



Storm overflows

Purpose: This performance commitment is designed to incentivise a progressive reduction in the adverse impacts of discharges from the company's storm overflows.

Benefits: Storm overflows must only be used in exceptional circumstances. This performance commitment encourages the company to operate and maintain its network and equipment in such a way as to reduce the adverse impacts of storm overflows on public health and the environment.

Version control

Version	Date of issue	Performance commitment changes
0.1	22 December 2022	Published at final methodology
0.2	9 May 2023	Revised version for consultation
1.0	14 June 2023	Published following consultation

Performance commitment definition and parameters

1.1 Detailed definition of performance measure

The average number of spills per storm overflow will be calculated to two decimal places as follows:

$$\frac{\text{Number of monitored spills}}{\text{Number of storm overflows}} + \text{Unmonitored storm overflows adjustment}$$

For the purpose of this performance commitment the 'Number of monitored spills' is the number of spills monitored by event duration monitors over the reporting period from all of the company's storm overflows as at 1 January of the reporting period. The 'unmonitored storm overflows adjustment' is set out in section 1.2.

1.2 Additional detail on measurement units

Counting the number of spills

Spills shall be counted using the 12/24 counting method, as follows:

- Start counting when the first discharge occurs.
- Any discharge (or discharges) in the first 12-hour block are counted as one spill.
- Any discharge (or discharges) in the next and subsequent 24-hour blocks are each counted as one additional spill per block.
- Continue counting until there is a 24-hour block with no discharge.

For the next discharge after the 24-hour block with no discharge, begin again with the 12-hour and 24-hour block spill counting sequence. Monitoring frequency should be no longer than 2-minute intervals for high amenity waters and 15-minute intervals for medium and low amenity waters.¹

Counting the number of storm overflows

¹ The 12/24 counting method corresponds with the Environment Agency's approach to counting spills set out in 'Water companies: environmental permits for storm overflows and emergency overflows' of September 2018. Regarding the counting method and spill monitoring frequency, we expect to take the approach set out in the Environment Agency's guidance which is in effect at the date of our PR24 final determinations, subject to the outcome of the PR24 determinations process.

For the purposes of this performance commitment, 'storm overflow' means any structure or apparatus: (a) which is comprised in the company's sewerage system, and (b) which, when the capacity of other parts of the system downstream or of storage tanks at sewage disposal works is exceeded, relieves them by discharging their excess contents into inland waters, underground strata or the sea.

Every storm overflow as at 1 January of the reported year is to be included, regardless of whether it is permitted by the appropriate agency (the Environment Agency in England and Natural Resources Wales in Wales). This includes combined sewer overflows (on gravity sewers, pumping stations or sewage treatment works) and settled storm overflows. A new storm overflow that has initially been identified by the company or another stakeholder will be counted unless the company has investigated and confirmed that it is not a storm overflow that is connected to its system.

The number of storm overflows may change between reporting years for the following reasons:

- **New storm overflows.** Companies must report new storm overflows as they are identified or permitted by the appropriate agency. For the purposes of this performance commitment, new storm overflows and their associated spills must be included from 1 January after the date that they are identified or permitted and reported accordingly.
- **Closed storm overflows.** By default, storm overflows that are closed are to be removed from the denominator of this performance commitment in the following reporting year. This is because the denominator is based on the number of storm overflows as at 1 January of the reporting year. However, a storm overflow which is the subject of a permit may remain in the denominator for the remainder of the 2025-30 period provided that the company provides evidence and assurance that the appropriate agency has confirmed a permit is no longer required in relation to that storm overflow.

Unmonitored storm overflows adjustment

In line with their wider obligations, companies are required to monitor and record discharges from storm overflows. One way to do this is through the installation of event duration monitors. For the purposes of this performance commitment, when we refer to 'unmonitored overflows' we mean those storm overflows where an event duration monitor was not installed or not operational. A monitor is considered 'operational' if it was functioning and could reliably record discharges if one occurred.

If a storm overflow is fully or partially unmonitored by an event duration monitor during the reporting year, the company is required to assume a level of spills for the period of

time that it was unmonitored. In doing so, the company must assume 100 spills if a storm overflow is not monitored for the whole of the reporting year. This assumption scales by the period of time that it was monitored by an event duration monitor.

The **unmonitored storm overflows adjustment** (USOA) is calculated as:

$$USOA = (1 - A) * B$$

Where:

- **A: Uptime.** Percentage of the reporting period that a company's event duration monitors were operational (for all storm overflows as at 1 January of the reporting period). This is a simple average of the percentage of the reporting period that the monitor is reported as operational. For the purposes of this calculation, the reporting period is 1 January to 31 December, regardless of when an event duration monitor was installed. Storm overflows without event duration monitors should be considered to have 0% uptime.
- **B: Fixed assumption.** 100.

1.3 Specific exclusions

None.

1.4 Reporting and assurance

The company must keep the spill records required for the 12/24 spill counting method set out above for at least 10 years from the date the company made the records. The company must ensure broken monitors are fully operational as soon as reasonably practicable.

The company will provide external third-party assurance, on an annual basis, that the company implements appropriate processes to identify event duration monitors that do not accurately report spills. The company will also provide a reconciliation of the performance reported under the performance commitment with any publicly available information, including that reported to each appropriate agency.

As part of this process, and to provide transparency for stakeholders on the number of reported storm overflows, within its annual reporting the company must separately report the number of storm overflows that have been:

- identified or newly permitted by the appropriate agency during the reporting year but will be included in the following reporting year;
- added to the reporting year because they were identified or newly permitted in the previous reporting year and are: (i) confirmed as being connected to its system, or (ii) under investigation after initially being identified by the company or another stakeholder;
- now confirmed as not being connected to its system after it was previously reported as a storm overflow that had initially been identified by the company or another stakeholder in the previous reporting year;
- closed but remain subject to a permit during the reporting year; and
- closed and the appropriate agency has confirmed a permit is no longer required in relation to those storm overflows during the reporting year – with supporting evidence provided by the company to Ofwat.

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	Average number of spills per storm overflow, reported to two decimal places.
Measurement timing	Calendar year
Incentive form	Revenue
Incentive type	Outperformance and underperformance payments
Timing of underperformance and outperformance payments	In-period
Price control allocation	100% wastewater network plus
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