



Wholesale Charges Schedule

Charges that apply from April 2018

January 2018

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Contact us

Our wholesale services desk can be contacted on:

Email	wholesaleservicedesk@seswater.co.uk
Phone	01737 772000 (option 4) Monday to Thursday: 8:00am to 5:00pm Friday: 8.00am to 4.30pm
Website	www.seswater.co.uk
Twitter	@SESWater
Address	SES Water London Road Redhill RH1 1LJ

If you have a query about wastewater please contact the wastewater service provider:

Thames Water	wholesalemarketservices@thameswater.co.uk
Southern Water	wholesaleservices@southernwater.co.uk

1. About this document

This document is the Wholesale Charges Schedule drafted in accordance with the Wholesale Charging Rules issued by the Water Services Regulation Authority ('Ofwat') under section 66E of the Water Industry Act 1991 (as amended).

In order to demonstrate compliance with the wholesale price control this document also includes, in Chapter 5, the wholesale charges that will be included in end charges to households.

1.1. Introduction

This document outlines the charges that will apply for the provision of Wholesale Services from 1 April 2018. It provides an update on indicative charges that were published in October 2017. Charges have increased by 0.1% since indicative charges were published. This is due to the final charges using more up-to-date information on customer numbers and inflation.

Since April 2017 businesses, charities and public sector organisations that are eligible have been able to switch Retailer. Charges for Wholesale Services are paid by Retailers to Wholesalers for the abstraction, treatment and transportation of water from source to the customer tap. The charges outlined in this document are therefore relevant only to Retailers. If you are a business please talk to your Retailer about the charges that you will pay. If you are a household customer please see our website for information about your bill and charges which also includes a charge for Retail Services.

The charges outlined in this document have been approved by the Company's Board of Directors. A signed assurance statement is included in Chapter 6.

1.2. Definitions used in this document

For the purposes of this charges scheme the following definitions apply:

Term	Definition
Billing Year	1st April to 31st March.
Company	SES Water.
Domestic Purposes	As defined in The Water Industry Act 1991.
Measured Water Supply	A supply through a water meter.
Non-Potable	Untreated water.
Potable	Treated water.
Premises	A property, or parts of a property, which are intended to be separately occupied.
Rateable Value	The valuation for a property as shown in The Inland Revenue Valuation List as at 31 st March 1990.
Retailer	The company providing Retail Services to customers within the Company's operational area.
Retail Services	Customer services, which include account

Term	Definition
	management; billing; payment handling and customer enquiries; debt management and doubtful debts; and meter reading.
Unmeasured Water Supply	A supply of water that is not metered.
Wholesalers	A company providing Wholesale Services to Retailers.
Wholesale Services	All regulated activities related to the supply of water that are not Retail Activities. This includes the abstraction, treatment and transportation of water.

