

Statement of Board Assurance

Wholesale Charges Document 2023/24

The Board considered the Wholesale tariffs for 2023/24 at its meeting held on 1 December 2022. The Board noted the information requirements and relevant supporting materials and made appropriate enquiries of the Executive Team, in particular the Strategy and Regulation Director. The Board considered a report from Jacobs, who had been engaged to provide external assurance that the systems and processes used to produce the information published about the wholesale tariffs are robust and to review the process for ensuring compliance with legal obligations.

Having made reasonable and relevant enquiries as detailed above, we are able to confirm that, to the best of our understanding, the tariffs contained in Dŵr Cymru's Wholesale Charges Document 2023/24 comply with the various legal obligations to which the company is subject under the Water Industry Act 1991 (as amended) and other relevant legislation, taken as a whole.

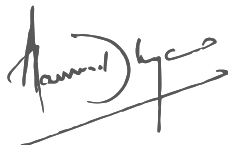
The document and the required additional information have been prepared by experienced staff using appropriate processes and internal systems of control and have accordingly been prepared to a standard that could be reasonably expected of a diligent undertaker.

Having regard to 'Wholesale Charging Rules issued by the Water Services Regulation Authority under sections 66E and 117I of the Water Industry Act 1991' published in October 2021, we are of the opinion that our tariffs are consistent with these requirements, taking the wholesale charging rules as a whole.

The Board has been given relevant information on the effects the tariffs have on customers occupying eligible premises and notes that the high level of CPI(H) inflation to be applied to tariffs in 2023/24 causes charges for metered non-households increase by 9.7%, for unmetered non-households by 10.3%, and for large industrial customers by 9.6-9.7%. The Board confirms that appropriate communication and handling strategies are in place for these customers.

The company has corresponded with retailers operating within the region and engaged with CCWater in a timely and effective manner in respect of the Wholesale Charges.

At the Board meeting on 1 December 2022, the Board delegated responsibility to the Chair for final approval of the Wholesale Charges Document 2023/24 (and the required additional information), following publication of the Consumer Prices Index including owner occupiers' housing costs (CPIH) on 14th December 2022.



Alastair Lyons
Chair

On behalf of the Board
19th December 2022