

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 2021-22 to 2025-26, inclusive. As required by Ofwat's guidance, we show prices for licensee entry in each of the five years.

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 Water Resource Zone			2021-22 prices				
			2021-22	2022-23	2023-24	2024-25	2025-26
Entry in 2021-22							
5 MI/yr	Wholesale price	£/m ³	1.4518	1.4518	1.4518	1.4518	1.4518
	Combined supply price	£/m ³	1.2086	1.2086	1.2086	1.2086	1.2086
	Combined supply discount	£/m ³	0.2432	0.2432	0.2432	0.2432	0.2432
25 MI/yr	Wholesale price	£/m ³	1.3373	1.3373	1.3373	1.3373	1.3373
	Combined supply price	£/m ³	1.0942	1.0942	1.0942	1.0942	1.0942
	Combined supply discount	£/m ³	0.2432	0.2432	0.2432	0.2432	0.2432
50 MI/yr	Wholesale price	£/m ³	1.3103	1.3103	1.3103	1.3103	1.3103
	Combined supply price	£/m ³	1.0672	1.0672	1.0672	1.0672	1.0672
	Combined supply discount	£/m ³	0.2432	0.2432	0.2432	0.2432	0.2432
500 MI/yr	Wholesale price	£/m ³	1.1185	1.1185	1.1185	1.1185	1.1185
	Combined supply price	£/m ³	0.8754	0.8754	0.8754	0.8754	0.8754
	Combined supply discount	£/m ³	0.2432	0.2432	0.2432	0.2432	0.2432
Entry in 2022-23							
5 MI/yr	Wholesale price	£/m ³		1.4518	1.4518	1.4518	1.4518
	Combined supply price	£/m ³		1.2086	1.2086	1.2086	1.2086
	Combined supply discount	£/m ³		0.2432	0.2432	0.2432	0.2432
25 MI/yr	Wholesale price	£/m ³		1.3373	1.3373	1.3373	1.3373
	Combined supply price	£/m ³		1.0942	1.0942	1.0942	1.0942
	Combined supply discount	£/m ³		0.2432	0.2432	0.2432	0.2432
50 MI/yr	Wholesale price	£/m ³		1.3103	1.3103	1.3103	1.3103
	Combined supply price	£/m ³		1.0672	1.0672	1.0672	1.0672
	Combined supply discount	£/m ³		0.2432	0.2432	0.2432	0.2432
500 MI/yr	Wholesale price	£/m ³		1.1185	1.1185	1.1185	1.1185
	Combined supply price	£/m ³		0.8754	0.8754	0.8754	0.8754
	Combined supply discount	£/m ³		0.2432	0.2432	0.2432	0.2432
Entry in 2023-24							
5 MI/yr	Wholesale price	£/m ³			1.4518	1.4518	1.4518
	Combined supply price	£/m ³			1.2086	1.2086	1.2086
	Combined supply discount	£/m ³			0.2432	0.2432	0.2432
25 MI/yr	Wholesale price	£/m ³			1.3373	1.3373	1.3373
	Combined supply price	£/m ³			1.0942	1.0942	1.0942
	Combined supply discount	£/m ³			0.2432	0.2432	0.2432
50 MI/yr	Wholesale price	£/m ³			1.3103	1.3103	1.3103
	Combined supply price	£/m ³			1.0672	1.0672	1.0672
	Combined supply discount	£/m ³			0.2432	0.2432	0.2432
500 MI/yr	Wholesale price	£/m ³			1.1185	1.1185	1.1185
	Combined supply price	£/m ³			0.8754	0.8754	0.8754
	Combined supply discount	£/m ³			0.2432	0.2432	0.2432