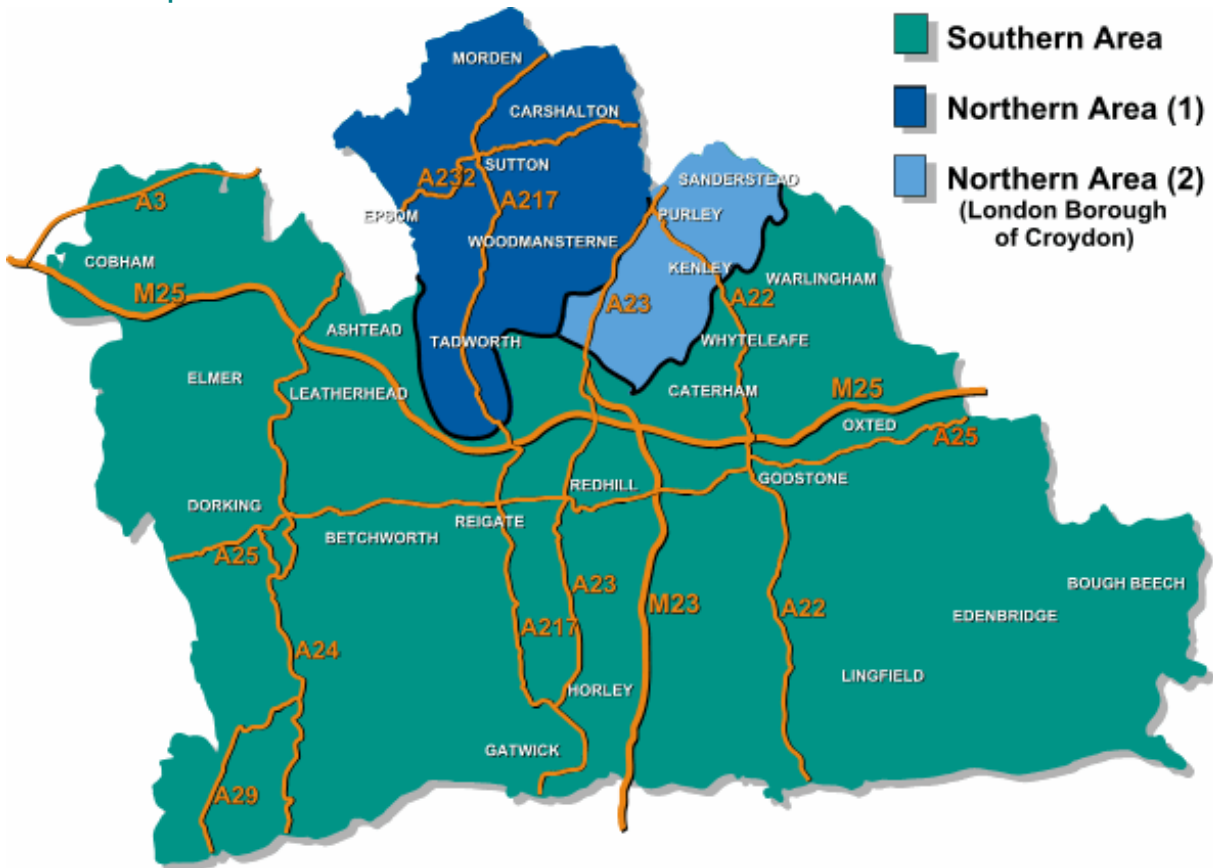
1.3. Other charges

The Company has other fixed charges for various works. These can be found in Chapter 4.

2. Wholesale charges for water

The applicable charge for Wholesale Services varies by region and the type of supply at the property. The Company has three charging areas – Southern, Northern (1) and Northern (2). The areas are indicated on the area map below. The charges that apply in each area are shown on the following three pages.

Area Map



PLEASE NOTE

This map is very small scale and is for general guidance only. Please contact our customer services team if you are not sure which area the property is located in.

Southern area wholesale charges

Southern Area - Unmeasured Charges	
Annual Standing Charge	£27.25
Variable Charge (per £ of Rateable Value) <i>(Based on Rateable Value as at 31 March 1990)</i>	86.21p
Miscellaneous Charges – <i>Levied for the period 1 April to 31 March and unable to be apportioned on change of occupation of the premises during the year.</i>	
Religious building, Caravan (unrated), Flushing chamber, Pumping station, Standpipe	£36.40
Field supply, Cleansing supply	£89.43
Assessed Volume Charge – <i>Levied where a non-household customer has a Rateable Value of less than £2,000, and water use is limited to Domestic Purposes (tea and toilet) requirements of the persons engaged on the premises.</i>	
Annual Standing Charge	£8.67
Volume Charge – per m ³ <i>(Based on 15 cubic metres per person per year, minimum charge 30 cubic metres/year)</i>	135.73p
Southern Area - Measured Charges	
Standard	0
Mid User (10 - 49 MI at one site per charging year)	£1366.05
High User (> 50 MI at one site per charging year)	£4043.20
Volume Charges (per m³) – <i>The volume charge takes effect on 1 April. Where the consumption spans this date, the consumption will be apportioned on the basis of the number of days either side of 1 April, and charged at the appropriate rate.</i>	
Standard	135.40p
Mid User	116.25p
High User	111.07p

Northern area (1) wholesale charges

Northern Area (1) - Unmeasured Charges	
Licence Fee	
Commercial	£85.65
Mixed	£285.02
Miscellaneous Charges – Levied for the period 1 April to 31 March and unable to be apportioned on change of occupation of the premises during the year.	
Religious building, Caravan (unrated), Flushing chamber, Pumping station, Standpipe	£36.40
Field supply, Cleansing supply	£89.43
Assessed Volume Charge – Levied where a non-household customer has a Rateable Value of less than £2,000, and water use is limited to Domestic Purposes (tea and toilet) requirements of the persons engaged on the premises.	
Annual Standing Charge	£8.67
Volume Charge – per m ³ (Based on 15 cubic metres per person per year, minimum charge 30 cubic metres/year)	105.64p
Northern Area (1) - Measured Charges	
Standard	0
Mid User (10 - 49 Ml at one site per charging year)	£938.49
High User (> 50 Ml at one site per charging year)	£3096.37
Volume Charges (per m³) – The volume charge takes effect on 1 April. Where the consumption spans this date, the consumption will be apportioned on the basis of the number of days either side of 1 April, and charged at the appropriate rate.	
Standard	105.75p
Mid User	90.94p
High User	86.65p

