



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

This schedule sets out South West 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 |
|--|--------------------------------------|-------------------------------------|
| Compliance with water quality standard | 0.050m | |
| Taste, smell and colour contacts | Penalty 1: 0.657m | 0.944m |
| | Penalty 2: 0.879m | |
| Asset reliability (pipes) | 0.458m | |
| Asset reliability (process) | 1.269m | |
| Duration of interruptions in supply | 5.553m | 6.503m |
| | 8.224m | |
| Water restrictions placed on customers | 3.206m | 1.624m |
| Ability to move water around the network | | |
| Leakage levels | 0.577m | 0.403m |
| Time taken to fix significant leaks | | |

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| Performance Commitment | Penalty rate following recalibration | Reward rate following recalibration |
|---|--------------------------------------|-------------------------------------|
| Security of supply index | | |
| Supplies interrupted due to flooded South West sites | 0.00000624m | 0.00000624m |
| Operational customer contacts resolved first time | 0.043m | 0.043m |
| Sustainable abstractions (EA/WFD classification) | | |
| Sustainable abstractions (Environment Agency water stress status) | 1.054m | |
| Catchment management | | |
| Pollution incidents (category 1 and 2) | 0.356m | |
| Pollution incidents (category 3 and 4) | 0.011m | |
| Operational carbon emissions | | |
| Energy from renewable sources | | |
| Customers paying a metered bill | 0.712m | |

Wholesale Wastewater

| Performance Commitment | Penalty rate following recalibration | Reward rate following recalibration |
|---|--------------------------------------|-------------------------------------|
| Internal sewer flooding incidents | 0.089m | 0.068m |
| External sewer flooding incidents | Penalty 1: 0.001m ¹ | 0.0023m |
| | Penalty 2: 0.004m | |
| Odour contacts (wastewater treatment works) | Penalty 1: 0.0053m | 0.0022m |
| | Penalty 2: 0.0036m ² | |
| Asset reliability (pipes) | 0.688m | |

¹ Penalty rate has been increased from 0.0006m to 0.001m following recalibration. The FD penalty rate was shown to 3 decimal places so appears to be no change following recalibration

² Penalty rate in the FD was shown to 3 decimal places (0.004m) but the recalibrated penalty rate (shown to 4 decimal places) is no change to the FD

Outcome delivery incentive rates for South West Water following recalibration based on the company's menu choice

| | | |
|--|-----------------------|--------|
| Asset reliability (process) | 1.359m | |
| Compliance with sludge standard | | |
| Operational customer contacts resolved first time | 0.051m | 0.042m |
| Wastewater treatment numeric compliance | 0.014m | |
| | 0.296m | |
| Wastewater population equivalent sanitary compliance | | |
| Wastewater descriptive works permit compliance | 0.250m | |
| Pollution incidents (category 1 and 2) | 0.346m | |
| Pollution incidents (category 3 and 4) | Penalty 1: 0.0103m | |
| | Penalty 2: 0.0193m | |
| Operational carbon emissions | | |
| Energy from renewable sources | | |
| Bathing water quality | 0.103m | 0.249m |
| Combined sewer overflow spills | | |
| River water quality improved | | |

Household Retail

| Performance Commitment | Penalty rate following recalibration | Reward rate following recalibration |
|---|--------------------------------------|-------------------------------------|
| Customer overall satisfaction | | |
| Service incentive mechanism | Ofwat determined | Ofwat determined |
| Customer satisfaction with value for money | | |
| Customers assisted by water poverty initiatives | | |