

2014 risk-based review cost assessment summary

Water wholesale

| Company | Score | | | Plan £m | RBR threshold £m | Gap to B/C £m | Plan v AMP5 | Basic cost threshold £m | Policy additions £m | Unmodelled costs delta £m | Deep dive major £m | Deep dive major £m | Deep dive other £m | RBR threshold £m | Deep Dives not added £m | Deep Dives not added £m | Deep Dives not added £m | Deep Dives not added £m |
|----------|----------------|----------|------|------------|-------------------------|-------------------------------|----------------|-------------------------------|---------------------------|---------------------------------|------------------------------------|--------------------------|--------------------------|------------------------|--|---|---|---|
| | Overall | Evidence | Cost | | | | | | | | | | | | | | | |
| ANH | D | B | D | 1,840 | 1,754 1,664 1,574 | D B/C A 175 11% | +10% | 1,411 | 252 | max extra £31m 0 (33%) | | | 1 Overlap (6%) | 1,664 | insufficient evidence 59 (88-29 IA) * resilience | insufficient evidence 34 (41-7 IA) * abstraction | materiality 7 (34-27 IA) WTW refurb | |
| WSH | C | B | C | 1,257 | 1,299 1,229 1,159 | D B/C A 28 2% | -6% | 1,098 | 131 | max extra £19m 0 (33%) | | | | 1,229 | insufficient evidence 140 WTW refurb | insufficient evidence 32 (35-3 IA) * abstraction | insufficient evidence 24 (38-14 IA) * water deterioration | insufficient evidence 22 rurality |
| NES | B Judgement | B | C | 1,363 | 1,436 1,359 1,282 | D B/C A 3 0% | -2% | 1,206 | 153 | -6 (33%) | 7 SDB (33%) | | | 1,359 | | | | |
| SVT | D | D | D | 2,806 | 2,693 2,549 2,406 | D B/C A 257 10% | +12% | 2,251 | 298 | max extra £17m 0 (33%) | | | | 2,549 | insufficient evidence 231 (255-24 IA) Bham resilience | insufficient evidence 68 (519-451 IA) NI Maintenance | | |
| SWT | B | B | A | 697 | 868 826 784 | D B/C A -129 -16% | +9% | 654 | 152 | max extra £8m 0 (33%) | (100%-IA) 17 Plymouth WTW | 3 SDB (33%) | | 826 | insufficient evidence 14 (14-0 IA) * upstream innovation | insufficient evidence 12 (24-12 IA) * water deterioration | in models ** 4 carbon RC | |
| SRN | C | B | C | 840 | 841 796 751 | D B/C A 44 6% | -4% | 700 | 100 | -4 (33%) | | | | 796 | covered by IA 0 (36-36 IA) Testwood enhancement | | | |
| TMS | B | B | A | 3,160 | 3,989 3,766 3,542 | D B/C A -606 -16% | +7% | 3,505 | 287 | -27 (33%) | | | | 3,766 | in models ** 196 urban costs | insufficient evidence 148 (476-328 IA) WRMP | covered by IA 0 (134-134 IA) NEP1-3 | |
