

NOTE: This document reproduces Appendix A-4.2 from Northumbrian Water's Network Access Code (Version 21.0, October 2023)

APPENDIX A-4.2

INDICATIVE COMBINED SUPPLY PRICES

This appendix contains tables of access prices for combined supplies for each of the water resource zones (WRZs) within our three operating areas, Essex (1 WRZ), Suffolk (3 WRZs) and North East (2 WRZs), covering the five years 2024-25 to 2028-29, inclusive. As required by Ofwat's guidance, we show prices for licensee entry in each of the five years.

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All prices from 2020-25 onwards are based on the 2019 Final Determination.

The tables should be read in conjunction with the text of Part 4 (Access Pricing) of our Access Code, which contains important information on the main assumptions we have made in calculating these prices.

The appendix also contains tables showing the forecast supply/demand balance position in each WRZ, both before and after the implementation of the strategies documented in our most recent Water Resources Management Plans for the North East and Essex & Suffolk.

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Table A-4.2.1

Supply/demand balance without licensee's water – Essex & Suffolk Operating Areas

**Megalitres per day surplus/(deficit) against target headroom
for each water resource zone**

Essex & Suffolk Operating Areas								
Year	Essex		Northern/Central		Blyth		Hartismere	
	Baseline	Plan	Baseline	Plan	Baseline	Plan	Baseline	Plan
2014-15	-45.15	23.90	0.06	1.30	1.89	1.95	0.87	0.93
2015-16	-46.02	24.01	1.52	2.25	1.94	2.02	0.80	0.89
2016-17	-47.64	23.52	1.04	1.83	1.88	1.99	0.71	0.82
2017-18	-49.44	22.82	0.56	1.42	1.80	1.92	0.59	0.72
2018-19	-50.77	22.55	0.10	1.01	1.72	1.86	0.45	0.60
2019-20	-52.24	22.14	-0.48	0.49	1.59	1.76	0.35	0.52
2020-21	-45.90	29.69	0.66	1.69	2.19	2.38	0.59	0.78
2021-22	-46.98	29.58	0.32	1.42	2.13	2.35	0.50	0.72
2022-23	-48.29	29.00	-0.03	1.12	2.08	2.31	0.45	0.69
2023-24	-48.18	30.06	-0.33	0.89	2.08	2.33	0.35	0.62
2024-25	-52.02	28.16	-0.69	0.56	2.02	2.30	0.29	0.58
2025-26	-51.72	26.69	-1.07	5.23	1.99	2.29	0.23	0.54
2026-27	-54.71	23.83	-1.61	4.72	1.89	2.20	0.14	0.47
2027-28	-55.92	22.69	-2.07	4.30	1.85	2.19	0.05	0.39
2028-29	-58.68	19.93	-2.66	3.74	1.74	2.10	-0.06	0.31
2029-30	-60.84	17.88	-3.21	3.24	1.71	2.08	-0.17	0.22
2030-31	-55.59	23.48	-2.29	4.19	2.04	2.44	0.02	0.43
2031-32	-57.48	21.92	-2.86	3.67	1.97	2.38	-0.04	0.40
2032-33	-59.15	20.71	-3.16	3.40	1.90	2.33	-0.15	0.30
2033-34	-60.67	19.61	-3.78	2.83	1.83	2.29	-0.21	0.26
2034-35	-63.52	17.24	-4.19	2.43	1.75	2.23	-0.33	0.16

Source:

Final Water Resources Management Plan, 2010-2035, for Essex & Suffolk Water:

- Baseline: Table WRP1-BL, line 53_{BL} for each water resource zone.
- Plan: Table WRP4-FP, line 53_{FP} for each water resource zone.

