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Dear Margaret,

**Yorkshire Water draft WRMP19:  
Further information in support of our statement of response**

Further to your letter of 8 February 2019, we are pleased to provide you with additional information in support of our Statement of Response and revised draft WRMP19, specifically around the three areas that you identified, namely customer support for leakage, transfers from Severn Trent Water (STW) and Strategic Environmental Assessment (SEA) non-technical summary.

*1. Customer views on leakage reduction*

We undertook extensive customer engagement prior to, and during, the preparation of our PR19 investment planning. This engagement showed that our customers strongly support a reduction in leakage in Yorkshire. Further, when our PR19 Business Plan as a whole, including predicted bill impacts, was reviewed by our customers, 86% of household customers said they supported the plan (with only 7% being unsupportive and 8% unsure).

We know that our regulators and Government are keen for the industry to reduce leakage. The National Infrastructure Commission proposed to Government that the industry should reduce leakage by 50% by 2050, as a part of securing the resilience of the country's water supplies into the future. We also understand that this target is likely to be reflected into the National Water Resources Framework as that emerges over the next 12 months.

Further, research carried out with our customers following last year's drought has clearly showed that in order for us to have credible conversations with them around reducing their own use, they expect us to significantly reduce leakage. So whilst reducing leakage is itself an important activity for us to carry out, demonstrating to our customers that we are playing our part also ensures that communications around the importance of saving water are more positively received by our customers.

For all these reasons, we believe that it is important that we continue to set ourselves challenging targets for leakage reduction. As a part of our commitment to ongoing conversations with our customers, we will continue to talk to them about our approach to managing demand in our region, including our proposed leakage reductions.

## *2. Limits on transfer from Severn Trent Water*

The specific transfer that is referenced in your letter of 8 February is the raw water import that we take from Severn Trent Water's Derwent Valley reservoirs, which is one component of the supply into our Rivelin reservoirs and water treatment works.

During June and July 2018, both STW and Yorkshire Water (YW) over-drew on the Derwent Valley resource in order to maintain supplies to customers during a period of exceptionally high demand. This was done in accordance with the contract between the two companies, which allows for overdraws to be made by mutual agreement.

Once the period of very high demand had passed, both companies continued to operate the transfer in accordance with the agreed contract, with the rate of transfer to YW dictated by the stocks position in the Derwent Valley. As the dry weather continued, this led to both companies significantly reducing their take from the Derwent Valley stocks in order to help protect those stocks. We used our Grid to support supplies into Sheffield, as an alternative to using the full import from the STW.

It is also worth noting that in addition, during early spring 2018, YW drew down the Redmires Upper and Middle reservoirs for statutory reservoir safety works. This contributed to even further reduced raw water stocks in the Rivelin area compared to normal.

However, despite the challenges brought about by high demand, the extended period of exceptionally dry weather, reduced import from STW and reservoir drawdowns, we maintained supplies to our customers, and our compensation flow obligations, throughout the period. The import was operated in accordance with contractual arrangements with STW and our customers were not adversely affected.

We are currently updating our water resources model, WRAPsim, to include inflows up to the end of 2018, and we will continue to evaluate our water resources resilience using latest available data. Further, as we move into AMP7, we will be working with STW, through Water Resources North, to understand the long-term resilience of the Derwent Valley resource and options for ensuring that supplies to customers of both companies remain secure.

With regards to insets (NAVs), we currently have one in the region, and are aware that further may be granted (three currently proposed). We can confirm that these are accounted for in our water resource planning process.

3. *Update the SEA non-technical summary to make it compliant*

We have liaised with the Environment Agency to understand in more detail those areas of the SEA non-technical summary that may have been viewed as non-compliant, and we have updated the non-technical summary accordingly. A copy of our revised non-technical summary is appended to this letter. In the revised non-technical summary, please note that the yellow highlighted text is from the last update (as per our revised draft WRMP submission); further updates, in response to your letter of 8 February and after discussion with the Environment Agency, are shown highlighted in blue.

I trust that this letter addresses the issues raised in your letter. Please do not hesitate to contact me should you require any further information. I can confirm that this letter, together with a copy of your letter of 8 February, will be uploaded to our website alongside our previous Statement of Response, and also that relevant consultees will also be informed.

Yours sincerely,



Granville Davies  
Clean Water and Catchment Strategy Manager

