



South Staffs Water

incorporating



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

South Staffs Water
(incorporating Cambridge Water)



October 2019

South Staffs Water and Cambridge Water Indicative Wholesale Charges Scheme

Since April 2017, eligible business customers have been able to switch their retail supplier. The tariffs set out in this document form the wholesale part of the total end user charge and as such exclude the retail costs of providing water to the end customer.

In order to allow retailers sufficient time to develop their retail pricing proposals ahead of the beginning of the charging year, companies also have to publish indicative wholesale charges three months before final charges are published and these are contained within this document. Final wholesale charges will be published in January 2020 and will be updated using the latest information available including the November 2019 CPIH.

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

We have based the indicative wholesale charges on the revenues from our response to Ofwat's Draft Determination. As the Final Determination is not published until the 11 December, these charges are subject to more uncertainty than usual. Final charges will be published by the 10 January 2020.

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

This document also sets out the indicative 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 indicative 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.

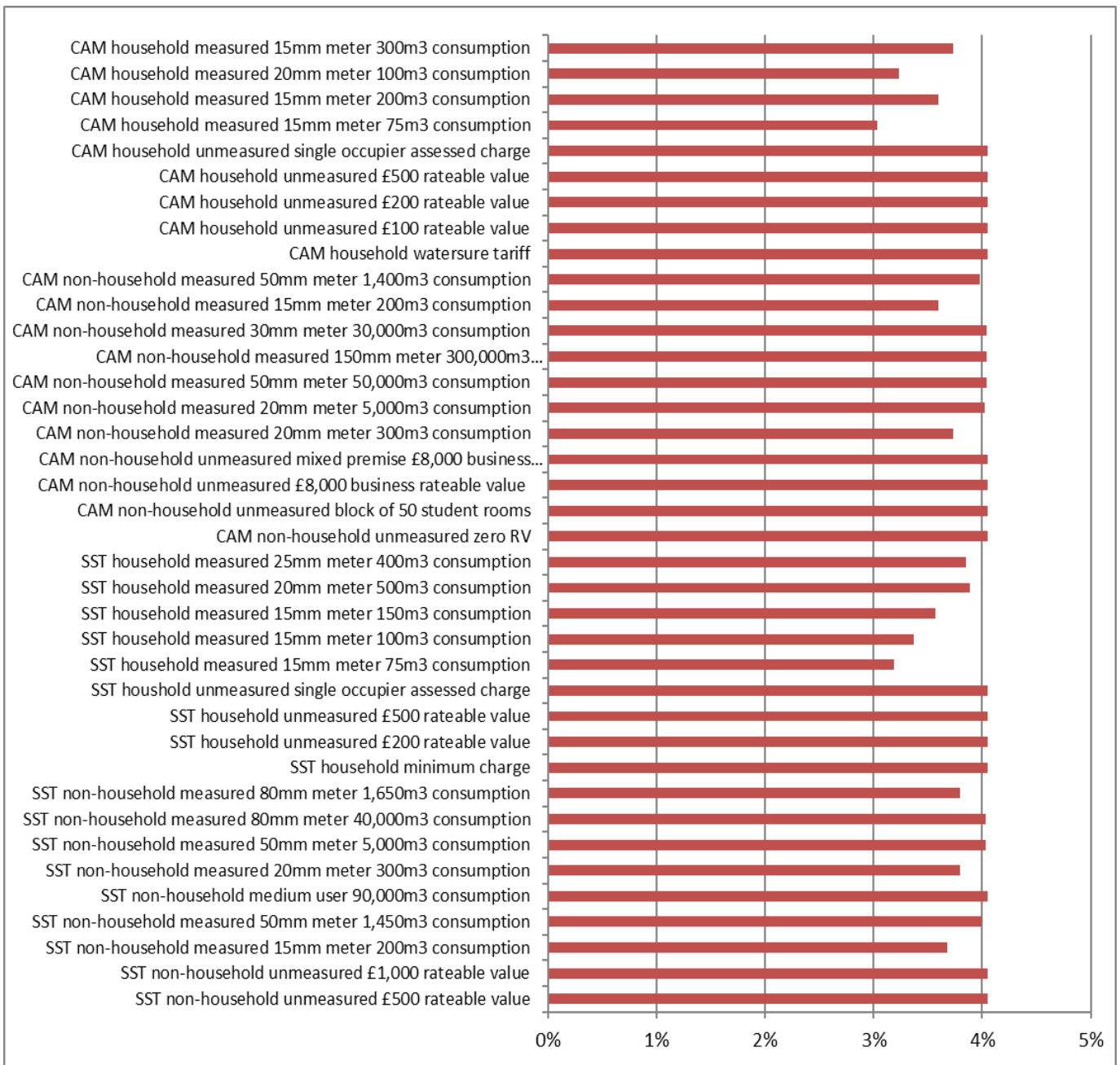
In order to ensure compliance, the Company has adhered to the Wholesale charging rules as set out by Ofwat in its Instrument of Appointment so that no undue preference or discrimination has been shown to any class of customer. Clear principles have been applied in setting tariffs such that customers pay the same amount for the same service, resulting in household and non-household tariffs being the same, except for any large user discount that could be justified, measured and unmeasured differentials represented by additional metering costs, and the historic differential between South Staffs and Cambridge regions being maintained.

