



SSCDD04 Data tables commentary

Contents

Contents.....	1
1. Outcomes (OUT).....	2
2. Risk and Return (RR).....	3
3. Cost -wholesale water- (CW).....	4
4. Retail (RET).....	8
5. Past Delivery (PD).....	9
6. Additional tables (ADD).....	10

1. Outcomes (OUT)

Summary of changes:

We have made changes to tables:

- OUT4: Biodiversity, PCC targets, NHH Demand targets
- OUT1-OUT3: also changed as they link through to OUT4.
- OUT6
- OUT8

Line Reference	Commentary
OUT4.12-OUT4.23	<p>Biodiversity target:</p> <p>At the time of defining our target for the biodiversity PC we had limited visibility of the current biodiversity value and potential of our landholdings. Since then, we have undertaken a consultant-led desktop review of the biodiversity value and potential on our existing landholdings which has given us a more robust calculation for the biodiversity PC. Therefore, we would like to propose the revised target in the event that the median target proposed by Ofwat is amended. Please note, our revised target is a result of an improved biodiversity calculation process as opposed to a change in our level of ambition.</p>
OUT4.44-OUT4.70	<p>Per capita consumption</p> <p>These figures have been amended to align with our latest WRMP forecasts and enhancement activity. This includes updated to consumption figures and population figures.</p> <p>Note that we have not updated the company level PCC figures as we do not believe these are used.</p>
OUT4.71-OUT4.82	<p>Business demand - Company level</p> <p>These figures have been amended to align with our latest WRMP forecasts and enhancement activity.</p>
OUT6	Updated 23-24 actuals and 24-25 forecasts
OUT8	Updated 23-24 actuals and 24-25 forecasts

2. Risk and Return (RR)

Summary of changes:

We have made changes to tables:

- RR27: Data amended for 2023-24 and 2024-25 as this is a required input for the Past Delivery tables.

3. Cost -wholesale water- (CW)

Summary of changes:

We have made changes to tables:

- CW1/1a: Enhancement costs to reflect CW3 changes
- CW3: Enhancement costs
- CW5: Water balance
- CW7: Metering
- CW8: WRMP
- CW12: Transition spend
- CW18: Cost adjustment claim

Line Reference	Commentary
CW1/1a	Totex analysis - water resources and water network+
CW1	Data amended for 2023-24 and 2024-25 as this flows through to Past Delivery tables.
CW1.2/CW1a.2	Enhancement opex Totals have been amended to align with our updated CW3 table.
CW1.9/CW1a.9	Enhancement capex Totals have been amended to align with our updated CW3 table.
CW3	Enhancement expenditure - water resources and water network+
CW3.1-143	Phasing of costs Since our business plan submission in October 2023, project initiation processes led by Asset Management and Delivery teams have progressed feasibility and engaged with the supply chain to ensure effective early starts in AMP8. This increased maturity in our delivery planning has resulted in updates to CW3 related to the refinement of project phasing across 2025-2030, ensuring alignment with milestones associated with PCD's and other supporting legal instruments, such as those from the DWI. Total costs Where total AMP8 enhancement totex costs have changed from our original business plan we set out relevant explanatory detail below, providing clear reference points to supporting detail where required.
CW3.1	Biodiversity and conservation; (WINEP/NEP) We accept Ofwat's cost efficiency challenge against our Biodiversity enhancement cost submission.
CW3.41-43	Supply-side improvements delivering benefits in 2025-2030 We introduce new costs at DD for a single scheme – Fenstanton source station, a new requirement from Defra that is now part of our revised draft WRMP24. Detail around the need, optioneering, cost efficiency and delivery plan for this new scheme can be found in: 'SSC-DD-01 Representations on Ofwat's draft determination of our business plan for 2025 to 2030,' (section 8.1) 'SSC-DD-06 Enhancement Costs – Supporting Evidence,' (section 3)
CW3.44-46	Demand-side improvements delivering benefits in 2025-2030 We adjust our costs for demand management activity, providing a representation supporting these costs and a proposal for a minor revision to the modelling approach to account for the wide range in costs across sector.

