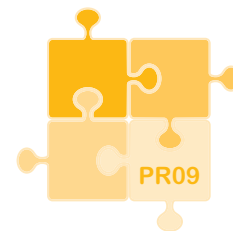


# Future household water and sewerage bills 2010-15



## Bristol Water

This note describes the expected changes to Bristol Water's charges for the period 2010-15. The table below gives the figures from the company's business plan and our final determination. The expected effect on household bills of the final determination for each of the years is given for average bills and typical metered and unmetered bills. Your bill may be higher or lower than the average. We also show average and typical bills for 2009-10, the final year of the previous price review period.

Price limits (%)		2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Ofwat's final determination (decision)			0.6	4.2	4.0	0.3	-0.2
Company's business plan figures			17.7	5.3	3.7	1.8	0.7
Expected effect on household bills of final determination (£)	Average annual bill	157	156	162	168	168	168
	Typical metered bill	138	138	142	146	146	146
	Typical unmetered bill	166	168	178	188	192	194

## Consumer research

In autumn 2008 we asked a representative sample of bill payers in Bristol Water's area for their views on the company's draft business plan. This plan proposed price increases of £44 for the period 2010-15. The key message was:

- The service elements that would cause most concern if there were delays were ensuring a reliable and continuous supply (71%), appearance, taste and smell of water (47%) and the safety of tap water (76%).

Full findings of the research can be found at

[http://www.ofwat.gov.uk/pricereview/pr09phase3/pr09phase3pubs/prs\\_web\\_pr09quantrsh](http://www.ofwat.gov.uk/pricereview/pr09phase3/pr09phase3pubs/prs_web_pr09quantrsh)

The final business plan proposed price increases of £46 and we have allowed, at final determination, an increase of £11 for the period 2010-15.

## Company achievements

- Investment has allowed the company to maintain safe and reliable supplies of water. In 2008, 99.97% of drinking water met required standards.
- There have been no hosepipe bans or restrictions in the Bristol Water area since 1992.
- Investment has reduced the number of customers at risk of low water pressure by more than 80%, from more than 400 in 2003-04 to 69 in 2007-08.

## Our proposals will allow Bristol Water to:

- Invest more than £140 million in maintenance, including replacing 335 km of water mains to help maintain a reliable supply of water and relining 39 km of trunk mains to reduce problems with discoloured water.
- Reduce leakage levels by almost 10% to help meet demand from 26,000 new properties.
- Connect two parts of Bristol's supply network, so that by 2012-13, 185,000 consumers in Bristol will benefit from an increased security of water supply.
- Invest more than £8 million in preparatory work for a new reservoir at Cheddar to meet future demand.

Factors driving the changes in bills	Business plan proposals	Ofwat's final determination
	Water	
<b>Average household bill in 2009-2010</b>	£157	£157
<b>1</b> Past efficiency savings and outperformance	-5	4
<b>2</b> Maintaining services, for example:	14	-6
Maintaining and repairing water pipes		
<b>3</b> Maintaining and enhancing security of supply, for example:	17	9
Managing amount of water taken from environment		
Ensuring a reliable and continuous water supply		
Investing in new water supplies, tackling leakage and helping consumers use water efficiently		
<b>4</b> Improving services, for example:	19	10
a) Drinking water quality:	12	7
Ensuring safety of tap water		
b) Enhanced service levels:	6	3
Managing appearance, taste and smell of tap water		
Managing water pressure and number of unplanned interruptions		
Handling customers' accounts, queries and complaints and customers with special needs		
Ensuring critical water treatment works can cope with severe weather		
<b>5</b> Future efficiency improvements	0	-6
<b>Average household bill in 2014-15</b>	£202	£168

Note: Customers of Bristol Water receive a sewerage service from Severn Trent Water, Thames Water or Wessex Water.