Table A-4.2.2

Supply/demand balance without licensee's water – North East Operating Area

**Megalitres per day surplus/(deficit) against target headroom
for each water resource zone**

North East Operating Area				
Year	Kielder		Berwick	
	Baseline	Plan	Baseline	Plan
2014-15	199.01	199.01	3.44	3.44
2015-16	198.49	198.49	3.42	3.42
2016-17	196.93	196.93	3.35	3.35
2017-18	195.67	195.67	3.33	3.33
2018-19	194.17	194.17	3.30	3.30
2019-20	193.12	193.12	3.27	3.27
2020-21	190.81	190.81	3.23	3.23
2021-22	189.41	189.41	3.16	3.16
2022-23	188.10	188.10	3.12	3.12
2023-24	187.21	187.21	3.08	3.08
2024-25	184.11	184.11	3.04	3.04
2025-26	181.49	181.49	2.96	2.96
2026-27	178.50	178.50	2.92	2.92
2027-28	175.91	175.91	2.87	2.87
2028-29	172.68	172.68	2.83	2.83
2029-30	169.63	169.63	2.75	2.75
2030-31	167.30	167.30	2.70	2.70
2031-32	164.83	164.83	2.65	2.65
2032-33	162.07	162.07	2.60	2.60
2033-34	159.73	159.73	2.55	2.55
2034-35	156.75	156.75	2.45	2.45

Source:

Final Water Resources Management Plan, 2010-2035, for Northumbrian Water:

- Baseline: Table WRP1-BL, line 53_{BL} for each water resource zone.
- Plan: Table WRP4-FP, line 53_{FP} for each water resource zone.

Table A-4.2.3 – Indicative prices for combined supply

Essex & Suffolk Water Resource Zones

			2024-25 prices				
			2024-25	2025-26	2026-27	2027-28	2028-29
Entry in 2024-25							
5 MI/yr	Wholesale price	£/m ³	1.8560	1.8560	1.8560	1.8560	1.8560
	Combined supply price	£/m ³	1.2028	1.2028	1.2028	1.2028	1.2028
	Combined supply discount	£/m ³	0.6531	0.6531	0.6531	0.6531	0.6531
25 MI/yr	Wholesale price	£/m ³	1.7438	1.7438	1.7438	1.7438	1.7438
	Combined supply price	£/m ³	1.0907	1.0907	1.0907	1.0907	1.0907
	Combined supply discount	£/m ³	0.6531	0.6531	0.6531	0.6531	0.6531
50 MI/yr	Wholesale price	£/m ³	1.7298	1.7298	1.7298	1.7298	1.7298
	Combined supply price	£/m ³	1.0767	1.0767	1.0767	1.0767	1.0767
	Combined supply discount	£/m ³	0.6531	0.6531	0.6531	0.6531	0.6531
500 MI/yr	Wholesale price	£/m ³	1.5159	1.5159	1.5159	1.5159	1.5159
	Combined supply price	£/m ³	0.8628	0.8628	0.8628	0.8628	0.8628
	Combined supply discount	£/m ³	0.6531	0.6531	0.6531	0.6531	0.6531
Entry in 2025-26							
5 MI/yr	Wholesale price	£/m ³		1.8560	1.8560	1.8560	1.8560
	Combined supply price	£/m ³		1.2028	1.2028	1.2028	1.2028
	Combined supply discount	£/m ³		0.6531	0.6531	0.6531	0.6531
25 MI/yr	Wholesale price	£/m ³		1.7438	1.7438	1.7438	1.7438
	Combined supply price	£/m ³		1.0907	1.0907	1.0907	1.0907
	Combined supply discount	£/m ³		0.6531	0.6531	0.6531	0.6531
50 MI/yr	Wholesale price	£/m ³		1.7298	1.7298	1.7298	1.7298
	Combined supply price	£/m ³		1.0767	1.0767	1.0767	1.0767
	Combined supply discount	£/m ³		0.6531	0.6531	0.6531	0.6531
500 MI/yr	Wholesale price	£/m ³		1.5159	1.5159	1.5159	1.5159
	Combined supply price	£/m ³		0.8628	0.8628	0.8628	0.8628
	Combined supply discount	£/m ³		0.6531	0.6531	0.6531	0.6531
Entry in 2026-27							
5 MI/yr	Wholesale price	£/m ³			1.8560	1.8560	1.8560
	Combined supply price	£/m ³			1.2028	1.2028	1.2028
	Combined supply discount	£/m ³			0.6531	0.6531	0.6531
25 MI/yr	Wholesale price	£/m ³			1.7438	1.7438	1.7438
	Combined supply price	£/m ³			1.0907	1.0907	1.0907
	Combined supply discount	£/m ³			0.6531	0.6531	0.6531
50 MI/yr	Wholesale price	£/m ³			1.7298	1.7298	1.7298
	Combined supply price	£/m ³			1.0767	1.0767	1.0767
	Combined supply discount	£/m ³			0.6531	0.6531	0.6531
500 MI/yr	Wholesale price	£/m ³			1.5159	1.5159	1.5159
	Combined supply price	£/m ³			0.8628	0.8628	0.8628
	Combined supply discount	£/m ³			0.6531	0.6531	0.6531

