



Hello and Welcome

Thames Water NAV Open Day

7th November 2018



Welcome from the Head of Wholesale Market Services



Before we begin...



Fire safety

- Scheduled fire drill: none scheduled
- Fire exits
- Assembly points: Hotel car park (ground) or Front of the Hotel.



Facilities

- Toilets

Getting connected



- Wireless internet is available, choose Novotel network, put your email address and you will be connected



Introductions

On your tables:

- Name
- Company
- Role
- Interesting fact about you





Aims of the day



By the end of the day, we want you to:

- Have a **clear understanding on the enhancements we have made** over the last 12 months
- Have a **better understanding of our processes**
- **Help us understand** your challenges so that we can better serve you
- **Provide us feedback** with how you have found the days events



Agenda for the day



Start	Finish	Content	
10:30	11:00	Registration	
		Welcome from Head of Wholesale Market Services	██████████
		Where we are today...	██████████
		In the pipeline...	██████████
		WMS Contracts and Performance	██████████
		The Thames Water Application process	██████████
		Construction of Water Mains and Sewers	████████████████████
		Water Efficiency	██████████
		Unplanned and Planned Events	██████████
12:30	13:00	Lunch	
		Quadrant session (<i>Stop, Start, Continue, Improve</i>)	██████████
		WMS Portal	██████████
		WMS Revenue and Settlement update	██████████
		Regulation and Pricing for NAVs	██████████
		Bulk charges for NAVs	██████████
		Income Offsets for NAVs	██████████
		Network capacity and reinforcement	████████████████
		Infrastructure Charges	████████████████
		NAV Feedback	██████████
		Closing words	██████████
14:45	15:45	Networking	



Where we are today...



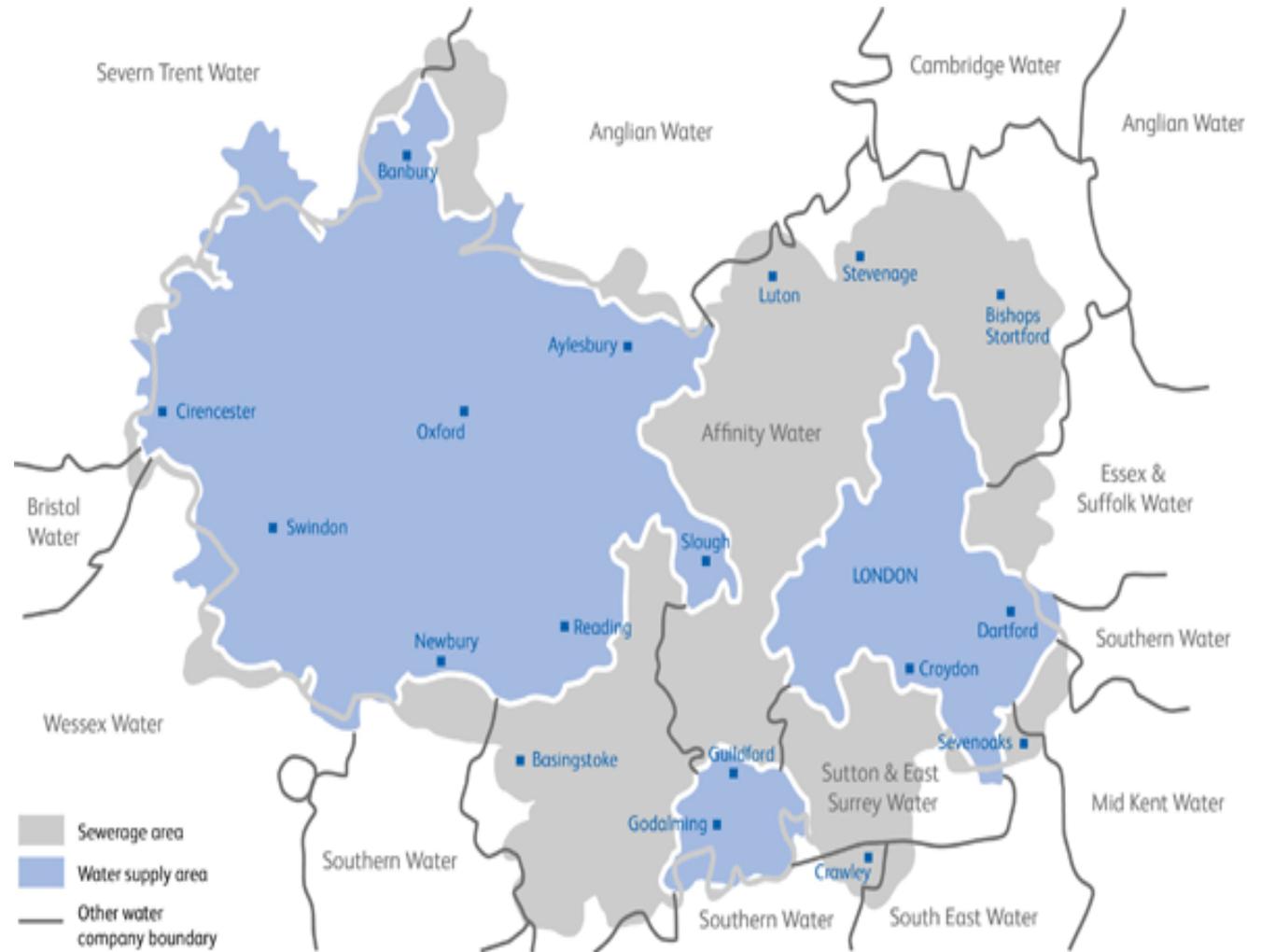
Current NAV Activity in the Thames Water's area

- **28** Active Sites

- **47** Contracts

- 22 Water (BSA)
 - 25 Waste (BDA)

- **2** Pending Sites



What have we done internally to enhance our service over the last 12 months?



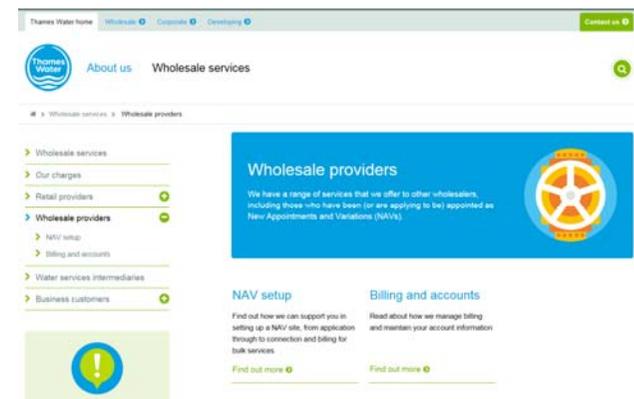
- Upgraded our Website to host a NAV/Inset section
- Completed and published our Water and Waste application forms
- Expanded our team
- Provide boundary meters at no cost to you
- Increased our face to face account management and site specific project meetings



Wholesale providers

Are you a New Appointment and Variation (NAV) or wholesaler providing services to a business?

[Find out more](#)



Indicative NAV Opportunities within the Thames Water region



Our forecast for the next financial year is that **2019-2020**:

- There will be **48,562** residential and business clean water connections.
- There will be **70,606** residential and business waste water connections.

All of these connections are opportunities for a NAV

For more information on our PR19 submission, please see our website at:

<https://corporate.thameswater.co.uk/About-us/our-strategies-and-plans/our-5-year-plan-for-2020-to-2025>





In the pipeline...





What is coming up in 2019?

- WMS Portal in development
- NAV charging following Ofwat guidance
- NAV Wholesale Service Offering
- 'Ask the expert' sessions

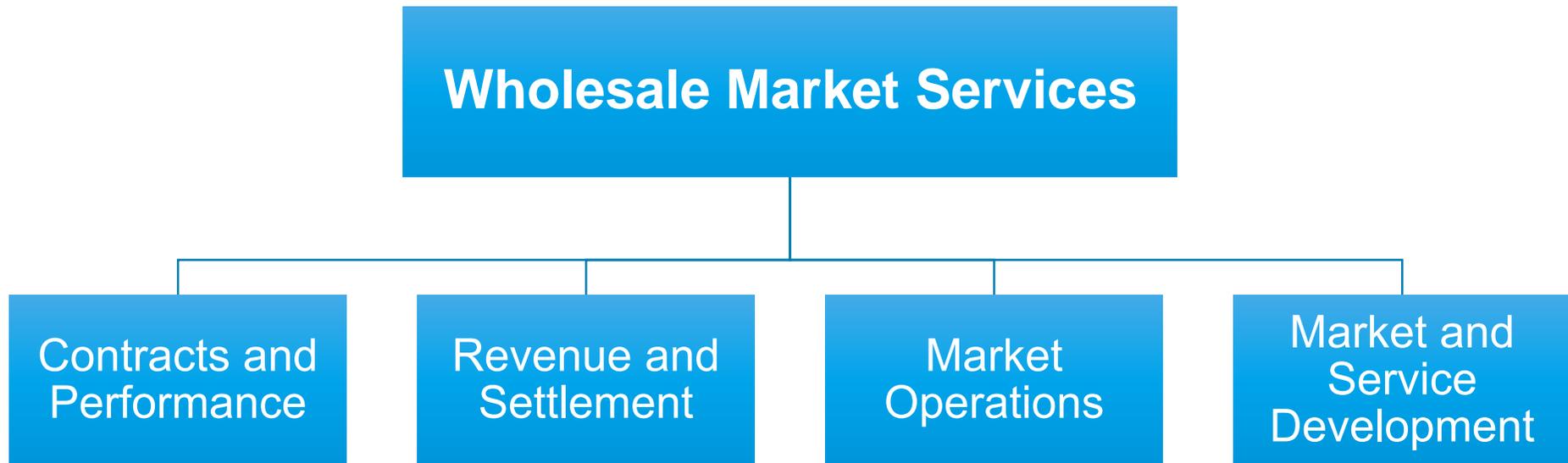




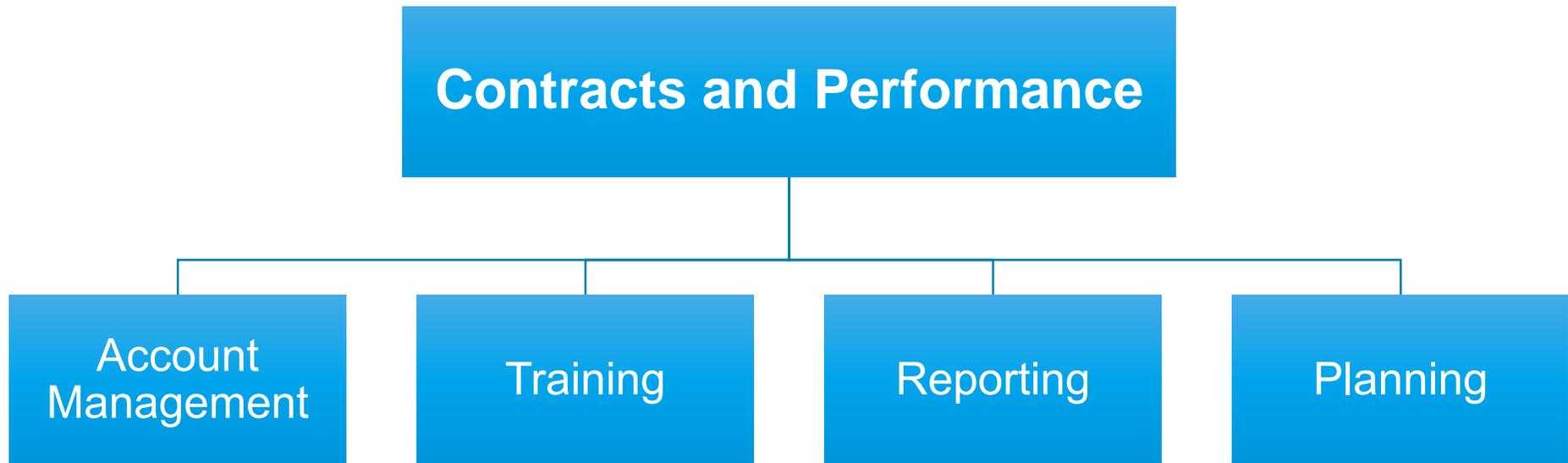
Contracts and Performance



Wholesale Market Services set up



Wholesale Market Services



Who are your account management team?

