



Dŵr Cymru
Welsh Water

Wholesale Tariff Document

2018-19

This version of the Dŵr Cymru Welsh Water Wholesale Tariff Document 2018/19 was first published in January 2018. This is in accordance with Ofwat guidance that wholesale charges should be published at least 11 weeks before the start of the period in relation to which they apply.

The document provides primary and non-primary charges that are applicable to retail companies serving customers with an eligible site in Dŵr Cymru Welsh Water's operating area. The period to which these charges apply is 1 April 2018 to 31 March 2019.

This document sets out the relevant wholesale charges with guidance on how the charges will be applied. For details of legal obligations, please see the Wholesale-Retail Code and the Wholesale Contract.

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Definition of terms

In this Scheme, unless the context otherwise requires:

'Accredited entity' is an entity which is independently evaluated and accredited under an accreditation scheme established by the Contracting Wholesaler as competent to carry out certain activities including but not limited to Connection Activity and Metering Activity. One such accreditation scheme may include the WIRS administered by Lloyd's Register. Under that scheme accredited entities include WIRS Providers who include SLOs and UCPs;

'Act' means the Water Industry Act 1991 and amendments thereto.

'Company' means Dŵr Cymru Cyfyngedig.

'Connection' means a connection regulated by the Act and other relevant legislation by virtue of which the customer receives the benefit of the Company's services.

'Eligible site' means any non-household customer site using more than 50 megalitres of water a year.¹

'Guaranteed Service Standard' means any standard set out in the GSS Regulations as may be updated or amended from time to time;

Meters: A **'screw in'** meter has concentric ports for a single connection to pipework and is the type generally fitted in the Company's standard boundary box.

An **'in line'** meter has a pipe connection at both ends.

'Non-market meter' a water meter, which is not registered to a Supply Point, which is owned by an Undertaker, and which is a deductive meter on a Meter Network;

'Non potable water' means water not intended to meet the standards of wholesomeness set out in regulations made under the Water Industry Act 1991.

'Non-primary charge' means any Wholesale Charges which are not Primary Charges and to avoid doubt this includes all charges that relate to the provision of one off or discrete services performed pursuant to the Operational Terms or as otherwise set out in the Wholesale Tariff Document in relation to specific circumstances or events;

'Permanent disconnection' means any physical disconnection of Water Services where a connection to the Network is removed or otherwise made unworkable such that the supply of Water Services at that point could only resume if a new connection was made and "Permanently Disconnected" shall be construed accordingly;

1. See Ofwat Guidance <http://www.ofwat.gov.uk/publication/eligibility-guidance-whether-non-household-customers-england-wales-eligible-switch-retailer/> and <http://www.ofwat.gov.uk/publication/supplementary-guidance-whether-non-household-customers-england-wales-eligible-switch-retailer/>

'Potable water' means water intended to meet the standards of wholesomeness set out in regulations made under the Water Industry Act 1991.

'Primary charge(s)' means all those charges in the Wholesale Tariff Document that relate to the supply of Water Services both on an enduring or temporary basis, and including:

- i. Fixed and volumetric charges and allowances;
- ii. Any other charges set out in the Wholesale Tariff Document in relation to specific circumstances or events.

But excluding:

- i. All charges that relate to the provision of one off or discrete services performed pursuant to the Operational Terms;
- ii. Together with all such charges calculated in relation to a Special Agreement by reference to the relevant Factor(s).

'Retailer' means the holder of a Restricted Retail Authorisation an authorisation described in paragraph 6 of schedule 2A of the Water Industry Act 1991 i.e. an authorisation to use the supply system of an Undertaker that is wholly or mainly in Wales for the purpose of enabling the retailer to supply retail services to eligible sites that use 50 megalitres or more of water a year; or Dŵr Cymru's Commercial Retail Team.

'Service pipe' means the pipe (or part of the pipe) to supply water from the Company's water main to any premises and is defined in section 219 of the Act.

'Special agreements register' the register of that name published and maintained by the Authority as may be replaced or renamed from time to time;

'SPID' is the abbreviation for Supply Point Identifier (used to identify unique supply points in the Water Supply Licence Market).

