



Dŵr Cymru  
Welsh Water

# Indicative Wholesale Tariffs

2023-24

This version of the Dŵr Cymru Welsh Water Indicative Wholesale Tariff Document 2023/24 was first published in October 2022. This is in accordance with Ofwat guidance that indicative wholesale primary charges should be published at least three months before publishing the final wholesale charges.

The document provides indicative primary charges that are expected to be applicable to retail companies serving customers with an eligible site in Dŵr Cymru Welsh Water's operating area. The charges are based on the information available at this time, recognising that these indicative charges may be subject to greater uncertainty than usual due to possible impacts of Ofwat's in-period determinations and the pandemic between the time of this publication and the setting of the final charges.

Accordingly, the final charges to be published in January 2023 may be different due to underlying assumptions including the actual November CPIH. These indicative wholesale tariffs are based on the latest available forecast rate of CPIH which was 10.0%.

The period to which these charges would apply is 1 April 2023 to 31 March 2024.

This document sets out the relevant indicative wholesale charges with guidance on how the charges will be applied. For details of legal obligations, please see the Wholesale-Retail Code and the Wholesale Contract.

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## Definition of terms

In this Scheme, unless the context otherwise requires:

**'Act'** means the Water Industry Act 1991 and amendments thereto.

**'Company'** means Dŵr Cymru Cyfyngedig trading as Dŵr Cymru Welsh Water.

**'Connection'** means a connection regulated by the Act and other relevant legislation by virtue of which the customer receives the benefit of the Company's services.

**'Eligible site'** means any non-household customer site using more than 50 megalitres of water a year.

**'Non potable water'** means water not intended to meet the standards of wholesomeness set out in regulations made under the Water Industry Act 1991.

**'Non-primary charge'** means any Wholesale Charges which are not Primary Charges and to avoid doubt this includes all charges that relate to the provision of one off or discrete services performed pursuant to the Operational Terms or as otherwise set out in the Wholesale Tariff Document in relation to specific circumstances or events.

**'Potable water'** means water intended to meet the standards of wholesomeness set out in regulations made under the Water Industry Act 1991.

**'Primary charge(s)'** means all those charges in the Wholesale Tariff Document that relate to the supply of Water Services both on an enduring or temporary basis, and including:

- i. Fixed and volumetric charges and allowances;
- ii. Any other charges set out in the Wholesale Tariff Document in relation to specific circumstances or events.

But excluding:

- i. All charges that relate to the provision of one off or discrete services performed pursuant to the Operational Terms;
- ii. Together with all such charges calculated in relation to a special agreement by reference to the relevant special agreement factor(s).

**'Retailer'** means the holder of a Restricted Retail Authorisation, an authorisation described in paragraph 6 of schedule 2A of the Water Industry Act 1991 i.e. an authorisation to use the supply system of an Undertaker that is wholly or mainly in Wales for the purpose of enabling the Retailer to supply retail services to eligible sites that use 50 megalitres or more of water a year; or Dŵr Cymru's Business Customer Team.

**'SPID'** is the abbreviation for Supply Point Identifier (used to identify unique supply points in the Water Supply Licence Market).

**'Value Added Tax'** refers to value added tax chargeable under the Value Added Tax Act 1994 or any tax or duty in substitution therefore.

## 1. Introduction

This document has been produced to comply with Ofwat's Wholesale charging rules issued by the Water Services Regulation Authority under sections 66E and 117I of the Water Industry Act 1991 for Eligible sites.

In accordance with the information requirements in A3 of the wholesale charging rules, this document outlines indicative primary charges, those that typically involve meter based annual charges and/or volumetric charges. They would be applied to any section 66D agreement where a Retailer is a party to that agreement.

The scope of the contestable market for customers served by companies based wholly or mainly in Wales is limited to the provision of water services and covers commercial customers with an Eligible site. These customers are charged using our potable water industrial tariffs, non potable water industrial tariffs or special agreements.

### The Company supply area

The Company supplies water in the area shown on the map below.



## 2. How to contact us

### Telephone

0800 260 5053 (24 hours)

### Online

wholesale.dwrcymru.com

### Email

WholesaleServiceCentre@dwrcymru.com

### Post

Dŵr Cymru Welsh Water  
Wholesale Service Centre  
PO Box 3164  
Cardiff  
CF30 0FF

Our office hours for the receipt of correspondence are 8am to 6pm Monday to Friday (excluding bank holidays)

## 3. How to pay

### BACS payment

Sort code: 52-21-07

Account number: 01500007

### BACS from abroad

IBAN number:

GB51 NWBK 5221 0701 5000 07

BIC number: NWBK GB 21 22X

Please include your customer reference when making your payment.

## 4. Disputes

All disputes and differences arising out of, or in connection with the wholesale services provided to Retailers shall be dealt with and resolved in accordance with Section 17, 18 and 19 of the Business Terms and Schedule 9 of the Market Arrangements Code.

## 5. Value Added Tax

VAT will be added to water supply charges (including water for construction) to Retailers.

Where VAT is charged, it will be at the rate prevailing at the time the invoice is issued or at the time the advance payment is made.

## 6. Liability for charges

Invoices for Primary charges will be issued in accordance with Dŵr Cymru's Wholesale Billing Timetable.

