

NOTIFIED ITEM

For the purpose of this determination Ofwat has assumed that the cumulative increase in the numbers of measured household customers arising from the exercise of the free meter entitlement under s.144A(1) of the Water Industry Act 1991 are as specified for each year in the following table.

Numbers of Household Meter Optants between 1 October 2000 and 30 September in the Year				
	2001	2002	2003	2004
Water Service Customers	27,675	54,608	80,820	106,329
Sewerage Service Customers	29,051	57,303	84,779	111,499
Note: Sewerage Service Customers include both Dwr Cymru household water meter optants who receive sewerage services from Dwr Cymru, and customers of other water suppliers who receive sewerage services from Dwr Cymru.				

Any difference between either or both of the assumed cumulative numbers and the actual, cumulative number(s) at 30 September in the year in question is a Notified Item.

The costs attributable to the Notified Item shall be interpreted to comprise:

- (i) the difference in capital expenditure to be attributed to the provisions and installation of a different number of meters;
- (ii) the difference in annual operating expenditure to be attributed to the provision of measured charging for a different number of customers;
- (iii) the extent to which annual revenues accruing to the company from standard charges are different as a result of the cumulative number of household optants varying from the numbers specified above.

19 December 2000