'Supply pipe' means any part of a service pipe which the Company could not be, or have been, required to lay under Sections 45 and 46 of the Act.

'Temporary disconnection' means any physical disconnection of Water Services which is not a Permanent Disconnection and "Temporarily Disconnected" shall be construed accordingly;

'Value Added Tax' refers to value added tax chargeable under the Value Added Tax Act 1994 or any tax or duty in substitution therefor;

'Water fittings regulations' refers to the Water Supply (Water Fittings) Regulations 1999.

1. Introduction

This document has been produced to comply with Ofwat’s wholesale charging rules issued by the Water Services Regulation Authority under sections 66E and 117I of the Water Industry Act 1991 (published: 24/11/2017) for eligible sites, that is those premises that could be supplied with water by a retailer with a restricted retail authorisation. They will be applied to any section 66D agreement where a retailer with a restricted retail authorisation is a party to that agreement.

This document outlines both the primary charges, those that typically involve meter based annual charges and/or volumetric charges, and the non-primary charges, or additional services offered by the wholesale business.

The scope of the contestable market for customers served by companies based wholly or mainly in Wales is limited to the provision of water services and covers commercial customers with an eligible site. These customers are charged using our potable water industrial tariffs, large user non-potable water tariffs or special agreements.

The Company supply area

The Company supplies water in the area shown on the map below.



2. How to contact us:

Dŵr Cymru Welsh Water
Wholesale Service Centre
PO Box 3164
Cardiff
CF30 0FF

Telephone

0800 260 5053 (24 hours)

Online

wsc.dwrcymru.com

Email

WholesaleServiceCentre@dwrcymru.com

Our office hours for the receipt of correspondence are 8am to 6pm Monday to Friday (excluding bank holidays)

3. How to pay

BACS

By BACS payment: sort code: 52-21-07
account number 01500007.

By BACS from abroad: IBAN number
GB51 NWBK 5221 0701 5000 07

BIC number NWBK GB 21 22X please
include your customer reference when
making your payment.

4. Disputes

All disputes and differences arising out of, or in connection with the wholesale services provided to retailers shall be dealt with and resolved in accordance with Section 17, 18 and 19 of the Business Terms and Schedule 9 of the Market Arrangements Code.

5. Value Added Tax

VAT will be added to water supply charges (including water for construction) to customers whose industrial activities are defined within divisions 1-5 of the Standard Industrial Classification List 1980 (SIC). Non-primary charges stated in this document exclude VAT unless specified otherwise.

Where VAT is charged, it will be at the rate prevailing at the time the invoice is issued or at the time the advance payment is made.

6. Liability for charges

Invoices for primary and non-primary Charges will be issued in accordance with Dŵr Cymru's Settlement Timetable.

Primary charges

Each retailer will be charged for the supply of Water Services to connected Supply Points that are registered to it when the services are provided. Charges for Vacant Properties will be levied in accordance with the Market Arrangement Code / Open Water Code.

Fixed charges are apportioned on a calendar day basis.

Water volumetric charges are based on the water used as measured by the meter in cubic metres unless the Company agree a volumetric adjustment for water used for firefighting or lost in leakage as detailed below:

Water used for firefighting

All water used is chargeable except that used solely for firefighting or testing. Water used for fire tests and drills is chargeable unless 7 days written notice of use is given to the Company.

Leakage allowances

Allowances for water volumetric charges for non-household² sites will only be given where the leak was the responsibility of Dŵr Cymru.

Mixed use sites i.e. non-household premises combined with a household, for example, a University Campus with an accommodation block, a water allowance will be granted on the household element of the bill only. The allowance for the household element will be calculated on the basis of the annual consumption figures we use to calculate our household assessed measured tariff.

Allowances must be applied for within six months of a leak being repaired.

No allowances will be given if the leak has been caused through the carelessness of the customer or someone acting on behalf of the customer.

