
Survey requiring additional resources	Fixed Price	£71
Permanent disconnection	Quotation	Quote

11.8 Permanent Disconnect of a Supply following a Customer request – At a Customer's request via their retailer, we will carry out a survey and a permanent disconnection of the supply.

Product/Service	Charge Basis	Wholesale Charge
Survey charge if disconnection cancelled at customers request	Fixed Price	£71
Permanent disconnection (Customer Request)	Fixed Price	£0

11.9 Reconnection of a Supply at a retailer's request following a temporary disconnection only.

Product/Service	Charge Basis	Wholesale Charge
Standard reconnection during Standard Hours where no pipework modifications or excavation is required	Fixed Price	£71
Standard reconnection outside Standard Hours where no pipework modifications or excavation is required	Fixed Price	£95

quired		
Non-standard reconnection where excavation or pipework modifications are required	Quotation	Quote

### 11.10 Metering

At a retailers request we will carry out the following metering activities, where the meter belongs to BW. Bristol Water will be participating in an Accredited Entity Contribution scheme. This contribution relates to work undertaken under the following Non-Household Market Process only – B6: Repair or replacement of a faulty Meter performed by an Accredited Entity. Details of contributions will be published on our website and Retail portal.

Bristol Water has signed up to recognise the Lloyds Register WIRSAE Retail Market Accredited Entity Scheme. Accredited Entities are 3rd parties who have demonstrated a sufficient level of competence to complete works, in this instance meter changes, under the Lloyds Register scheme. Bristol Water would therefore encourage Retailers to use WIRSAE Accredited Entities (AE) to carry out damaged meter changes within existing chambers to reduce cost and improve efficiency.

To encourage the use of an AE instead of Bristol Water to carry out this work, we are proposing to offer Retailers a contribution payment towards this work. Bristol Water would also make the meter available to the AE as part of this contribution via our Barrow Logistics store. We propose a contribution payment of £25 plus the meter.

Bristol Water would also look to enhance any payment under the B5 market process if we could not meet the Market SLA ourselves. We would propose this to be set at £40.

Product/Service	Charge Basis	Wholesale Charge
Survey during Standard Hours	Fixed Price	£73
Survey outside Standard Hours	Fixed Price	£99
Survey requiring additional resource	Fixed Price	£73
Exchanging a meter standard in existing chamber with minimal pipework modification (concentric in stop tap box)	Fixed Price	£141
Exchanging a meter - non-standard, where excavation or pipework and/or chamber modifications are required	Quotation	Quote
Exchanging a meter standard in existing chamber with minimal pipework modification (Inline up to 25mm)	Fixed Price	£217
Exchanging a meter standard in existing chamber with minimal pipework modification (Inline up to 40mm)	Fixed Price	£449
Exchanging a meter standard in existing chamber with minimal pipework modification (RF concentric in stoptap box)	Fixed Price	£162



Product/Service	Charge Basis	Wholesale Charge
Install a meter standard in existing chamber with minimal pipework modification (concentric in stoptap box)	Fixed Price	£162
Meter option installation	Quotation	Quote
Meter option installation Survey during Standard Hours	Fixed Price	£79
Meter option installation Survey outside Standard Hours	Fixed Price	£99
Meter Accuracy Test 15mm to 20mm Concentric meter, where the meter is found to be recording within the limits set out in the Measuring Equipment (Cold Water Meter) Regulations 1988	Fixed Price	£174
Meter Accuracy Test in-line Meters, where the meter is found to be recording within the limits set out in the Measuring Equipment (Cold Water Meter) Regulations 1988	Quotation	Quote

11.11 Water Quality Advice – on request we will provide water quality advice, for a fixed price of £67. Information on water quality can be obtained via the “in your area” section of our website

11.12 Accredited Entity Assistance – Bristol Water recognises the WIRSAE scheme, if we are requested by the retailer we will assist an accredited entity in carrying out their work. Please refer to our website for the scopes recognised.

Product/Service	Charge Basis	Wholesale Charge
Visit during Standard Hours	Fixed Price	£71
Visit outside Standard Hours	Fixed Price	£95

11.13 Leakage repair follow up visit (following the issuing of a 14 day or 7 day leakage waste of water notice) – if we have been advised by the retailer that a private leak has been repaired and our follow up visit shows the leak to still be running, then the abortive charge of £71 will apply (and for any further visits until the leak is repaired).

11.14 Abortive Visit or Missed Appointment - Where the retailer or their customer misses an appointment they have made with us, then a charge of £71 will apply.

11.15 Damage to Apparatus – Any damage to Bristol Water apparatus will be charged at cost. The cost recovered will be dependent on the equipment damaged and will be calculated as the total cost of the repair or replacement plus company overhead and margin.

