

Secretary of State for Environment, Food & Rural Affairs
Water Resources Management Plan Consultation
Area 3D Nobel House
17 Smith Square
London
SW1P 3JR

29 July 2013

Dear Secretary of State

Veolia Water Projects – Draft Water Resources Management Plan

Veolia Water Projects published its draft Water Resources Management Plan (dWRMP) on 29 May 2013 and this letter summarises our views of the draft plan. These views are based on a high-level review of the processes described in the plan against the requirements of the Water Resources Planning Guideline. These views are also without prejudice to any subsequent decisions that we may make in connection with the price control review process for Veolia Water Projects.

In summary, Veolia Water Projects needs to further consider the following areas in finalising its dWRMP:

- properly incorporating customer engagement
- identifying its preferred option to close the small deficit forecast in its dWRMP from 2026 onwards, and
- explaining its approach to reducing bulk supplies to Wessex Water alongside the other two main options that are set out in its draft plan.

1. Incorporation of customers' views

We cannot find any evidence in the draft plan of how Veolia Water Projects has sought the views of customers in formulating its draft plan nor whether it has consulted its customers on its proposed levels of service. These issues should be addressed in the final plan.

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2. Baseline supply-demand balance

Veolia Water Projects should consider re-examining its measured household per capita consumption figures, which at just over 300 litres per head per day appear very high (and might include non-household uses).

The draft plan notes the intention to increase the metering of existing properties (page 19). It would be useful if the plan provided an estimate of the proposed extent of this increase in metering.

3. Options appraisal

The options identified are “do nothing” and “increase capacity of BH2 and BH3” (page 30). It is not clear why the option of considering a reduction to the bulk supply export to Wessex Water is only mentioned briefly (page 31) but not considered alongside the other 2 options. It is also not clear whether Veolia Water Projects has discussed this option with Wessex Water.

We recognise that leakage levels have fallen. Nonetheless, the plan should either consider options to reduce leakage further (given that leakage levels are forecast to be constant over the planning period) or explain why these options have not been considered.

4. Final planning solution and scenario testing

Veolia Water Projects should identify its preferred option to close its small forecast deficit (0.2 Ml/day) from 2026 onwards.

Yours sincerely

Andrew Walker
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