

PR19 Presentation Pro-forma Cover Note- Compliance with Definitions

Table 2.2 Key Metrics

Per Capital Consumption reported in line 7 is not obtained from App1. App1 reports the performance commitment target, which is a 3 year average. The value reported is the underlying performance level used to calculate the 3 year average.

Table 2.3 RCV

The guidance for table 2.3 RCV in the “Company-Business-Plan-Presentation-pro-forma-guidance-tables WSH.xlsx” file states that the RCV values for 1 April 2020 and 30 March 2025 should be populated from App8 in the Business Plan Tables.

However, as stated in point 3 of the Appendix to the Letter to Regulation Directors dated 16 August 2018, there is an issue with the calculations for RCV closing balances in later years. Therefore we have populated the Company Business Plan pro-forma using data from the financial model “PR19 Ofwat Financial Model PR19-14h.xlsm” and not App8.

Table 6.1 Totex

The PR14 final determination expenditure is taken from The PR14 Final Determination company specific appendix Table A2.3 line 8 “Total allowed expenditure” for Water and Table A3.3 line “Total allowed expenditure” for Wastewater”. The expenditure has been inflated from 2012-13 prices to 2017-18 CPIH prices using the Indexation in the “P19- Revenue-adjustment-feeder-model-June-2018 WSH.xlsm”. This model inflates expenditure from 2012-13 prices to 2020 FYE using RPI and deflates to 2017-18 FYA using CPIH.