

Statement of significant changes

Indicative Wholesale Tariffs 2020/21

In accordance with the information requirements of the "Wholesale charging rules issued by the Water Services Regulation Authority under sections 66E and 117I of the Water Industry Act 1991" issued on 20 December 2018 and the e-mail "Indicative wholesale charges" received from Ofwat on 14th June 2019 we make the following statement based on the information available at this time, recognizing that these indicative charges may be subject to greater uncertainty than usual due to the company not knowing the results of the price review process at the time of this publication:

Change to structures of wholesale charges

The Company is not proposing to make any significant changes to the structure of wholesale tariffs for 2020/21.

Effect on customers' wholesale bills of the indicative charges

No customer will see a significant increase in their bill, at a constant level of consumption, as a result of these indicative tariffs. The effect on a sample of customers is shown in the table below:

Illustrative bills – eligible sites

Large user Tariff	Consumption	Wholesale Charge 2019/20	Indicative Wholesale Charge 2020/21	Difference	
	m ³	£	£	£	%
Band 1 (50 - 99Mla) 51 sites					
Customer at band mid-point consumption	75,000	86,768	81,559	(5,210)	-6%
Band 2 (100 - 250 Mla) 31 sites					
Customer at band mid-point consumption	175,000	174,664	164,142	(10,522)	-6%
Band 3 (250 - 500 Mla) 11 sites					
Customer at band mid-point consumption	375,000	341,752	320,958	(20,794)	-6%
Band 4 (500 - 1,000 Mla) 6 sites					
Customer at band mid-point consumption	750,000	625,256	597,631	(27,626)	-4%
Band 5 (>1,000 Mla) 0 sites					
Indicative consumption	1,250,000	979,687	945,769	(33,919)	-4%
Raw >50 Mla 8 sites					
Average consumption	415,724	180,372	173,934	(6,438)	-4%
Partial >50 Mla 1 site					
Typical consumption	2,105,801	959,717	924,375	(35,342)	-4%

The assumed November CPIH is 1.6%