The Company has fully achieved these principles.

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%.

No customer type will experience a bill increase of greater than 5% although individual customers may experience an increase greater than 5% depending on their own characteristics. A sample of 38 different

customers on different tariffs has been chosen to ensure this compliance and the results are set out graphically below:



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.

We have based the indicative wholesale charges on the revenues from our response to Ofwat’s Draft Determination. As the Final Determination is not published until the 11 December, these charges are subject to more uncertainty than usual. Final charges will be published by the 10 January 2020.

We have also used information from established reports from the Company's billing system.

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 Company'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. 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 confirmed that the structure of Wholesale charges will not change and that no retailer will see an increase in wholesale charges greater than 5%.

The indicative wholesale charges have also been discussed with CCWater.

Approved by the Board of Directors on 26 September 2019 and signed on its behalf.

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

**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	20.00				
15mm	20.00				
16-19mm	20.00				
20mm	20.00				
21mm	20.00				
22mm	20.00				
23-24mm	20.00				
25mm	20.00				
26-28mm	20.00				
29-30mm	20.00				
31-35mm	20.00				
36-40mm	20.00				
41-42mm	20.00				
43-49mm	20.00				
50mm	20.00				
51-54mm	20.00				
55-64mm	109.58				
65mm	109.58				
66-79mm	109.58				
80mm	109.58				
Volumetric charges per m ³ – fixed band	Apr	May	Jun-Aug	Sep	Oct-Mar
Up to 0.5 MI pa	1.0314	1.0314	1.0314	1.0314	1.0314
0.5-1 MI pa	1.0314	1.0314	1.0314	1.0314	1.0314
1-3 MI pa	1.0314	1.0314	1.0314	1.0314	1.0314
3-5 MI pa	1.0314	1.0314	1.0314	1.0314	1.0314
5-10MI pa	1.0314	1.0314	1.0314	1.0314	1.0314
10-15MI pa	1.0314	1.0314	1.0314	1.0314	1.0314
15-20MI pa	1.0314	1.0314	1.0314	1.0314	1.0314
20-25 MI pa	1.0314	1.0314	1.0314	1.0314	1.0314
25-50 MI pa	1.0314	1.0314	1.0314	1.0314	1.0314

Schedule for wholesale water supply - Measured - SST Non Household

Standard charges

Measured water	
Standing charges	£ per meter per annum
<15mm	20.00
15mm	20.00
16-19mm	20.00
20mm	20.00
21mm	20.00
22mm	20.00
23-24mm	20.00
25mm	20.00
26-28mm	20.00
29-30mm	20.00
31-35mm	20.00
36-40mm	20.00
41-42mm	20.00
43-49mm	20.00
50mm	20.00
51-54mm	20.00
55-64mm	109.58
65mm	109.58
66-79mm	109.58
80mm	109.58
81-99mm	118.81
100mm	118.81
101-199mm	149.41
200mm	149.41
201mm and above	2681.60
Other applicable fixed charges	
50-100 MI pa	2064.47

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	1.0314	1.0314	1.0314	1.0314	1.0314
0.5-1 MI pa	1.0314	1.0314	1.0314	1.0314	1.0314
1-3 MI pa	1.0314	1.0314	1.0314	1.0314	1.0314
3-5 MI pa	1.0314	1.0314	1.0314	1.0314	1.0314
5-10MI pa	1.0314	1.0314	1.0314	1.0314	1.0314
10-15MI pa	1.0314	1.0314	1.0314	1.0314	1.0314
15-20MI pa	1.0314	1.0314	1.0314	1.0314	1.0314
20-25 MI pa	1.0314	1.0314	1.0314	1.0314	1.0314
25-50 MI pa	1.0314	1.0314	1.0314	1.0314	1.0314
50-100 MI pa	0.9744	0.9744	0.9744	0.9744	0.9744