Northern area (2) wholesale charges

Northern Area (2) - Unmeasured Charges	
Annual Standing Charge	£27.25
Variable Charge (per £ of Rateable Value) <i>(Based on Rateable Value as at 31 March 1990)</i>	52.06p
Miscellaneous Charges – Levied for the period 1 April to 31 March and unable to be apportioned on change of occupation of the premises during the year.	
Religious building, Caravan (unrated), Flushing chamber, Pumping station, Standpipe	£36.40
Field supply, Cleansing supply	£89.43
Assessed Volume Charge – Levied where a non-household customer has a Rateable Value of less than £2,000, and water use is limited to Domestic Purposes (tea and toilet) requirements of the persons engaged on the premises.	
Annual Standing Charge	£8.67
Volume Charge – per m ³ <i>(Based on 15 cubic metres per person per year, minimum charge 30 cubic metres/year)</i>	105.64p
Northern Area (2) - Measured Charges	
Standard	0
Mid User (10 - 49 MI at one site per charging year)	£938.49
High User (> 50 MI at one site per charging year)	£3096.37
Volume Charges (per m³) – The volume charge takes effect on 1 April. Where the consumption spans this date, the consumption will be apportioned on the basis of the number of days either side of 1 April, and charged at the appropriate rate.	
Standard	105.75p
Mid User	90.94p
High User	86.65p

Indicative wholesale charges for customers on special agreements

Section 142 of the Water Industry Act 1991 provides for charges to be set for individuals in accordance with agreements with the persons to be charged ('special agreements'). SES Water holds two special agreements and the Water services Regulatory Authority ('Ofwat') contains a register of these agreements.

The table below shows the wholesale charge for each special agreement.

SESPOT1	
Annual Standing Charge	0
Volume Charges (per m³)	74.69p
SESPOT2	
Annual Standing Charge	0
Volume Charges (per m³)	105.75p

3. About wholesale charges for water

3.1. Unmeasured wholesale water charges

3.1.1. Rate-based tariff – Southern and Northern Area (2)

The Retailer for the occupier of any premises in the Southern Area or Northern Area (2) with access to a supply of water other than through a meter shall pay:

- an annual standing charge; and
- a charge calculated on the full Rateable Value of the premises to which the water supply is made available.

3.1.2. Licence fee – Northern Area (1)

The Retailer for the occupier of any premises in Northern Area (1) with access to a supply of water other than through a meter shall pay a licence fee. The licence fee represents the average charge made by the Company for unmeasured supplies in the area. Different charges apply depending upon whether the premise concerned is Commercial or mixed Commercial/Domestic in its principal use.

3.1.3. Miscellaneous charges

The Company has fixed other sundry water supply charges in relation to discretionary use of water for purposes other than domestic use.

3.1.4. Access to Unmeasured Water Supply

Where a rated premise has right of access to an Unmeasured Water Supply, the full unmeasured charge will apply to that premise, irrespective of whether or not the supply is within the boundary of the property concerned.

3.2. Measured wholesale water charges

3.2.1. Standard tariff

The Retailer for the occupier of any premises receiving a supply of water through a meter shall pay:

- a standing charge; and
- a volume charge which shall be based on the consumption of water recorded by the meter.

3.2.2. Tariffs for larger users

Business tariffs are available, subject to eligibility, for Retailers of larger use customers. The tariffs combine a discounted volumetric rate with a premium rate standing charge. Two tariffs are available:

- Mid User: For Retailers of customers using between 10 and 49 MI in a charging year at one site.
- High User: For Retailers of customers using 50 or more MI in a charging year at one site.

The following eligibility conditions apply:

- Eligible premises shall be those who have used between 10 MI and 49 MI or 50 or more MI in the charging year immediately preceding the charging year for which they wish to opt for the tariff;
- If the annual consumption at a premise in the charging year is less than is prescribed in the tariff, the charge to the Retailer will be reverted to the standard tariff for the whole of the following charging year;
- A Retailer of a premise that has been reverted to the standard tariff may re-apply for the business tariff as described in clause 1 above; and
- Application of a business tariff to a premise will be at the Company's sole discretion.

For the avoidance of doubt, annual consumption will be that which is recorded by the Company's meter and used for normal billing purposes.

