

Statement of significant changes

Indicative Wholesale Charges 2026/27

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 Final Determination as published in December 2024, updated in line with our submission in respect of the PR24 'Blind Year' reflecting 2024/25 data. Ofwat will publish its Final Determination in respect of this in December 2025, which will be incorporated into our final charges calculations.

Change to structures of wholesale charges

In recognition of the requirement for harmonisation of non-household charging structures issued by the Retailer/ Wholesaler Group on behalf of MOSL, we have amended our large user tariff structure to align with the industry standard.

This means that our previous Bands 4 and 5 for customers using more than 500MI and 1000MI per year respectively are now incorporated into Band 3, which includes all customers using 250MI per year or more. Indicative charges have been calculated so that no customer is adversely affected through a charge increase of more than 1% through transition to the new structure. We have also adopted the industry standard groupings for metered size band charges for non-household customers on standard charges, at 0-25mm, 26-50mm inclusive, 51-100mm and >100mm.

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 13%, at a constant level of consumption, as a result of these indicative tariffs, based on an assumed November CPIH inflation forecast of 3.8%. The effect on a sample of customers is shown in the table below. This excludes the separate impact of wastewater charges on customer bills. Raw and Partially treated tariffs show smaller increases from the previous year as these are more significantly impacted by the reduction in the allowed revenue for the water resources price control.

Illustrative bills – eligible sites

Large user Tariff	Consumption	Wholesale Charge 2025/26	Indicative Wholesale Charge 2026/27	Difference	
	m ³	£	£	£	%
Band 1 (50 - 99 MI/a)					
Customer at band mid-point consumption	75,000	120,179	135,927	15,748	13.1%
Band 2 (100 - 250 MI/a)					
Customer at band mid-point consumption	175,000	241,690	273,675	31,985	13.2%
Band 3 (250 - 250+ MI/a)					
Customer at band mid-point consumption	375,000	473,864	529,509	55,645	11.7%
Raw >50 Mla 8 sites					
Average consumption	415,724	247,331	261,198	13,868	5.6%
Partial >50 MI/a					
Typical consumption	2,105,801	1,313,445	1,373,475	60,030	4.6%