Other applicable fixed charges (reservation tariff) – reservation fee	Apr-Sep	Oct-Mar
0.3MI peak monthly demand	30517.33	20343.98
0.4MI peak monthly demand	32806.21	21871.72
0.5MI peak monthly demand	35095.99	23396.71
0.6MI peak monthly demand	37383.03	24923.55
0.7MI peak monthly demand	39673.73	26447.63
0.8MI peak monthly demand	41962.60	27973.55
0.9MI peak monthly demand	44250.55	29501.28
1.0MI peak monthly demand	48178.63	32120.01
Each additional 0.1MI peak monthly demand	4015.80	2676.28
Volumetric charges per m ³ (reservation tariff)	Within reservation volume	In excess of reservation volume
Up to 350MI pa	0.4649	1.3054
Over 350MI pa	0.4484	1.3236

Schedule for measured wholesale water supply – Unmeasured - SST

Unmeasured water	
Standing / fixed charge	£ Per annum
Minimum charge	65.15
Assessed (Detached)	221.43
Assessed description (Semi-Detached)	174.94
Assessed description (Other)	125.11
Assessed description (Single Occupier)	77.06
Variable	
RV < £1,001	0.6630
RV £1,001 - £5,000	0.6630
RV £5,001 - £50,000	0.6630
RV >£50,000	0.6630
Other	
Swimming pool <90m3 capacity	75.29
Swimming pool 90+m3 capacity	75.29

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

Unmeasured water	
Standing / fixed charge	£ Per annum
Minimum charge	65.15
Assessed (Detached)	221.43
Assessed description (Semi-Detached)	174.94
Assessed description (Other)	125.11
Assessed description (Single Occupier)	77.06
Places of Worship	65.15
Garden Taps/Taps at Allotments	65.15
Swimming pool <90m3 capacity	75.29
Cattle Troughs	89.99
Variable	£ Per annum
RV min< £1,001	0.6630
RV £1,001 - £5,000	0.6630
RV £5,001 - £50,000	0.6630
RV >£50,000	0.6630

Schedule for wholesale water supply - Measured - CAM Household

Standard charges

Standing charges	£ per meter per annum
<15mm	20.00
15mm	20.00
16-19mm	20.00
20mm	20.00
21mm	20.00
22mm	20.00
23-24mm	20.00
25mm	20.00
26-28mm	20.00
29-30mm	20.00
31-35mm	20.00
36-40mm	20.00
41-42mm	20.00
43-49mm	20.00
50mm	20.00
51-54mm	109.58
55-64mm	109.58
65mm	109.58
66-79mm	109.58
80mm	109.58
81-99mm	118.81
100mm	118.81

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	0.8320	0.8320	0.8320	0.8320	0.8320
0.5-1 MI pa	0.8320	0.8320	0.8320	0.8320	0.8320
1-3 MI pa	0.8320	0.8320	0.8320	0.8320	0.8320
3-5 MI pa	0.8320	0.8320	0.8320	0.8320	0.8320
5-10MI pa	0.8320	0.8320	0.8320	0.8320	0.8320
10-15MI pa	0.8320	0.8320	0.8320	0.8320	0.8320
15-20MI pa	0.8320	0.8320	0.8320	0.8320	0.8320
20-25 MI pa	0.8320	0.8320	0.8320	0.8320	0.8320
25-50 MI pa	0.8320	0.8320	0.8320	0.8320	0.8320
Volumetric charges per m ³ – fixed band (Eddington Non-Potable Water)	Apr	May	Jun-Aug	Sep	Oct-Mar
Up to 0.5 MI pa	0.7488	0.7488	0.7488	0.7488	0.7488

Schedule for wholesale water supply - Measured - CAM Non Household

Standard charges

Measured water	
Standing charges	£ per meter per annum
<15mm	20.00
15mm	20.00
16-19mm	20.00
20mm	20.00
21mm	20.00
22mm	20.00
23-24mm	20.00
25mm	20.00
26-28mm	20.00
29-30mm	20.00
31-35mm	20.00
36-40mm	20.00
41-42mm	20.00
43-49mm	20.00
50mm	20.00
51-54mm	109.58
55-64mm	109.58
65mm	109.58
66-79mm	109.58
80mm	109.58
81-99mm	118.81
100mm	118.81
101-199mm	149.41
200mm	149.41
80mm inferential	109.58
>100m inferential	149.41