| UU | C | B | C | 2,379 | 2,434 2,309 2,184 | D B/C A 69 3% | -4% | 1,962 | 356 | -8 (33%) | | | | 2,309 | | | | |
| WSX | C | B | C | 718 | 722 693 663 | D B/C A 25 4% | +13% | 462 | 109 | max extra £3m 6 (33%) | (100%-IA) 108 Grid | 7 SDB (33%) | | 693 | insufficient evidence 35 rurality | in models ** 16 Durlough WTW | insufficient evidence 8 (16-8 IA) * water deterioration | insufficient evidence 5 scientific services |
| YKY | B | B | A | 1,428 | 1,681 1,593 1,505 | D B/C A -165 -10% | 0% | 1,378 | 228 | -14 (33%) | | | | 1,593 | materiality 1 (11-10 IA) Oldfield WTW | materiality 1 (8-7 IA) W Stonedale WTW | | |
| afw | B | B | B | 1,049 | 1,163 1,099 1,034 | D B/C A -50 -5% | +3% | 1,015 | 92 | -9 (33%) | | | 1 Overlap (6%) | 1,099 | materiality 1 karstic water | covered by IA 0 (53-53 IA) universal metering | covered by IA 0 (18-18 IA) reservoirs | covered by IA 0 (13-13 IA) Thames WTW |
| brl | D | C | D | 572 | 371 351 331 | D B/C A 221 63% | +14% | 317 | 30 | max extra £10m 4 (33%) | | | | 351 | insufficient evidence 45 Cheddar 2 reservoir | insufficient evidence 12 (22-10 IA) * resilience | insufficient evidence 19 (32-13 IA) * water deterioration | |
| dvw | D | B | D | 102 | 94 89 85 | D B/C A 13 14% | +24% | 74 | 7 | -1 (33%) | (100%-IA) 10 legacy WTW | 1 SDB (33%) | | 89 | insufficient evidence 5 (8-3 IA) service reservoirs | covered by IA 0 (2-2 IA) trunk mains | | |
| prt | B | B | B | 137 | 151 143 134 | D B/C A -6 -4% | +7% | 129 | 13 | -1 (33%) | 2 SDB (33%) | | | 143 | covered by IA 0 (5-5 IA) Eastergate crypto | covered by IA 0 (5-5 IA) Farlington WTW | covered by IA 0 (2-2 IA) membranes x5 | |
| sbw | C | B | C | 136 | 137 130 123 | D B/C A 6 5% | +2% | 111 | 21 | -2 (33%) | | | 1 SDB (33%) | 130 | in models ** 20 Fawley | | | |
| sew | C | C | C | 808 | 816 771 727 | D B/C A 37 5% | +6% | 692 | 85 | -6 (33%) | | | 0 Overlap (6%) | 771 | insufficient evidence 14 (53-39 IA) zonal strategy | insufficient evidence 9 complex treatment | | |
| ssc | C | B | C | 409 | 421 398 375 | D B/C A 11 3% | +7% | 359 | 39 | -3 (33%) | 3 SDB (33%) | | | 398 | materiality 1 (4-3 IA) Outwoods reservoir | | | |
| ses | D | B | D | 241 | 230 219 207 | D B/C A 23 10% | +10% | 186 | 19 | -2 (33%) | (100%-IA) 15 water softening | | | 219 | in models ** 20 regional costs | in models ** 14 Woodmansterne | insufficient evidence 3 water treatment | covered by IA 0 (4-4 IA) Bough Beech |
| Industry | | | | 19,940 | 19,984 | -43 0% | +4% | 17,511 | 2,372 | max extra £89m -73 | 161 | 10 | 4 | 19,984 | | | | |

