

DRAFT DETERMINATION OF HAFREN DYFRDWY'S IN- PERIOD OUTCOME DELIVERY INCENTIVES FOR 2021-22

Hafren Dyfrdwy response

21 October 2022

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Hafren Dyfrdwy's response to Ofwat's draft determination of Hafren Dyfrdwy's in-period outcome delivery incentives (ODIs) for 2021-22

We welcome the opportunity to respond to Ofwat's draft determination of Hafren Dyfrdwy's in-period outcome delivery incentives (ODIs) for 2021-22.

Reducing residential void properties

We can confirm we are voluntarily not claiming the ODI outperformance payment of £0.039m that Ofwat has intervened in the draft determination to give us for our 2021-22 performance in reducing residential void properties. This is without prejudice to any ODI outperformance payments for our future performance on reducing residential void properties.

We recognise Ofwat's is not agreeing to alter our performance commitment levels (PCLs) for reducing residential void properties. We continue to consider that to improve the transparency of our reporting for customers, stakeholders and regulators it would be best to remove "invalid service provisions" from both our PCLs and our reported performance. As such, we will continue to monitor "invalid service provisions" and ensure we are only receive ODI outperformance payments for genuine improvements in performance. We will ensure our customers and Ofwat are informed and consulted as needed.

Hafren Dyfrdwy

21 October 2022