



South Staffs Water

incorporating



Statement of final wholesale water
charges and charges scheme
2020-2021

South Staffs Water
(incorporating Cambridge Water)



South Staffs Water and Cambridge Water Wholesale

Charges Scheme

As a result of the changes made in the 2014 Water Act, business customers are able to switch their supplier and incumbent water companies have a requirement to publish their wholesale charges.

Wholesale charges are the charges that retailers have to pay wholesalers for the provision of wholesale water services and so the tariffs set out in this document exclude the retail costs of providing water to the end customer.

This charges scheme sets out our wholesale charges to provide water to a retailer. All charges are effective from 1 April 2020 to 31 March 2021, unless otherwise stated.

Retailers should read these charges in conjunction with the terms set out in their wholesale contract for wholesale services.

Alongside this document, the Company has published a list of non-primary charges that would be payable by a water supply or sewerage licensee. This is available on our website at the link below:

<https://www.south-staffs-water.co.uk/publications/your-charges>

This document also sets out the wholesale charges for customers on special agreements who are eligible to switch to a retailer. If any interested party wishes to discuss these agreements then please e-mail wholesaleservices@south-staffs-water.co.uk

The non-household charges outlined below do not apply to vacant measured non-household properties. However, if meter readings record consumption at the property, normal charges will apply. Unmeasured vacant properties are also not charged.

South Staffordshire Water PLC

Board Approval of Wholesale Charges for 2020-21

Assurance Statement

In approving the charges for 2020-21, the Directors confirm that they comply with the following provisions. This statement also sets out how the Board has assured itself of each provision.

1. The Company complies with its legal obligations (including competition law) relating to the wholesale charges published.

The water industry is subject to UK and EU competition law.

In order to ensure compliance, the Company has adhered to the Wholesale charging rules as set out by Ofwat in its Instrument of Appointment so that no undue preference or discrimination has been shown to any class of customer. Clear principles have been applied in setting tariffs such that customers pay the same amount for the same service. This includes:

- Household and non-household tariffs being the same, except for any large user discount that could be justified;
- The difference between metered and unmetered charges only representing the additional metering charges;
- The historic differential between South Staffs and Cambridge region is being broadly maintained at the same value;
- The metered fixed charge should only be based on the cost of the meter (including installation) with all other wholesale activities being charged based on the volume of water used.