	<p>Detail around these can be found in: ‘SSC-DD-01 Representations on Ofwat’s draft determination of our business plan for 2025 to 2030,’ (section 5.1) ‘SSC-DD-06 Enhancement Costs – Supporting Evidence,’ (section 5)</p>
CW3.47-49	<p>Leakage improvements delivering benefits in 2025-2030</p> <p>We include all leakage reduction costs as enhancement, in line with Ofwat’s DD methodology.</p> <p>Detail around this reallocation can be found in: ‘SSC-DD-01 Representations on Ofwat’s draft determination of our business plan for 2025 to 2030,’ (section 5.4)</p>
CW3.56-58	<p>Strategic regional resource solutions</p> <p>We include new costs for Fens reservoir SRO related to contract development and associated advisory support services to enable us to meet our licence obligations to customers, and implement appropriate levels of oversight, assurance and governance.</p> <p>Detail around the need and cost efficiency for these new costs can be found in: ‘SSC-DD-01 Representations on Ofwat’s draft determination of our business plan for 2025 to 2030,’ (section 8.2) ‘SSC-DD-06 Enhancement Costs – Supporting Evidence,’ (section 4)</p>
CW3.81-86	<p>Replacement of business meters</p> <p>We adjusted the costs to reflect base reallocations in line with Ofwat’s Draft Determination methodology. This leaves only the cost of the meter as enhancement costs.</p> <p>Detail around this reallocation can be found in: ‘SSC-DD-01 Representations on Ofwat’s draft determination of our business plan for 2025 to 2030,’ (section 5.2)</p>
CW3.87-89	<p>Smart meter infrastructure</p> <p>We include additional costs for AMI reading, in line with the change in scope put forward in SSCs Draft Determination.</p> <p>Detail around this can be found in: ‘SSC-DD-01 Representations on Ofwat’s draft determination of our business plan for 2025 to 2030,’ (section 5.2)</p>
CW3.97-CW3.99	<p>Addressing raw water quality</p> <p>We accept Ofwat’s £1.7m cost efficiency challenge against our Sutton mains cleaning scheme related to manganese.</p>
CW3.118-CW3.120	<p>Resilience</p> <p>We accept Ofwat’s £3.5m cost efficiency challenge against our Smart Water Systems investment.</p> <p>We have adjusted our remaining resilience expenditure costs in terms of both:</p> <ul style="list-style-type: none"> - Representations against efficiency challenges around demonstrating best option in our Borehole, booster and interconnector resilience - The provision of a detailed breakdown of schemes we are submitting in relation to the climate change adjustment allowance <p>Detail around these can be found in: ‘SSC-DD-01 Representations on Ofwat’s draft determination of our business plan for 2025 to 2030,’ (section 5.3) ‘SSC-DD-06 Enhancement Costs – Supporting Evidence,’ (sections 1 and 2)</p>
CW3.127-CW3.129	<p>Greenhouse gas reduction (net zero)</p> <p>We have accepted Ofwat’s reallocation to base expenditure in our Draft Determination assessment.</p>
CW3.124-CW3.126	<p>Security - Cyber; enhancement water</p> <p>Costs for a new investment for IT cyber security have been added into this line on top of what was already present within our October Submission for OT cyber security.</p> <p>Detail around these can be found in: ‘SSC-DD-01 Representations on Ofwat’s draft determination of our business plan for 2025 to 2030,’ (section 8.4) ‘SSC-DD-06 Enhancement Costs – Supporting Evidence,’ (section 6)</p>
CW5	Treated water distribution - assets and operations
CW5.31- 5.57	<p>Water balance</p> <p>These figures have been amended to align with our latest WRMP forecasts and enhancement activity.</p>
CW6	Water network+ - Mains, communication pipes and other data