Non primary charges

By submitting a request for work or information (via the relevant online form), the retailer will be deemed to have accepted the standard price for that service.

If the price for the service is non-standard, a "price on application" will be sent to the retailer and no works will be undertaken until a written acceptance of the estimate is received. The charge will be calculated on a "bottom-up" basis from the activities and materials required for the service. The activities will be costed using standard and consistent costing models. Water wholesale business overheads and joint costs will be applied in proportion to the direct costs and a margin will be included where appropriate.

7. Accredited entities

Dŵr Cymru does not currently operate an Accreditation Scheme for Metering or Disconnection activities within its area.

8. Incentive payments including gap site and vacant properties

Dŵr Cymru does not offer any incentive payment schemes within its area.

9. Other charging schedules

Scheme of Charges 2018/19

Water and sewerage charges for household and non-household customers.

Schedule of Wholesale Charges 2018/19

Wholesale elements of Welsh Water's water and sewerage charges for information only.

Developer Services Schedule of Charges 2018/19

Charges for new connections and other activities to support Developers.

² Non-household properties may be entitled to a sewerage allowance on the first and subsequent leaks where water lost due to leakage has not returned to the sewer.

10. Primary charges

10.1 Potable Water Industrial Tariff – Indicative Wholesale Access Charge 2018/19

The potable water Industrial Tariff is made up of several bands reflecting annual consumption. Table 1 below shows the indicative wholesale water large user tariffs for each of the five supply bands over 50 megalitres or 50,000m³.

Each band applies to all consumption between 1 April 2018 and 31 March 2019 and comprises:

- A fixed charge for the year (which includes an annual service charge for the first meter);
- An annual service charge for each additional meter based on the size of meter (shown in table 2 below) and;
- A volumetric charge for all consumption.

Charges for future years will be set out in our wholesale charges schedule each year.

The fourth column indicates the annual consumption for which the band would be most economic for the customer.

Table 1

The fixed charge and the volumetric charge for each of the bands is shown below. The fourth column indicates the annual consumption for which the band would be most economic for the customer.

Tariff	Fixed charge (£)	Volumetric charge (£/m ³)	Indicative consumption (Ml/year)
Standard	*	1.3431	<50
Band 1	18,773.85	0.9808	50 - 99
Band 2	24,458.61	0.9240	100 - 249
Band 3	39,723.97	0.8629	250 - 499
Band 4	92,909.40	0.7566	500 - 999
Band 5	127,569.21	0.7219	>1000

*See standard wholesale measured service charge

Table 2

The annual service charge applies to each meter and is based on the nominal meter size as follows:

Meter size (mm)	£	Meter size (mm)	£
Up to 20mm	18.06	65mm	660.81
25mm	87.65	80mm	880.26
30mm	163.64	100mm	1,050.86
40mm	318.06	150mm	1,362.58
50mm	490.22	200mm and over	1,362.58

10.2 Non Potable Water Industrial Tariff – Indicative Wholesale Access Charge 2018/19

The non-potable water Industrial Tariff is available for partially treated water and raw water depending on whether the supply receives any treatment. Table 3 below shows the indicative wholesale non-potable tariffs.

Each band applies to all consumption between 1 April 2018 and 31 March 2019 and comprises:

- A fixed charge for the year (which includes an annual service charge for the first meter);
- An annual service charge for each additional meter based on the size of meter (shown in table 2 above) and;
- A volumetric charge for all consumption.

Charges for future years will be set out in our wholesale charges schedule each year.

Table 3

The fixed charge and the volumetric charge for each of the bands is shown below.

The fourth column indicates the annual consumption for which the band would be most economic for the customer.

Tariff	Fixed charge (£)	Partially Treated Water Volumetric Charge (£/m ³)	Raw Water Volumetric Charge (£/m ³)	Indicative consumption (Ml/year)
Non-Potable Standard	*	1.2967	1.2051	<50
Partial	42,527.74	0.4516		>50
Raw	43,147.49		0.3475	>50

10.3 Change of tariff requests

The wholesaler will not accept more than one request per calendar month for a change of tariff at any one Supply Point.

