

1.1 Price limits

Our determinations of price limits for the period 2005-10 would mean an annual average price limit of 4.2% before inflation. The price limits for each company are set out in table 1. These price limits should enable companies to deliver their outputs, but are no higher than they need to be in the interests of customers.

Table 1 Price limits for 2005-06 to 2009-10

Company	Annual price limits					Average ¹
	2005-06	2006-07	2007-08	2008-09	2009-10	
Water and sewerage companies (WaSC)						
Anglian	3.8	0.0	2.8	2.7	2.7	2.4
Dŵr Cymru	14.2	3.6	4.1	3.3	2.2	5.4
Northumbrian	6.5	3.7	3.2	1.0	0.6	3.0
Severn Trent	11.8	4.8	2.0	1.7	2.3	4.5
South West	12.5	9.8	9.8	1.7	1.4	6.9
Southern	12.6	3.9	3.5	5.8	2.6	5.6
Thames	14.9	2.1	1.2	1.3	1.5	4.1
United Utilities	5.0	6.4	4.4	3.5	3.0	4.5
Wessex	8.9	4.9	5.6	4.0	2.9	5.2
Yorkshire	5.5	4.9	3.6	3.6	2.1	3.9
WaSC average (weighted)	9.4	4.0	3.4	2.7	2.2	4.3
Water only companies (WoC)						
Bournemouth & W Hampshire	15.9	2.2	1.6	-0.6	-2.4	3.1
Bristol	13.8	2.8	1.5	0.7	-2.3	3.2
Cambridge	11.8	1.6	0.3	-0.8	-0.3	2.4
Cholderton ²	7.0	7.0	5.6	0.0	0.1	3.9
Dee Valley	5.7	-1.4	0.2	0.6	-0.7	0.8
Folkestone & Dover	8.3	7.3	4.0	1.9	2.6	4.8
Mid Kent	9.0	0.5	1.9	2.6	2.7	3.3
Portsmouth	-0.7	-0.6	1.5	2.5	1.0	0.7
South East	15.8	2.3	2.2	0.5	-1.6	3.7
South Staffordshire	9.9	2.5	1.7	1.0	1.3	3.2
Sutton & East Surrey	12.9	2.0	1.1	-1.0	-1.1	2.7
Tendring Hundred	-1.8	-0.7	0.6	-0.3	-0.5	-0.5
Three Valleys	15.3	1.8	1.2	-0.2	0.1	3.5
WoC average (weighted)	12.4	1.9	1.5	0.4	-0.3	3.1
Industry average (weighted)	9.6	3.9	3.2	2.5	2.0	4.2

1 The average for the price limits is the geometric average of the annual price limits.

2 Cholderton is an exceptionally small company. Price limits have been set, but other than in this table, table 4 and its company-specific table in chapter 7, Cholderton is not included in tables in the remainder of this document. It does not have a material effect on the industry averages.