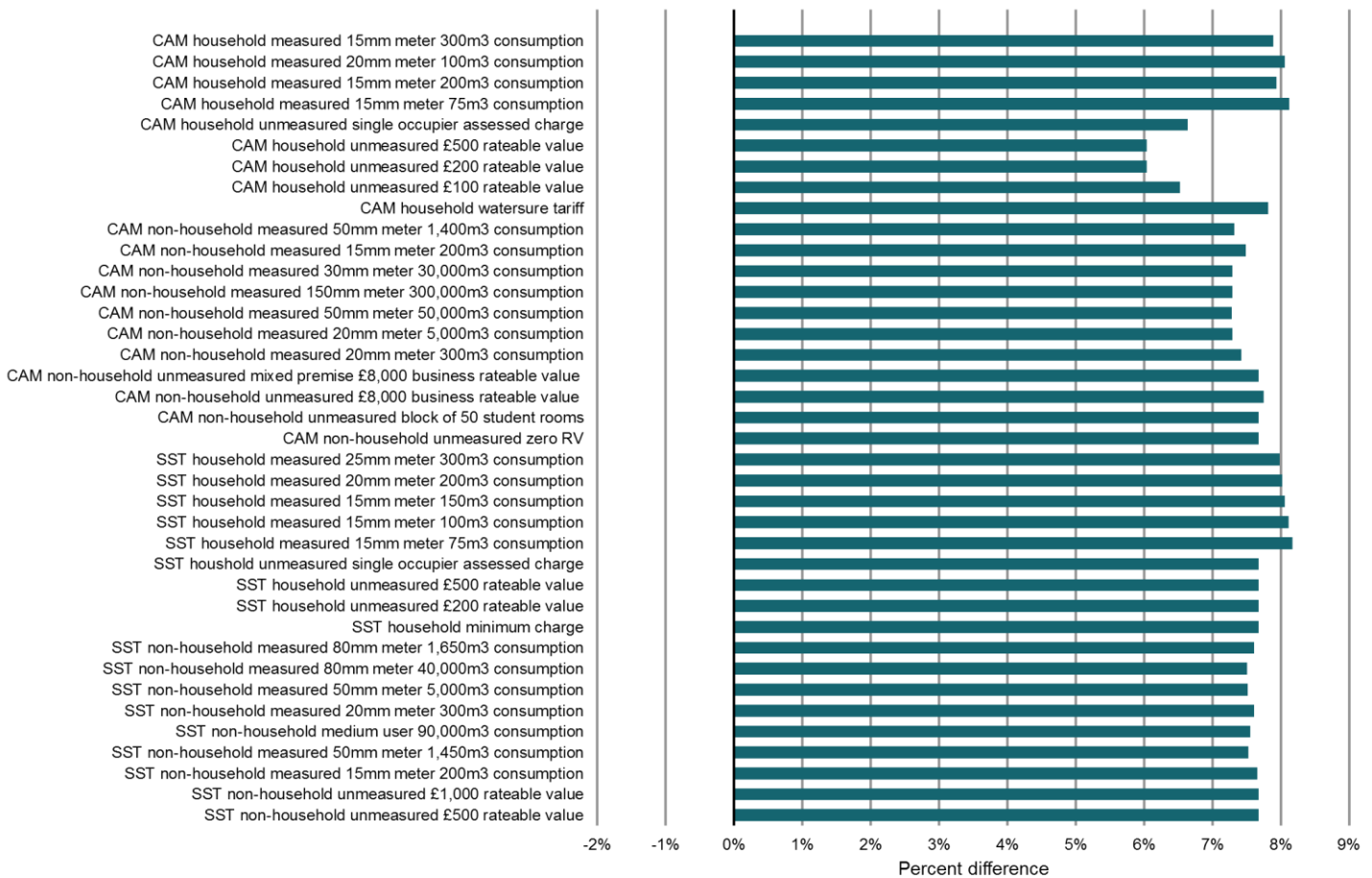
2. The Board has assessed the effects of the new charges on water supply licensees (as a whole or in groups) who are retailing wholesale services and on customers occupying Eligible Premises (as a whole or in groups) and approves the impact assessments and handling strategies developed in instances where bill increases for licensees (as a whole or in groups) who are retailing wholesale services and on customers occupying Eligible Premises (as a whole or in groups) exceed 5%.

When setting our indicative charges in September it was subject to change as a result of the Final Determination not being published until December.

Ofwat have allowed more wholesale revenue in the Final Determination and also reprofiled bills over the 2020-25 period which brings forward more revenue into 2020-21. This has resulted in bill increases above 5%.

Below is a sample of 38 different customers on different tariffs to show the impact and the results are set out graphically below:

Incidence effects on selected customers - Wholesale bill



3. The Company has appropriate systems and processes in place (including up-to-date models and data) to make sure that the information published about its wholesale charges is accurate.

Internally the majority of information is sourced from the PR19 Final Determination data and from established reports from the Company’s billing systems. The exception to this is where metered household customer numbers and consumption used for 2020-21 has been based on the latest actual 2019-20 data.

The individuals involved at both Echo and the Water Company have been with the Company for a number of years and are familiar with the processes and information sources. In addition, although external assurance is not required, the Group's internal audit function has been used to give independent assurance on the data used. This approach is reviewed annually.

Finally, the Company has continued to use the services of Frontier Economics to produce a tariffs model to aid the setting of compliant charges.

- 4. Where final Wholesale Charges are significantly different from the Indicative charges published for the same period, the Board has considered the reasons why those changes occurred and has issued a statement explaining why those changes were not anticipated and/or mitigated.**

The Company confirms that the changes to the final wholesale charges compared to the indicative charges are predominantly as a result of the Final Determination published in December 2019 being different to that assumed when indicative charges were set.

