

WHOLESALE TARIFF DOCUMENT

2018/19

Publication date: 26 Jan 2018

Albion Water Limited

Registered in England No. 3102176
www.albionwater.co.uk

How to Contact Us

Telephone

Wholesale Helpline **01582 767720**

Our Wholesale Helpline is open Monday to Friday from 9.00am until 5.00pm.

Emergency Helpline **0800 917 5819 / 01582 344372**

Our Emergency Helpline operates a 24 hour service

By Post

**Albion Water Limited, Wholesale Services, Harpenden Hall, Southdown Road,
Harpenden, Herts, AL5 1TE**

Email

For general enquiries – wholesale@albionwater.co.uk

Website

Our website - **www.albionwater.co.uk** - contains further information and alternative email addresses if you wish to contact us electronically.

Contents

1. Definition of Terms
2. Introduction
3. General Principles
4. Disputes
5. Liability for Charges
6. How to Pay

Annex A Knowle Area Primary Charges

Annex B Upper Rissington Area Primary Charges

Annex C Five Oaks Lane Area Primary Charges

Annex D General Non-Primary Charges

1.0 Definition of Terms

Full information in relation to Open Water, including policy documents, the Wholesale - Retail Code and Business Terms can be found on the MOSL website: www.mosl.co.uk

In this Scheme, unless the context otherwise requires:

‘Accredited Entity’ The Company will allow Accredited Entities (AE) to undertake work in accordance with the Wholesale - Retail Code Part 3 Operational Terms. Accredited Entities will have undertaken an assessment of competence and been awarded an accreditation certificate from a Water Industry Regulated Provider. Confirmation to the requesting licenced Retailer of approval to proceed to carry out the specified work will be provided within the SLA of each of the processes within the Wholesale - Retail Code.

‘Act’ means the Water Industry Act 1991 and amendments thereto.

‘AWL’ means Albion Water Limited

‘Business Terms’ the Business Terms applied to the relevant charges set out in this Scheme of Charges shall be those set out in Part 2 of the Wholesale – Retail Code.

‘Company’ means Albion Water Limited or ‘AWL’.

‘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.

‘Eligibility Criteria’ the definition of a customer eligible to switch supplier will be as laid down in Ofwat's document ‘Eligibility guidance on whether non-household customers in England and Wales are eligible to switch their retailer’, July 2016.

‘Guaranteed Service Standard’ means guaranteed minimum standards of service, as laid down in the Water Supply and Sewerage Services (Customer Service Standards) Regulations 2008 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.

‘MOSL’ Market Operating Systems Ltd. MOSL are the market operator for the competitive retail market. Their role is to maintain records that allow customers to switch between retailers and determine financial settlement between wholesalers and retailers.

‘Non-household purposes’ refers to a supply for any use except for domestic purposes; for example supplies for manufacturing purposes are for non-domestic purposes.

‘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 or referenced in this 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.

‘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 this 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 this Wholesale Tariff Document in relation to specific circumstances or events,

but excluding,

- a) all charges that relate to the provision of one off or discrete services performed pursuant to the operational terms,
- b) together with all such charges calculated in relation to a Special Agreement by reference to the relevant factor(s).

‘Retailer’ provider of the retail service to the end customer, dealing with all customer services as outlined within the Ofwat pricing methodology statement such as billing, payment handling, customer calls and meter reading. A Retailer may be an Incumbent Retailer or a Retail Licensee.

‘Settlement Process’ the process of setting and calculating the Primary Charge in respect of each supply point.

‘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 Water Services Regulation Authority (or ‘Ofwat’) 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 and Sewerage License 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.

‘Supply point’ means, subject always to Section 4.2.2(c) and (d) of the Market Terms, in relation to any premises, the point at which water services or sewerage services are provided and (to avoid doubt): (i) any premises that receives both water services and sewerage services shall have two supply points; and (ii) any premises that receives either water services or sewerage services only shall have one supply point

Temporary Disconnection 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.

'WSSL (Water Supply and Sewerage Licence)' a water supply and sewerage licence will allow entry into the competitive supply market for the purpose of providing retail services.