[Redacted]

[Redacted]

[Redacted]



Our Stakeholders within wider Thames

Developer Services (DS)

Produce quotes, estimates and carry out site delivery work. DS install District Meters which monitor the flows of supply within Thames network to serve the NAV

Strategic Planning and Investment (SPI)

Responsible for producing network modelling and capacity. SPI must ensure the network is able to take the demands required, and fund reinforcement upgrades should the development need it.

Strategy & Regulation

S&R ensure that we provide a level playing field across all of our customer base. They also ensure we have policies in place to adhere to Ofwat's guidance.

Legal

Our Legal department are available to assist our team to provide Specific legal advise. This can relate to contracts, compliance, competition to name a few.

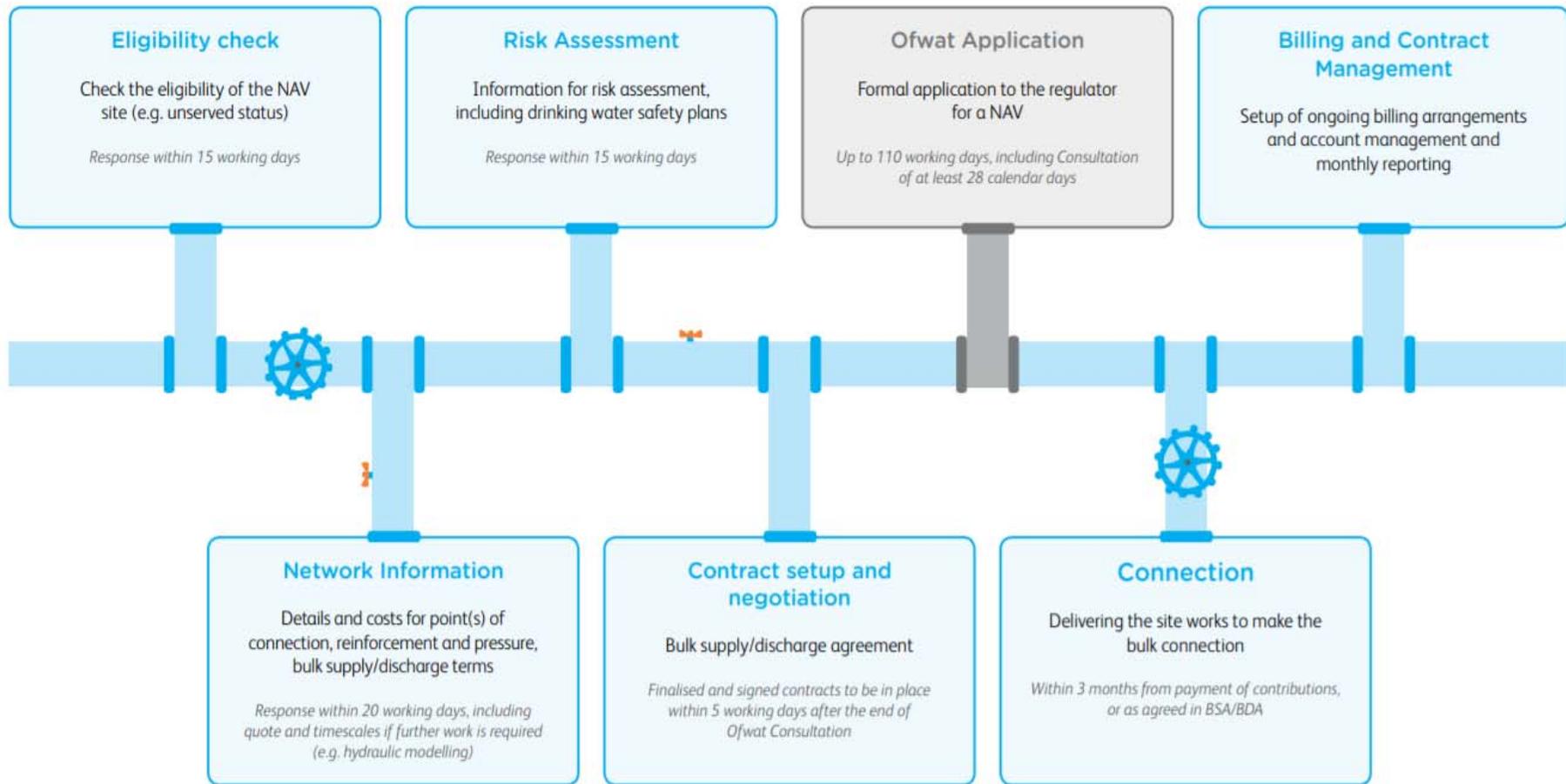




The Thames Water Application process



NAV Application Timeline



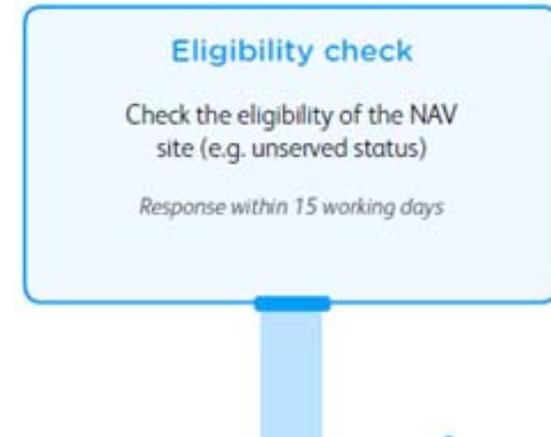
Eligibility Check

You should confirm which of the 3 criteria the land you are applying to variate falls under:

Is it?

- **Unserved:** The area does not contain any premises that receive services from an appointed water or sewerage company
- **Large user:** the customer existing uses or is likely to use, at least 50 mega litres of water a year and wants to change their supplier in respect of those premises
- **Consent:** The existing appointed company agrees to transfer the site or premises to another company.

You can request a letter from us confirming the status of the site is unserved. Information on the application form as to how to do this.



Network Information



Network Information

Details and costs for point(s) of connection, reinforcement and pressure, bulk supply/discharge terms

Response within 20 working days, including quote and timescales if further work is required (e.g. hydraulic modelling)

Water

Budget Estimate

- a Desktop analysis based on **your** preferred point of connection (advise whether more suitable POC)
- 20 working days SLA

NAV Must Provide

Preferred POC, pipe sizing, build profile and onsite design for income offset, demand volumes

Formal Quote

- An offer to you on the costs you will incur to develop your site within our region. The request for a formal quote triggers the modelling process
- 20 working day SLA
- Valid for 6 months

Waste

No Budget Estimates are provided for waste as we expect a NAV to build to the nearest sewer.

Network information response too include:

- Likelihood of being able to connect to your proposed connection points
- Accept or reject proposed demand/flow volumes
- Statement on whether there is capacity available in the network.
- Costs for method of connection

NAV Must Provide

Preferred POC, pipe sizing, build profile and onsite drainage strategy, demand volumes, SW:FW ratio





Risk Assessment



You can request this information if needed

We can provide:

- A summary of our Drinking Water safety plan risks which are risks associated with our upstream assets.
- More specific information on our upstream assets, including our Water Treatment Works, Service Reservoirs, Catchment areas, and where applicable, network areas.
- What type of treatment processes we are using to dose our water.
- Information on any Legal instruments (Notices or Undertakings) relevant to the NAV



Contract Setup and negotiation – Billing and Contract Management

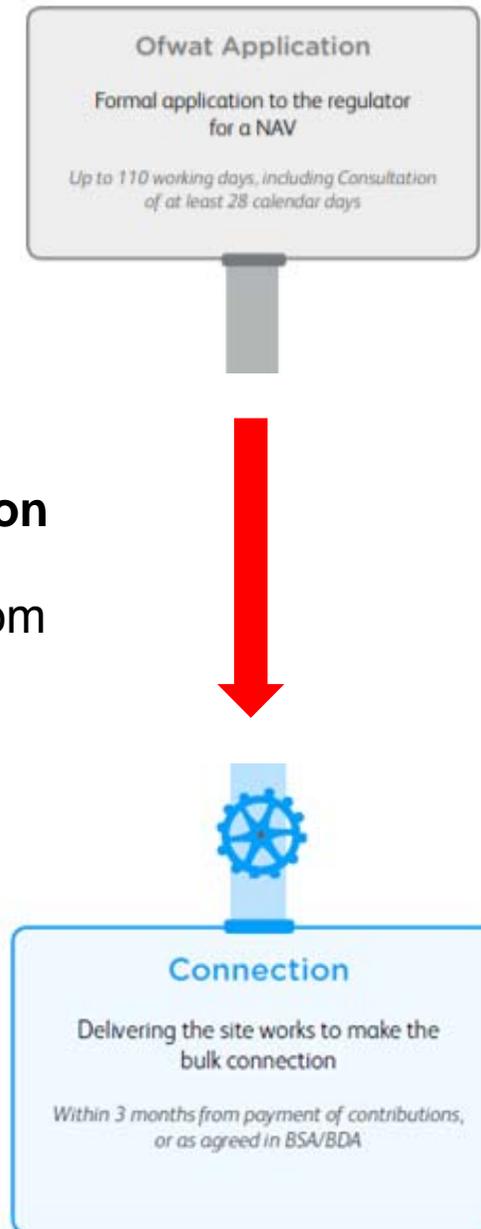
- **Bulk Agreements**
- **Produce technical solution**
- **Finalise negotiations including charges**
- **Signed Bulk Agreement**





Connection

- Final Connection must be made **AFTER** the contract is signed and site is granted
- **Contract signed** → **Ofwat Appoint** → **Connection**
- We aim to complete the final connection within 3 months from payment
- Section G of Bulk Supply/ Section F of Bulk Discharge
- Arrange a site meeting
- Deliver the connection work



“Ask the expert” at Thames Water



A new way for you to get assistance from us with complex technical queries... our new ‘Ask the expert’ face-to-face surgery sessions.

If you have a complex technical query you’d like to discuss face-to-face with an expert in Thames Water, you can book a dedicated 60-minute appointment to meet an expert who can help and guide you, and discuss any aspect of your development project. This is a free service.

Where and when: The appointments will be held at Clearwater Court, Vastern Road, Reading, Berkshire, RG1 8DB. There may be availability for appointments in other areas in the future.

Requesting an appointment: To request an appointment, simply contact your NAV Account Manager with:

- Your preferred date
- Details of your query, so we can match you to an expert
- Your best contact number

We'll then contact you to discuss available appointment slots.





Construction of Water Mains and Sewers



Appointee's statutory obligations

Construction of water mains and sewers

Duty to comply with water main requisition (Sec 41 WIA)

Duty to comply with sewer requisition (Sec 98 WIA)



Thames Water position on construction of NAV mains and sewers

Solely a commercial opportunity

Not our core business

We will - consider any requests (informally)
- propose projects &
- work together if there is

