

DEE VALLEY WATER PLC
BOARD STATEMENT OF ASSURANCE
20 JULY 2016

The Board of Dee Valley Water Plc ('the Company') confirm the following in respect of the Business retail price review submission for the three year period to 31 March 2020:

1. The information provided is consistent with legal obligations (including the prohibitions on undue discrimination or preference in licence condition E and licence condition R and the charging scheme rules issued by Ofwat under section 143B of the Water Industry Act 1991) and competition law;
2. The allocations and attributions that informed the PR14 Final Determination remain reasonable and therefore the allocations in the submission are unchanged on the figures allowed at PR14;
3. Since the allocations and attributions remain unchanged, the data tables are consistent with those submitted at PR14. We understand that you are currently considering whether the introduction of a default tariff cap for usage less than 5ml will be applicable to companies wholly or mainly based in Wales.
4. The Board is satisfied that modest changes in estimates of eligible customer numbers would not have a substantial impact on the cost or margins allocations, and note that retail revenue will be able to flex up or down with changes in the number of eligible customers during the price control period.

For and on behalf of Dee Valley Water plc



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Chief Executive: I J A Plenderleith

20 July 2016