In our indicative charges published in September, we expected licensee or customer to have a bill increase of around 4%. As a result of the changes outlined above, we now expect wholesale bills to increase by an average of 7% and with a range of between 6% and 8%.

- 5. The Company has consulted with relevant stakeholders in a timely and effective manner on its wholesale charges schemes.**

A statement setting out the proposed Wholesale charges was circulated to all Retailers supplied by the Company in September 2019. This also highlighted the uncertainty around the impact of the Final Determination.

The Final Determination was not published until the 16 December, limiting the amount of time to consider such strategies and the ability to engage extensively with licensees on the above changes. However, licensees will be contacted to make them aware of the increases.

Approved by the Board of Directors on 13 January 2020 and signed on its behalf.



Phil Newland
Managing Director
South Staffordshire Water PLC

Schedule for wholesale water supply - Measured - SST Household

Standard charges

Measured water					
Standing charges	£ per meter per annum				
<15mm	21.82				
15mm	21.82				
16-19mm	21.82				
20mm	21.82				
21mm	21.82				
22mm	21.82				
23-24mm	21.82				
25mm	21.82				
26-28mm	21.82				
29-30mm	21.82				
31-35mm	21.82				
36-40mm	21.82				
41-42mm	21.82				
43-49mm	21.82				
50mm	21.82				
51-54mm	119.57				
55-64mm	119.57				
65mm	119.57				
66-79mm	119.57				
80mm	119.57				
81-99mm	129.65				
100mm	129.65				
101-199mm	163.04				
Volumetric charges per m ³ – fixed band	Apr	May	Jun-Aug	Sep	Oct-Mar
Up to 0.5 MI pa	1.0697	1.0697	1.0697	1.0697	1.0697
0.5-1 MI pa	1.0697	1.0697	1.0697	1.0697	1.0697
1-3 MI pa	1.0697	1.0697	1.0697	1.0697	1.0697
3-5 MI pa	1.0697	1.0697	1.0697	1.0697	1.0697
5-10MI pa	1.0697	1.0697	1.0697	1.0697	1.0697
10-15MI pa	1.0697	1.0697	1.0697	1.0697	1.0697
15-20MI pa	1.0697	1.0697	1.0697	1.0697	1.0697
20-25 MI pa	1.0697	1.0697	1.0697	1.0697	1.0697
25-50 MI pa	1.0697	1.0697	1.0697	1.0697	1.0697

Schedule for wholesale water supply - Measured - SST Non Household

Standard charges

Measured water	
Standing charges	£ per meter per annum
<15mm	21.82
15mm	21.82
16-19mm	21.82
20mm	21.82
21mm	21.82
22mm	21.82
23-24mm	21.82
25mm	21.82
26-28mm	21.82
29-30mm	21.82
31-35mm	21.82
36-40mm	21.82
41-42mm	21.82
43-49mm	21.82
50mm	21.82
51-54mm	119.57
55-64mm	119.57
65mm	119.57
66-79mm	119.57
80mm	119.57
81-99mm	129.65
100mm	129.65
101-199mm	163.04
200mm	163.04
201mm and above	2926.16
Other applicable fixed charges	
50-100 Ml pa	2172.51

The below table relates to forecast annual usage - it is not a rising block tariff

Volumetric charges per m ³ – fixed band	Apr	May	Jun-Aug	Sep	Oct-Mar
Up to 0.5 Ml pa	1.0697	1.0697	1.0697	1.0697	1.0697
0.5-1 Ml pa	1.0697	1.0697	1.0697	1.0697	1.0697
1-3 Ml pa	1.0697	1.0697	1.0697	1.0697	1.0697
3-5 Ml pa	1.0697	1.0697	1.0697	1.0697	1.0697
5-10Ml pa	1.0697	1.0697	1.0697	1.0697	1.0697
10-15Ml pa	1.0697	1.0697	1.0697	1.0697	1.0697
15-20Ml pa	1.0697	1.0697	1.0697	1.0697	1.0697
20-25 Ml pa	1.0697	1.0697	1.0697	1.0697	1.0697
25-50 Ml pa	1.0697	1.0697	1.0697	1.0697	1.0697
50-100 Ml pa	1.0108	1.0108	1.0108	1.0108	1.0108