Table A-4.2.3 (cont'd) – Indicative prices for combined supply

Essex & Suffolk Water Resource Zones			2024-25 prices			
			2024-25	2025-26	2026-27	2027-28
Entry in 2027-28						
5 MI/yr	Wholesale price	£/m ³			1.8560	1.8560
	Combined supply price	£/m ³			1.2028	1.2028
	Combined supply discount	£/m ³			0.6531	0.6531
25 MI/yr	Wholesale price	£/m ³			1.7438	1.7438
	Combined supply price	£/m ³			1.0907	1.0907
	Combined supply discount	£/m ³			0.6531	0.6531
50 MI/yr	Wholesale price	£/m ³			1.7298	1.7298
	Combined supply price	£/m ³			1.0767	1.0767
	Combined supply discount	£/m ³			0.6531	0.6531
500 MI/yr	Wholesale price	£/m ³			1.5159	1.5159
	Combined supply price	£/m ³			0.8628	0.8628
	Combined supply discount	£/m ³			0.6531	0.6531
Entry in 2028-29						
5 MI/yr	Wholesale price	£/m ³			1.8560	
	Combined supply price	£/m ³			1.2028	
	Combined supply discount	£/m ³			0.6531	
25 MI/yr	Wholesale price	£/m ³			1.7438	
	Combined supply price	£/m ³			1.0907	
	Combined supply discount	£/m ³			0.6531	
50 MI/yr	Wholesale price	£/m ³			1.7298	
	Combined supply price	£/m ³			1.0767	
	Combined supply discount	£/m ³			0.6531	
500 MI/yr	Wholesale price	£/m ³			1.5159	
	Combined supply price	£/m ³			0.8628	
	Combined supply discount	£/m ³			0.6531	

Notes:

1. Wholesale prices

Prices for 2024-25 onwards reflect CMA Final Determination of price limits for 2020-25. It should be taken into account that, within these limits, the rates of price change will vary between the North East operating area and Essex & Suffolk. Actual Wholesale prices (at 2024-25 price levels) in these later years may vary from those shown and will also include allowance for inflation (CPIH).

2. Additional discount for payment of combined supply charges in advance

Combined supply prices shown in the table assume payment in arrears. Where licensees agree to pay Provisional Monthly Charges at least 5 working days prior to the commencement of each billing period, combined supply prices will be reduced by a percentage equivalent to an annual rate of Bank Rate plus 2%. At the time of publication, this equated to a reduction in combined supply prices of 0.3%.

