

**Developer services data
request – Yorkshire Water
Draft Determination
Representation**

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1. Purpose of this document

The purpose of this document is to provide Ofwat with short explanations to aid understanding of the data we have provided to Ofwat in response to its developer services data request. This document should be read in conjunction with the developer services data tables.

Ofwat issued the developer services data request on 18 July 2019 with its PR19 draft determinations for slow track and significant scrutiny companies. Ofwat subsequently updated the data request on 20 August 2018.

Ofwat requests:

“In our 'PR19 draft determinations: Our proposed approach to regulating developer services' we explained that we would be requesting data to inform our developer services assessment for PR19.

For the completion of these tables, please see the follow up guidance provided in the accompanying document 'Developer_services_call_160819_follow_up'.

Could you please complete the attached developer services data query? This data request is an evolution of the data requested in table App28. It has been compiled following suggestions in company responses to the queries we sent to all companies in April 2019 and a call with all companies in 16 August 2019. For completeness, some of the items in that April request have been repeated here.

This data will assist us in applying our intended approach to regulating developer services, as set out in our technical appendix titled 'PR19 draft determinations: Our proposed approach to regulating developer services'.

In the excel table values should be entered into the yellow input cells. The blue cells contain calculations.”

We have followed Ofwat's above directions and the data definitions included with the data tables as closely as we are able.

2. Assurance Approach

The data provided by Yorkshire Water has been assured using our existing three levels of assurance methodology, as detailed in our published Final Assurance Plan 2019-20.

For this data request, Level 1 assurance has been provided by experts within the Developer Services team and the Regulatory Programme Compliance team and evidenced through sign off by the Developer Services Manager and the Head of Regulatory Investment.

Level 2 assurance has been provided through a peer review and challenge session with experts from the Developer Services team and evidenced with a sign off by the Regulatory Strategy Manager.

Level 3 assurance has been provided by our expert external assurance provider, Jacobs. The independent challenge and assurance focused on the robustness of source data and compliance with the definitions and guidance provided by Ofwat.

2.1. Independent Technical Assurance Statement

Below is provided the assurance statement from Jacobs (Halcrow Management Sciences) related to the above Level 3 assurance.

Independent Technical Assurance Statement

“Halcrow Management Sciences has been appointed by Yorkshire Water Services to provide independent technical assurance of their regulatory submissions.

This review covers our assurance of YW’s response to Ofwat’s *PR19 Data request, July 2019 – Developer services*, which comprises two tables, one for wholesale water and one for wholesale wastewater. The tables require historic and forecast information for the period 2011/12 to 2020/25 on expenditure, activity volumes and cost information relating to the services provided to property developers. Some additional guidance has been provided by Ofwat within the tables.

Through a series of meetings and information exchanges, we have reviewed and tested the procedures, processes and supporting evidence on which the data and statements in the response are based.

Based upon our assessment of the procedures and assumptions that Yorkshire Water Services has applied, and the supporting information we have reviewed, we conclude that:

- the data presented in the tables is materially correct, and where appropriate, is suitably consistent with relevant information previously reported
- fair and reasonable assumptions have been used and applied to apportion historic data into new reporting categories where necessary, and to forecast and extrapolate figures for 2019/20 to 2024/25.
- the commentaries provide an accurate account of the data sources, and assumptions used to develop the reported figures.

Overall, we consider that the information provided in Yorkshire Water’s response to the *PR19 Data request, July 2019 – Developer services*, provides a fair, balanced and understandable summary of their previous activities and costs and of their future expectations.”

CWJ Turner

Director
Halcrow Management Sciences Limited

29 August 2019

3. Data Table Commentary

Presented over the following pages is a line by line commentary for the two data tables.

3.1. Developer Services - Wholesale water

Line description	Commentary
Box A1: Diversions expenditure - water	
Line 1: s185	<p>As part of previous annual returns and periodic review tables we have reported total Capital investment to “Maintain the serviceability of Water infrastructure assets” as part of the Water service expenditure by purpose tables. This investment contains the expenditure and income associated with Mains Diversions. The master data that breaks this investment down by investment driver and feeds all these tables and have been assured through our usual annual return audit process.</p> <p>The scheme data for actual expenditure reported to date & booked to the Mains diversions investment category has been reviewed and a filter applied to split out and remove projects with RASWA / NRSWA in the title. This is the project naming convention all project managers have been requested to use. The expenditure associated with non-NRSWA driven diversion has then been input into the table for the period 2011-20 at nominal outturn values as requested.</p> <p>The total actual expenditure for the period 2011-2019 has then been used to identify the % of total diversions over that period have been non-NRSWA driven in comparison to the overall diversions investment reported. This % has then been used to identify the potential forecast split in AMP7 and applied to the data submitted as part of the PR19 tables for the period 2020-25 at 2017-18 FYA (CPIH deflated) in accordance with PR19 guidance (PR19 data table App 23).</p>
Line 2: NRSWA	<p>As part of previous annual returns and periodic review tables we have reported total Capital investment to “Maintain the serviceability of Water infrastructure assets” as part of the Water service expenditure by purpose tables. This investment contains the expenditure and income associated with Mains Diversions. The master data that breaks this investment down</p>