Other applicable fixed charges (reservation tariff) – reservation fee	Apr-Sep	Oct-Mar
0.3Ml peak monthly demand	31957.97	21304.36
0.4Ml peak monthly demand	34354.89	22904.22
0.5Ml peak monthly demand	36752.77	24501.20
0.6Ml peak monthly demand	39147.77	26100.11
0.7Ml peak monthly demand	41546.61	27696.14
0.8Ml peak monthly demand	43943.53	29294.10
0.9Ml peak monthly demand	46339.49	30893.95
1.0Ml peak monthly demand	50453.00	33636.30
Each additional 0.1Ml peak monthly demand	4205.38	2802.62

Volumetric charges per m ³ (reservation tariff)	Within reservation volume	In excess of reservation volume
Up to 350Ml pa	0.4844	1.3601
Over 350Ml pa	0.4674	1.3794

Schedule for measured wholesale water supply – Unmeasured - SST

Unmeasured water	
Standing / fixed charge	£ Per annum
Minimum charge	67.43
Assessed (Detached)	229.16
Assessed description (Semi-Detached)	181.04
Assessed description (Other)	129.47
Assessed description (Single Occupier)	78.09
Variable	
RV < £1,001	0.6861
RV £1,001 - £5,000	0.6861
RV £5,001 - £50,000	0.6861
RV >£50,000	0.6861
Other	
Swimming pool <90m3 capacity	77.91
Swimming pool 90+m3 capacity	77.91

Schedule for measured wholesale water supply – Unmeasured - SST Non Household

Unmeasured water	
Standing / fixed charge	£ Per annum
Minimum charge	67.43
Assessed (Detached)	229.16
Assessed description (Semi-Detached)	181.04
Assessed description (Other)	129.47
Assessed description (Single Occupier)	78.09
Places of Worship	67.43
Garden Taps/Taps at Allotments	67.43
Swimming pool <90m3 capacity	77.91
Cattle Troughs	96.74
Variable	£ Per annum
RV min< £1,001	0.6861
RV £1,001 - £5,000	0.6861
RV £5,001 - £50,000	0.6861
RV >£50,000	0.6861

Schedule for wholesale water supply - Measured - CAM Household

Standard charges

Standing charges	£ per meter per annum
<15mm	21.82
15mm	21.82
16-19mm	21.82
20mm	21.82
21mm	21.82
22mm	21.82
23-24mm	21.82
25mm	21.82
26-28mm	21.82
29-30mm	21.82
31-35mm	21.82
36-40mm	21.82
41-42mm	21.82
43-49mm	21.82
50mm	21.82
51-54mm	119.57
55-64mm	119.57
65mm	119.57
66-79mm	119.57
80mm	119.57
81-99mm	129.65
100mm	129.65

The below table relates to forecast annual usage - it is not a rising block tariff

Volumetric charges per m ³ - fixed band	Apr	May	Jun-Aug	Sep	Oct-Mar
Up to 0.5 MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
0.5-1 MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
1-3 MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
3-5 MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
5-10MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
10-15MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
15-20MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
20-25 MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
25-50 MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
Volumetric charges per m ³ - fixed band (Eddington Non-Potable Water)	Apr	May	Jun-Aug	Sep	Oct-Mar
Up to 0.5 MI pa	0.7758	0.7758	0.7758	0.7758	0.7758

Schedule for wholesale water supply – Unmeasured - CAM Household

Unmeasured water	
Standing / fixed charge	£ Per annum
Minimum charge	24.59
RV min< £1,001	24.59
RV £1,001 - £5,000	24.59
RV £5,001 - £50,000	24.59
RV >£50,000	24.59
Variable	
RV < £1,001	0.5228
RV £1,001 - £5,000	0.5228
RV £5,001 - £50,000	0.5228
RV >£50,000	0.5228
Assessed (Detached)	162.43
Assessed (Semi-Detached)	135.93
Assessed (Other)	77.95
Other	
1 Tap	51.71