Table A-4.2.5 – Indicative prices for combined supply

North East, Kielder, Berwick Water Resource Zones			2024-25 prices				
			2024-25	2025-26	2026-27	2027-28	2028-29
Entry in 2024-25							
5 MI/yr	Wholesale price	£/m ³	1.8560	1.8560	1.8560	1.8560	1.8560
	Combined supply price	£/m ³	1.2028	1.2028	1.2028	1.2028	1.2028
	Combined supply discount	£/m ³	0.6531	0.6531	0.6531	0.6531	0.6531
25 MI/yr	Wholesale price	£/m ³	1.7438	1.7438	1.7438	1.7438	1.7438
	Combined supply price	£/m ³	1.0907	1.0907	1.0907	1.0907	1.0907
	Combined supply discount	£/m ³	0.6531	0.6531	0.6531	0.6531	0.6531
50 MI/yr	Wholesale price	£/m ³	1.7298	1.7298	1.7298	1.7298	1.7298
	Combined supply price	£/m ³	1.0767	1.0767	1.0767	1.0767	1.0767
	Combined supply discount	£/m ³	0.6531	0.6531	0.6531	0.6531	0.6531
500 MI/yr	Wholesale price	£/m ³	1.5159	1.5159	1.5159	1.5159	1.5159
	Combined supply price	£/m ³	0.8628	0.8628	0.8628	0.8628	0.8628
	Combined supply discount	£/m ³	0.6531	0.6531	0.6531	0.6531	0.6531
Entry in 2025-26							
5 MI/yr	Wholesale price	£/m ³		1.8560	1.8560	1.8560	1.8560
	Combined supply price	£/m ³		1.2028	1.2028	1.2028	1.2028
	Combined supply discount	£/m ³		0.6531	0.6531	0.6531	0.6531
25 MI/yr	Wholesale price	£/m ³		1.7438	1.7438	1.7438	1.7438
	Combined supply price	£/m ³		1.0907	1.0907	1.0907	1.0907
	Combined supply discount	£/m ³		0.6531	0.6531	0.6531	0.6531
50 MI/yr	Wholesale price	£/m ³		1.7298	1.7298	1.7298	1.7298
	Combined supply price	£/m ³		1.0767	1.0767	1.0767	1.0767
	Combined supply discount	£/m ³		0.6531	0.6531	0.6531	0.6531
500 MI/yr	Wholesale price	£/m ³		1.5159	1.5159	1.5159	1.5159
	Combined supply price	£/m ³		0.8628	0.8628	0.8628	0.8628
	Combined supply discount	£/m ³		0.6531	0.6531	0.6531	0.6531
Entry in 2026-27							
5 MI/yr	Wholesale price	£/m ³			1.8560	1.8560	1.8560
	Combined supply price	£/m ³			1.2028	1.2028	1.2028
	Combined supply discount	£/m ³			0.6531	0.6531	0.6531
25 MI/yr	Wholesale price	£/m ³			1.7438	1.7438	1.7438
	Combined supply price	£/m ³			1.0907	1.0907	1.0907
	Combined supply discount	£/m ³			0.6531	0.6531	0.6531
50 MI/yr	Wholesale price	£/m ³			1.7298	1.7298	1.7298
	Combined supply price	£/m ³			1.0767	1.0767	1.0767
	Combined supply discount	£/m ³			0.6531	0.6531	0.6531
500 MI/yr	Wholesale price	£/m ³			1.5159	1.5159	1.5159
	Combined supply price	£/m ³			0.8628	0.8628	0.8628
	Combined supply discount	£/m ³			0.6531	0.6531	0.6531

Table A-4.2. (cont'd) – Indicative prices for combined supply

North East, Kielder, Berwick Water Resource Zones			2024-25 prices				
			2024-25	2025-26	2026-27	2027-28	2028-29
Entry in 2027-28							
5 MI/yr	Wholesale price	£/m ³				1.8560	1.8560
	Combined supply price	£/m ³				1.2028	1.2028
	Combined supply discount	£/m ³				0.6531	0.6531
25 MI/yr	Wholesale price	£/m ³				1.7438	1.7438
	Combined supply price	£/m ³				1.0907	1.0907
	Combined supply discount	£/m ³				0.6531	0.6531
50 MI/yr	Wholesale price	£/m ³				1.7298	1.7298
	Combined supply price	£/m ³				1.0767	1.0767
	Combined supply discount	£/m ³				0.6531	0.6531
500 MI/yr	Wholesale price	£/m ³				1.5159	1.5159
	Combined supply price	£/m ³				0.8628	0.8628
	Combined supply discount	£/m ³				0.6531	0.6531
Entry in 2028-29							
5 MI/yr	Wholesale price	£/m ³					1.8560
	Combined supply price	£/m ³					1.2028
	Combined supply discount	£/m ³					0.6531
25 MI/yr	Wholesale price	£/m ³					1.7438
	Combined supply price	£/m ³					1.0907
	Combined supply discount	£/m ³					0.6531
50 MI/yr	Wholesale price	£/m ³					1.7298
	Combined supply price	£/m ³					1.0767
	Combined supply discount	£/m ³					0.6531
500 MI/yr	Wholesale price	£/m ³					1.5159
	Combined supply price	£/m ³					0.8628
	Combined supply discount	£/m ³					0.6531

Notes:

1 Wholesale prices

Prices for 2024-25 onwards reflect Ofwat’s Final Determination of price limits for 2020-25. It should be taken into account that, within these limits, the rates of price change will vary between the North East operating area and Essex & Suffolk. Actual Wholesale prices (at 2024-25 price levels) in these later years may vary from those shown and will also include allowance for inflation (CPIH).

2 Additional discount for payment of combined supply charges in advance

Combined supply prices shown in the table assume payment in arrears. Where licensees agree to pay Provisional Monthly Charges at least 5 working days prior to the commencement of each billing period, combined supply prices will be reduced by a percentage equivalent to an annual rate of Bank Rate plus 2%. At the time of publication, this equated to a reduction in combined supply prices of 0.3%.

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