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

Essex Water Resource Zone			2021-22 prices				
			2021-22	2022-23	2023-24	2024-25	2025-26
Entry in 2024-25							
5 MI/yr	Wholesale price	£/m ³				1.4518	1.4518
	Combined supply price	£/m ³				1.2086	1.2086
	Combined supply discount	£/m ³				0.2432	0.2432
25 MI/yr	Wholesale price	£/m ³				1.3373	1.3373
	Combined supply price	£/m ³				1.0942	1.0942
	Combined supply discount	£/m ³				0.2432	0.2432
50 MI/yr	Wholesale price	£/m ³				1.3103	1.3103
	Combined supply price	£/m ³				1.0672	1.0672
	Combined supply discount	£/m ³				0.2432	0.2432
500 MI/yr	Wholesale price	£/m ³				1.1185	1.1185
	Combined supply price	£/m ³				0.8754	0.8754
	Combined supply discount	£/m ³				1.4518	1.4518
Entry in 2025-26							
5 MI/yr	Wholesale price	£/m ³					1.4518
	Combined supply price	£/m ³					1.2086
	Combined supply discount	£/m ³					0.2432
25 MI/yr	Wholesale price	£/m ³					1.3373
	Combined supply price	£/m ³					1.0942
	Combined supply discount	£/m ³					0.2432
50 MI/yr	Wholesale price	£/m ³					1.3103
	Combined supply price	£/m ³					1.0672
	Combined supply discount	£/m ³					0.2432
500 MI/yr	Wholesale price	£/m ³					1.1185
	Combined supply price	£/m ³					0.8754
	Combined supply discount	£/m ³					1.4518

Notes:

1. Wholesale prices

Prices for 2020-21 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 2021-22 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-4.2.4 – Indicative prices for combined supply

Suffolk; Blyth, Hartismere, Central Water Resource Zones			2021-22 prices				
			2021-22	2022-23	2023-24	2024-25	2025-26
Entry in 2021-22							
5 MI/yr	Wholesale price	£/m ³	1.4518	1.4518	1.4518	1.4518	1.4518
	Combined supply price	£/m ³	1.2086	1.2086	1.2086	1.2086	1.2086
	Combined supply discount	£/m ³	0.2432	0.2432	0.2432	0.2432	0.2432
25 MI/yr	Wholesale price	£/m ³	1.3373	1.3373	1.3373	1.3373	1.3373
	Combined supply price	£/m ³	1.0942	1.0942	1.0942	1.0942	1.0942
	Combined supply discount	£/m ³	0.2432	0.2432	0.2432	0.2432	0.2432
50 MI/yr	Wholesale price	£/m ³	1.3103	1.3103	1.3103	1.3103	1.3103
	Combined supply price	£/m ³	1.0672	1.0672	1.0672	1.0672	1.0672
	Combined supply discount	£/m ³	0.2432	0.2432	0.2432	0.2432	0.2432
500 MI/yr	Wholesale price	£/m ³	1.1185	1.1185	1.1185	1.1185	1.1185
	Combined supply price	£/m ³	0.8754	0.8754	0.8754	0.8754	0.8754
	Combined supply discount	£/m ³	0.2432	0.2432	0.2432	0.2432	0.2432
Entry in 2022-23							
5 MI/yr	Wholesale price	£/m ³		1.4518	1.4518	1.4518	1.4518
	Combined supply price	£/m ³		1.2086	1.2086	1.2086	1.2086
	Combined supply discount	£/m ³		0.2432	0.2432	0.2432	0.2432
25 MI/yr	Wholesale price	£/m ³		1.3373	1.3373	1.3373	1.3373
	Combined supply price	£/m ³		1.0942	1.0942	1.0942	1.0942
	Combined supply discount	£/m ³		0.2432	0.2432	0.2432	0.2432
50 MI/yr	Wholesale price	£/m ³		1.3103	1.3103	1.3103	1.3103
	Combined supply price	£/m ³		1.0672	1.0672	1.0672	1.0672
	Combined supply discount	£/m ³		0.2432	0.2432	0.2432	0.2432
500 MI/yr	Wholesale price	£/m ³		1.1185	1.1185	1.1185	1.1185
	Combined supply price	£/m ³		0.8754	0.8754	0.8754	0.8754
	Combined supply discount	£/m ³		0.2432	0.2432	0.2432	0.2432
Entry in 2023-24							
5 MI/yr	Wholesale price	£/m ³			1.4518	1.4518	1.4518
	Combined supply price	£/m ³			1.2086	1.2086	1.2086
	Combined supply discount	£/m ³			0.2432	0.2432	0.2432
25 MI/yr	Wholesale price	£/m ³			1.3373	1.3373	1.3373
	Combined supply price	£/m ³			1.0942	1.0942	1.0942
	Combined supply discount	£/m ³			0.2432	0.2432	0.2432
50 MI/yr	Wholesale price	£/m ³			1.3103	1.3103	1.3103
	Combined supply price	£/m ³			1.0672	1.0672	1.0672
	Combined supply discount	£/m ³			0.2432	0.2432	0.2432
500 MI/yr	Wholesale price	£/m ³			1.1185	1.1185	1.1185
	Combined supply price	£/m ³			0.8754	0.8754	0.8754
	Combined supply discount	£/m ³			0.2432	0.2432	0.2432