Schedule for wholesale water supply - Measured - CAM Non Household

Standard charges

Measured water	
Standing charges	£ per meter per annum
<15mm	21.82
15mm	21.82
16-19mm	21.82
20mm	21.82
21mm	21.82
22mm	21.82
23-24mm	21.82
25mm	21.82
26-28mm	21.82
29-30mm	21.82
31-35mm	21.82
36-40mm	21.82
41-42mm	21.82
43-49mm	21.82
50mm	21.82
51-54mm	119.57
55-64mm	119.57
65mm	119.57
66-79mm	119.57
80mm	119.57
81-99mm	129.65
100mm	129.65
101-199mm	163.04
200mm	163.04
80mm inferential	119.57
>100m inferential	163.04

The below table relates to forecast annual usage - it is not a rising block tariff

Volumetric charges per m ³ – fixed band	Apr	May	Jun-Aug	Sep	Oct-Mar
Up to 0.5 MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
0.5-1 MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
1-3 MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
3-5 MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
5-10MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
10-15MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
15-20MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
20-25 MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
25-50 MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
50-100 MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
100-150 MI pa	0.8619	0.8619	0.8619	0.8619	0.8619
150-175 MI pa	0.6812	0.6812	0.6812	0.6812	0.6812
175-180 MI pa	0.6812	0.6812	0.6812	0.6812	0.6812
180-250MI pa	0.6812	0.6812	0.6812	0.6812	0.6812
250-500 MI pa	0.6812	0.6812	0.6812	0.6812	0.6812
500-750 MI pa	0.6812	0.6812	0.6812	0.6812	0.6812
750-1,000 MI pa	0.6812	0.6812	0.6812	0.6812	0.6812
1,000-2,500 MI pa	0.6812	0.6812	0.6812	0.6812	0.6812
2,500 - 3,000 MI pa	0.6812	0.6812	0.6812	0.6812	0.6812
Over 3,000 MI pa	0.6812	0.6812	0.6812	0.6812	0.6812
Volumetric charges per m³ – fixed band (Non-Potable Water)	Apr	May	Jun-Aug	Sep	Oct-Mar
Up to 0.5 MI pa	0.7758	0.7758	0.7758	0.7758	0.7758

Schedule for wholesale water supply – Unmeasured - CAM Non Household

Unmeasured water	
Standing / fixed charge	£ Per annum
Minimum charge	23.16
RV min < £1,001	23.16
RV £1,001 - £5,000	23.16
RV £5,001 - £50,000	23.16
RV >£50,000	23.16
No / Zero RV	21.61
Licence charge (mixed properties)	102.57
Variable	
RV < £1,001	0.0505
RV £1,001 - £5,000	0.0505
RV £5,001 - £50,000	0.0505
RV >£50,000	0.0505
Other	
Student Rooms	92.1803