3.3. Assessed volume charge

3.3.1. Availability of tariff

This tariff is an alternative to the rate-based tariff specifically for Retailers of premises where the Rateable Value is less than £2,000 and water use is limited to Domestic Purposes (tea and toilet) requirements of the persons engaged on the premises.

3.3.2. Availability of tariff

The tariff is not available where:

- there is a domestic element within the premises;
- there is any use of water in the course of the business; and
- the premise has a rateable value over £2,000.

3.3.3. Basis of assessment

The tariff comprises a standing charge, plus an assessed volume charge based on the number of persons on the premises. The volume charge will be assessed on the basis of 15 cubic metres per year per person, with a minimum of 30 cubic metres (2 persons).

3.4. Value Added Tax (VAT)

Value Added Tax (VAT) is payable at standard rate on supplies of water for Retailers of customers whose main economic activity lies within divisions 1 to 5 of the Standard Industrial Classification (SIC)1980:

- Energy and Water Supply Industries;
- Extraction of Minerals and Ores other than fuels; Manufacture of Metals, Mineral Products and Chemicals;
- Metal Goods, Engineering and Vehicle Industries;
- Other Manufacturing Industries; and
- Construction.

Supplies of water to other classes of customer are, at present, zero rated for tax purposes.

4. Charges for other services

4.1. Charges for services provided to Retailers

The Company offers a range of services to Retailers. The tables in this section include the standard charge for the service that will be payable on each occasion that the Company is formally requested to undertake the service by a Retailer. All services set out in these 'Non-Primary Charges' relate to processes incorporated within the Wholesale Contract (the standard contract detailing the terms of trade between Wholesalers and Retailers under retail market reform).

Requests for services described in this document can be made by contacting the Wholesale Services Desk (wholesaleservicedesk@seswater.co.uk). Charges for the services will be invoiced monthly to each Retailer and will be due for payment in accordance with the terms set out in the Wholesale Contract.

4.2. Description of services and charges

All 'on site' charges include a rate for the first half hour which includes the travel time to the property where the work will be carried out. Each additional hour (or part of an hour) after that time is charged at the same rate. The charge includes the services of one of the Company's employees and all the tools and equipment necessary to undertake the task. Office based charges are half hourly.

Abortive visits will be charged when we are unable to obtain access to a site that we have been asked to attend or where the customer or Retailer's representative has not arrived within 15 minutes of the scheduled meeting time. Visits that have been aborted will have to be rescheduled by contacting the Wholesale Services Desk.

In addition to the above, charges will also be applied if the Company is requested to undertake works in accordance with its obligations under the Water Industry Act 1991, and the issue being investigated is subsequently determined to be on a private customer asset. Normal working hours are Monday to Friday 8.30am to 5.00pm.

1. Verification of service	The Company will confirm that it supplies water to the particular premise, and will give details of the point of supply. If further requested an Inspector can visit the property to highlight the point of supply and undertake a supply test. Charges will only apply where the outcome of the assessment is consistent with the information already provided by the market data.
2. Provision of information	An Inspector will attend a property and meet with a representative of the Retailer to describe how the property is supplied, including details of the pressure at the point of supply.
3. Water Regulations	The Company offers specific services to assist a customer of a Retailer achieve compliance with the Water Supply (Water Fittings) Regulations 2000. The table sets out the charges that will apply if we need to undertake additional works as part of scheduled inspections

	associated with these Regulations.
4. Temporary disconnections	Charges cover the time of an Inspector attending a temporary disconnection and turning off the Company's principal stopcock at a property. Additional charges apply for undertaking a survey of the property to confirm that disconnection is possible. Please note, meter based fixed charges will continue to apply where relevant during periods in which a property has been temporarily disconnected from the network.
5. Permanent disconnection	Charges for separating the supply to a property from the mains network will be priced individually and will reflect the reasonable costs of undertaking the work including all reinstatement of the surface and compliance with the requirements of the local Highways Authority.
6. Reconnection	Standard reconnections include operating the Company's principal stopcock only. All other reconnection works will be priced individually and will reflect the reasonable costs of undertaking the work including all reinstatement of the surface and compliance with the requirements of the local Highways Authority.
7. Meter changes	A schedule of meters is provided in Section 4.4. It includes the price for replacement of the meter where no excavation is required. Meter replacements which include an excavation will be priced individually and will reflect the reasonable costs of undertaking the work including all reinstatement of the surface and compliance with the requirements of the local Highways Authority.
8. Meter accuracy test	A meter will be sent to an independent organisation to determine whether it continues to operate within its designated performance envelope. If its performance remains inside the operating envelope then charges will apply as shown.
9. AMR Data	<p>The Company has a policy of installing data loggers to record flow at some of its sites where there is the highest consumption. Where this is the case, the Company is willing to provide full access to the data on a cost sharing basis. For more details contact the Wholesale Services Desk.</p> <p>Full details of our policy for allowing third party data recording equipment to be attached to Company assets can be provided on request.</p>
10. Leak Detection	The Company has a wealth of experience in leak detection and is willing to offer this to the advantage of Retailers and their customers. This can include either office based advice, or on site services of a fully equipped leak detection technician.
11. Assisting a Retailer's	The Company anticipates that it will allow an accredited entity to undertake some meter replacement works and temporary