2.0 Introduction

This publication describes our wholesale charging policy and the charges, and is principally applicable to retailers of water. It is focused on non-household charges given the competitive market for non-household water and sewerage retail services which launched in April 2017. Wholesale charges are published on our website annually, normally in January each year. Tariffs will take effect on 1st of April each year. The template issued by Ofwat relating specifically to non-household wholesale charges is a separate document and is also available on our website.

Throughout this document references are made to and refer to 'you', the retailer and 'we', AWL (Wholesale).

Open Water programme

Open Water is charged by Government to co-ordinate the development of the market rules, framework and systems required for an effective non-household retail market, these activities are known as The Open Water Programme. The competitive market for non-household water and sewerage retail services is planned to commence in April 2017. This will be for the retail element only of the water supply and sewerage services.

Requirement for a Wholesale - Retail contract

Any Retail licensee wishing to provide Retail services within our area of supply will be required to enter in to a Wholesale – Retail Contract. This will be the standard contract for Wholesale Services as set out in the Wholesale – Retail Code.

Application of Business Terms

For the avoidance of doubt, the Business Terms shall apply at all times in relation to transactions set out in this document and the Wholesale - Retail Code. The Business Terms are designed to establish the rights and obligations of the parties to the Wholesale - Retail Contract and also cover a number of other matters of a contractual nature.

3.0 General Principles

It is intended that the charges to be made under this scheme will, with any other relevant sources of revenue, provide the income necessary to finance the water supply and sewerage functions of AWL. These charges shall be fixed with due regard to the principles laid down in the Act and relevant Licence Conditions. AWL operates in different discreet geographical areas across England variously providing water, sewerage and recycling services separately or in combination. This document provides general information and incorporates annexes that provide Primary Charge information for each separate area together with one for general Non-Primary Charges.

4.0 Disputes

All disputes and differences arising out of, or in connection with the wholesale services provided to a water supply and sewerage licensee 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.

5.0 Liability for Charges

Invoices for Primary and Non Primary Charges will be issued in accordance with the published timetable.

Primary Charges

Each Retailer will be charged for the supply of water and sewerage 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 and wastewater volumetric charges are based on the water used as measured by the meter in cubic metres unless the Company agree a volumetric adjustment, for instance 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. In AWL's supply areas, water used for fire tests and drills is chargeable unless 7 days written notice of use is given to the Company.

Leakage Allowances

The non-household customer is liable for the cost of all water registered on the meter. No allowance is made in respect of leakage from customers' pipework except for mixed use premises.

Non-household customers must discuss this issue with their Retailer who will progress with the Company as appropriate.

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 time and expense basis from the activities and materials required for the service.

The activities are costed using standard and consistent costing calculations. Water wholesale business overheads and joint costs are applied to the calculated direct costs.

6.0 How to Pay

Payment Terms for Retailers

All Wholesale Charges for Primary and standard Non-primary services will be billed monthly. Non-primary non-standard services will be based on a quote to be paid upon acceptance. All Primary Wholesale Charges will be based on the calculations in the Open Water central market settlement systems.

Credit Support for Retailers

Payment terms applied are those set out in the Wholesale – Retail Code Part 2: Business Terms and will vary dependent on whether Retailers have selected a prepay (payment in advance) or a postpay (payment in arrears) option. Retailers who have selected a postpay payment term will be required to provide and maintain credit support in accordance with the Business Terms. The Company will make available to Retailers the standard credit support options set out in the Business Terms. The following options of credit (or combinations thereof) will be offered to the Retailer provided that the required criteria are met:

- Cash security account
- Letter of credit
- Third party guarantee
- Surety bond
- Unsecured credit allowance

Such credit support options must be applied in the form set out in the Business Terms.

Methods of payment

For each monthly billing period the Wholesaler will invoice the Retailer for both Primary and standard Non-primary charges. Invoices will be issued electronically unless otherwise agreed with the Retailer. Payments are required to be made by electronic transfer to a UK bank account nominated by the Company.

