

# Wessex Water CMP343 – Minded-to decision and draft impact assessment response

## INTRODUCTION

Wessex Water is the Regional Water and Sewerage Company serving an area in the South West of England covering 10,000 square kilometres. This area includes Bristol, Dorset, Somerset, BANES, most of Wiltshire and parts of Gloucestershire, Hampshire and Devon.

Wessex Water is recognised by the water industry regulator, Ofwat, as the most efficient operator in England and Wales. We firmly believe that customers are stakeholders in the company along with the environment, our employees and shareholders.

### A. Our aims and values

Wessex Water aims to provide high quality, sustainable water and environmental services which:

- give customers good service and value for money
- protect and improve the environment
- provide employees with the opportunity for personal development and a satisfying career
- give our investors a good return on their investment.

Our values:

- we aim to be the best and value everybody's contribution in our pursuit of excellence.
- we are honest and ethical in the way we conduct our business.
- we treat one another, our customers and the environment with respect.

### B. Facts and figures

We supply 1.3 million customers with around 275 million litres of water a day. We have:



- 97 water sources
- 110 water treatment works
- 209 booster pumping stations
- 344 service reservoirs and water towers
- 11,478 kilometres of water mains.

We take away and treat around 863 million litres of sewage from 2.7 million customers every day. Our sewerage system includes:

- 17,322 kilometres of sewers
- 405 sewage treatment works
- 1,003 combined sewer overflows
- 1,438 pumping stations.

## Consultation responses

• *Question 1: Do you agree with our assessment of the distributional impacts of the flooring approaches?*

We have no official position on this question.

• *Question 2: Do you agree that, of the flooring options presented, flooring at 0 best meets the TCR Principles and Applicable CUSC Charging Objectives?*

We agree that flooring at 0 meets the overall TCR principal of cost recovery without distortion.

• *Question 3: Do you agree with our assessment of the distributional impacts of the banding approaches?*

We have no official position of this question.

• *Question 4: Do you agree that, of the banding options presented, four bands best meets the TCR Principles and Applicable CUSC Charging Objectives?*

We agree that 4 bands would fit with the principals used to assess the options in the TCR. We have no position on the CUSC charging objectives.

• *Question 5: Do you consider that any of the options presented adequately addresses very small users (including those associated with mixed use sites)?*

We have no official position on this question.

• *Question 6: Do you agree with our minded-to decision to approve CMP343 WACM2?*

We agree that WACM2 provides the best balance and would therefore support the approval of this.

• *Question 7: Do you agree with our minded-to decision that implementation should be delayed by a year, until April 2023?*

We fully agree with this delay – it represents a significant change to TNUoS cost recovery with large cost implications. It should therefore be fully thought out as OFGEM are doing in this consultation rather than being rushed into.

We would strongly recommend that to assist consumers that the band boundaries are made available as soon as possible alongside the projections of the associated costs.