



Outcome delivery incentive rates for Severn Trent Water following recalibration based on the company’s menu choice

This schedule sets out Severn Trent Water’s recalibrated outcome delivery incentive rates following the company’s menu choice. It is these incentive rates which the company should use during the 2015-20 price control period. The other elements of the outcome delivery incentives remain the same as in the final determination company-specific appendix (e.g. the units of measurement and the rules of application).

Incentive rates in red are those which have changed following recalibration i.e. those which differ from the final determination company-specific appendix.

Wholesale Water

Performance Commitment	Penalty rate following recalibration	Reward rate following recalibration
W-A1: Number of complaints about drinking water quality	£900	£900
W-A2: Compliance with drinking water quality standards	£1.717m	
W-A3: Asset stewardship – number of sites with coliform failures	£463,000	
W-A4: Successful catchment management schemes	£1.03m	£1.03m
W-B1: Resource efficiency (distribution input per customer)		
W-B2: Leakage	Penalty rate 1: £0.123m	£0.123m
	Penalty rate 2: £0.200m	
W-B3: Speed of response in repairing leaks	£24,663	£24,663

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W-B4: Number of minutes customers go without supply each year	£1.1m	£1.1m
W-B5: % of customers with resilient supplies (those that benefit from a second source of supply)	£1.77m	£1.77m
W-B6: Asset stewardship – mains bursts	£2,307	
W-B7: Customers at risk of low pressure	£790	£790
W-B8: Restrictions on water use	Penalty 2: £18.75m	£1.36m
	Penalty 1: £7.5m	
W-B9 Timing delays on Birmingham resilience scheme	Penalty 1: £1.84m	
	Penalty 2: £5.01m	
	Penalty 3a: £3.13m (£0.78m per unit)	
	Penalty 3b: £1.04m (£0.13m per unit)	
	Penalty 3c: £1.44m (£0.07m per unit)	
	Penalty 3d: £3.28m	
W-B10 Non-delivery of the outcome of the Birmingham resilience scheme	Penalty 1: £0.35m	
	Penalty 2: £0.96m	
	Penalty 3a:	

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	£0.59m	
	Penalty 3b: £0.20m	
	Penalty 3c: £0.27m	
	Penalty 3d: £0.31m	
W-B11 Timing delays on community risk schemes	Penalty 1: £2.63m	
	Penalty 2: £0.86m	
	Penalty 3: £0.34m	
W-B12 Non-delivery of the community risk schemes	Penalty 1: £0.497m	
	Penalty 2: £0.163m	
	Penalty 3: £0.064m	
W-B13 Timing delays on EVA maintenance	£2.05m	
W-B14 Non-delivery of the EVA maintenance	£38.6m	
W-C1: Customers rating our services as good value for money	£125,000	£125,000
W-D1: Improvements in river water quality against WFD criteria	£150,000	£150,000
W-D2: Asset stewardship – environmental compliance		
W-D3: Biodiversity		
W-D4: Sites with eel protection at intakes		
W-E1: Size of our carbon footprint	£14,630	£14,630

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Performance Commitment	Penalty rate following recalibration	Reward rate following recalibration
W-F1: Improved understanding of our services through education		

Wholesale Wastewater

Performance Commitment	Penalty rate following recalibration	Reward rate following recalibration
S-A1: Number of internal sewer flooding incidents	£42,820	£42,820
S-A2: Number of external sewer flooding incidents	£19,779	£19,779
S-A3: Partnership working	£61,172	£61,172
S-A4: Asset stewardship – Blockages	£2,079	
S-A5: Statutory obligations (Section 101A schemes)		
S-B1: Customers rating our services as good value for money	£125,000	£125,000
S-C1: Improvements in river water quality against WFD criteria	£150,000	£150,000
S-C2: The number of category 3 pollution incidents	£53,900	£53,900
S-C3: Asset stewardship – environmental compliance	£1.4m	
S-C4: Biodiversity	£956	£956
S-C5: Sustainable sewage treatment		£28,547
S-C6: Serious pollution incidents		
S-C7: Overall environmental performance	£2.4m	£2.4m
S-C8: The number of category 4 pollution incidents		
S-D1: Size of our carbon footprint	£14,630	£14,630

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Performance Commitment	Penalty rate following recalibration	Reward rate following recalibration
S-E1: Improved understanding of our services through education		

Household Retail

Performance Commitment	Penalty rate following recalibration	Reward rate following recalibration
R-A1: Customer satisfaction with their service (based on a survey)		
R-A2: Customers' experience of dealing with us (based on Ofwat's SIM)	Ofwat determined	Ofwat determined
R-B1: Number of customers helped by a review of their tariff and water usage and/or supported by our social fund		
R-B2: % of customers who do not pay		