Mutual, environmental or customer benefit



Drivers for joint projects



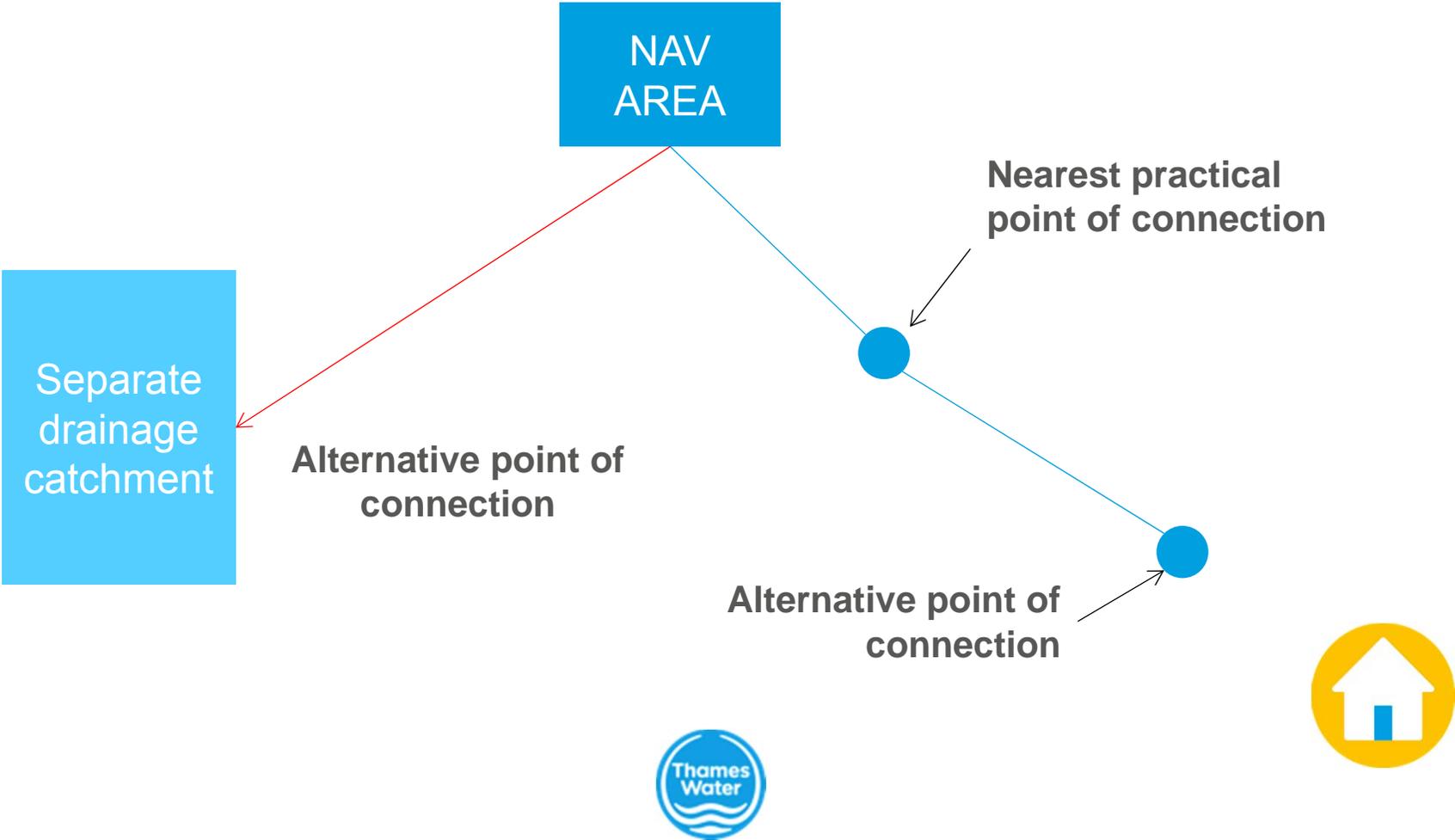
- Local capacity issues
- Opportunities to address future proposed growth in a catchment

Examples of joint projects with developers

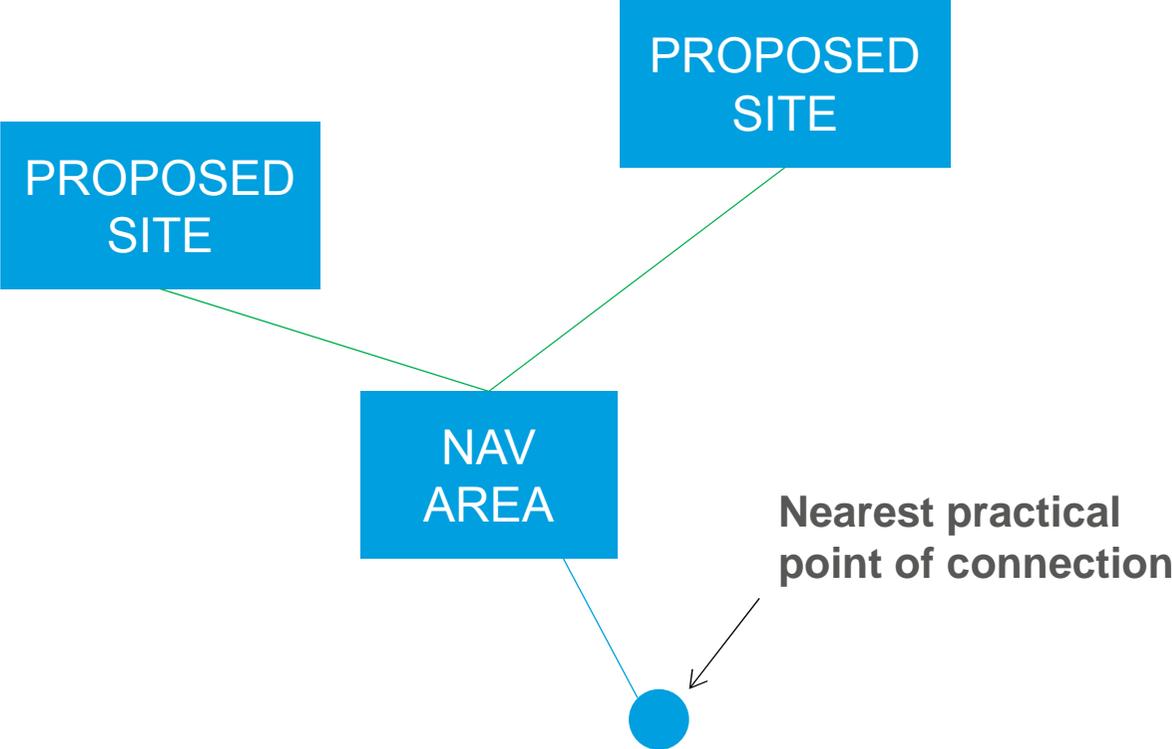
- Change of discharge point beyond nearest point of connection
- Provision for other developments to connect into NAV area
- Diversion of existing flow into the NAV area



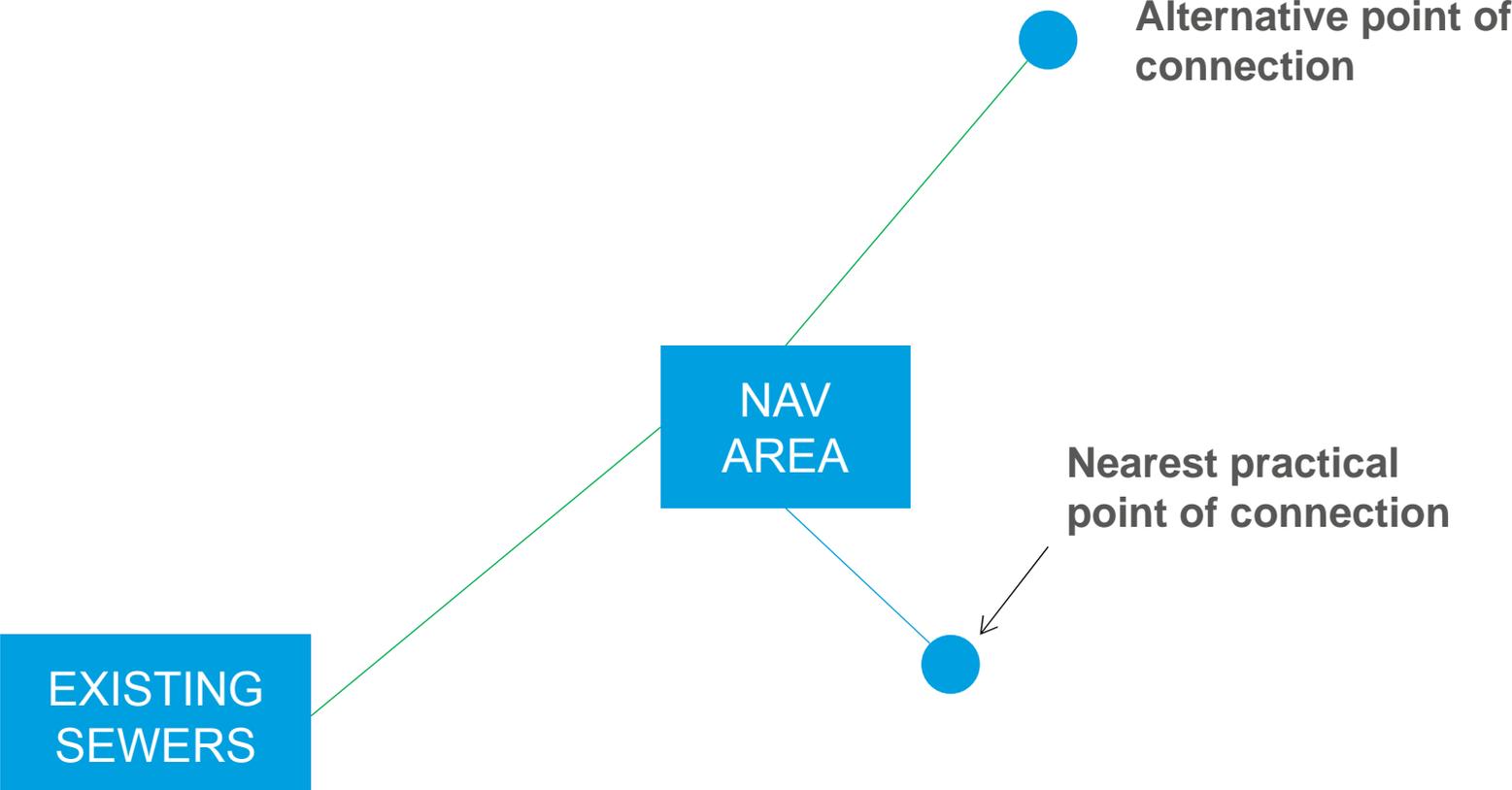
Change in connection point



Provision for future development



Provision for future development





Water Efficiency

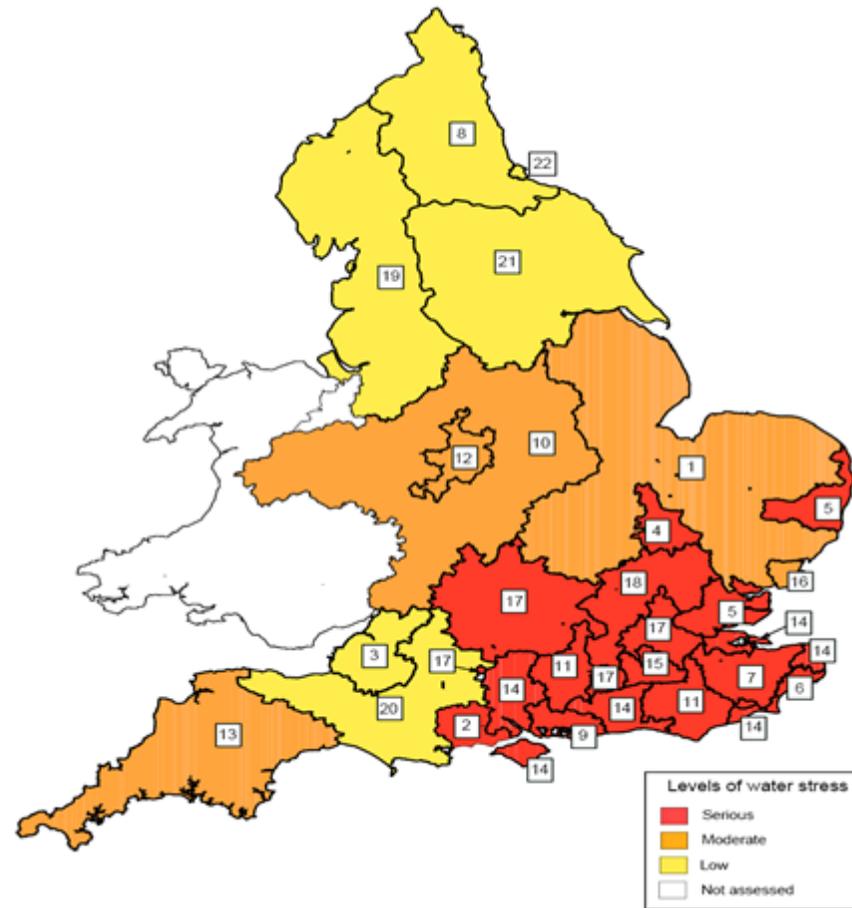


1. Why?



Water efficiency – why?

- The South East of England is classed as ‘**seriously water stressed**’ by the Environment Agency
- London receives less rain than Istanbul and the South East has less available water per person than Spain and Sudan
- Need to look at water use as well as new resources



Water efficiency – why?