Interest

If any sum payable under the wholesale contract is not paid at the expiry of the period for payment, the Wholesaler will claim interest on the amount outstanding (both before and after judgment or decree) at a rate in accordance with the Business Terms. Such interest will be calculated from (but excluding) the date of expiry of such period until payment thereof, calculated on a daily basis and compounded annually.

Value Added Tax

All charges contained in this Charges Scheme are exclusive of Value Added Tax (VAT). VAT is payable for customers falling within Standard Industrial Classifications (SIC) codes 1-5. The Retailer will inform the Company of their Standard Industrial Classification.

Annex A

Knowle Area Primary Charges

AWL serves properties in Knowle Village, Fareham (postcodes PO17 5**, if you are unsure if you are within this area please contact our Helpline).

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

- a fixed charge for the year (based on volume);
- a fixed charge (based on meter size, and which includes Highway drainage);
- a volumetric charge for all consumption.

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

The water wholesaler in this area is Portsmouth Water.

Volumetric charges for sewerage are based on 92.5% of water supplied by Portsmouth Water, to take into account non-return volumes (water not entering the sewerage system).

Non Household Waste Water Charges	
<i>Unmetered supply sewerage charges</i>	£
Premises without RV (commercial)*	348.99
Sewerage minimum charge (commercial)*	83.33
<i>Metered supply sewerage charges</i>	£
<i>Fixed charge per year – based on annual volume of effluent in cubic metres</i>	
0 to 999	22.04
1000 to 4999	132.25
5000 to 19999	387.31
20000 to 49999	550.00
50000 to 99999	1137.80
Over 100000	1491.52
<i>Highway drainage charge per year**</i>	12.60
<i>Fixed meter based charges per year – by meter size (in mm)*</i>	
Up to 22	37.79
23-28	113.36
29-42	214.12
43-64	264.50
65-80	516.40
81-100	667.54
Over 100	1675.14
<i>Volumetric charges – per m3</i>	
0 to 999	2.272
1000 to 4999	2.332
5000 to 19999	2.348
20000 to 49999	2.377
Over 50000	2.377
* includes standing charge, highway drainage and surface water drainage	
** included in the 'Fixed meter based charges'	

Annex B

Upper Rissington Area Primary Charges

AWL serves properties in Upper Rissington (postcodes GL54 5**, if you are unsure if you are within this area please contact our Helpline).

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

- a fixed charge for the year;
- a volumetric charge for all consumption.

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

Non Household Water Charges	
<i>Metered supply potable water charges</i>	£
<i>Fixed charge per year – m3</i>	
0-20000	0.00
20000-50000	2202.00
50000-250000	12887.00
Over 250000	61487.00
<i>Charge per m3</i>	
0-20000	1.2987
20000-50000	1.1886
50000-250000	0.9749
Over 250000	0.7805
<i>Metered supply non potable water charges</i>	
Charge per m3	1.1607

Volumetric charges for sewerage are based on 100% of water supplied (an allowance for volumes not returned to the sewer has already been made in the tariff).

Non Household Waste Water Charges	
<i>Metered supply sewerage charges</i>	£
<i>Fixed charge for meters (mm)</i>	
Up to 15mm	39.82
20-22	114.12
25-28	204.04
30-39	318.17
40-42	457.66
50-64	812.70
Prices for standing charge meters larger than 64mm will be quoted on application	
<i>Metered supply sewerage charges – charge per m3</i>	
0-100000	0.8286
100000-250000	0.6634
Over 250000	0.6634

Annex C

Five Oaks Lane Area Primary Charges

AWL serves properties in Five Oaks Lane (postcodes IG7 4**, if you are unsure if you are within this area please contact our Helpline).

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

- a standing charge for the year;
- a fixed charge for the year;
- a volumetric charge for all consumption.

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

Non Household Water Charges

Metered supply potable water charges	£
Standing charge per year by meter size – mm	
1-24	20.90
25-34	34.80
35-39	51.10
40-49	69.35
50-64	175.20
65m and larger	521.95
Fixed charge per year – m3	
0-20000	0.00
20000-50000	3000.30
50000-175000	11993.90
Over 175000	32992.35
Charge per m3	
0-20000	1.4996
20000-50000	1.3496
50000-175000	1.1697
Over 175000	1.0497
Metered supply non potable water charges	
Charge per m3	1.4259

Volumetric charges for sewerage are based on 100% of water supplied (an allowance for volumes not returned to the sewer has already been made in the tariff).