11.16 Meter Reading – Bristol Water does not carry out any meter reading activities. Our household and non-market meters are presently read by Pelican Business

Services. Should you wish to enquire about Pelican Business Services' meter reading services, please contact them directly on 0345 600 3600 or visit their website <https://www.pelican.co.uk/meter-reading-terms-and-conditions/>

11.17 No charge will be made by Bristol Water to provide data from our existing operational loggers where this is accessible and available. Please refer to our Data logger policy in advance of any request.

11.18 We do not provide replacement of lead service pipes or the provision and maintenance of fire hydrant services to water supply licensees. Charges to retailers to us are made under section 9 of Business Terms in the Market Code.

#### 11.19 Gap Site and Vacant Site Schemes

Bristol Water will be participating in both the Retail Wholesale Group (RWG) Gap Site and Vacant incentive schemes for 2020/21. Details and terms of the scheme will be published on our website and Retail portal.

Bristol Water proposes to sign up via MOSL to the 'Water Services only gap site incentive scheme' from October 2020. This scheme offers a financial incentive to retailers in relation to gap sites that are identified by them. A gap site is an eligible NHH premise (occupied or not), as per Ofwat's guidance, that is presently not in the Central Market Operating System (CMOS).

Bristol Water proposes to offer a single fixed rate payment of £100 for successful identification of a gap site. The qualifying Retailer applying for the incentive must already be entered into a "Wholesale Contract" with Bristol Water to apply under this scheme. The Retailer will claim the incentive from Bristol Water following the successful registration of the gap site into the NHH market.

Bristol Water proposes to sign up via MOSL to the 'vacant premises incentive scheme' from October 2020. This scheme offers a financial incentive to Retailers to identify premises which are occupied but are registered as vacant in the CMOS.

Bristol Water proposes to offer a single fixed rate payment of £100 for retailers already registered to the premise and £100 for retailers not registered to the premise.

As part of the scheme, we will be required to publish details of all vacant Incentive applications. This will be published on our web site and portal. The Retailer must already be entered into a "Wholesale Contract" with Bristol Water to apply and the application is made via the existing H7 process in the Code.

Both the gap site and vacant incentive scheme set out the eligibility criteria, the application processes, covers duplicate and erroneous applications, payment terms and the dispute process. NB this does not include new connections and gap sites registered in the last 12 months. MOSL's Code Panel will provide Governance for the Scheme.

## 12 Bulk Supply Charges for New Appointment and Variations (NAVs)

12.1 In 2019/20 we developed a tariff that will provides New Appointment and Variations (NAV) Licence holders with a method through which to calculate the wholesale bulk supply charges that are due to them. Our NAV tariff applies to new NAV sites after 1 April 2019, but is also an option for existing NAV sites to agree to transition to at their option. This tariff has been updated for 2020/21 in line with our wholesale charges.

12.2 In line with the May 2018 Ofwat guidance, the tariff operates based on the characteristics on the NAV sites. It then makes deductions for:

- Our average operating and maintenance costs of local distribution networks
- A depreciation allowance, for the on-site infrastructure cost with an average asset life of 80 years. This has been calculated based on a typical site based on the schedule of costs set out in our charging arrangements for new connections document.
- A return on the assets operated by a NAV. Based on Ofwat's final determination for PR19, we have used an updated calculation for the WACC for a NAV of 4.74% to 3.87%. This uses a CPIH / RPI weighting consistent with the PR19 final determination.

	PR19 Final Determination	Bulk Supply
Cost of debt	1.33%	1.33%
Gearing	60%	50%
Asset beta	0.36	0.45
Equity beta	0.71	0.9
Cost of equity (post tax)	3.46%	4.78%
WACC (vanilla)	2.18%	3.06%
WACC (fully pre-tax)	2.46%	<b>3.45%</b>
Weighted 56.8% CPIH, 43.2% RPI stripped	2.89%	<b>3.87%</b>

12.3 The calculation of operating and maintenance costs has used average treated water distribution costs from our Annual Performance Report table 4D. We apply 72% of £28.6m annual operating cost to distribution as opposed to trunk mains, and then assume 6m of on-site main per property, using the same calculation as we use for the construction cost per property shown below. Based on mains length this applies 50.5% of operating cost to local distribution on-site. Using distribution input volumes (to take account of leakage) this calculates as 6.9p/m<sup>3</sup> discount.