10.4 Special Agreements – Indicative Wholesale Access Charge 2018/19

Welsh Water has three special agreements for supplies to eligible sites.

WSHNONPOT9

This agreement to supply non-potable water is a reservation type agreement for a raw water supply. It began in 1994 to run for 30 years and terminates in 2024. The customer has reserved 14.5 MI/day. Charges for water supplied shall be charged on a volumetric basis only adjusted by the average annual percentage movement in the Retail Price Index. Used volumes and fixed charges are charged using standard rates. The indicative wholesale water access charge for the reservation element is shown in table 5 below.

Table 5: The indicative wholesale water access charge for special agreement WSHNONPOT9

Tariff	Volumetric charge (£/m ³)
Reservation Charge up to 14.5 MI/d	0.1804

WSHNONPOT10a & WSHNONPOT10b

Charges for water supplied shall be charged on a volumetric basis only adjusted by the average annual percentage movement in the Retail Price Index.

Tariff	Volumetric charge (£/m ³)
Supply Charge	0.3597

11. Non primary charges

Section A: Relaying/Repairing /Renewing Pipes Including the Replacement of Lead Service Pipes

The pipework from the property boundary into the property is the responsibility of the customer. When we find that the level of lead in a water sample is above the regulatory standard we will contact the customer to advise on how to reduce their exposure to lead. We will replace any lead pipes that are our responsibility i.e. between the water main and the property boundary free of charge.

Section B: The Provision and Maintenance of Fire Hydrants

Activity	Description	Charge
Install hydrant	On new main (80-200mm diameter)	£668
Install hydrant	On existing main (80-200mm diameter)	£1,225
Install marker post/plate		£122
Remove marker post/plate		£122
Remove hydrant	From existing main (80-200mm diameter)	£575
Repair hydrant	Category 1 (e.g. lid and frame)	£221
Repair hydrant	Category 2a (e.g. lid, frame & chamber piece)	£417
Repair hydrant	Category 2b (e.g. lid, frame, repack, rewasher)	£675
Repair hydrant	Category 3 (replace hydrant complete)	£748
Where the Fire Service request a repair or installation to an existing Fire Hydrant DCWW will recover all costs incurred including investigation, administration, statutory noticing and repair/installation.		

Section C: Damage to Apparatus

Activity	Charge
Third party damages and remedial work.	Price on application
Where a third party damages an asset, we will recover all costs associated with investigation, administration, statutory noticing, customer service loss, repair and re-instatement of the asset.	

Section D: Water Fittings Inspections

The carrying out of an inspection to ascertain whether any provision contained in or made or having effect under the Water Industry Act 1991 with respect to any water fittings or with respect to the waste or misuse of water is being or has been contravened.

Activity	Charge
Initial inspection and first follow up.	No charge
Repeat Inspections.	£47
Abortive Visit.	£26

After an initial Water Fittings Regulations inspection where Dŵr Cymru has found contraventions, a programme of work and a timescale for completion will be agreed with the retailer/customer. Where the action agreed is not undertaken and additional visits are required to ensure compliance, an hourly charge will be applied to cover the cost of additional visits.

Section E: Site Inspections - Confirmation and Verification of Supply Arrangements

Activity	Charge	
	Initial Appointment	Additional Hour (Same Visit)
Single Inspector		
Confirmation and verification of supply arrangements where a single inspector is required. One hour appointment.	£47	£28
In the event that we are unable to undertake a follow up survey as access cannot be facilitated by either the retailer or the retailer's customer, an abortive visit charge will be made.	£26	
Two Inspectors		
Confirmation and verification of supply arrangements where a single inspector is required. One hour appointment.	£91	£54
In the event that we are unable to undertake a survey as access cannot be facilitated by either the retailer or the retailer's customer, an abortive visit charge will be made.	£50	

Where a retailer requests confirmation of the supply arrangements at their customer's site. The standard charge provides for the inspector to be on site for up to 1 hour. Whilst a charge has been included for a single inspector, the supply arrangements for customers with eligible sites are often complex and will in most cases require 2 inspectors to be present for safety reasons. There are additional charges if the inspector/s need to be on site beyond the hour appointment or have to return to complete the survey.

