



STATEMENT OF RESPONSE DRAFT DROUGHT PLAN

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Albion Water Limited

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Statement of Response

1 Summary

This is the Statement of Response of Albion Water to representations received directly from consultees during consultation of the draft Drought Plan.

Albion Water published its draft Drought Plan on the 17th May and the consultation ran for 8 weeks ending on the 12th July. The draft Drought Plan was available on our company website along with details about how to send a response.

Albion Water received a total of two set of written representations. One from the Environment Agency and one from Natural England and we received both directly from them. No others were forwarded to us from Defra. The Environment Agency made a series of recommendations and areas for improvement. These are reproduced below along with a response to each of them and what changes we have made (or are not planning to make) to the plan.

This document also includes the advice received from Natural England.

2 Environment Agency

The Environment Agency believes that our Drought Plan only partially demonstrates that we will provide a secure supply of water during a drought and recommended that we make some revisions to our Drought Plan. This is also to ensure that it complies properly with the Drought Plan Directions 2020. In addition to the two recommendations The Environment Agency also included a section of improvements in their representation. These improvements are to ensure our Drought Plan aligns with current guidance.

2.1 Recommendation 1 – review effectiveness of drought plan (Direction 3 (i))

Direction not complied with:

(i) how a water undertaker will review the ongoing effectiveness of its drought plan and act on its review

The draft plan has a brief section on monitoring bulk supply imports to assess drought measures. However, there is no detail presented on how the company will monitor the effectiveness of each drought measure as implemented. The company also does not explain how it will update the plan after a drought.

We recommend the company completes the following updates for its final plan:

- makes explicit how it will monitor the effectiveness of each drought measure as implemented (including enhanced demand/leakage management)
- explains how it will use the collated information to inform future drought plans and test current assumptions e.g. demand savings associated with temporary use bans and water efficiency campaigns. It would be useful to be very clear what assumptions are made in terms of demand savings identified in section 5.2
- describes how it will review the effectiveness of the plan after a drought and update the company drought plan. This should include how quickly a review would be undertaken, who would complete it, sign it off and who would be engaged in the process e.g. incumbents, customers and regulators

Response – We have added more information about our proposed monitoring during a drought in Section 6.2 and we have added a whole new section (Section 8) about what we will do at the end of a drought including post drought review and how this will inform future plans. We believe that the new information provided is sufficient to comply with this Directive. We have removed the demand saving assumptions as they were quoted from a third party (source: Essex & Suffolk Water) and so impossible to know the assumptions they made behind their water savings.

2.2 Recommendation 2 – demonstrate security of supply and alignment to the company’s Water Resources Management Plan (WRMP) (Direction 3 (j))

Direction not complied with:

(j) how the drought plan is consistent with the water undertaker’s Water Resources Management Plan and any voluntary steps that will be taken to collaborate regionally on drought management measures

Section 7 of the draft plan refers to the monitoring of drought measures to ‘ensure we stay within contractually agreed volumes’ for its bulk supply imports. It is not clear if the company will be restricted to these volumes i.e. held to the contractual volumes in the event of a drought.

Section 2 of the draft plan identifies potable water is currently being used instead of the planned water recycling while it waits for the greenwater system to be commissioned meaning greater imports are required.

Section 2.3 of the draft drought plan details how 2020 saw exceedances in both of the company’s bulk supplies. Oakland Hamlets received almost 30% and Upper Rissington 37% greater import than the agreed annual bulk supply transfer. In the event of a drought it would need to be clear that the ‘wiggle room’ identified is available and the company will not be constrained to the agreed annual volumes as inferred in section 7. If the company was The Environment Agency’s representation Albion Water draft drought plan constrained to the agreed volumes, it is not clear that the company would be able to meet these levels based on recent demand and the measures outlined in the plan.

Response – We have completely rewritten Section 7 (now Section 8) and the wording has changed.

We do not agree that because the greenwater system is not yet commissioned that it means that greater volumes of water have to be imported. The current scenario is “business as usual”. Once the greenwater is in supply then that is when we will realise the water savings and potentially be able to reduce our bulk supply. We have had some challenges commissioning the greenwater plant mostly because this is the first system in the UK.

With respect to green water and other assumptions about our demand, we do agree that there is an inconsistency with this Drought Plan and what was stated in our Water Resources Management Plan, hence not complying with Water Resources Management Plan (WRMP) (Direction 3 (j)) . Albion Water will address this difference in the WRMP24 unless it is deemed as a material change.

We are in the process of renegotiating our bulk supply agreements so that a greater volume will be available contractually if required. During a drought however, we will implement water saving advice to our customers and appeal for restraint so that demand should be less than that experienced during the first lockdown of Covid19.

2.3 Improvement 1 – improve communications and decision making in a drought

The company's drought plan covers some elements of the communications it would use during a drought. However, there are some elements which would usefully be improved in the company's drought plan as detailed below:

- greater detail should be added to section 3.2 on how communications would be targeted to the appropriate customers across the communication channels selected. Each operating area has a different service level and may be experiencing different drought measures. How this is managed would usefully be detailed further. For example, how would social media be targeted to focus on the correct geography? The plan should also confirm who has the responsibility for commissioning the work (the inference is technical manager but the company needs to clearly state this)
- there is reference to routine communications with incumbents. The plan should provide details of the trigger at which conversations move from routine to drought. This should include what actions Albion Water would take, who would make this decision and who has the responsibility to engage with the incumbents during a drought
- section 3.1 of the plan refers to aligned communications but there needs to be a clear plan of how this would work in practice
- section 3.3 of the plan defines an escalating scale of personnel who would be involved at the different stages during a drought. The tables in the plan (e.g. Table 2) identify the 'drought team' going from one individual to a full team with Directors. In table 1, the responsibility is listed. It would be useful to expand on whether the role listed as having responsibility has the authority to make the decision or whether this requires escalation up the organisation covered in figure 3. See also improvement 4 below.