Policy additions comprise rates, pension deficit, 3rd party costs, open market costs, net v gross adjustments

Deep Dive arose due to Plan request for Cost assessment exclusion in W11

* Denotes included within the unmodelled costs category

** In models means that items are in principle covered within the models, but no Implicit Allowance has been calculated

2014 risk-based review cost assessment summary
Sewerage wholesale

| Company | Score | | | Plan £m | RBR threshold £m | Gap to B/C £m | Plan v AMP5 | Basic cost threshold £m | Policy additions £m | Unmodelled costs delta £m | Pvte sewer PS £m | NEP5 £m | Deep dive major £m | Deep dive major £m | Deep dive other £m | RBR threshold £m | Deep Dives not added £m | Deep Dives not added £m | Deep Dives not added £m | Deep Dives not added £m | | |
|---------------------|----------------------|----------|------|------------|-------------------------|-------------------------------|----------------|-------------------------------|---------------------------|---------------------------------|------------------------|---------------|--------------------------|------------------------------|--------------------------|------------------------|--|---|---|--|--|--|
| | Overall | Evidence | Cost | | | | | | | | | | | | | | | | | | | |
| ANH | C | B | C | 2,525 | 2,761 2,469 2,177 | D B/C A 56 2% | +18% | 2,141 | 175 | -19 (100%) | 66 (100%) | 107 (100%) | | | | 2,469 | insufficient evidence 74 (113-39 IA) growth | | | | | |
| WSH | B Judgement | B | C | 1,338 | 1,494 1,334 1,174 | D B/C A 4 0% | +9% | 1,171 | 63 | max extra £15m 13 (100%) | 22 (100%) | 65 (100%) | | | | 1,334 | insufficient evidence 48 rurality | insufficient evidence 8 (14-6 IA) * NEP conservation | insufficient evidence 6 (25-19 IA) * Llanelli/Gowerton | | | |
| NES | B | B | B | 988 | 1,120 869 | D B/C A -7 -1% | +2% | 921 | 73 | -18 (100%) | 10 (100%) | 9 (100%) | | | | 994 | | | | | | |
| SVT | B Judgement | C | B | 2,657 | 3,079 2,730 2,381 | D B/C A -73 -3% | +7% | 2,560 | 175 | -41 (100%) | 36 (100%) | | | | | 2,730 | insufficient evidence 204 NEP5 | | | | | |
| SWT | B Board Judgement | B | C | 908 | 1,000 895 791 | D B/C A 12 1% | +13% | 769 | 69 | -10 (100%) | 18 (100%) | 49 (100%) | | | | 895 | insufficient evidence in models ** 7 carbon RC | covered by IA 0 (9-9 IA) downstream innovation | | | | |
| SRN | D | C | D | 2,029 | 1,856 1,654 1,452 | D B/C A 375 23% | +5% | 1,483 | 120 | max extra £66m 0 (100%) | 20 (100%) | | | 31 (100%) Woolston STW | | 1,654 | insufficient evidence 180 (189-9 IA) NEP5 | insufficient evidence 48 (52-4 IA) * Bathing water | insufficient evidence 18 (20-2 IA) * Eastney CSO | | | |
| TMS incl TT | D | D | D | 4,307 | 3,989 3,583 3,177 | D B/C A 724 20% | -20% | 2,978 | 356 | -65 (100%) | 93 (100%) | | | 193 Deephams (100%-IA) | 28 Overlap (12%) | 3,583 | insufficient evidence 508 TTT -TWUL | insufficient evidence 177 NEP5 | insufficient evidence 125 (367-242 IA) sewer flooding | materiality 11 (52-41 IA) river quality | | |
| TMS excl TT | D | D | C | 3,799 | 3,989 3,583 3,177 | D B/C A 216 6% | +7% | 2,978 | 356 | -65 (100%) | 93 (100%) | | | 193 Deephams (100%-IA) | 28 Overlap (12%) | 3,583 | N/A | insufficient evidence 177 NEP5 | insufficient evidence 125 (367-242 IA) sewer flooding | materiality 11 (52-41 IA) river quality | | |
| UU | D | D | D | 3,566 | 2,735 2,434 2,134 | D B/C A 1,131 46% | -1% | 2,204 | 174 | max extra £96m 0 (100%) | 55 (100%) | | | | 1 Overlap (12%) | 2,434 | insufficient evidence 239 NEP5 | insufficient evidence 58 (594-536 IA) * Quality excl NEP5 | insufficient evidence 30 (68-38 IA) * P removal at ASPs | insufficient evidence 29 (181-152 IA) sewer flooding | | |
| WSX | C | C | C | 1,131 | 1,150 1,032 915 | D B/C A 99 10% | +30% | 863 | 73 | max extra £26m 4 (100%) | 29 (100%) | 63 (100%) | | | | 1,032 | insufficient evidence 26 (39 -12 IA) * N Bristol sewer | | | | | |
| YKY | D | C | D | 2,032 | 1,966 1,748 1,530 | D B/C A 284 16% | +12% | 1,597 | 131 | max extra £0m 0 (100%) | 20 (100%) | | | | | 1,748 | insufficient evidence 209 NEP5 | | | | | |
| Industry incl TT | | | | 21,480 | 18,873 | 2,607 14% | +1% | 16,685 | 1,408 | max extra £203m -136 | 369 | 294 | 224 | 28 | 1 | 18,873 | | | | | | |
| Industry excl TT | | | | 20,972 | 18,873 | 2,099 11% | +8% | 16,685 | 1,408 | max extra £203m -136 | 369 | 294 | 224 | 28 | 1 | 18,873 | | | | | | |

Policy additions comprise rates, pension deficit, 3rd party costs, open market costs, net v gross adjustments

TMS incl TT includes Tideway except for Infrastructure Provider costs in AMP6 / TMS excl TT excludes all Tideway related items in AMP5 and AMP6

Deep Dive arose due to Plan request for Cost assessment exclusion in S11

* Denotes included within the unmodelled costs category

** In models means that items are in principle covered within the models, but no Implicit Allowance has been calculated