

Board Assurance Statement

Wholesale Tariff Document 2020/21

The Board has considered the Wholesale Tariff Document 2020/21 at meetings held on 5 December 2019 and 2 January 2020. The Board considered relevant supporting materials, including a report from Jacobs who had been engaged to provide external assurance, and also made appropriate enquiries of the Executive Team, in particular of the Strategy and Regulation Director.

Having made reasonable and relevant enquiries the Board is able to confirm that, to the best of our understanding, the charges contained in Dŵr Cymru's Wholesale Tariff Document are in compliance with the various legal obligations to which the company is subject under the Water Industry Act 1991 (as modified) and other relevant legislation, taken as a whole.

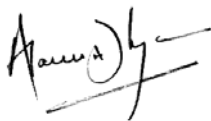
We can confirm that appropriate steps have been taken to ensure that the information on which the document is based is accurate within reasonable levels of tolerance. The document and the required additional information have been prepared by experienced staff using appropriate processes and internal systems of control and have accordingly been prepared to a standard that could be reasonably expected of a diligent undertaker.

Having regard to the '*Wholesale charging rules issued by the Water Services Regulation Authority under sections 66E and 117I of the Water Industry Act 1991*' published on 20 December 2018, we are of the opinion that our charges are consistent with these requirements, taking the wholesale charging rules as a whole.

The Board has been given relevant information on the effects the new charges have on customers occupying eligible premises and can confirm that there are no customers expected to be subject to bill increases exceeding 5%.

The Board has been given relevant information on the difference between the wholesale charges and the illustrative wholesale charges published in September 2019. The final charges are higher than the illustrative charges due to the difference between the Draft Determination (the basis for the indicative charges) and the Final Determination published by Ofwat on 16 December 2019.

The company has consulted CCWater and corresponded with retailers and other appointees operating in our area in a timely and effective manner in respect of the Wholesale Tariff Document.



Alastair Lyons
Chairman

On behalf of the Board
13 January 2020