### Primary charges

Each Retailer will be charged for the supply of Water Services to connected SPIDs that are registered to it when the services are provided. Charges for vacant properties will be levied in accordance with the Market Arrangement Code/Open Water Code.

Fixed charges are apportioned on a calendar day basis.

Water volumetric charges are based on the water used as measured by the meter in cubic metres unless the Company agree a volumetric adjustment for water used for firefighting or lost in leakage as detailed below:

### Water used for firefighting

All water used is chargeable except that used solely for firefighting or testing. Water used for fire tests and drills is chargeable unless 7 days written notice of use is given to the Company.

**Leakage allowances**

Allowances for water volumetric charges for non-household<sup>1</sup> sites will only be given where the leak was the responsibility of Dŵr Cymru.

Mixed use sites i.e. non-household premises combined with a household, for example, a University Campus with an accommodation block occupied as a permanent home, will be granted a water allowance on the household element of the bill only. The allowance for the household element will be calculated based on the annual consumption figures Dŵr Cymru uses to calculate our household assessed measured tariff as can be found in the Scheme of Charges.

Allowances must be applied for within six months of a leak being repaired.

No allowances will be given if the leak has been caused through the carelessness of the customer or someone acting on behalf of the customer.

**7. Other charging schedules**

The final wholesale water charges for Eligible sites will be published in January 2023, alongside:

**Scheme of Charges**

Water and sewerage charges for household and non-household customers.

**Schedule of Wholesale Charges**

Wholesale elements of Welsh Water's water and sewerage charges for information only.

**Developer Services Schedule of Charges**

Charges for new connections and other activities to support Developers.

1. Non-household properties may be entitled to a sewerage allowance on the first leak where water lost due to leakage has not returned to the sewer.

## 10. Primary charges

This section contains the indicative wholesale access charges for 2023/24.

### 10.1 Potable water industrial tariff

The potable water industrial tariff is made up of several bands reflecting annual consumption. Table 1 below shows the indicative wholesale water large user tariffs for each of the five supply bands using over 50 megalitres (Ml) or 50,000m<sup>3</sup> each year.

Each band applies to all consumption between 1 April 2023 and 31 March 2024 and comprises:

- A fixed charge for the year;
- An annual service charge for each meter serving the site based on the size of meter (shown in Table 2 below) and;
- A volumetric charge for all consumption.

#### Table 1

The fixed charge and the volumetric charge for each of the bands is shown below. The second column indicates the annual consumption for which the band would be most economic for the customer.

Tariff	Indicative consumption	Fixed charge	Volumetric charge
	Ml/year	£	£/m <sup>3</sup>
Standard	<50		1.5469
Band 1	50-99	22,496.43	1.0970
Band 2	100-249	27,570.02	1.0463
Band 3	250-499	41,160.09	0.9919
Band 4	500-999	84,522.39	0.9052
Band 5	>1,000	161,595.28	0.8281



**Table 2**

The annual standard wholesale measured service charge applies to each meter and is based on the nominal meter size as follows:

Meter size (mm)	Charge (£)	Meter size (mm)	Charge (£)
<=20mm	15.75	65mm	662.71
25mm	86.00	80mm	881.88
30mm	164.58	100mm	1,050.17
40mm	319.98	> 150mm	1,354.65
50mm	492.08		

## 10.2 Non-potable water industrial tariff

The non-potable water industrial tariff is available for supplies of partially treated water and raw water depending on whether the supply receives any treatment. Table 3 below shows the indicative wholesale non-potable tariffs.

Each band applies to all consumption between 1 April 2023 and 31 March 2024 and comprises:

- A fixed charge for the year;
- An annual service charge for each meter serving the site based on the size of meter (see table 2) and;
- A volumetric charge for all consumption.

**Table 3**

The fixed charge and the volumetric charge for each of the bands is shown below. The second column indicates the annual consumption for which the band would be most economic for the customer.

Tariff	Indicative consumption	Fixed charge	Volumetric charge
	Ml/year	£	£/m <sup>3</sup>
Partially treated water	≥50	47,340.38	0.5235
Raw water	≥50	47,461.54	0.4064

## 10.3 Change of tariff requests

The wholesaler will not accept more than one request per calendar month for a change of tariff at any one Supply Point.

## 10.4 Special Agreements

Welsh Water has three special agreements for supplies to Eligible sites.

### WSHNONPOT9

This agreement to supply non-potable water is a reservation type agreement for a raw water supply. It began in 1994 to run for 30 years and terminates in 2024. The customer has reserved 14.5 Ml/day. The reservation charge applying to the unused reserved amount is adjusted by the average annual percentage movement in the Producer Price Index. Used volumes and fixed charges are charged using standard rates. The indicative wholesale water access charge for the reservation element is shown in table 4 below.

**Table 4**

The indicative wholesale water access charge for special agreement WSHNONPOT9

Tariff	Volumetric charge (£/m <sup>3</sup> )
Reservation charge	0.2329

### WSHNONPOT10a & WSHNONPOT10b

Charges for water supplied shall be charged on a volumetric basis only adjusted by the average annual percentage movement in the CPIH (Consumer Price Index including Housing).

**Table 5**

The indicative wholesale charge for special agreements WSHNONPOT10a and 10b

Tariff	Volumetric charge (£/m <sup>3</sup> )
Supply Charge	0.4359