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	0.8320	0.8320	0.8320	0.8320	0.8320
0.5-1 MI pa	0.8320	0.8320	0.8320	0.8320	0.8320
1-3 MI pa	0.8320	0.8320	0.8320	0.8320	0.8320
3-5 MI pa	0.8320	0.8320	0.8320	0.8320	0.8320
5-10 MI pa	0.8320	0.8320	0.8320	0.8320	0.8320
10-15 MI pa	0.8320	0.8320	0.8320	0.8320	0.8320
15-20 MI pa	0.8320	0.8320	0.8320	0.8320	0.8320
20-25 MI pa	0.8320	0.8320	0.8320	0.8320	0.8320
25-50 MI pa	0.8320	0.8320	0.8320	0.8320	0.8320
50-100 MI pa	0.8320	0.8320	0.8320	0.8320	0.8320
100-150 MI pa	0.8320	0.8320	0.8320	0.8320	0.8320
150-175 MI pa	0.6543	0.6543	0.6543	0.6543	0.6543
175-180 MI pa	0.6543	0.6543	0.6543	0.6543	0.6543
180-250 MI pa	0.6543	0.6543	0.6543	0.6543	0.6543
250-500 MI pa	0.6543	0.6543	0.6543	0.6543	0.6543
500-750 MI pa	0.6543	0.6543	0.6543	0.6543	0.6543
750-1,000 MI pa	0.6543	0.6543	0.6543	0.6543	0.6543
1,000-2,500 MI pa	0.6543	0.6543	0.6543	0.6543	0.6543
2,500 - 3,000 MI pa	0.6543	0.6543	0.6543	0.6543	0.6543
Over 3,000 MI pa	0.6543	0.6543	0.6543	0.6543	0.6543
Volumetric charges per m ³ - fixed band (Non-Potable Water)	Apr	May	Jun-Aug	Sep	Oct-Mar
Up to 0.5 MI pa	0.7488	0.7488	0.7488	0.7488	0.7488

Schedule for wholesale water supply – Unmeasured - CAM Household

Unmeasured water	
Standing / fixed charge	£ Per annum
Minimum charge	23.45
RV min< £1,001	23.45
RV £1,001 - £5,000	23.45
RV £5,001 - £50,000	23.45
RV >£50,000	23.45
Variable	
RV < £1,001	0.5163
RV £1,001 - £5,000	0.5163
RV £5,001 - £50,000	0.5163
RV >£50,000	0.5163
Assessed (Detached)	157.41
Assessed (Semi-Detached)	131.96
Assessed (Other)	76.06
Other	
1 Tap	49.96

Schedule for wholesale water supply – Unmeasured - CAM Non Household

Unmeasured water	
Standing / fixed charge	£ Per annum
Minimum charge	22.08
RV min< £1,001	22.08
RV £1,001 - £5,000	22.08
RV £5,001 - £50,000	22.08
RV >£50,000	22.08
No / Zero RV	20.88
Licence charge (mixed properties)	99.12
Variable	
RV < £1,001	0.0488
RV £1,001 - £5,000	0.0488
RV £5,001 - £50,000	0.0488
RV >£50,000	0.0488
Other	
Student Rooms	89.07