Table A-4.2.4 (cont'd) – Indicative prices for combined supply

Suffolk; Blyth, Hartismere, Central Water Resource Zones			2021-22 prices				
			2021-22	2022-23	2023-24	2024-25	2025-26
Entry in 2024-25							
5 MI/yr	Wholesale price	£/m ³				1.4518	1.4518
	Combined supply price	£/m ³				1.2086	1.2086
	Combined supply discount	£/m ³				0.2432	0.2432
25 MI/yr	Wholesale price	£/m ³				1.3373	1.3373
	Combined supply price	£/m ³				1.0942	1.0942
	Combined supply discount	£/m ³				0.2432	0.2432
50 MI/yr	Wholesale price	£/m ³				1.3103	1.3103
	Combined supply price	£/m ³				1.0672	1.0672
	Combined supply discount	£/m ³				0.2432	0.2432
500 MI/yr	Wholesale price	£/m ³				1.1185	1.1185
	Combined supply price	£/m ³				0.8754	0.8754
	Combined supply discount	£/m ³				0.2432	0.2432
Entry in 2025-26							
5 MI/yr	Wholesale price	£/m ³					1.4518
	Combined supply price	£/m ³					1.2086
	Combined supply discount	£/m ³					0.2432
25 MI/yr	Wholesale price	£/m ³					1.3373
	Combined supply price	£/m ³					1.0942
	Combined supply discount	£/m ³					0.2432
50 MI/yr	Wholesale price	£/m ³					1.3103
	Combined supply price	£/m ³					1.0672
	Combined supply discount	£/m ³					0.2432
500 MI/yr	Wholesale price	£/m ³					1.1185
	Combined supply price	£/m ³					0.8754
	Combined supply discount	£/m ³					0.2432

Notes:

1 Wholesale prices

Prices for 2020-21 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 2020-21 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			2021-22 prices				
			2021-22	2022-23	2023-24	2024-25	2025-26
Entry in 2021-22							
5 MI/yr	Wholesale price	£/m ³	1.1624	1.1624	1.1624	1.1624	1.1624
	Combined supply price	£/m ³	0.9192	0.9192	0.9192	0.9192	0.9192
	Combined supply discount	£/m ³	0.2432	0.2432	0.2432	0.2432	0.2432
25 MI/yr	Wholesale price	£/m ³	1.0509	1.0509	1.0509	1.0509	1.0509
	Combined supply price	£/m ³	0.8077	0.8077	0.8077	0.8077	0.8077
	Combined supply discount	£/m ³	0.2432	0.2432	0.2432	0.2432	0.2432
50 MI/yr	Wholesale price	£/m ³	1.0296	1.0296	1.0296	1.0296	1.0296
	Combined supply price	£/m ³	0.7864	0.7864	0.7864	0.7864	0.7864
	Combined supply discount	£/m ³	0.2432	0.2432	0.2432	0.2432	0.2432
500 MI/yr	Wholesale price	£/m ³	0.8141	0.8141	0.8141	0.8141	0.8141
	Combined supply price	£/m ³	0.5710	0.5710	0.5710	0.5710	0.5710
	Combined supply discount	£/m ³	0.2432	0.2432	0.2432	0.2432	0.2432
Entry in 2022-23							
5 MI/yr	Wholesale price	£/m ³		1.1624	1.1624	1.1624	1.1624
	Combined supply price	£/m ³		0.9192	0.9192	0.9192	0.9192
	Combined supply discount	£/m ³		0.2432	0.2432	0.2432	0.2432
25 MI/yr	Wholesale price	£/m ³		1.0509	1.0509	1.0509	1.0509
	Combined supply price	£/m ³		0.8077	0.8077	0.8077	0.8077
	Combined supply discount	£/m ³		0.2432	0.2432	0.2432	0.2432
50 MI/yr	Wholesale price	£/m ³		1.0296	1.0296	1.0296	1.0296
	Combined supply price	£/m ³		0.7864	0.7864	0.7864	0.7864
	Combined supply discount	£/m ³		0.2432	0.2432	0.2432	0.2432
500 MI/yr	Wholesale price	£/m ³		0.8141	0.8141	0.8141	0.8141
	Combined supply price	£/m ³		0.5710	0.5710	0.5710	0.5710
	Combined supply discount	£/m ³		0.2432	0.2432	0.2432	0.2432
Entry in 2023-24							
5 MI/yr	Wholesale price	£/m ³			1.1624	1.1624	1.1624
	Combined supply price	£/m ³			0.9192	0.9192	0.9192
	Combined supply discount	£/m ³			0.2432	0.2432	0.2432
25 MI/yr	Wholesale price	£/m ³			1.0509	1.0509	1.0509
	Combined supply price	£/m ³			0.8077	0.8077	0.8077
	Combined supply discount	£/m ³			0.2432	0.2432	0.2432
50 MI/yr	Wholesale price	£/m ³			1.0296	1.0296	1.0296
	Combined supply price	£/m ³			0.7864	0.7864	0.7864
	Combined supply discount	£/m ³			0.2432	0.2432	0.2432
500 MI/yr	Wholesale price	£/m ³			0.8141	0.8141	0.8141
	Combined supply price	£/m ³			0.5710	0.5710	0.5710
	Combined supply discount	£/m ³			0.2432	0.2432	0.2432

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

North East, Kielder, Berwick Water Resource Zones			2021-22 prices				
			2021-22	2022-23	2023-24	2024-25	2025-26
Entry in 2024-25							
5 MI/yr	Wholesale price	£/m ³				1.1624	1.1624
	Combined supply price	£/m ³				0.9192	0.9192
	Combined supply discount	£/m ³				0.2432	0.2432
25 MI/yr	Wholesale price	£/m ³				1.0509	1.0509
	Combined supply price	£/m ³				0.8077	0.8077
	Combined supply discount	£/m ³				0.2432	0.2432
50 MI/yr	Wholesale price	£/m ³				1.0296	1.0296
	Combined supply price	£/m ³				0.7864	0.7864
	Combined supply discount	£/m ³				0.2432	0.2432
500 MI/yr	Wholesale price	£/m ³				0.8141	0.8141
	Combined supply price	£/m ³				0.5710	0.5710
	Combined supply discount	£/m ³				0.2432	0.2432
Entry in 2025-26							
5 MI/yr	Wholesale price	£/m ³					1.1624
	Combined supply price	£/m ³					0.9192
	Combined supply discount	£/m ³					0.2432
25 MI/yr	Wholesale price	£/m ³					1.0509
	Combined supply price	£/m ³					0.8077
	Combined supply discount	£/m ³					0.2432
50 MI/yr	Wholesale price	£/m ³					1.0296
	Combined supply price	£/m ³					0.7864
	Combined supply discount	£/m ³					0.2432
500 MI/yr	Wholesale price	£/m ³					0.8141
	Combined supply price	£/m ³					0.5710
	Combined supply discount	£/m ³					0.2432

Notes:

1 Wholesale prices

Prices for 2020-21 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 2020-21 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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