Accredited Entity	disconnections. Where requested, the Company will provide on site support to the Accredited Entity.
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4.3. Schedule of Non-Primary Charges

1	Verification of Service	Charge	Abortive Visit	Comments
1.1	Office based investigation only	£22.00	n/a	Fixed fee including use of corporate GIS, CRM and any other database as appropriate
1.2	Site visit (normal working hours)	£44.00	£44.00	Charge includes first half hour on site. Each additional hour charged at same rate
1.3	Site visit (outside normal working hours)	£66.00	£66.00	Charge includes first half hour on site. Each additional hour charged at same rate
The Company reserves the right to make additional charges if the information provided about the premise is inaccurate. These shall not exceed one additional hour of charge time at the relevant rate.				

2	Provision of information	Charge	Abortive Visit	Comments
2.1	Office based investigation only	£22.00	n/a	Fixed fee including use of corporate GIS, CRM and any other database as appropriate
2.2	Site visit (normal working hours)	£44.00	£44.00	Charge includes first half hour on site. Each additional hour charged at same rate
2.3	Site visit (outside normal working hours)	£66.00	£66.00	Charge includes first half hour on site. Each additional hour charged at same rate

3	Water regulations	Charge	Abortive Visit	Comments
3.1	Design review		n/a	First review free of charge
3.2	Inspection visit at request of customer	£44.00	£44.00	Charge includes first half hour on site. Each additional hour charged at same rate
3.3	Repeat inspection following contravention (normal working hours)	£44.00	£44.00	Charge includes first half hour on site. Each additional hour charged at same rate
3.4	Repeat inspection following contravention (outside normal working hours)	£66.00	£66.00	Charge includes first half hour on site. Each additional hour charged at same rate
3.5	Additional time charges	£44.00	£44.00	Per half hour as a result of additional time incurred off site as a result of contraventions not being rectified

4	Temporary disconnections	Charge	Abortive Visit	Comments
4.1	Site survey (normal working hours)	£44.00	£44.00	
4.2	Site survey (outside normal working hours)	£66.00	£66.00	
4.3	Standard disconnection (normal working hours)	£44.00	£44.00	Includes operation of stopcock only

4	Temporary disconnections	Charge	Abortive Visit	Comments
4.4	Standard disconnection (outside normal working hours)	£66.00	£66.00	Includes operation of stopcock only
4.5	Non-standard disconnection	£POA	-	Prevent access to stopcock
Any costs incurred in obtaining access to the stopcock will be charged in addition to the above. A handling charge of 10% will be applied to any third party costs incurred.				

5	Permanent disconnection	Charge	Abortive Visit	Comments
5.1	Site visit (normal working hours)	£44.00	£44.00	Charge includes first half hour on site. Each additional hour charged at same rate
5.2	Site visit (outside normal working hours)	£66.00	£66.00	Charge includes first half hour on site. Each additional hour charged at same rate
5.3	Disconnection works	£POA	-	To include physical separation from mains supply at stopcock and reinstatement

6	Reconnection	Charge	Abortive Visit	Comments
6.1	Standard reconnection (normal working hours)	£44.00	£44.00	Includes operation of stopcock only
6.2	Standard reconnection (outside normal working hours)	£66.00	£66.00	Includes operation of stopcock only
6.3	Non-standard reconnection	£POA	-	To include excavation, connection and reinstatement as appropriate.