Special Agreements

Code (Defined)	Comment	Allowance (m3)	Applicable Wholesale volumetric Rate	Number of Customers
AW001	Fixed Volume Allowance	24	1.0314	1
AW002	Fixed Volume Allowance	40	1.0314	2
AW003	Fixed Volume Allowance	58	1.0314	5
AW004	Fixed Volume Allowance	80	1.0314	8
AW005	Fixed Volume Allowance	84	1.0314	1
AW006	Fixed Volume Allowance	88	1.0314	3
AW007	Fixed Volume Allowance	70	1.0314	1
AW008	Fixed Volume Allowance	72	1.0314	3
AW009	Fixed Volume Allowance	78	1.0314	4
AW010	Fixed Volume Allowance	84	1.0314	1
AW011	Fixed Volume Allowance	88	1.0314	3
AW012	Fixed Volume Allowance	92	1.0314	2
AW013	Fixed Volume Allowance	94	1.0314	1
AW014	Fixed Volume Allowance	98	0.9744	1
AW015	Fixed Volume Allowance	98	1.0314	4
AW016	Fixed Volume Allowance	100	1.0314	2
AW017	Fixed Volume Allowance	101	1.0314	1
AW018	Fixed Volume Allowance	104	1.0314	1
AW019	Fixed Volume Allowance	108	1.0314	2
AW020	Fixed Volume Allowance	112	1.0314	1
AW021	Fixed Volume Allowance	120	1.0314	4
AW022	Fixed Volume Allowance	128	1.0314	2
AW023	Fixed Volume Allowance	132	1.0314	1
AW024	Fixed Volume Allowance	140	1.0314	2
AW025	Fixed Volume Allowance	141	1.0314	1
AW026	Fixed Volume Allowance	144	1.0314	3
AW027	Fixed Volume Allowance	148	1.0314	1
AW028	Fixed Volume Allowance	148	1.0314	1
AW029	Fixed Volume Allowance	152	1.0314	1
AW030	Fixed Volume Allowance	158	1.0314	1
AW031	Fixed Volume Allowance	180	1.0314	1
AW032	Fixed Volume Allowance	184	1.0314	2
AW033	Fixed Volume Allowance	178	1.0314	2
AW034	Fixed Volume Allowance	180	1.0314	2
AW035	Fixed Volume Allowance	184	1.0314	1
AW036	Fixed Volume Allowance	192	1.0314	1
AW037	Fixed Volume Allowance	198	1.0314	2
AW038	Fixed Volume Allowance	200	1.0314	2
AW039	Fixed Volume Allowance	208	1.0314	1
AW040	Fixed Volume Allowance	218	1.0314	1
AW041	Fixed Volume Allowance	220	1.0314	1
AW043	Fixed Volume Allowance	233	1.0314	1
AW044	Fixed Volume Allowance	238	1.0314	1
AW045	Fixed Volume Allowance	240	1.0314	1
AW046	Fixed Volume Allowance	244	1.0314	1
AW047	Fixed Volume Allowance	248	1.0314	1
AW048	Fixed Volume Allowance	250	1.0314	1
AW049	Fixed Volume Allowance	258	1.0314	2
AW050	Fixed Volume Allowance	284	1.0314	1
AW051	Fixed Volume Allowance	278	1.0314	1
AW052	Fixed Volume Allowance	288	1.0314	1
AW053	Fixed Volume Allowance	298	1.0314	1
AW054	Fixed Volume Allowance	328	1.0314	1
AW056	Fixed Volume Allowance	348	1.0314	1
AW057	Fixed Volume Allowance	350	1.0314	1
AW058	Fixed Volume Allowance	368	1.0314	2
AW059	Fixed Volume Allowance	372	1.0314	1
AW060	Fixed Volume Allowance	378	1.0314	1
AW061	Fixed Volume Allowance	392	1.0314	1
AW062	Fixed Volume Allowance	434	1.0314	1
AW063	Fixed Volume Allowance	438	1.0314	1
AW064	Fixed Volume Allowance	440	1.0314	1
AW065	Fixed Volume Allowance	444	1.0314	1
AW066	Fixed Volume Allowance	452	1.0314	1
AW067	Fixed Volume Allowance	500	1.0314	1
AW068	Fixed Volume Allowance	528	1.0314	2
AW069	Fixed Volume Allowance	544	1.0314	1
AW070	Fixed Volume Allowance	612	1.0314	2
AW071	Fixed Volume Allowance	680	1.0314	1
AW074	Fixed Volume Allowance	905	1.0314	1
AW075	Fixed Volume Allowance	958	1.0314	1
AW077	Fixed Volume Allowance	1184	1.0314	1
AW078	Fixed Volume Allowance	1384	1.0314	1
AW080	Fixed Volume Allowance	1818	1.0314	2
AW081	Fixed Volume Allowance	5608	1.0314	3
AW082	Fixed Volume Allowance	232	1.0314	1
AW083	Fixed Volume Allowance	344	1.0314	1
AW084	Fixed Volume Allowance	792	1.0314	1
AW085	Fixed Volume Allowance	838	1.0314	1
AW086	Fixed Volume Allowance	1088	1.0314	1
AW087	Fixed Volume Allowance	1538	1.0314	1
AW088	Percentage Volume Allowance	2%	1.0314	1