Non Household Waste Water Charges	
<i>Metered supply sewerage charges</i>	£
<i>Fixed charge for meters (mm)</i>	
Up to 15mm	39.82
20-22	114.12
25-28	204.04
30-39	318.17
40-42	457.66
50-64	812.70
Prices for standing charge meters larger than 64mm will be quoted on application	
<i>Metered supply sewerage charges – charge per m3</i>	
0-100000	0.8286
100000-250000	0.6634
Over 250000	0.6634

Annex D

General Non-Primary Charges

Relaying/repairing /renewing pipes (incl. 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.

The provision and maintenance of fire hydrants

Price on application.

Where the Fire Service request a repair or installation to an existing Fire Hydrant we will recover all costs incurred (investigation, administration; statutory noticing and repair/installation).

Damage to apparatus

Third party damages and remedial work - price on application.

Where a third party damages an AWL asset, we will recover all costs associated with investigation, administration, statutory noticing, customer service loss, repair and re-instatement of the asset.

The carrying out of inspections to ascertain whether any provision in or made or having the effect on 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

Initial inspection and first follow up No charge

Repeat Inspections £75

Abortive Visit £25

After an initial Water Fittings Regulations inspection where AWL has found contraventions, a programme of work and a timescale for completion will be agreed with the customer/retailer. 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.

Site Inspections (confirmation and verification of supply arrangements)

Confirmation and verification of supply arrangements where a single inspector is required. One hour appointment - £75 with additional hours charged at £30/hr

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 of £25.

Confirmation and verification of supply arrangements where two inspectors are required. One hour appointment - £100 with additional hours charged at £50/hr

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 of £50.

The provision and use of standpipes

	22mm Standpipe	65mm Standpipe
First week	£75	£140
Subsequent weeks	£30	£90

All Standpipes are metered and separate charges are applied for the water consumed.

Meter Surveys, Exchange, Testing and Telemetry

Verification of meter details or meter supply arrangements - £75

In the event that we are unable to undertake a follow up survey as access cannot be facilitated by either the either the retailer or the retailer's customer an abortive visit charge will be made of £25.

Where a retail provider requests AWL 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 AWL 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 licensed provider or the licensed provider's customer.

Meter Exchange	Without Excavation	With Excavation
Up to 25mm	£150	£500
40mm	£200	£600
50mm	£350	£700
80mm	£700	£1,200
100mm	£800	£1,400
150mm	£1,100	£1,650
200mm	£1,400	£2,400

Above 200mm - Price on application

Meter accuracy test - meter removed, external accreditation - Price on application

Where a retail provider requests AWL 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 AWL will charge for the installation of a replacement meter while the original meter is being tested. In the event the original meter is found to be operating outside of the accuracy range associated with the meter, AWL will reimburse the cost of the test and the installation of a replacement meter.

Non-Cyclical Meter Read (Outside the Market)

Meter read requested by the retailer or the customer - £20

If the request to read the meter is withdrawn by the retailer or its customer and AWL acting on the original instruction has read the meter, an abortive fee of £25 will be charged.

Telemetry Data from Loggers Charge (Annual)

Software license to access telemetry from wholesale logging equipment installed at an eligible customer's site – Price on application

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.

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

Where a retailer or its customer requests the wholesaler to permanently disconnect their service from the water main AWL will recover all costs associated with investigation, administration, statutory noticing, disconnection and re-instatement of the asset - Price on application

In the event further enabling works is required to allow the supply to be isolated an estimate for the works will be generated and past to the retailer.

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 - Price on application

Miscellaneous Charges

Information & copy documents (including legal documents) – Price on application

Albion Water Limited

Registered in England No. 3102176
Registered Office: Operations Centre
Claverton Down Road, Claverton Down,
Bath, England, BA2 7WW

www.albionwater.co.uk