

Statement of significant changes

Indicative Wholesale Charges 2025/26

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 21 October 2021 we make the following statement based on the information available at this time. These charges are based on the PR24 Draft Determination as published on 11th July 2024, recognising that the final revenue allowances will be provided in the PR24 Final Determination to be published prior to the final setting of charges.

Change to structures of wholesale charges

The Company is not proposing to make any significant changes to the structure of wholesale tariffs for 2025/26. However, we are aware of proposals for harmonization of wholesale charging structures across the industry and will incorporate any necessary changes into the final wholesale charges.

Effect on customers' wholesale water bills of the indicative charges

We anticipate that customers on our Large User tariffs will see an increase in their water bill of around 23%, at a constant level of consumption, as a result of these indicative tariffs, based on an assumed November CPIH inflation forecast of 3.3%. The effect on a sample of customers is shown in the table below. This excludes the separate impact of wastewater charges on customer bills.

Illustrative bills – eligible sites

Large user Tariff	Consumption	Wholesale Charge 2024/25	Indicative Wholesale Charge 2025/26	Difference	
				£	%
	m ³	£	£	£	%
Band 1 (50 - 99 MI/a)					
Customer at band mid-point consumption	75,000	96,259	117,967	21,707	22.6%
Band 2 (100 - 250 MI/a)					
Customer at band mid-point consumption	175,000	193,567	237,330	43,762	22.6%
Band 3 (250 - 500 MI/a)					
Customer at band mid-point consumption	375,000	379,463	465,141	85,678	22.6%
Band 4 (500 - 1,000 MI/a)					
Customer at band mid-point consumption	750,000	701,485	859,915	158,430	22.6%
Row >50 MIa 8 sites					
Average consumption	415,724	199,433	245,174	45,742	22.9%
Partial >50 MI/a					
Typical consumption	2,105,801	1,058,134	1,300,355	242,220	22.9%