SUPPLEMENTARY TABLE COMMENTARY

CW6	Since our business plan submission in October 2023, project initiation processes led by Asset Management and Delivery teams have progressed feasibility and engaged with the supply chain to ensure effective early starts in AMP8. This increased maturity in our delivery planning has resulted in updates to CW6 related to the refinement of project phasing across 2025-2030, ensuring alignment with milestones associated with PCD's and other supporting legal instruments, such as those from the DWI.
CW7	Demand management - Metering activities
CW7.1-CW7.21	We have updated this table to reflect the rephasing of our metering programme. Note that we have not included the additional smart meter reading costs in this table as there is no line for it. We have reflected these costs in CW3. We adjust the supply-demand balance benefits to reflect the change in strategy from AMI capable to AMI enabled meters. This aligns to our latest WRMP and is reflected in our demand targets.
CW7.26-CW7.41	We have adjusted our splits between base/enhancement costs for NHH replacements to align to Ofwat's reallocation of job costs to base.
CW8	WRMP schemes (excluding leakage and metering activities)
CW8.1	Costs updated using latest industry information as well costs incurred by the company undertaking this work in 2024. Costs built bottom up and detail included in narrative.
CW8.2	Costs updated using latest industry information as well costs incurred by the company undertaking this work in 2024. Costs built bottom up and detail included in narrative.
CW8.3	Costs updated using latest industry information as well costs incurred by the company undertaking this work in 2024. Costs built bottom up and detail included in narrative.
CW8.5	Costs updated using latest industry information as well costs incurred by the company undertaking this work in 2024. Costs built bottom up and detail included in narrative.
CW8.6	This is a new line to reflect this option's selection in the revised draft WRMP24, following advice from Defra in December 2023. No costs are incurred with this option.
CW8.7	This is a new line to reflect this option's selection in the revised draft WRMP24, following advice from Defra in December 2023 and again in July 2024.
CW9	Enhancement expenditure (cumulative) - water resources and water network+
CW9.1-CW9.129	Approach to populating this table is in line with the rationale explained within the commentary at October submission. For our Draft Determination response, we have updated the lines in this table to reflect the changes made to table CW3.
CW12	Transitional expenditure - water resources and water network+
CW12.53	Supply demand balance improvements delivering benefits starting from 2031 SSC is requesting approval of transition funding of £170k from the Grafham Transfer project AMP8 funding allowance to enable development phase project activities to be undertaken in advance of AMP8. The early start is dictated by a need to align to the Anglian Water Grafham Rede pipeline project, which given its scale commenced development activity in year 4 of AMP7 to ensure delivery by the end of AMP8. This will enable us to derisk the programme by carrying out initial feasibility and design, route planning and surveys required for planning. This also enables the project to keep its programme aligned with Anglian Waters Grafham Rede pipeline project enabling collaborative working to seek out efficiencies and value opportunities both in design and delivery.
CW18	Cost adjustment claims - base expenditure: water resources and water network+
CW18	Please see our draft determination representation document SSC-DD-01 Part 2 Chapter 4 for detailed information about the regional topography and power input prices cost allowances gaps that remain in our draft determination. We have updated CW18 as follows: <ul style="list-style-type: none"> We have combined together the regional topography and power input prices issues into one claim, as they both act on the same category of cost. We are looking to ensure we are funded in full for our forecast power costs of £98.6m. With support of Oxera we have calculated an implicit allowance for power of £77m using draft determination models including the CEPA ex ante RPE adjustment of -£5m. This leaves a funding gap of £21.6m.

- Note that as explained in our main narrative, we are only seeking to close the gap to our original plan to ensue we are funded correctly for power. We do not ask or expect to receive an adjustment that takes our total allowance to larger than our original plan.

As the claim now covers the input price pressure as well, we have included costs in all of the price control sub units. The gross costs match CW2 (post frontier shift) and total to £98.6m. However note that the implicit allowance line is completed on a proportional basis – we have not calculated the implicit allowance for every sub-price control category individually.

4. Retail (RET)

Summary of changes:

We have made changes to tables:

- RET1/1a: converted to 22/23 prices
- RET2

5. Past Delivery (PD)

Summary of changes:

We have updated all relevant PD tables. Please see appendix SSC-DD-10 for full commentary.

6. Additional tables (ADD)

Summary of changes:

- We do not complete these tables, as they are not relevant for us :
 - ADD5- Accelerated programme
 - ADD16- PR24 National Environment Programme (NEP) Cost Estimates
 - ADD22- Bespoke PCs
- We do not apply frontier shift or RPE adjustments to the following cost areas, so these remain the same as their CW equivalent table:
 - ADD2- Enhancement expenditure
 - ADD3- Third Party expenditure
 - ADD4- Transitional expenditure
 - ADD11- Developer services
- We therefore only provide commentary on the following tables:
 - ADD1- Base expenditure analysis - water resources and water network+ (CW2 equivalent; post-frontier shift efficiency and real price effects basis)
 - ADD15- PR24 Water Industry National Environment Programme (WINEP) Cost Estimates
 - ADD18 -Updated RR30 RORE Analysis for the draft determinations and company representations
 - ADD21- Resilience Interconnector Schemes

ADD1: Base expenditure analysis - water resources and water network+ (CW2 equivalent; post-frontier shift efficiency and real price effects basis)

Line Reference	Commentary
All	<p>In our October business plan we recognised the need for a post frontier shift, post RPE version of CW2 and we provided this separately as CW2a. During the queries process, we received query OFW-OBQ-SSC-070 asking us about the process we'd followed for this, please refer back to this query for this information if required.</p> <p>Note that we have not changed our base costs submission, and so CW2 in the original tables is unchanged (from version post queries, April 2024) and the table ADD1 is also therefore unchanged from the version supplied in response to queries (OFW-OBQ-SSC-046). The table ADD1 is the post frontier shift, post RPE version of CW2.</p>

ADD15- PR24 Water Industry National Environment Programme (WINEP) Cost Estimates

We have completed this table based on the number of Action Components within each WINEP driver. We have also included the number of WINEP Actions, which is comparable to the method we used when responding to Ofwat Query OFW-OBQ-SSC-045.

