



Discharge permit compliance

Purpose: This performance commitment is designed to incentivise the company to fully meet its discharge permits.

Benefits: Meeting discharge permits helps to protect the environment. It is a necessary part of improving the status of the water bodies into which the company discharges.

Version control

Version	Date of issue	Performance commitment changes
0.1	22 December 2022	Published at final methodology, changes to definition from draft methodology identified in red text.
0.2	09 May 2023	Removal of red text. Reporting amended to 1 decimal place.
1.0		
2.0		

Performance commitment definition and parameters

1.1 Detailed definition of performance measure

For a company operating mainly in England discharge permit compliance is defined in the discharge permit compliance (numeric) metric in the reporting guidance from the Environment Agency for the water and sewerage company [Environmental Performance Assessment \(EPA\) methodology version 9](#) May 2021 as published on our website.¹

For a company operating mainly in Wales discharge permit compliance is defined in the discharge permit compliance (numeric) metric in the reporting guidance from Natural Resources Wales for the water and sewerage company [Environmental Performance Assessment \(EPA\) methodology version 8](#) October 2020 as published on our website.²

The discharge permit compliance metric is reported as the performance of wastewater treatment works (to treat and dispose of sewage) and water treatment works (for the water supply service) in line with their numeric discharge permit conditions. The discharge permit compliance metric is reported as the number of failing sites and not the number of failing discharges. This measure applies to both water only companies and to water and sewerage companies.

1.2 Additional detail on measurement units

A discharge can be confirmed as failing for a number of breaches of a numeric permit at wastewater treatment works and water treatment works, as set out in the relevant EPA methodology, described above.

1.3 Specific exclusions

As defined in the relevant EPA methodology metric, described above.

1.4 Reporting and assurance

As defined in the relevant EPA methodology metric, described above.

¹ Note - we expect to use the version which is in effect at the date of our PR24 final determinations, subject to the outcome of the PR24 determinations process.

² See footnote 1, above.

The company shall ensure that its outcome delivery incentive payments only relate to real performance changes and not definitional, methodological or data changes in performance commitments.

Table 1 Definition parameters

Parameters	
Measurement unit and decimal places	Percentage compliance, reported to one decimal places.
Measurement timing	Calendar year
Incentive form	Revenue
Incentive type	Underperformance payments
Timing of underperformance and outperformance payments	In-period
Price control allocation	TBD
Frequency of reporting	Annual, on a calendar year basis. For example, performance assessment for 2025-26 will be based on the calendar year 2025, and 2029-30 assessment will be based on the calendar year 2029.
Any other relevant information	N/A
Links to relevant external documents	N/A