

**Table 1 - Bristol Water Plc - A summary of our monitoring plan for 2005-10**

**OVERALL STRATEGY FOR 2005-10 PERIOD AND TOP 5 STRATEGIC OBJECTIVES**

Since the last review of prices in 1999, we have continued to deliver high quality services to customers and achieved high standards of water quality.

- In producing our business plan we took account of research that showed the key priorities for our customers are:
  - Security and reliability of supply
  - Safe drinking water
  - Maintenance of current service standards
  - Improvements to the taste and appearance of drinking water.

Our plan addressed these customer priorities and sought to maintain a fair balance between service standards, risk, the financing of the Plan and the impact on customers' bills.

In the Final Determination, Ofwat made a number of different assumptions about the level of capital investment required for the 5 year period.

Taking into account the price limits, the Company's overall strategy for 2005-2010 is to:

- Continue to deliver a high quality, reliable service to customers
- Deliver improvements to the level of security of mains water supply for approximately 285,000 people in the north and east of Bristol
- Deliver schemes to provide increased security of supply in adverse operating conditions for two sources
- Significantly increase the level of investment in maintaining our underground network
- Deliver schemes to improve the taste and appearance of water at customers' taps

**TOP 5 QUALITY AND SERVICE IMPROVEMENTS IN 2005-10 PERIOD**

- We plan a £20m project to improve the resilience of our network so that the supply to 285,000 customers in the north and east of Bristol can be supplied by treatment works other than those from which they are normally supplied. This scheme will be completed by the end of March 2008.
- We plan schemes to ensure that poor raw water quality in Cheddar and Blegdon reservoirs does not lead to reduced water quality for customers.
- We plan a significant increase in the level of maintenance on our underground network.
- We plan a number of schemes to deliver improvements in the taste and appearance of water at customers taps.
- We plan further works to reduce the number of customers at risk of receiving low pressure.

**WHAT IS DRIVING THE CHANGES IN BILLS? (2004/05 PRICES)**

Average household bill in 2004-05		108
<b>Less</b>	(1) past efficiency savings and outperformance	1
	(2) scope for reduction through future efficiency improvements	-11
	(3) maintaining base services of which	13
	a) changes in revenue	-5
	b) changes in operating costs	6
	c) changes in capital maintenance	11
	d) impact of taxation	1
	e) financing	-
<b>Plus</b>	(4) maintaining security of supplies to all customers	7
	(5) the impact of improvements in drinking water quality	4
	(6) the impact of environmental improvements	-
	(7) improvements in service performance	-
Average household bill in 2009-10		122

**ESTIMATE OF EXPENDITURE NEEDS (2002-03 prices)**

		Annual average for the 2005-2010 period (£/property/annum)
1	Total operating expenditure	73
2	Total capital maintenance expenditure	33
3	Total capital enhancement expenditure	15
4	Average annual number of properties used as the denominator in the above calculation	487,500

**PRICE LIMITS AND EFFECT ON AVERAGE BILLS (2004/05 prices)**

Price limit	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
1 Typical measured household bill	100	114	122	124	125	122
2 Typical unmeasured household bill	113	128	131	133	134	131
3 Average household bill	108	121	123	124	125	122

For further information go to [www.bristolwater.co.uk](http://www.bristolwater.co.uk) or contact: Corporate Affairs, Bristol Water, PO Box 218, Bridgwater Road, Bedminster Down, Bristol, BS99 7AU

Table 2, The monitoring plan for 2005-10 - prescribed tables

Price limits and household bills

Description	Units	2004-05		2005-06		2006-07		2007-08		2008-09		2009-10	
<b>A Price limits &amp; infrastructure charge limits</b>													
1 Price limits "K"	%	-1.9	13.8	2.8	1.5	0.7	-2.3						
2 Water service indicative "K"	%	-1.9	13.8	2.8	1.5	0.7	-2.3						
3 Infrastructure charge limit – water service	£		251										
<b>B Projected household bills - water service (Nov 2003 prices)</b>													
4 Typical unmeasured household bill	£	113	128	131	133	134	131						
5 Typical measured household bill	£	100	114	122	124	125	122						
6 Average household bill	£	108	121	123	124	125	122						
<b>C Further illustrative bills for unmeasured households - water service (Nov 2003 prices)</b>													
7 Annual water bill for an unmeasured household with a rateable value of £100	£	70	80	82	83	84	83						
8 Annual water bill for an unmeasured household with a rateable value of £300	£	174	199	203	206	208	204						
<b>D Further illustrative bills for measured households - water service (Nov 2003 prices)</b>													
9 Annual water bill for a measured household with a billed demand of 60m3	£	66	77	82	83	84	82						
10 Annual water bill for a measured household with a billed demand of 160m3	£	142	161	172	175	176	172						