Increasing Population

More weather extremes
(flooding & droughts)



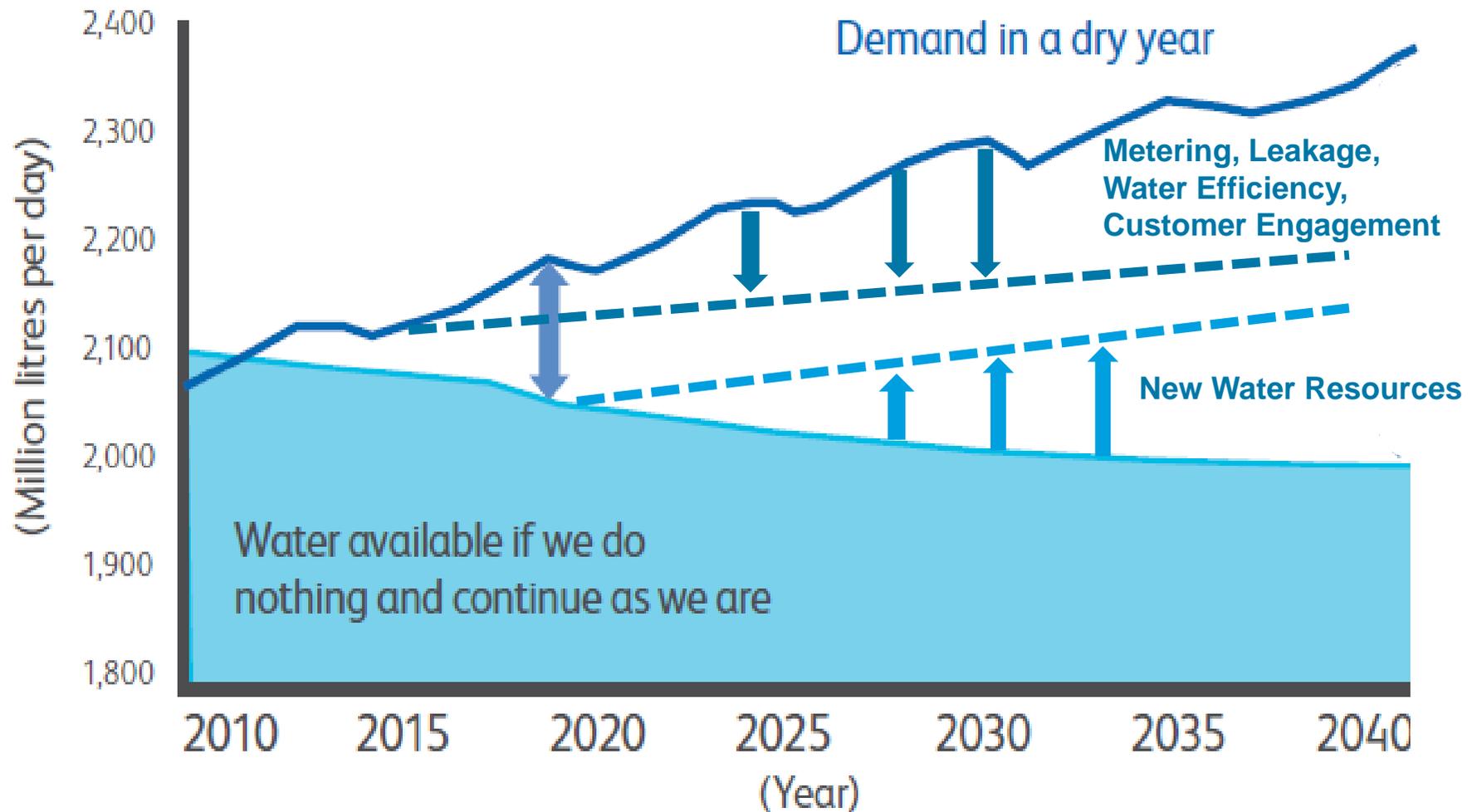
Increasing demand & change in water use behaviours

Environmental needs



The supply vs demand gap

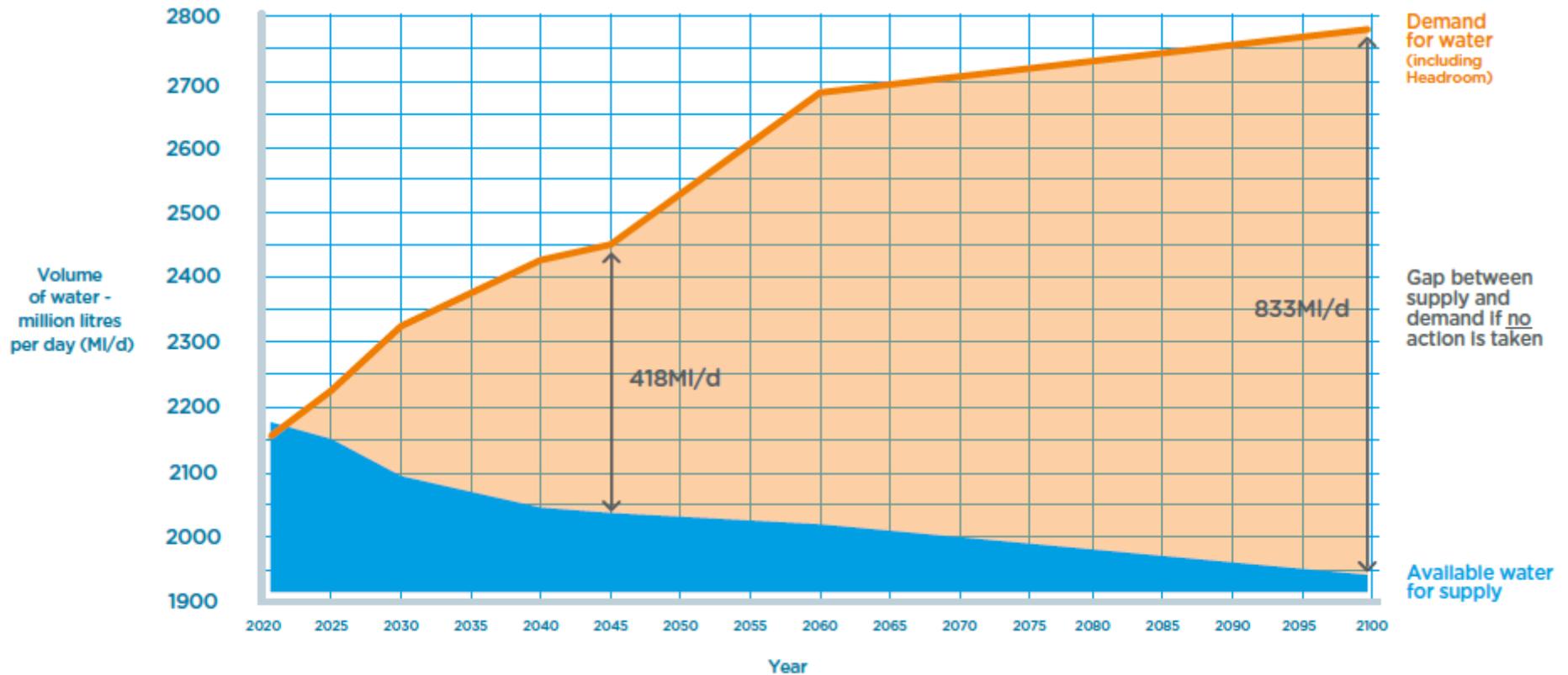
Forecast gap between supply and demand in London



Source: Draft Water Resources Management Plan. 2014

Water efficiency – why?

Draft baseline forecast resource deficit in London water resource zone (April 2017)



Gap between water supply and water demand if no actions are undertaken. Water efficiency visits, metering and leakage reduction reduce demand (orange line) and new water sources such as reservoirs or desalination increase supply (blue line).

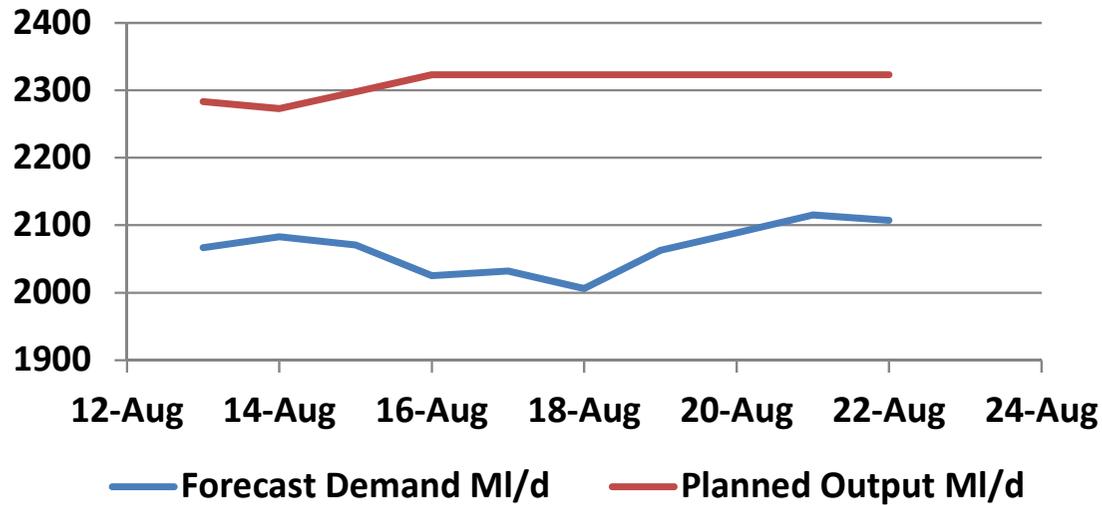


2. Summer 2018



Summer 2018

London Total



“During the current ongoing hot weather some customers may be experiencing low pressure to their water supply at peak periods in the Aylesbury, Guildford, High Wycombe, Reading, Slough and surrounding areas. For the latest information please go to www.thameswater.co.uk”



to go around.

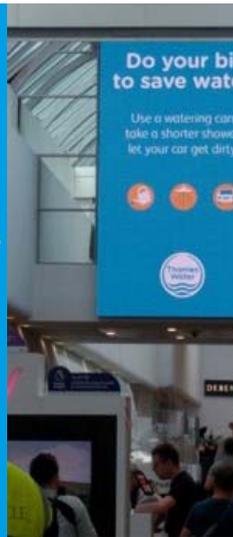
While we're enjoying the hot weather, and there's more to come, we're using a lot more water.

Demand is so much higher than usual, we're already putting 17% more water into the network, but it can't get to everyone's taps fast enough. So, we're asking you to slow down this summer, to make sure there's enough to go around.

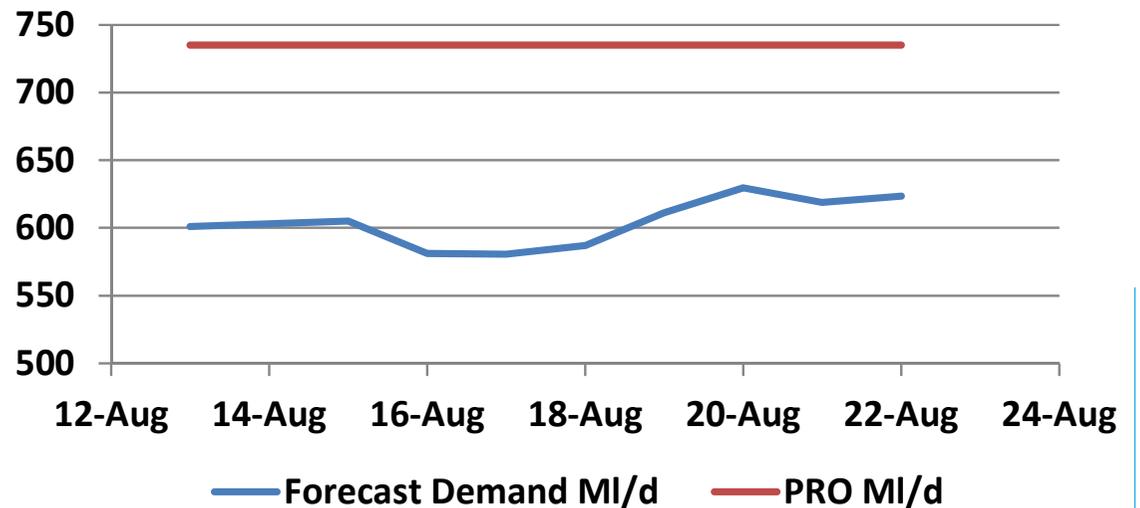
Please play your part and put away those hosepipes and sprinklers, let your cars get dirty, and take a shorter shower.

If we can all use a bit less, we can make a huge difference and help keep everyone's taps running, whatever the weather.

To see how you can help, visit thameswater.co.uk/hotweather



Thames Valley Total



Summer 2018 – Dry Weather Event



Thames Water
Yesterday at 11:53 · 🌐

Our engineers have visited dozens of companies over the past two weeks to fix internal leaks for free and offer a wide range of #WaterSavingTips and advice to help our mission to save water during the ongoing #HeatWave.