- 12.4 Based on a schedule of rates for a 500 property development that would be typical for a NAV site we calculated a cost per property of £1,256. Using an 80 year life this calculates a maintenance cost of 12.7p/m<sup>3</sup> per annum.
- 12.5 For the rate of return we took into account that 50% of the site cost would relate to customer service pipes and also our 85% income offset, which will be paid to NAVs through a deduction to bulk charges (infrastructure charges from 1 April 2020). This amounted at 3.87% WACC and a value per property of £239, with an average volume usage per property of 83.3m<sup>3</sup> we calculated a return discount of 8.4p.m<sup>3</sup>. The structure for the NAV tariff, compared to the standard wholesale tariff for each customer type can be seen in the table below.
- 12.6 The actual bulk supply charge tariff for the NAV will be calculated using a formula, based on the number of properties on the NAV site in each customer category. An assumed volume of use would be calculated based on the property type on the NAV site in order to apply the formula. The NAV will provide consumption information for each non-household property, with the remaining volume applied at the household rate. This will be based on the total volume recorded at the bulk meter, as an allowance for leakage are included in the cost of wholesale charges being discounted.
- 12.7 If the NAV does not wish to provide access to non-household property consumption data, then the property would be billed at the household tariff rate. However, this information should be available through the non-household central market system as the end customer has a choice of retail supplier (they may choose a different retailer from the NAV).
- 12.8 As our standard wholesale charges for each tariff already reflect some of the level of discount that applies to a household or low using Band G non-household, the level of discount for other non-household tariff bands is reduced. The fixed amount is reduced where this is reflected in the non-household tariff band. In Band A all of the discount is applied to the fixed charges, reflecting that these customers are likely to have connected directly to a major main and already be responsible for their on-site infrastructure. Other bands therefore show a mixture of fixed and variable tariff discounts as we apply the standard “per household tariff” discount from our standard wholesale charges to reflect that the NAV is responsible for construction, operations and maintenance of the assets for the site they serve.
- 12.9 Where a NAV site has characteristics that are different from our standard calculation, we will consider whether an alternative calculation, based on our standard approach, provides a better calculation of bulk supply charges based on our formula set out in the table below.

Bristol Water Wholesale Charges Schedule 2020-21

Tariff Band	Customer consumption (m3 p.a.)	Fixed amount, p.a. £	Standard rate wholesale tariff £ per m3	On going costs - discount £/m3	Depreciation - discount £/m3	Return - discount £/m3	NAV tariff £/m3
A	<500000	11.03	0.9213	0.0000	0.0000	0.0000	<b>0.9213</b>
B	<250000	11.03	0.9794	-0.0028	-0.0052	-0.0035	<b>0.9678</b>
C	<100000	11.03	1.0350	-0.0149	-0.0275	-0.0182	<b>0.9745</b>
D	<50000	11.03	1.0897	-0.0274	-0.0505	-0.0335	<b>0.9783</b>
E	<15000	11.03	1.2298	-0.0609	-0.1125	-0.0745	<b>0.9820</b>
F	<5000	11.03	1.2476	-0.0651	-0.1201	-0.0796	<b>0.9828</b>
G	<1000	5.09	1.2638	-0.0685	-0.1265	-0.0838	<b>0.9850</b>
Household		11.98	1.2669	-0.0685	-0.1265	-0.0838	<b>0.9881</b>

## 13 Contact Details

### **Bristol Water Wholesale Services (For Retailer enquiries and service requests):**

Address: Bridgwater Road, Bristol, BS13 7AT  
Tel: 03456041495 (Retailer line only)  
Website: [www.bristolwater.co.uk/your-business/wholesale-information/](http://www.bristolwater.co.uk/your-business/wholesale-information/)  
Email: [wholesale.desk@bristolwater.co.uk](mailto:wholesale.desk@bristolwater.co.uk)

### **Pelican (For billing enquiries for household customers):**

Address: 1, Clevedon Walk, Nailsea, Bristol BS48 1WA  
Tel: 0345 600 3600 (Monday – Friday, 8am to 6pm)  
Website: [www.bristolwater.co.uk/your-home/billing-and-payments/](http://www.bristolwater.co.uk/your-home/billing-and-payments/)  
Email: [customer.services@bwbsl.co.uk](mailto:customer.services@bwbsl.co.uk)

### **Bristol Water (For operational enquires):**

Address: Bridgwater Road, Bristol, BS13 7AT  
Tel: 0345 702 3797 (Emergency Service only between 6pm and 8am)  
Website: [www.bristolwater.co.uk](http://www.bristolwater.co.uk)  
Email: [customer.services@bristolwater.co.uk](mailto:customer.services@bristolwater.co.uk)

### **Consumer Council for Water:**

*This independent committee aims to protect customers' interests and investigate customer complaints free of charge.*

Address:  
Consumer Council for Water, C/O 1st Floor, Victoria Square House, Victoria Square,  
Birmingham, B2 4AJ  
Tel: 0300 034 2222 (8.30-17.00 Mon-Fri)  
Email: [enquires@ccwater.org.uk](mailto:enquires@ccwater.org.uk)  
Website: [www.ccwater.org.uk](http://www.ccwater.org.uk)  
Email: [enquires@ccwater.org.uk](mailto:enquires@ccwater.org.uk)

### **Water Services Regulation Authority (Ofwat)**

Address: Centre City Tower, 7 Hill Street, Birmingham, B5 4UA  
Tel: 0121 644 7500  
Email: [mailbox@ofwat.gov.uk](mailto:mailbox@ofwat.gov.uk)  
Website: [www.ofwat.gov.uk](http://www.ofwat.gov.uk)

## Appendix One – Bristol Water Area of Supply