Table 3, The monitoring plan for 2005-10 - prescribed tables

Water service - current performance & planned outputs

Description	Units	Current performance 2003-04	AMP4 profile	Level of performance by				
				2005-06	2006-07	2007-08	2008-09	2009-10
<b>A Service performance</b>								
1 DG2 Properties at risk of receiving low pressure	nr	429	S	222	222	222	222	222
2 DG3 Supply interruptions (overall performance score)	nr	0.25	P*2	0.30	0.30	0.25	0.25	0.25
3 DG6 % billing contacts dealt with within 5 days	%	100.0	S	100.0	100.0	100.0	100.0	100.0
4 DG7 % written complaints dealt with within 10 days	%	100.0	S	100.0	100.0	100.0	100.0	100.0
5 DG8 % metered customers receiving a bill based on a meter reading	%	99.70	S	99.80	99.80	99.80	99.80	99.80
6 DG9 % calls abandoned	%	0.6	S	0.5	0.5	0.5	0.5	0.5
7 DG9 % calls receiving the engaged tone	%	1.8	S	1.8	1.8	1.8	1.8	1.8
8 Water ESL (1) DG2 Properties removed from risk of receiving low pressure			P*1	41	29	26		
9								
<b>B Water sales &amp; supply/demand balance</b>								
10 Billed water delivered	Ml/d	241.17	F	238.30	237.32	236.45	235.62	234.94
11 Water available for use	Ml/d	315.58	S	318.18	318.18	318.18	318.18	318.18
12 Distribution input (dry year)	Ml/d	304.12	F	301.48	300.38	299.59	298.83	298.02
13 Security of supply index (reference levels of service)	nr	100	S	100	100	100	100	100
14 Security of supply index (planned levels of service)	nr	100	S	100	100	100	100	100
15 Total leakage	Ml/d	53.35		54.00	54.00	54.00	54.00	54.00
<b>C Serviceability to customers</b>								
16 Water infrastructure	Text			Marginal	Marginal	Stable	Stable	Stable
17 Water non-infrastructure	Text			Stable	Stable	Stable	Stable	Stable
<b>D Defined outputs for maintaining base services</b>								
18 Water infrastructure (1)	Text							
19 Water infrastructure (2)	Text							
20 Water infrastructure (3)	Text							
21 Water non-infrastructure (1)	Text							
22 Water non-infrastructure (2)	Text							
23 Water non-infrastructure (3)	Text							

Programme of work

Description

none

none

Table 4, The monitoring plan for 2005-10 - prescribed tables

Water service - drinking water quality performance

Description	Units	Current performance 2003-04	AMP4 profile	Level of performance by/outputs in				
				2005-06	2006-07	2007-08	2008-09	2009-10
<b>A Quality and environmental compliance</b>								
1	%	0.0	F	6.2	6.2	0.0	0.0	0.0
% distribution input covered by s19s at WTWs								
2	%	100.0	R	93.8	93.8	100.0	100.0	100.0
% distribution input not affected by s19s or temporary relaxations or ADs								
3	%	39.1	P*2	0.0	3.8	3.8	3.8	0.0
% props in WSZs affected by s19s in distribution or ADs								
4	%	99.9	S	99.9	99.9	99.9	99.9	99.9
% compliance with water quality regulations at the tap								
5	%	99.6	S	99.7	99.7	99.7	99.7	99.7
% compliance with PCV for iron at the tap								
<b>B Drinking water quality outputs</b>								
6	nr	1	S	0	1	1	1	0
Water treatment works improvements								
7	km	0		0	0	0	0	0
Distribution mains renovated								
8	km	0	P*2	0	15	15	0	0
Distribution mains cleaned								
<b>C Environmental water outputs</b>								
9	nr	0		0	0	0	0	0
Investigations into environmental impact								
10	nr	0		0	0	0	0	0
Options appraisals related to environmental impact								
11	nr	0		0	0	0	0	0
Other environmental improvements								

Table 7, The monitoring plan for 2005-10 - prescribed tables

Water service - key activity projections

Description	Units	Profile of activity				
		2005-06	2006-07	2007-08	2008-09	2009-10
<b>A Water resources</b>						
1	Length of aqueducts refurbished	km	1.5	1.3		
2	Work on dams & impounding reservoirs.	nr	0	0.0		
<b>B Water treatment</b>						
3	Number of refurbished or new treatment works	nr	4	17.4		
4	Ml/day of refurbished or new treatment works	Ml/d	82.00			
<b>C Water distribution</b>						
5	Length of mains renewed	km	156.5	2.4		
6	Length of mains relined	km	7.5	0.1		
7	Length of new mains	km	172.5	2.6		
8	Communication pipes replaced	000s	8.180	1.7		
9	Number of refurbished or new pumping stations	nr	10	7.1		
10	Number of refurbished or new service reservoirs	nr	1	0.7		
<b>D Metering</b>						
11	Number of household meters renewed	nr	33,500			
12	Optional meters: households	nr	18,511			
13	Selective meters: households	nr	0			
14	Percentage of households metered (at the year end)	%				

  

Profile of activity						
	2005-06	2006-07	2007-08	2008-09	2009-10	
	0.2	0.3	0.4	0.4	0.2	
	0	0	0	0	0	
	0	1	2	1	0	
	0.00	15.00	37.00	30.00	0.00	
	33.0	28.2	30.5	30.5	34.4	
	1.1	1.4	1.5	1.6	1.8	
	31.8	30.4	50.3	30.0	30.0	
	1.330	1.230	2.030	2.020	1.570	
	1	3	1	2	3	
	0	0	1	0	0	
	6,700	6,700	6,700	6,700	6,700	
	4,377	4,026	3,627	3,345	3,136	
	0	0	0	0	0	
	24.1	25.7	27.2	28.6	30.0	