Special Agreements

Code (Defined)	Comment	Allowance (m3)	Applicable Wholesale volumetric Rate	Number of Customers
AW001	Fixed Volume Allowance	24	1.0697	1
AW002	Fixed Volume Allowance	40	1.0697	2
AW003	Fixed Volume Allowance	56	1.0697	5
AW004	Fixed Volume Allowance	60	1.0697	8
AW005	Fixed Volume Allowance	64	1.0697	1
AW006	Fixed Volume Allowance	68	1.0697	3
AW007	Fixed Volume Allowance	70	1.0697	1
AW008	Fixed Volume Allowance	72	1.0697	3
AW009	Fixed Volume Allowance	76	1.0697	4
AW010	Fixed Volume Allowance	84	1.0697	1
AW011	Fixed Volume Allowance	88	1.0697	3
AW012	Fixed Volume Allowance	92	1.0697	2
AW013	Fixed Volume Allowance	94	1.0697	1
AW014	Fixed Volume Allowance	96	1.0108	1
AW015	Fixed Volume Allowance	96	1.0697	4
AW016	Fixed Volume Allowance	100	1.0697	2
AW017	Fixed Volume Allowance	101	1.0697	1
AW018	Fixed Volume Allowance	104	1.0697	1
AW019	Fixed Volume Allowance	108	1.0697	2
AW020	Fixed Volume Allowance	112	1.0697	1
AW021	Fixed Volume Allowance	120	1.0697	4
AW022	Fixed Volume Allowance	128	1.0697	2
AW023	Fixed Volume Allowance	132	1.0697	1
AW024	Fixed Volume Allowance	140	1.0697	2
AW025	Fixed Volume Allowance	141	1.0697	1
AW026	Fixed Volume Allowance	144	1.0697	3
AW027	Fixed Volume Allowance	146	1.0697	1
AW028	Fixed Volume Allowance	148	1.0697	1
AW029	Fixed Volume Allowance	152	1.0697	1
AW030	Fixed Volume Allowance	158	1.0697	1
AW031	Fixed Volume Allowance	160	1.0697	1
AW032	Fixed Volume Allowance	164	1.0697	2
AW033	Fixed Volume Allowance	176	1.0697	2
AW034	Fixed Volume Allowance	180	1.0697	2
AW035	Fixed Volume Allowance	184	1.0697	1
AW036	Fixed Volume Allowance	192	1.0697	1
AW037	Fixed Volume Allowance	196	1.0697	2
AW038	Fixed Volume Allowance	200	1.0697	2
AW039	Fixed Volume Allowance	208	1.0697	1
AW040	Fixed Volume Allowance	216	1.0697	1
AW041	Fixed Volume Allowance	220	1.0697	1
AW043	Fixed Volume Allowance	233	1.0697	1
AW044	Fixed Volume Allowance	236	1.0697	1
AW045	Fixed Volume Allowance	240	1.0697	1
AW046	Fixed Volume Allowance	244	1.0697	1
AW047	Fixed Volume Allowance	248	1.0697	1
AW048	Fixed Volume Allowance	250	1.0697	1
AW049	Fixed Volume Allowance	256	1.0697	2
AW050	Fixed Volume Allowance	264	1.0697	1
AW051	Fixed Volume Allowance	276	1.0697	1
AW052	Fixed Volume Allowance	288	1.0697	1
AW053	Fixed Volume Allowance	296	1.0697	1
AW054	Fixed Volume Allowance	328	1.0697	1
AW056	Fixed Volume Allowance	348	1.0697	1
AW057	Fixed Volume Allowance	350	1.0697	1
AW058	Fixed Volume Allowance	368	1.0697	2
AW059	Fixed Volume Allowance	372	1.0697	1
AW060	Fixed Volume Allowance	376	1.0697	1
AW061	Fixed Volume Allowance	392	1.0697	1
AW062	Fixed Volume Allowance	434	1.0697	1
AW063	Fixed Volume Allowance	436	1.0697	1
AW064	Fixed Volume Allowance	440	1.0697	1
AW065	Fixed Volume Allowance	444	1.0697	1
AW066	Fixed Volume Allowance	452	1.0697	1
AW067	Fixed Volume Allowance	500	1.0697	1
AW068	Fixed Volume Allowance	528	1.0697	2
AW069	Fixed Volume Allowance	544	1.0697	1
AW070	Fixed Volume Allowance	612	1.0697	2
AW071	Fixed Volume Allowance	660	1.0697	1
AW074	Fixed Volume Allowance	905	1.0697	1
AW075	Fixed Volume Allowance	956	1.0697	1
AW077	Fixed Volume Allowance	1164	1.0697	1
AW078	Fixed Volume Allowance	1364	1.0697	1
AW080	Fixed Volume Allowance	1816	1.0697	2
AW081	Fixed Volume Allowance	5508	1.0697	3
AW082	Fixed Volume Allowance	232	1.0697	1
AW083	Fixed Volume Allowance	344	1.0697	1
AW084	Fixed Volume Allowance	792	1.0697	1
AW085	Fixed Volume Allowance	836	1.0697	1
AW086	Fixed Volume Allowance	1088	1.0697	1
AW087	Fixed Volume Allowance	1536	1.0697	1
AW088	Percentage Volume Allowance	2%	1.0697	1