Water saving heroes
Our plumber Mike is on the hunt for leaky loos in Aylesbury

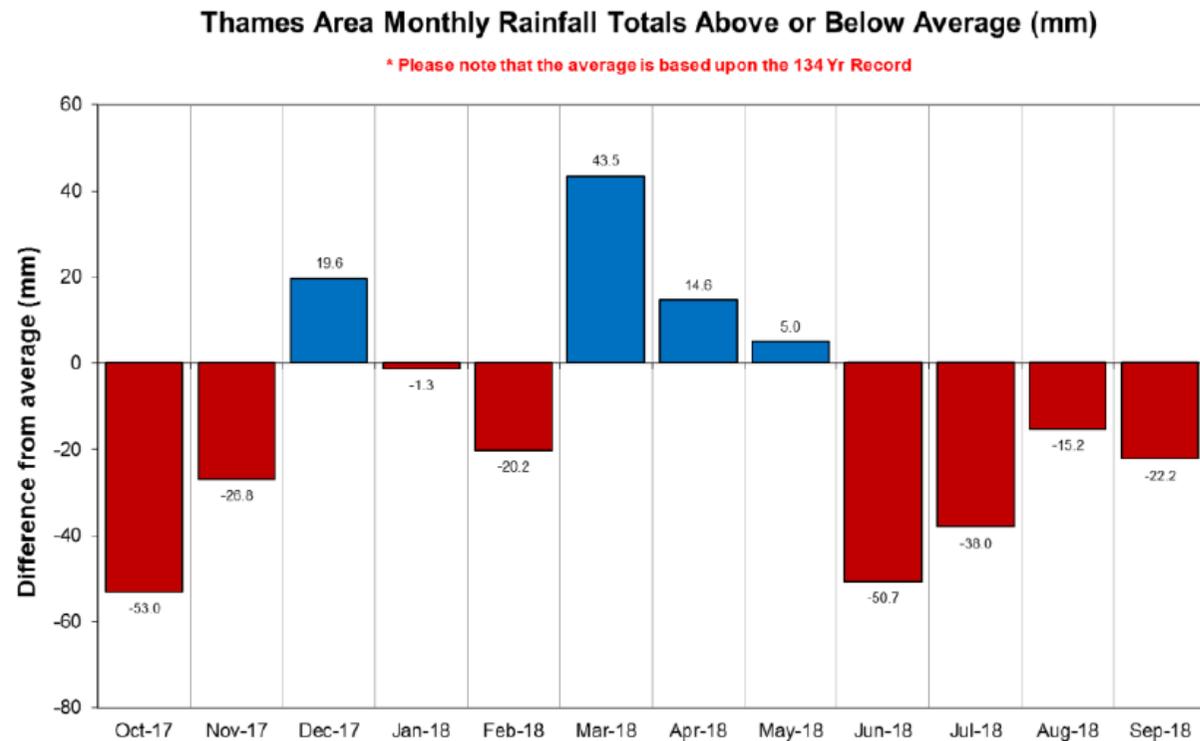
#Work

owner saw our Smarter Business Visit team working down the road. He flagged them down and asked for help with a severe leaky-loo. Our team jumped into action, fixing the leak on the spot, saving about 8,000 litres a day! #10LChallenge



Current water resource situation (as at end-Sept)

- June to Sept - driest ever on record
- Oct at 64% of long-term avg rainfall. 5th month in a row of below avg rainfall.
- Soil moisture deficit is high. Will take above avg rainfall to make up shortfall
- Current annual rainfall is at 62% of what we would expect



Thames Water Drought Plan

Activities during Drought

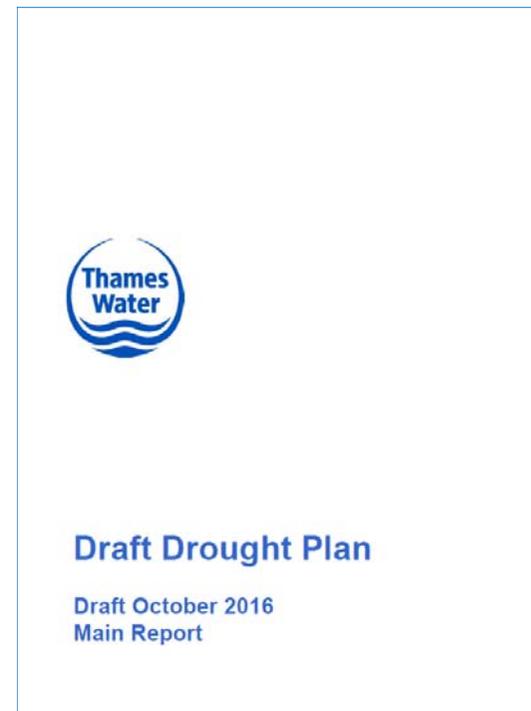
- An increase in contact with customers and non household properties providing advice, free water audits and resources for customers to undertake their own in-house water efficiency.

Temporary Use Ban

- Formerly a hosepipe ban; includes sprinklers as well as domestic and commercial hosepipes.

Temporary Use Ban – Exemptions

- using a hosepipe to water an area of grass or artificial outdoor surface used for sport or recreation, only where this is required in connection with a national or international sports event.



3. Water Efficiency Activities



Water Efficiency activities

Free water saving devices



Online Water Energy Calculator



Online Water Calculator for Businesses



Water Efficiency Schools Programme



Thames Water offices



Smarter Home Visits



Smarter Business Visits



LAHAs

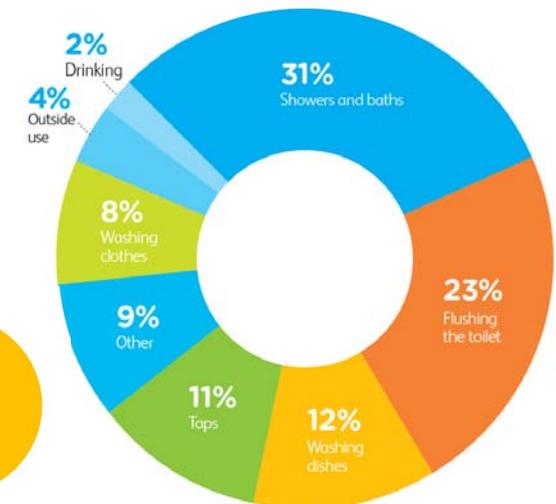
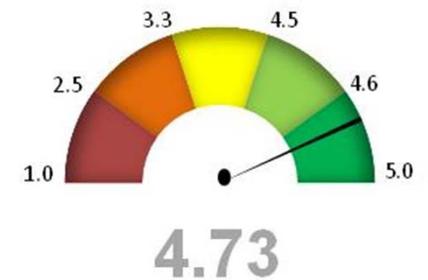


Wastage fixes

Smarter Home Visits (SHVs)

- Single largest water efficiency initiative in UK water sector
- In-home retrofit of water saving devices and personalised water audit and savings plan
- Internal leak fixes
- Delivery with Groundwork London (local charity)
- Delivery in partnership with housing providers

SHV CSAT to date:



Thank you

waterefficiency@thameswater.co.uk





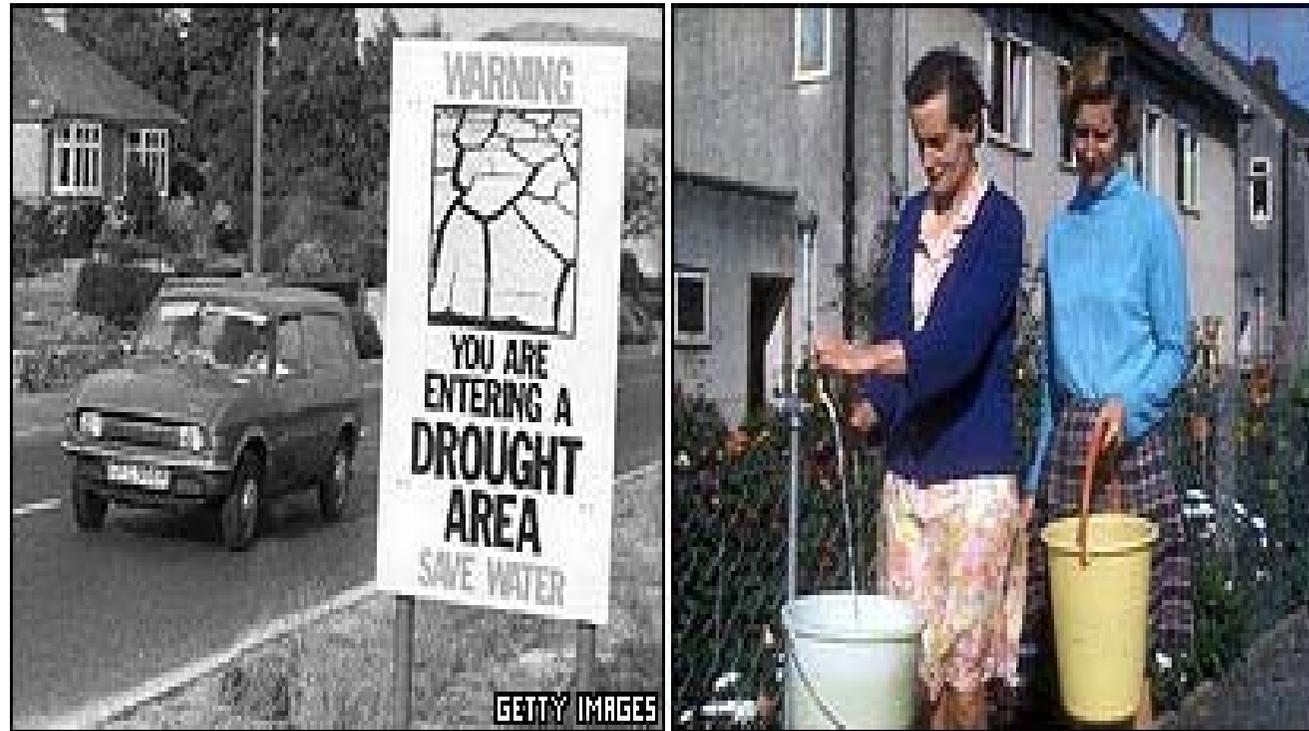
Unplanned and Planned Events



Remember this?



And this?



Hot Weather Event 2018



What happened earlier this year in certain parts of the Thames Water region?

What happened to stop it turning into 1976 and how did you help us to keep the water flowing?

Setting the scene



2018 has been worse than 1976...



The population has grown

Our consumers and your customers use a lot more water than 1976

We've seen record investment in the last 40 years

So...

- We've not had to ask for restrictions
- We supplied an extra 450 million litres of water into supply everyday during the hot weather
- We encouraged NHH and Household Water efficiency as part of the event



What would you like to know in events...



What more can we do?

What would you like to know? What's relevant?

When do you want to know?

How do you want to know?

Do you need to mirror us?

We don't want to end up in your spam box or another voicemail for you to listen to!



A BIG



Thank you!

Keep on helping us to help you as fellow Wholesalers, to help your customers,
consuming our services



**Take a
break**





QUADRANT SESSION

(Continue, Improve, Stop, Start)



Quadrant Exercise

What are we doing well?...



What do we need to improve?...



What would you like us to stop doing?...



What would you like us to start doing?...



What are we doing well?...

(Team 1)

- NAV website content
- Tariff pricing transparency

(Team 2)

- NAV engagement (NAV praised account management)
- Account Management are open and transparent with the NAV

What do we need to improve?...

(Team 1)

- NAV Awareness across wider business
- Timescales on bulk agreements (NAV's want to receive in line with OFWAT 28 days public consultation)
- More proactive communications (proactive updates to outstanding items)

(Team 2)

- Bespoke NAV tariff's
- Event notification and response times (site by site specific)
- Application Timelines (SLAs, reduce need to chase)
- NAV Awareness across wider business

What would you like us to start doing?...

(Team 1)

- Sharing consumption/telemetry data (This can assist with leakage. NAVs would ideally like online/live/instant access)
- TW to provide/suggest demand figures based on TW network (flow rate, maximum peak and volume)

(Team 2)

- Supplying information (regarding network and asset maintenance)
- Providing Income offset quote before onsite design (some NAV customers do not have access to this at the bidding stage)
- Industry standard bulk agreement templates
- Water efficiency discounts (NAV's request incentives to promote water efficiency within their areas)
- Instant/Live consumption data

What would you like us to stop doing?...

