

Investment cases – cover note.

In preparing our PR19 business plans, a foremost priority has been ensuring that the investments required to achieve the targeted outcomes deliver the best value for money for customers. Our investment planning process, is designed to ensure that this is the case, and is described in Supporting Document 5.1.

In this group of submission documents we provide the investment cases which describe how we have determined the content and the amount of each individual significant investment scheme in our business plan. These are referenced in many of our other submission documents, in particular the various price control Business Plans, Supporting Documents 2.1 to 2.7. In conjunction with the Business Plans, the investment cases provide rationale and justification for the investments required to maintain and enhance our services to customers and the environment.

Note that four of the investment cases were submitted to Ofwat on 3 May as ‘special cost factors’. They are included again here for completeness, but have not been modified.

The investment cases have been split by price control and by investment driver. The list of cases is as follows:

Ref	Investment case	Price control	Investment drivers
5.8A	Water Resources	Water Resources	Maintenance investment for water resources assets, excluding impounding reservoirs. Enhancement investment covering catchments, supply demand deficits and the water resources NEP
5.8B	Special Factor – Impounding Reservoirs	Water Resources	Maintenance and enhancement investment for impounding reservoirs
5.8C	Raw Water Distribution Maintenance	Water Network Plus	Maintenance of the assets covered under the raw water distribution category supplying raw water from collection to treatment
5.8D	Water Treatment Maintenance	Water Network Plus	Maintenance of our water treatment works
5.8E	Special Factor – Cwm Taf Water supply strategy	Water Network Plus	Project to construct a new water treatment works to replace three existing ones and provide greater resilience against water quality issues and interruptions to supply
5.8F	Water Quality	Water Network Plus	Enhancement investment to improve and provide resilience relating to the water quality experienced by customers
5.8G	Water Network Maintenance	Water Network Plus	Maintenance of our water network assets
5.8H	Customer Minutes Lost Service	Water Network Plus	Enhancement investment to improve and provide resilience

Ref	Investment case	Price control	Investment drivers
			relating to interruptions to supply to customers
5.8I	Special Factor – Acceptability of Water	Water Network Plus	Enhancement investment to improve and provide resilience relating to the acceptability of water experienced by customers
5.8J	Leakage	Water Network Plus	Enhancement investment to improve our leakage performance
5.8K	Water Network + Growth	Water Network Plus	Enhancement investment to provide for growth in customer numbers in our water network plus business
5.8L	First Time Sewerage	Wastewater Network Plus	Enhancement investment to provide additional sewerage connections into our business in areas not currently served.
5.8M	Wastewater Networks Maintenance	Wastewater Network Plus	Maintenance of our wastewater network assets
5.8N	Wastewater Network + Enhancement	Wastewater Network Plus	Enhancement investment to improve and provide resilience relating to sewer flooding and pollution from the wastewater network plus assets
5.8O	Special Factor – Llanelli and Gowerton	Wastewater Network Plus	Investment to comply with a change in our legal obligations
5.8P	Waste NEP	Wastewater Network Plus	Investment to meet our obligations under the water quality NEP
5.8Q	Wastewater Growth	Wastewater Network Plus	Enhancement investment to provide for growth in customer numbers in our wastewater network plus business
5.8R	Wastewater Treatment Maintenance	Wastewater Network Plus	Maintenance of our wastewater treatment works
5.8S	Bioresources Maintenance	Bioresources	Maintenance of our bioresources assets
5.8T	Energy	Multiple	Investment to improve our level of energy self-sufficiency across the business
5.8U	Cross-Service Maintenance	Multiple	Investment in functions that provide support to all areas of the business, including investment in IT, our buildings and our recreational facilities.