Section F: The Provision and Use of Standpipes

Standpipes are no longer available to hire at our local depots. The hire of a standpipe will be from our appointed agent. The hire of a standpipe is restricted for certain use. Only standpipes hired from our appointed agent, with our consent, are allowed to be used on our network. All standpipes are metered & VAT will be added. For full details go to dwrwymru.com.

Section G: Meter Surveys, Exchange, Testing and Telemetry.

Meter Surveys

Charge

Verification of meter details or meter supply arrangements. £47

In the event that we are unable to undertake a follow up survey as access cannot be facilitated by either the retailer or the retailer's customer, an abortive visit charge will be made. £26

Where a retailer requests Dŵr Cymru to undertake a survey in relation to an existing meter or to facilitate the installation, removal or relocation of a meter associated with the supply to a registered or potential SPID and this can be safely and effectively carried out by one person, Dŵr Cymru will charge a minimum one hour survey fee and a further charge for every additional hour or part hour thereafter. A charge will be made in the event the survey has to be aborted at either the request of the retailer or the retailer's customer.

Meter Exchange	Without Excavation	With Excavation
Up to 25mm	£148	£467
30mm	£230	£549
40mm	£273	£592
50mm	£494	£813
80mm	£537	£856
100mm	£580	£899
150mm	£849	£1,395
200mm	£953	£1,499
Above 200mm	Price on application	Price on application

Meter Testing

Charge

Meter accuracy test – meter removed, external accreditation. Price on application

Where a retailer requests Dŵr Cymru to undertake an externally accredited accuracy test of a meter associated with a registered SPID, we will charge a fee which covers the cost of removing the meter, transporting it to the externally accredited organisation and providing a report on the meters accuracy, in addition to the meter exchange charge for installation of the replacement meter. In the event the original meter is found to be operating outside of the accuracy range associated with the meter, Dŵr Cymru will not recharge the cost of the test or the meter exchange.

Non-Cyclical Non-Market Meter Read	Charge
Meter read requested by retailer or the customer.	£26

If the request to read the meter is withdrawn by the retailer or its customer and DCWW acting on the original instruction has read the meter, an abortive fee will be charged.	£26
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Provision and Installation of a Pulse Unit and Splitter	Charge
Installation of a splitter and/or pulse unit to facilitate a current or future installation of both a retailer and wholesaler logger.	Price on application

Telemetry Data from Loggers	Charge
Access to online data from wholesale telemetry equipment installed at an eligible site. Charge stated is per logger.	£12

Section H: Disconnection and Reconnection to the Water Supply

The disconnection of a service pipe (or otherwise cutting off a supply of water) to any premises and the reconnection of such supplies to a water main. In the event that further enabling works is required to allow the supply to be isolated, an estimate for the works will be generated and passed to the retailer. Abortive visits will be charged at reasonable cost.

Disconnection	Charge
Perform disconnection (temporary isolation) with no enabling works required, i.e. lock off stop tap or remove meter.	Price on application

Where a non-household customer or retailer requests the wholesaler to permanently disconnect their service from the water main we will recover all costs associated with investigation, administration; statutory noticing, disconnection and re-instatement of the asset.

Reconnection	Charge
Re-connection of temporary disconnections.	Price on application

Requests to reconnect supplies permanently disconnected will be treated as a new supply request and charged accordingly.

Section I: Emergency Planning Services – Provision of Water	Charge
Provision of water using emergency tankers, bowsers and pallets if available for use. Abortive visits will be charged at reasonable cost.	Price on application

Section J: Miscellaneous Charges	Charge
Standard information requests: Documents such as a single meter location plan per site, one off copies of logger information per site or other similar information request.	£12

Non-standard information requests: Where the underlying cost differs significantly from a standard information request, the activity will be charged accordingly.

Non-standard activities: Charges will apply where a retailer makes a request for an activity not detailed in this document.