(Team 1)

- Delays to bulk agreements (NAV's want to receive in line with OFWAT 28 days public consultation)

(Team 2)

- Incorrectly identifying NAV assets and infrastructure as TW
- Extending time taken to resolve issues with district meters which are not related to the NAV





Wholesale Market Services Portal



Improving the application process



Setting up a clean water bulk supply to a NAV site

Please use the guidance notes to help Bulk Agreement all sections on the form.

About the form +

Application Variations required

Section A - Contact details +

Section B - Site details +

Section C - Eligibility +

Section D - Request For Connection work +

Section E - Request for Risk Assessment Information +

Section G - Request for connection work +

Section H - Account Information +

Comments +

Attachments

1 Choose File 🗑️ 🔍 Browse



Wholesale Market Services Portal



Welcome Prasad [Log out](#)



[Home](#) [Search Applications](#) [User Management](#)



[Home](#) [Search Applications](#) [User Management](#)

Home > Search NAV

Search Nav

Site Name	Contact Name	Company Name	Form Type	Stage	Status	Date of submission	Last updated date	TW ref number	View
Site1	Name 1	████	Waste Water Bulk Discharge	Request for Eligibility check	Completed	2018-09-12	2018-10-12	WMSN123-01	
Site3	Name 12	Second2	Clean Water Bulk Discharge	Request for Eligibility check	More info	2018-09-12	2018-10-12	WMSN123-01	
Site4	Name 3	████	Waste Water Bulk Discharge	Request for Eligibility check and Network Information	Under review	2018-09-12	2018-10-12	WMSN123-02	
Site2	Name 4	████	Clean Water Bulk Supply	Request for Eligibility check	Completed	2018-09-12	2018-10-12	WMSN342-01	

Showing 1 to 4 of 4 entries

Previous **1** Next

Working together



- Communication
- Key dates
 - December UAT
 - February launch
- Attendance in user groups
 - Held quarterly
 - Feedback on functionality
 - Suggestions on improvements



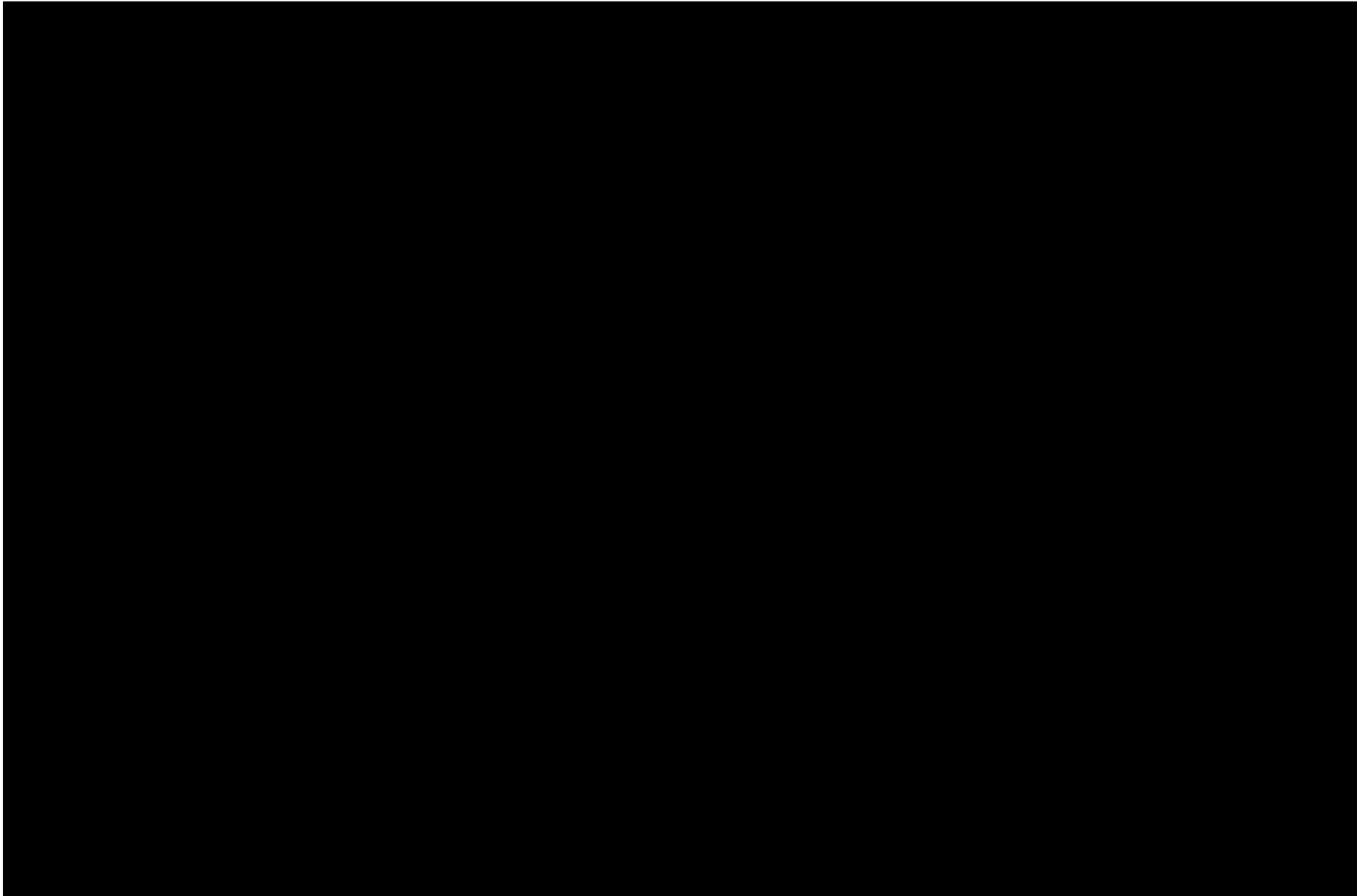
Thank you





Revenue and Settlement Update





Revenue Operations – Billing Overview

How we bill you

- Standard approach is to bill monthly in arrears for bulk supplies and periodically in arrears for infrastructure charges
- Standard payment terms are 14 days
- We have now set up and are operating a regular meter read cycle for all district meters at your supplied sites each quarter. Reads will be scheduled for the end of June, September, December and March each year
- Actual meter reads will be reconciled against the estimated reads prior to billing and a new bill issued to reflect actual consumption over the 3 month period.
- We will be using the calculated Average Daily Usage (ADU) between the last 2 meter reads to estimate consumption for the months where no actual read is available



Revenue Operations – Billing Overview

Plan for going forwards

- Continue to read meters as a scheduled task
- WMS are working closely internally with Z-Tech our meter reading contractor, and Developer Services collecting information on all meters to ensure the bills reflect the up to date situation on site.
- WMS are committed to providing an accurate and timely billing service, working closely with our NAV customers finance & commercial teams to resolve all historical issues



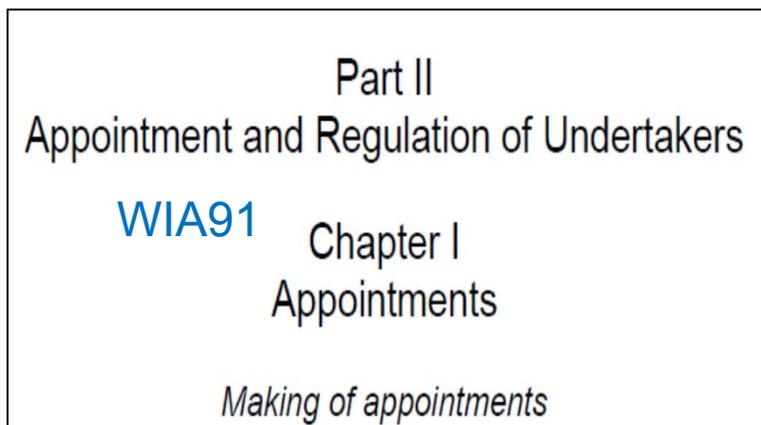


Regulation and Pricing for NAVs



Understanding our NAVs

- Statutory water and/or sewerage undertakers
- Identical status to the privatised WASCs and the traditional WOCs
- Replace the previous undertaker(s) for the areas they are appointed to serve
- Same monopoly powers & duties as every other statutory water / sewerage undertaker
- We want to encourage our NAV peers and also be cognisant of the fact that they are not simply 'developers'



Benefits of NAVs

- NAVs form a vital part of the UK water and wastewater sector – and offer an important challenge to incumbents to drive efficiencies and stimulate innovation.
- NAVs help to generate benefits for all customers through lower prices, improved service, and a greater choice of supplier for developers and large user customers.



Background and Context

- Ofwat, in its review of the NAV market, identified two key issues it describes as:
 - The need to 'level the playing field' by offering NAVs an income offset equivalent to that offered to developers and SLOs; and
 - Wholesale tariffs for NAVs should take into account the **costs** of the wholesaler.
- We charge NAVs for their consumption on our large user tariffs. We have a programme of work underway to move toward a bulk supply pricing structure that serves the unique characteristics of our NAV customers.



Headlines

Ofwat asked Frontier Economics to review the NAV market and report back. Below are some of the key issues highlighted by NAVs:

1. Difficulties in obtaining key information from incumbents; in particular (a) timely and transparent information for connections, and (b) offsite reinforcement works and bulk supply offers.
2. Negotiating individual bulk supply agreements can be challenging.
3. Pricing barriers resulting from (a) the treatment of income offsets, and (b) the incumbents approach to bulk supply pricing.
4. No allowance for the “last-mile infrastructure” costs that they incur. This puts NAVs at a disadvantage when bidding for sites –particularly for small and medium sized development sites.



Breaking through barriers



Market study success

- Increased focus on this area across the market
- Identified more things companies can do to help customers
- Spread good practice
- Increased innovation

Review Area	Theme	Ref
Customer Service	Information Accessibility & Transparency	1.1
		1.2
		1.3
	Customer Engagement	1.4
		1.5
		1.6
		1.7
	Systems & Process Improvement	1.8
		1.9
		1.10
		1.11
Competition & Regulatory Requirements	Performance Monitoring	2.1
	Policy Development	2.2
	Systems & Process Improvement	2.3
		2.4
		2.5
Enabling the NAV market	Policy Development	3.1
		3.2
		3.3

NAV Market Review Programme

Project Summary

NAV Market Review Programme

Project Summary

NAV Market Review Programme

Project Summary

High Level Commitment - We Will...

Commitment 2.1 - "Strengthen our ability to monitor, evaluate and demonstrate our performance against TWULs. Share any new insight with our NAV customers"

Project Description

This project will establish the process, systems and ownership for performance monitoring against TWULs. It will include proactive management of statutory SLAs and performance reporting for sharing insights and design.