Line Reference	Commentary
NERC_INV	<p>Reflects £0.161m of investment across six Action Components:</p> <ul style="list-style-type: none"> 08SS100007a 08SS100011a 08SS100015a 08SS100016a 08CW100009a 08SS100026a
NERC_IMP	Reflects £9.978m of investment across 16 Action Components:

SUPPLEMENTARY TABLE COMMENTARY

	<p>08CW100007a 08CW100012a 08CW100012b 08CW100012c 08CW100012d 08CW100012e 08CW100012f 08CW100012g 09CW100014a 09CW100014b 09CW100014c 09CW100014d 09CW100014e 09CW100014f 09CW100014g 08SS100005a</p> <p>This covers four Action IDs.</p>
EE_IMP	<p>Reflects £2.100m of investment across one Action Component: 08SS100001a</p>
WFDGW_INV	<p>Reflects £0.211m of investment across three Action Components: 08SS100014a 08SS100014c 08CW100011a</p> <p>This covers two Action IDs.</p>
WFDGW_ND	<p>This outlines the 25 Action Components under the Action IDs of: 08SS100002 We have no cost associated with these licence cap WINEP lines.</p>
INNS_IMP	<p>Reflects £0.309m of investment across two Action Components: 08SS100003a 08CW100006a</p>
INNS_MON	<p>This outlines two Action Components, with no associated cost. 08SS100004a 08SS100030a</p>
SSSI_IMP	<p>This outlines one Action Components, with the cost incorporated into SSSI_INV 08CW100004b</p>
SSSI_INV	<p>Reflects £0.232m of investment across three Action Components: 08CW100003a 08CW100004a 08CW100016a</p> <p>This covers three Action IDs.</p>
WFD_NDINV_WRFlow	<p>Reflects £0.626m of investment across one Action Component: 08CW100017a</p>
WFD_ND_WRFlow	<p>This outlines the 22 Action Components under the two Action IDs of:</p>

SUPPLEMENTARY TABLE COMMENTARY

	<p>08CW100001 08CW100002</p> <p>We have no cost associated with these licence cap WINEP lines.</p>
WFD_IMP_WRFlow	<p>Reflects £0.818m of investment across two Action Components:</p> <p>09SS100001a 08SS100025a</p> <p>This covers two Action IDs.</p>
EDWRMP_INV	<p>Reflects £1.167m of investment across three Action Components:</p> <p>08CW100013a 08CW100015a 08SS100028a</p> <p>This covers three Action IDs.</p>
NERC_INV	<p>Reflects £0.161m of investment across six Action Components:</p> <p>08SS100007a 08SS100011a 08SS100015a 08SS100016a 08CW100009a 08SS100026a</p>
NERC_IMP	<p>Reflects £9.978m of investment across 16 Action Components:</p> <p>08CW100007a 08CW100012a 08CW100012b 08CW100012c 08CW100012d 08CW100012e 08CW100012f 08CW100012g 09CW100014a 09CW100014b 09CW100014c 09CW100014d 09CW100014e 09CW100014f 09CW100014g 08SS100005a</p> <p>This covers four Action IDs.</p>
EE_IMP	<p>Reflects £2.100m of investment across one Action Component:</p> <p>08SS100001a</p>
WFDGW_INV	<p>Reflects £0.211m of investment across three Action Components:</p> <p>08SS100014a 08SS100014c 08CW100011a</p>

SUPPLEMENTARY TABLE COMMENTARY

	This covers two Action IDs.
WFDGW_ND	This outlines the 25 Action Components under the Action IDs of: 08SS100002 We have no cost associated with these licence cap WINEP lines.
INNS_IMP	Reflects £0.309m of investment across two Action Components: 08SS100003a 08CW100006a
INNS_MON	This outlines two Action Components, with no associated cost. 08SS100004a 08SS100030a
SSSI_IMP	This outlines one Action Components, with the cost incorporated into SSSI_INV 08CW100004b

ADD18 -Updated RR30 RORE Analysis for the draft determinations and company representations

Line Reference	Commentary
ADD18	Please see SSC-DD-11 for commentary.

ADD21- Resilience Interconnector Schemes

Line Reference	Commentary
ADD21	Commentary provided in Column AP.