Response – We have added more information in what is now Section 4 (Communications during a Drought) of our Drought Plan. This section details how we would coordinate communications with our customers and who would be responsible for the different actions. This section also explains how we will target customers in our different NAV areas.

We have included more detail about communications with the incumbent water companies and Regulators.

Section 3 has been improved to detail how we would identify a drought and what actions we would implement and the decision making process.

2.4 Improvement 2 – clarify the drought options the company would consider

While the plan covers the demand measures the company can take to reduce demand in the event of the drought, there are some areas in the draft plan where it is not clear what actions the company will take. The company should clarify the following in its final plan:

- section 5.4 suggests that demand savings in Upper Rissington from non-essential use bans would be negligible. If the company believes this to be the case it should set out whether:
 - these customers could be exempt The Environment Agency's representation Albion Water draft drought plan
 - the company actually would apply non-essential use bans (as opposed to 'technically could')
 - whether the plan needs amending to remove level 3 restrictions
 - if the company is applying exemptions or offering compensation

- if it is not intending to apply non-essential use bans, the company should explain how it will align with incumbents in terms of its demand side measures
- amend section 5 which references Level 5 drought actions
- section 5.5 on emergency drought orders does not reference the type of drought measures to be used. The detail in sections 4.1 and 4.2 show Albion Water's incumbents have different level 4 restrictions. The company should explain what options it would consider as emergency drought options. Section 5.5. should summarise all the actions that would be carried out to ensure no emergency drought orders are required
- the company has on-site sewage works and the greenwater recycling plants. The company, as part of demonstrating environmental responsibility, would usefully identify how these works discharge (whether under a permit or to the incumbent network) and how it will mitigate any impacts of the operation of these assets in a drought. As higher than expected demands have been seen in 2020 and demands could be high under drought scenarios, we would need confidence the 'headroom' at the sewerage works is sufficient and the sites will not cause environmental problems

Response – We have addressed these points and added more information where appropriate. With respect to the greenwater, that is still work in progress. Despite that, we have always met our customers demand and we are currently re-negotiating both of our Bulk Supply agreements with Thames Water and Essex & Suffolk Water. That is in a contractual context, the pressures and challenges of meeting demand higher than anticipated during Covid 19 gives us the confidence that we can work with our incumbents to ensure all customers needs.

2.5 Improvement 3 – improve the definition of drought triggers and associated actions

A tactical plan should clearly identify the triggers to be used. Table 1 in the draft plan defines the triggers and identifies the levels for triggers (i.e. level 1 to 4) and the actions. However, the actual triggers, which define when these levels are reached, and the actions required are not clear.

The company should review the following issues and update its final plan:

- include details of the triggers in table 1 of the plan, including the trigger for establishing a drought team, to clearly delineate the drought levels
- review table 2:
 - level 2 restrictions references pre-planning for emergency drought orders, with application at level 3. If the company is matching its' incumbents, it needs to explain how the measures will be aligned and what actions will be taken. Rota cuts are presented in table 2 (level 4) but table 4, which covers Oaklands Hamlet in Essex & Suffolk's operating area, identifies pressure reductions. Therefore, the level 4 restrictions, implementation and permissions may differ. This is not explained in the plan.
 - table 2 suggests applying for emergency drought orders at level 3 (the implementation of which would be the trigger for level 4). There is no obvious reference to non-essential use bans in the table before this occurs. (Refer to improvement 2 for detail)

Response – Improvements have been made to the drought triggers and associated Drought Management Team. Albion Water will not impose any Non Essential Use Bans. Table 2 has been amended.

3 Natural England

Natural England considered the draft plan against the full range of Natural England's interests in the natural environment and provided policy and legislative context relevant to their advice.

Natural England is a non-departmental public body. Our statutory purpose is to ensure that the natural environment is conserved, enhanced, and managed for the benefit of present and future generations, thereby contributing to sustainable development.

3.1 Natural England's Advice

- We welcome the demand management and water efficiency measures which Albion Water intends to pursue in drought such as temporary use bans
- Albion Water will supply each inset area with bulk supply transfers from Thames Water and Essex and Suffolk Water, it therefore does not have any drought orders or permits or abstractions to supply them of its own. The environmental impacts associated with these sources and supply of water should be assessed in the donor companies drought plans and are subject to Habitat Regulation Assessment (HRA) and Strategic Environmental Assessment (SEA)
- Natural England will respond to consultations on dDP for Thames Water and Essex and Suffolk Water and we have been working with these companies to ensure environmental impacts of these plans are assessed properly, and that the assessment have influenced development of their final plans
- In light of this and the small geographic area of Albion waters supply area, Natural England agrees that an HRA and SEA is not required for Albion Water dDP

Response – Albion Water thanks Natural England appreciation that Habitat Regulation Assessment (HRA) and Strategic Environmental Assessment (SEA) are not required and as such Section 6 (Environmental Impact) section of our Drought Plan has remained unchanged.

4 Closing Statement

Albion Water would like to thank all consultees for the responses to its draft Drought Plan. The Drought Plan will be finalised and re-submitted to the Secretary of State for final approval.