Activities	Please list the key activities that the project will undertake to achieve the commitment
1	Identify the statutory (and any non-statutory) SLAs and performance metrics
2	Ensure CRM system development and implementation enables capture and reporting of KPIs
3	Design and agree the ownership and governance for internal performance monitoring
4	Develop any auxiliary tools and reports for



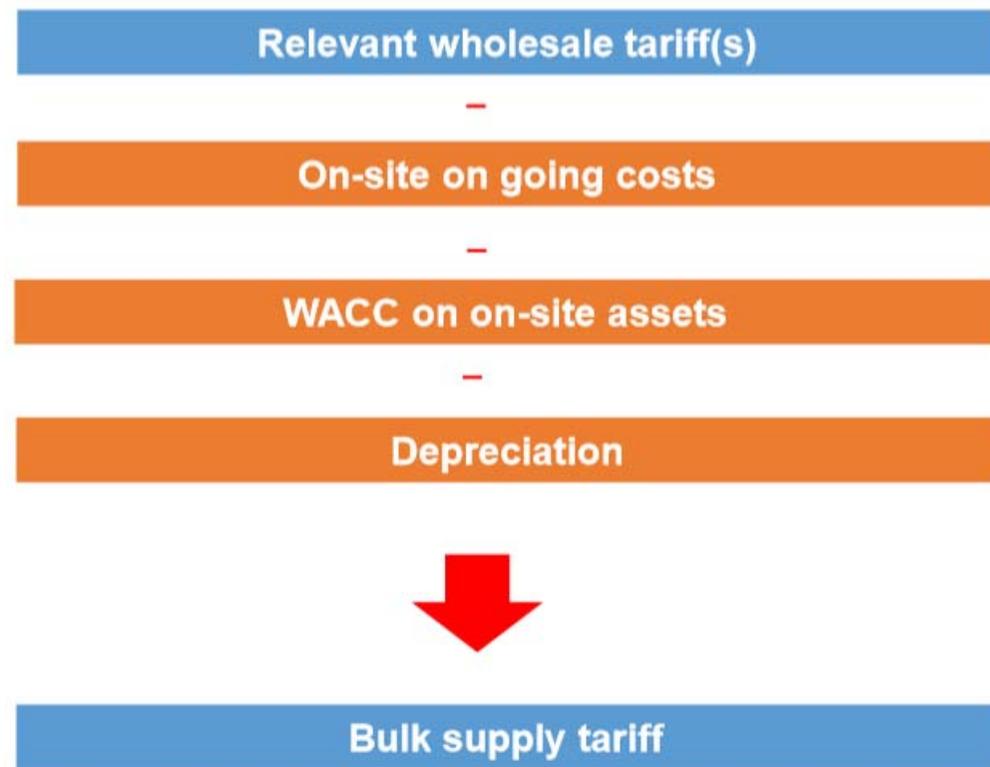


Bulk charges for NAVs



Bulk charges for NAVs

- On 8th May 2018 Ofwat issued new Guidance for bulk charges to NAVs
- The main requirement of the guidance is that bulk charges should be set using a “wholesale-minus” methodology
- This methodology raises a number of questions around the precision of site specific tariffs vs. the simplicity of incorporating an element of ‘averaging’
- We are working through what this means and will be consulting with NAVs and other stakeholders shortly



Opportunity to comment



On-site on-going maintenance

- Leakage
- Use of averaging (ex. fixed charge per connection?)



WACC on on-site assets

- Use of averaging
- Impact of income offset from April 2018 – March 2020
- Impact of new 'income offset' from April 2020



Depreciation

- Averaging vs. site specific
- Whole life cost of assets vs. separate consideration of replacement cost
- Which assets should be included? What is a reasonable useful life?

Water vs. Waste



On-site on-going maintenance

- Relevant to both water and wastewater networks



WACC on on-site assets

- Standard practice is for sewage networks to be adopted – which means there would be no WACC element to the bulk discharge tariff
- We recognise exceptional cases may exist and welcome your views



Depreciation

- Standard practice is for sewage networks to be adopted – which means there would be no depreciation element to the bulk discharge tariff
- We recognise exceptional cases may exist and welcome your views





Income Offsets for NAVs



Income offset

Our current approach:

We provide and will continue to provide income offsets and we are obliged to do so in non-discriminatory fashion.

New Ofwat guidance:

From 1 April 2018 we also offer these payments to NAVs.

From 2020 a new process will exist, but during the intermediary period the income offset is paid to the NAVs.

From 1 April 2020:

From April 2020 onward, the income offset will be on a per connection basis in line with our infrastructure charges.



April 2020

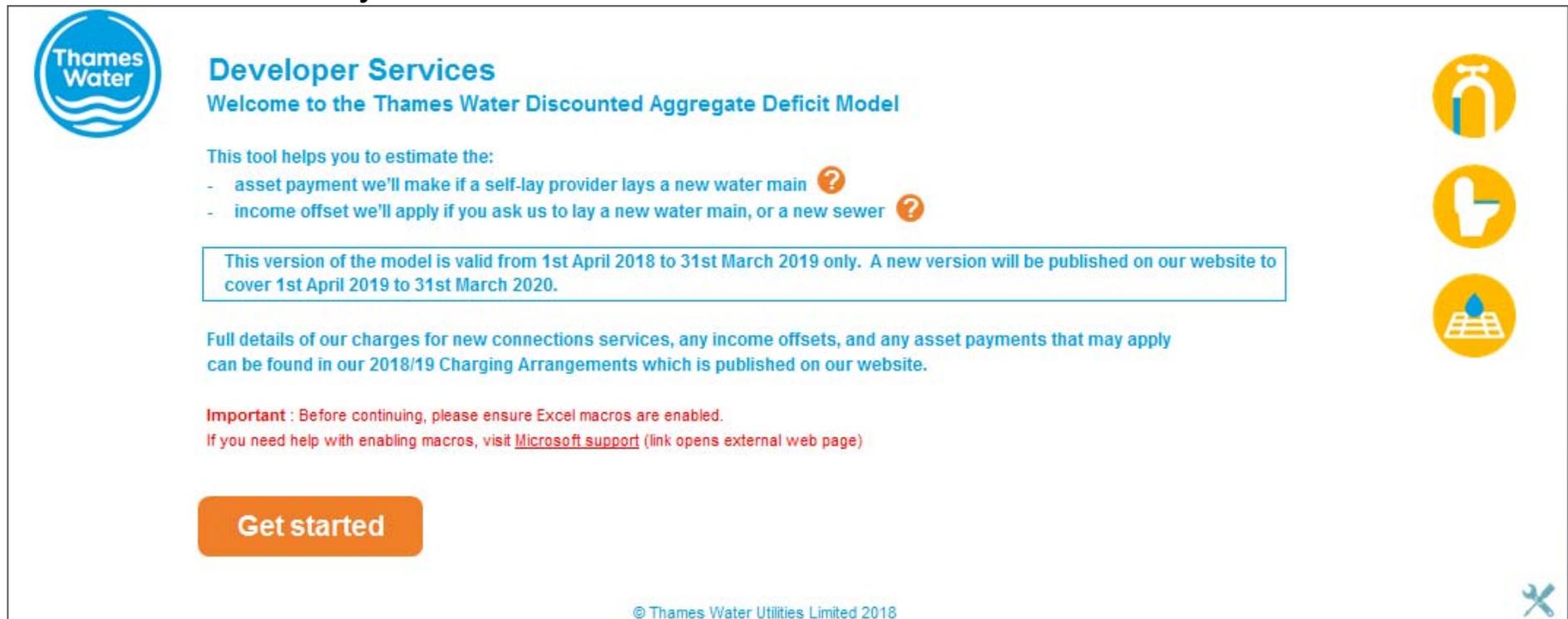
The income offset is moving

- Current system only favours customers asking for a new main or sewer (requisition) or a self-laid water main
- From April 2020 we will no longer:
 - contribute to the cost of new water mains and sewers
 - make asset payments for self-laid new water mains
 - use the DAD model
- Our current plan is to give an income offset **against infrastructure charges**, calculated on a **per property basis**
- Transition provisions will be needed
- Better for competition



Income Offsets – in detail

- Thames Water contribution toward Developer, SLO or NAV development costs will continue to be calculated on the basis of the **discounted aggregate deficit ('DAD')** approach
 - User friendly model on our website



The screenshot displays the 'Developer Services' page on the Thames Water website. It features the Thames Water logo in the top left corner. The main heading is 'Developer Services' with a subtitle 'Welcome to the Thames Water Discounted Aggregate Deficit Model'. Below this, a text block states 'This tool helps you to estimate the:' followed by a bulleted list: '- asset payment we'll make if a self-lay provider lays a new water main' and '- income offset we'll apply if you ask us to lay a new water main, or a new sewer'. A warning box indicates the model's validity period from 1st April 2018 to 31st March 2019, with a note that a new version will be published for 2019-2020. A link to '2018/19 Charging Arrangements' is provided for more details. An 'Important' note at the bottom asks users to ensure Excel macros are enabled and provides a link to Microsoft support. A prominent orange 'Get started' button is located at the bottom left. On the right side, there are three circular icons: a water tap, a toilet, and a sewer grate. A small wrench icon is in the bottom right corner. The footer contains the copyright notice '© Thames Water Utilities Limited 2018'.



Our financial contribution

- Contribution will continue to be calculated on the basis of the **discounted aggregate deficit** approach
 - User friendly model on our website

Thames Water

SCHEME TYPE SCHEME PARAMETERS RESULT FULL CALCULATION

Select the type of scheme you're developing Thames Water Discounted Aggregate Deficit Model

Please select your scheme type by clicking on the appropriate button below and click next.
Tip: If your scheme includes more than one type, you will need to calculate each one separately.

Water ✓
A new water main.

Foul Water
A new sewer collecting foul water discharged from sources such as toilets, baths, showers, sinks and washing machines.

Surface Water
A new sewer collecting rain or melted snow that falls on surfaces such as roofs, patios, driveways and roads.

Back Next

© Thames Water Utilities Limited 2018



Our financial contribution

- Contribution will continue to be calculated on the basis of the **discounted aggregate deficit** approach
 - User friendly model on our website

Thames Water

SCHEME TYPE → SCHEME PARAMETERS → RESULT → FULL CALCULATION

Scheme parameters - complete all fields before clicking next Thames Water Discounted Aggregate Deficit Model

Type of scheme selected	Water	
Customer name	<input type="text" value="Sample Customer"/>	<p>If you need assistance please contact the Thames Water Developer Services helpdesk: Email: developer.services@thameswater.co.uk Phone: 0800 009 3921 (lines open 8am-5pm Mon-Fri excl. bank holidays)</p>
Scheme title	<input type="text" value="Sample Scheme"/>	
Site address	<input type="text" value="Sample Site Address and Postcode"/>	
Total scheme charges	<input type="text" value="£18,410.00"/>	
Number of properties	<input type="text" value="5"/>	
Occupancy profile	<input type="text" value="1 - 9 DWELLINGS"/>	

[Click here to view an illustration of this profile](#)

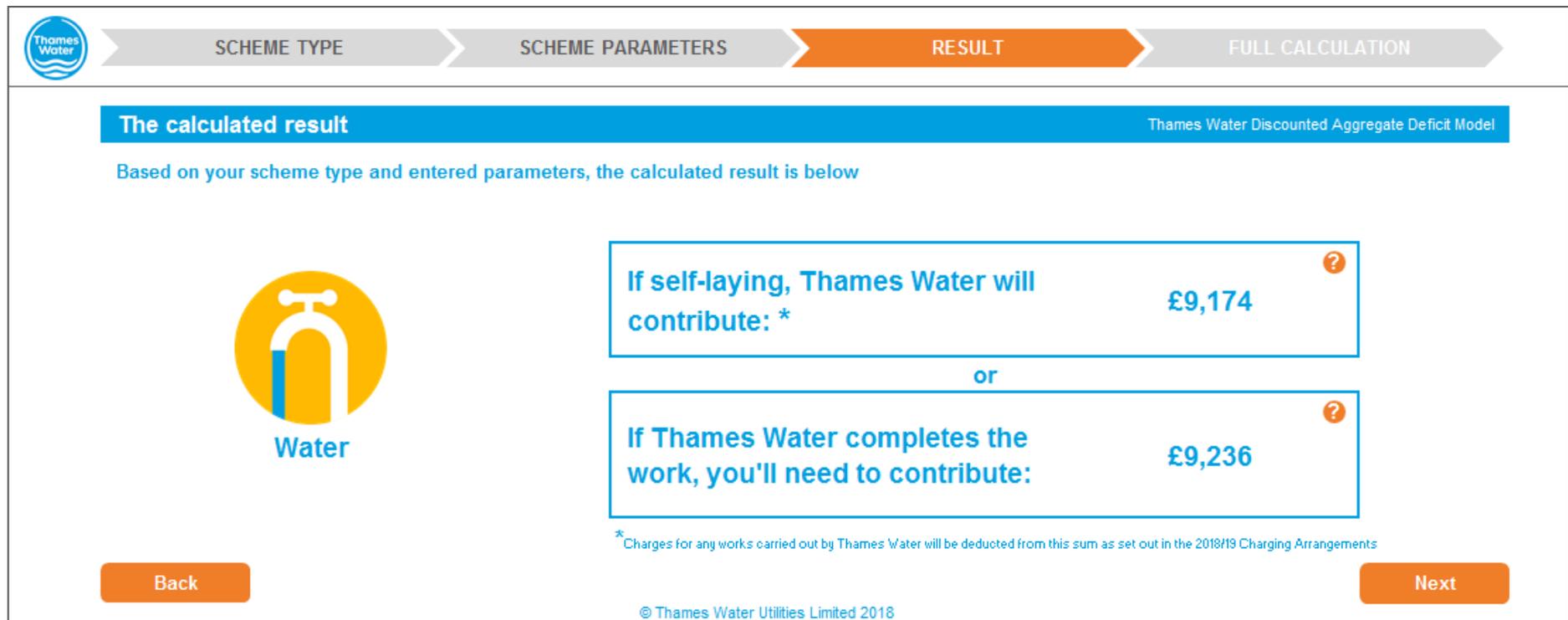
Back Reset Next

© Thames Water Utilities Limited 2018



Our financial contribution

- Contribution will continue to be calculated on the basis of the **discounted aggregate deficit** approach
 - User friendly model on our website



The screenshot displays a progress bar at the top with four stages: SCHEME TYPE, SCHEME PARAMETERS, RESULT (highlighted in orange), and FULL CALCULATION. Below the progress bar, a blue header reads "The calculated result" and "Thames Water Discounted Aggregate Deficit Model". A sub-header states, "Based on your scheme type and entered parameters, the calculated result is below".