7	Meter changes at request of Customer	Charge	Abortive Visit	Comments
7.1	Site survey (normal working hours)	£44.00	£44.00	Charge includes first half hour on site. Each additional hour charged at same rate
7.2	Site survey (outside normal working hours)	£66.00	£66.00	Charge includes first half hour on site. Each additional hour charged at same rate
7.3	Additional time charges	As per 7.1 and 7.2	-	Where multiple meters on same site
7.4	Exchange meter	See Section 4.4	-	Includes cost of meter replacement only. Any excavation or upsizing works will be charged as a non-standard exchange
7.5	Exchange meter - non-standard	£POA	-	

8	Meter accuracy testing	Charge	Abortive Visit	Comments
8.1	Site based test (normal working hours)	£44.00	£44.00	
8.2	Site based test (outside normal working hours)	£66.00	£66.00	

8.3	Independent meter test (off site)	£POA	-	If meter found to be in accuracy range then 'exchange meter' charge will be applied
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9	AMR data	Charge	Abortive Visit	Comments
9.1	Daily meter read data	£POA	-	Includes provision of data logger attached to existing water meter, transmitting data to web portal accessible by applicant
9.2	Hourly meter read data	£POA	-	Includes provision of data logger attached to existing water meter, transmitting data to web portal accessible by applicant
9.3	15 minute meter read data	£POA	-	Includes provision of data logger attached to existing water meter, transmitting data to web portal accessible by applicant
AMR data will be available for fixed contract periods and charges will be based on sharing costs wherever appropriate.				

10	Leak detection	Charge	Abortive Visit	Comments
10.1	On site advice and guidance	£44.00	£44.00	Charge includes first half hour on site. Each additional hour charged at same rate. Includes use of all relevant equipment
10.2	Office based advice	£22.00	-	Hourly rate includes analysis of data associated with account and supply of brief report on outcome. Additional time to be specified in advance.

11	Assisting Licensee's Accredited Entity	Charge	Abortive Visit	Comments
11.1	On site advice and guidance (normal working hours)	£44.00	£44.00	Charge includes first half hour on site. Each additional hour charged at same rate
11.2	On site advice and guidance (outside normal working hours)	£66.00	£66.00	Charge includes first half hour on site. Each additional hour charged at same rate
11.3	Additional resources	£44.00	£44.00	Charge includes first half hour on site. Each additional hour charged at same rate

4.4. Meter schedule

The following meters are available from the Company to be used at properties connected to its supply network.

Meter Type (Manufacturer: Elster)	Read type	Nominal size	Purchase Cost	Install cost	Replace cost	Comments
Concentric Qn1	Direct	15 mm	£12.75	£414.72	£110.97	
Concentric Qn1	AMR - Wavenis	15 mm	£33.56	£450.21	£146.45	
In line Qn1	Direct	15 mm	£13.35	£875.66	£334.37	
In line Qn1	AMR - Wavenis	15 mm	£40.00	£912.16	£370.88	
In line - Class C	Direct	20 mm	£27.80	£887.56	£346.27	
In line - Class C	Direct	25 mm	£46.02	£920.47	£379.19	

Meter Type (Manufacturer: Elster)	Read type	Nominal size	Purchase Cost	Install cost	Replace cost	Comments
In line - Class C	Direct	30 mm	£86.82	£1037.39	£451.19	
In line - Class C	Direct	40 mm	£103.00	£1059.80	£473.59	
Turbine	Direct	40 mm	POA	POA	£520.17	
Strainer	Direct	40 mm	POA	-	-	Installed with meter
Turbine	Direct	50 mm	£137.00	POA	POA	
Strainer	Direct	50 mm	£103.87	-	-	Installed with meter
Turbine	Direct	80 mm	£160.02	POA	POA	
Strainer	Direct	80 mm	£140.00	-	-	Installed with meter
Turbine	Direct	100 mm	£222.50	POA	POA	
Strainer	Direct	100 mm	£155.00	-	-	Installed with meter
Turbine	Direct	150 mm	£303.85	POA	POA	
Strainer	Direct	150 mm	£238.27	-	-	Installed with meter

Notes:

1. Installation costs include provision of relevant meter chamber and cover, all excavation and permanent reinstatement in a hard surface.
2. Replacement costs exclude any excavation costs and assume new meter can be installed in existing chamber.
3. All prices are exclusive of VAT which will be charged at the rate prevailing at the time the work is carried out.
4. Prices are available on request for larger meter sizes and installations or replacements different to those specified here.

4.5. Additional services that can be provided

The Company provides and charges for a range of additional services. To discuss the services that we offer get in touch with the Wholesale Services Desk.

4.6. Damage to apparatus

Where a third party damages the Company's assets it will be charged for the repair. The charge will include the direct and indirect costs incurred by the Company in fixing the damage. This will include the cost of investigating the damage; administration; materials and labour related to the repair and reinstatement; and any charges by the local Highways Authority.