On the left, there is a circular icon with a water tap and the word "Water" underneath. To the right, two boxes present the contribution amounts:

If self-laying, Thames Water will contribute: *	£9,174
or	
If Thames Water completes the work, you'll need to contribute:	£9,236

A small asterisked note below the boxes reads: "*Charges for any works carried out by Thames Water will be deducted from this sum as set out in the 2018/19 Charging Arrangements". At the bottom, there are "Back" and "Next" buttons, and a copyright notice: "© Thames Water Utilities Limited 2018".



Our financial contribution

- Contribution will continue to be calculated using an **aggregate deficit** approach
 - User friendly model on our website

Thames Water

SCHEME TYPE SCHEME PARAMETERS

The calculated result

Based on your scheme type and entered parameters, the calculated result is below


Water

Back

If self-laying, Thames Water will contribute: *

If Thames Water carry out the work, you'll need to contribute: *

*Charges for any works carried out by Thames Water

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Thank you





Network capacity and reinforcement



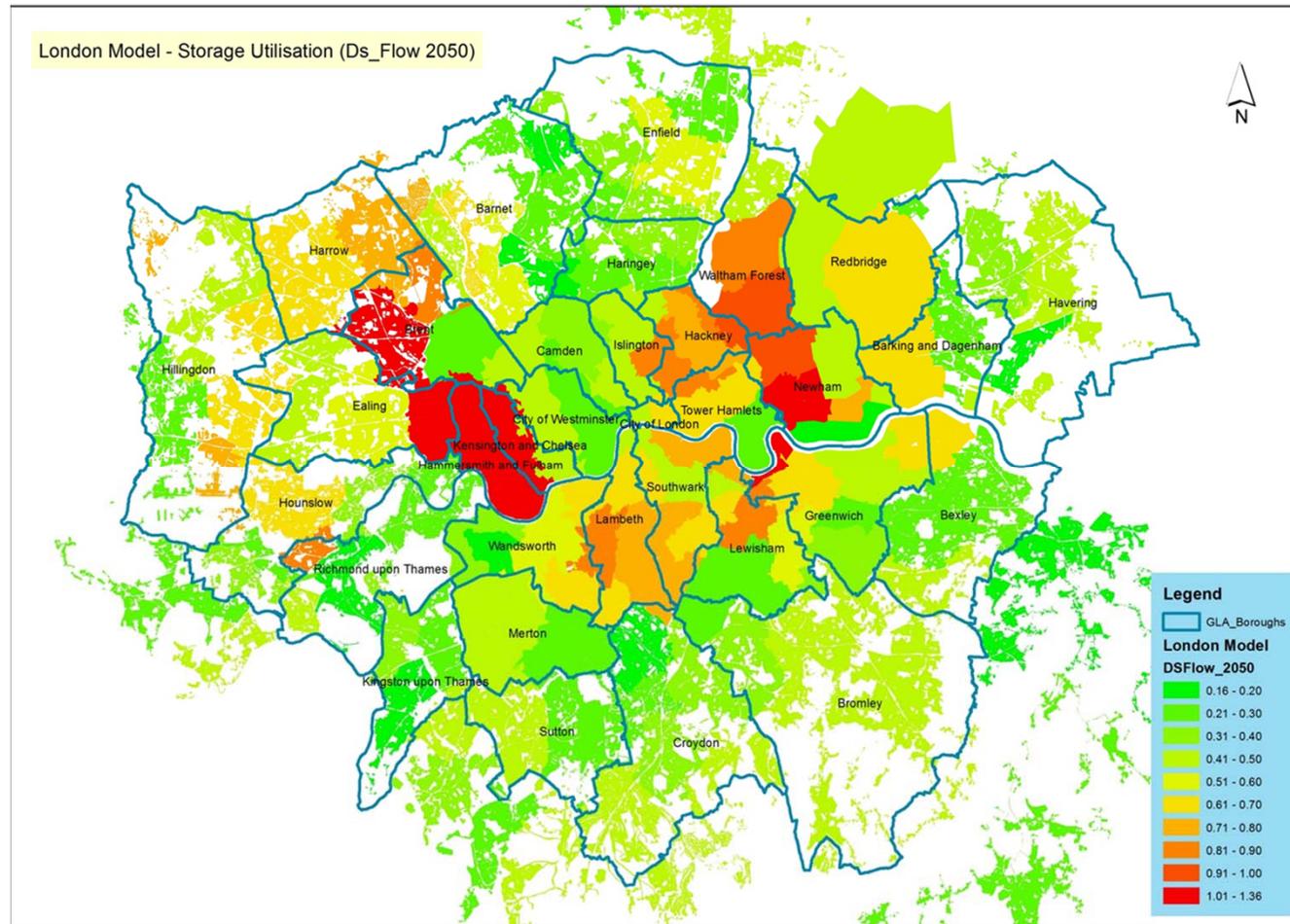
Why should you know about sewer capacity?



- When you consider a new site that connects to the Thames Water Network, available capacity is relevant
- Areas of low capacity are more likely to require network reinforcement to accommodate new development
- We need to ensure that our network has capacity to accommodate the additional flow at occupation and may need much closer collaboration on housing delivery so that it matches infrastructure delivery
- Some sites may need more detailed engagement to deliver successfully



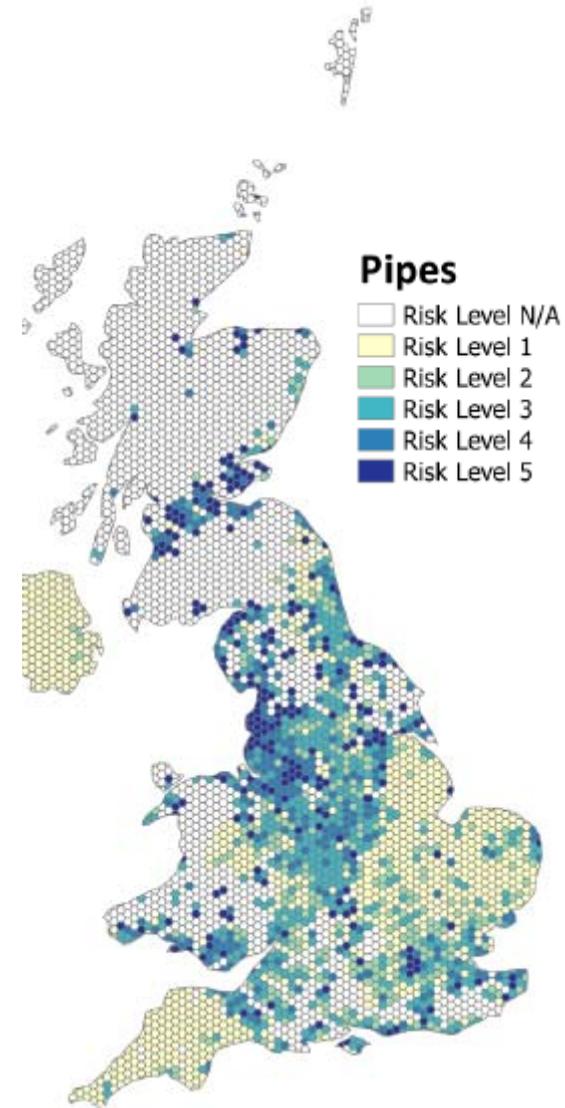
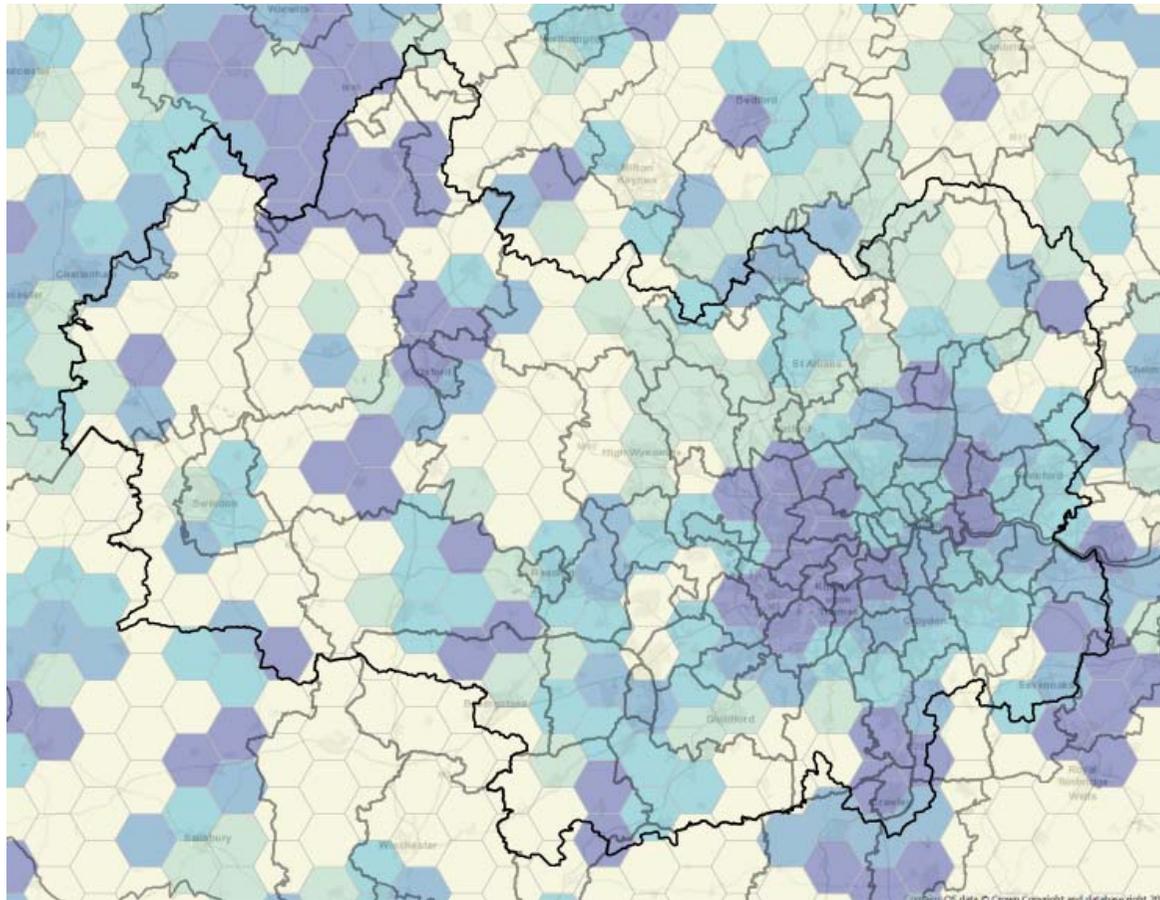
Published Capacity Maps



London Strategic Drainage Action Plan (LSDAP)



Our preferred approach



Water UK 21st Century Drainage Capacity Mapping



Our approach to Capacity



- We will use the Water UK 21st Century Drainage Method
- We may publish higher granular data in the future
- We use this data at strategic planning level to size our investment plan
- We use site specific hydraulic modelling assessments to scope proposed upgrades

Network reinforcement



Thames Water gets to choose the solution. It could be:

- Increasing pipe capacity
- Creating storage
- Removing legacy surface water outside of the development site (offsetting)
- Building a bespoke surface water sewer system in combined sewer areas
- A combination of the above

This is funded by the Infrastructure charge





Infrastructure Charges





Infrastructure Charges



Costs April 18 to March 19

£140 for clean water per property connected

£210 for waste per property connected

Calculated by determining the size of our investment programme and the expected number of new connections

Reviewed annually

Published each February





Infrastructure Charges



Thames Water must demonstrate income collected balances with investment expenditure on a 5 year rolling basis

We need...

You to provide us with the number of properties connecting up front



Feedback session

Thank you