4.7. Replacement of a lead service pipe

We operate a scheme to replace lead service pipes free of charge, subject to works meeting our policy criteria. Not all properties are suitable for this scheme, for example if the replacement is linked to upsizing of the supply or redevelopment of the property. If your application is accepted we will replace the lead pipes that we are responsible for and connect the new supply pipe to our water main.

4.8. Provision and use of standpipes

The provision of standpipes will be handled by an appointed, specialist, outsourced provider, Supply UK Water Services. They can be contacted on 0844 984 0156 or at www.aquamcorp.co.uk/water-services. Conditions apply to the extraction of water from the

Company's mains. See our factsheet, [Extracting Water from Company Mains](#), available on our website.

4.9. Provision and maintenance of fire hydrants

We recover the costs reasonably incurred in installing, maintaining and repairing fire hydrants on our network directly with fire authorities. Standard charges, detailed in the schedule below, will be payable for the installation, removal or maintenance of a fire hydrant. Lane rental charges imposed by the local Highways Authority would be charged in addition to the schedule of charges.

Work	Location		
	Verge	Footway	Carriageway
Installation of fire hydrant on new main up to 150mm diameter	£861.01	£976.50	£1035.55
Installation of fire hydrant on new main up to 150-300mm diameter	£990.45	£1094.39	£1147.54
Installation of fire hydrant on existing main up to 150mm diameter	£987.16	£1378.59	£1591.46
Installation of fire hydrant on existing main up to 150-300mm diameter	£1089.24	£1594.13	£1807.00
Replace faulty fire hydrant inc. rebuild chamber and installing Frame and Cover	£1370.97	£1387.62	£1583.84
Replace faulty fire hydrant inc. rebuild chamber and replacing existing Frame and Cover	£1328.67	£1345.32	£1541.54
Raise or lower existing fire hydrant in pit	£1328.67	£1345.32	£1541.54
Remove hydrant and blank off tee	£1036.06	£1126.96	£1248.93
Remove hydrant indicator post and plate	£20.14	£121.14	-
Replace stem or spindle cap	£208.94	-	-
Remedy tight or seized spindle	£208.94	-	-
Repack fire hydrant gland (involving excavation)	£541.50	£642.50	£778.03
Repair/renew/raise or lower fire hydrant chamber, frame and cover	£310.29	£411.29	£546.81
Replace fire hydrant cover only	£187.61	-	-
Fix indicator post and plate	£135.89	-	-

5. Wholesale charges for residential customers

Residential customers cannot currently choose a water supplier. The charges that residential customers pay cover Wholesale and Retail Services. These charges are outlined and explained in our Household Charges Scheme available on our website.

However, for the purposes of demonstrating compliance with the price controls determined by Ofwat below we provide information on wholesale charges that will be included in end charges to household customers.

	Southern	Northern (1)	Northern (2)
Unmeasured Charges			
Annual Standing Charge	£25.21	-	£25.21
Variable Charge (per £ of Rateable Value) <i>(Based on Rateable Value as at 31 March 1990)</i>	87.42p	-	52.81p
Licence Fee	-	£182.86	-
Miscellaneous Charges – <i>Levied for the period 1 April to 31 March and unable to be apportioned on change of occupation of the premises during the year.</i>			
Religious building, Caravan (unrated), Flushing chamber, Pumping station, Standpipe	£36.40	£36.40	£36.40
Field supply, Cleansing supply	£89.43	£89.43	£89.43
Swimming Pool (unmetered)			
9m ³ to 45m ³ capacity (filtered)	£13.33	£13.33	£13.33
46m ³ to 90m ³ capacity (filtered)	£26.66	£26.66	£26.66
9m ³ to 45m ³ capacity (unfiltered)	£50.07	£50.07	£50.07
46m ³ to 90m ³ capacity (unfiltered)	£97.80	£97.80	£97.80
Assessed Household Charge (Fixed Charge) – <i>Levied where a domestic customer requests a meter and it is either impracticable or too expensive to install, or there is no rateable value and we cannot meter the supply.</i>			
Single-occupancy	£83.72	£83.72	£83.72
Multi-occupancy	£108.50	£108.50	£108.50
Measured Charges			
Annual Standing Charge	£1.04	£1.04	£1.04
Volume Charges (per m³) - <i>The volume charge takes effect on 1 April. Where the consumption spans this date, the consumption will be apportioned on the basis of the number of days either side of 1 April, and charged at the appropriate rate.</i>	137.39p	107.14p	107.14p

6. Board assurance of wholesale charges

Ofwat, the economic regulator for the water sector, requires the Company's Board of Directors to make a statement regarding assurance of wholesale charges. This assurance statement is copied below.

Statement of Assurance on Wholesale Charges for 2018/19

We confirm that the Board has reviewed the Company's wholesale charges for 2018/19 and has approved them.

The Board certifies that:

1. The Company considers that it has complied with its legal obligations relating to the wholesale charges published in the Wholesale Charges Schedule.
2. We have assessed the effect of the wholesale charges that will apply from April 2018 on Retailers and relevant customers for a range of different customer types. The Board confirms that no customers will see wholesale charges increase by more than 5% for 2018/19 and therefore no formal impact assessments or handling strategies have been developed.
3. We have assessed the change in wholesale charges since indicative charges were published in October 2017 and have concluded that the change is not material, as demonstrated in Table 1 below.
4. The Company has appropriate systems and processes in place to make sure that the information contained in the Wholesale Charging Schedule is accurate.
5. The Company has consulted the Consumer Council for Water (CC Water) in a timely and effective manner on its wholesale charges and has provided information to all stakeholders on the expected change in wholesale charges through publication of indicative charges in October 2017.

In making this statement of assurance the Board has relied on:

1. The information presented to it on the charge setting process and expected outcome on future charges at the Board meetings held on 28 September 2017 and 22 November 2017. This included the Company's view on how the proposed charges met all legal and regulatory obligations.
2. The Company's well established risk management, monitoring and control systems and processes described in the Company's Strategic Report which can be found on pages 24 and 25 of the Company's 2017 Annual Report, available on the Company's website.

3. The Company's planned and completed assurance activity for annual charge changes explained in its Company Monitoring Framework publications, available on the Company's website.
4. The report from the provider of independent assurance of charges for 2018/19 which highlighted no issues or concerns with the procedures followed and the resulting charges contained in the Wholesale Charges Schedule.
5. The change in wholesale charges for a range of different customer types as presented by the Company and replicated below. The change is primarily driven by the price control framework which allows recovery of revenue that changes year-on-year based on inflation and what is termed the annual 'K-factor'. The Company's K-factor for 2018/19, as determined by Ofwat, is 0.76% and inflation represents a 3.88% increase. The remainder of the increase is to maintain recovery of the Ofwat determined allowed revenue over a period where the gradual migration of customers from an unmeasured to a measured charge results in a decrease in water usage and therefore a decrease in the average revenue recovered from each customer.

Table 1: Wholesale charges by customer type

Customer type	Percentage change in wholesale charges		
	Indicative 2018/19 wholesale charges vs 2017/18 charges	Final 2018/19 wholesale charges vs 2017/18 charges	Final 2018/19 wholesale charges vs 2018/19 indicative charges
Unmeasured - RV of £500	4.9%	5.0%	0.1%
Unmeasured - RV of £1,000	4.9%	5.0%	0.1%
Measured - uses 120 m3/year	4.9%	5.0%	0.1%
Measured - uses 5,000 m3/year	4.9%	5.0%	0.1%
Measured - uses 20,000 m3/year	4.9%	5.0%	0.1%
Measured - uses 95,000 m3/year	4.9%	5.0%	0.1%
Assessed – 3 employees	4.9%	5.0%	0.1%

Notes: RV = Rateable Value

6. The Company's report on its consultation with CC Water replicated below.

Date	Action	Content and feedback
8 September	Data request	<ul style="list-style-type: none"> CC Water questionnaire requesting information about charges completed and returned.
8 September	Conference call	<ul style="list-style-type: none"> Presentation of the charge setting process, the key assumptions (e.g. customer numbers and consumption by tariff type) and the latest view on the changes to charges. CC Water's main query was whether any bill increases would be above 5%. We explained that this would be dependent on November's inflation which would almost certainly be higher than the recent years.
27 November	Meeting	<ul style="list-style-type: none"> Presentation of latest view on charge impacts as presented to the Board on 22 November. CC Water was informed of the Board's decision to limit charges increase if inflation turned out higher than was currently being assumed. Agreed to update CC Water on final bill impacts once November's inflation was published.
19 December	Email	<ul style="list-style-type: none"> Provision of final bill impact information following publication of November's inflation figure. CC Water responded with a letter acknowledging the engagement process and the information shared about the impact on customers' bills.

Signed on behalf of the Board of Directors on 9 January 2018.

Anthony Ferrar
(Managing Director)



Murray Legg
(Senior Independent Non-executive Director and Chairman of the Audit Committee)