	<p>by investment driver and feeds all these tables and have been assured through our usual annual return audit process.</p> <p>The scheme data for actual expenditure reported to date & booked to the Mains diversions investment category has been reviewed and a filter applied to split out and remove projects without RASWA / NRSWA in the title. This is the project naming convention all project managers have been requested to use. The expenditure associated with NRSWA driven diversion has then been input into the table for the period 2011-20 at nominal outturn values as requested.</p> <p>The total actual expenditure for the period 2011-2019 has then been used to identify the % of total diversions over that period have been NRSWA driven in comparison to the overall diversions investment reported. This % has then been used to identify the potential forecast split in AMP7 and applied to the data submitted as part of the PR19 tables for the period 2020-25 at 2017-18 FYA (CPIH deflated) in accordance with PR19 guidance (App 23).</p>
Line 3: Other non-s185	Expenditure associated with HS2 has been removed from line 1 and reported against this line to ensure full visibility of any a-typical diversion requests in accordance with PR19 guidance (App 23).
Line 4: Total diversions	Sum of lines 1 to 3 checked to Ofwat annual return data for total Mains Diversions expenditure.
Box A2: Diversions income - water	
Line 5: s185	<p>As part of previous annual returns and periodic review tables we have reported total Grants & Capital Contributions for infrastructure maintenance” as part of the Water service expenditure by purpose tables. This investment contains the income associated with Mains Diversions. The master data that breaks this investment down by investment driver and feeds all these tables and have been assured through our usual annual return audit process.</p> <p>The scheme data for actual income reported to date & booked to the Mains diversions investment category has been reviewed and a filter applied to split out and remove projects with RASWA / NRSWA in the title. This is the project naming convention all project managers have been requested to</p>

	<p>use. The income associated with non-NRSWA driven diversion has then been input into the table for the period 2011-20 at nominal outturn values as requested.</p> <p>The total actual income expenditure for the period 2011-2019 has then been used to identify the % of total diversions over that period have been non-NRSWA driven in comparison to the overall diversions investment reported. This % has then been used to identify the potential forecast split in AMP7 and applied to the data submitted as part of the PR19 tables for the period 2020-25 at 2017-18 FYA (CPIH deflated) in accordance with PR19 guidance (App 23).</p> <p>YW have assumed a 75% contribution for Diversions</p>
<p>Line 6: NRSWA</p>	<p>As part of previous annual returns and periodic review tables we have reported total Grants & Capital Contributions for infrastructure maintenance” as part of the Water service expenditure by purpose tables. This investment contains the income associated with Mains Diversions. The master data that breaks this investment down by investment driver and feeds all these tables and have been assured through our usual annual return audit process.</p> <p>The scheme data for actual income reported to date & booked to the Mains diversions investment category has been reviewed and a filter applied to split out and remove projects without RASWA / NRSWA in the title. This is the project naming convention all project managers have been requested to use. The income associated with NRSWA driven diversion has then been input into the table for the period 2011-20 at nominal outturn values as requested.</p> <p>The total actual income expenditure for the period 2011-2019 has then been used to identify the % of total diversions over that period have been NRSWA driven in comparison to the overall diversions investment reported. This % has then been used to identify the potential forecast split in AMP7 and applied to the data submitted as part of the PR19 tables for the period 2020-25 at 2017-18 FYA (CPIH deflated) in accordance with PR19 guidance (App 23)</p>

Line 7: Other non-s185	Income associated with HS2 has been removed from line 1 and reported against this line to ensure full visibility of any a-typical diversion requests.
Line 8: Total diversions	Sum of lines 5 to 7 checked to Ofwat annual return data for total Mains Diversions income.
Box B: Connections volume data – water	
Line 9: New connections (residential)	<p>The data for 2011-12 to 2014-15 has been obtained from the annual review of connections that is completed for the WRMP.</p> <p>For 2015-16 to 2017-18 this data aligns with actuals and forecast data in PR19 table App28, Box A, Line 1 in the tables published in April 2019. The data for 2018-19 has been updated to match the 2019 APR.</p> <p>The data for years 2019-20 to 2020-25 agrees to the forecast in the PR19 tables but has been adjusted for the NAV connections in Line 12.</p>
Line 10: New connections (business – excluding NAV connection)	<p>The data for 2011-12 to 2014-15 has been obtained from the annual review of connections that is completed for the WRMP. For 2015-16 to 2017-18, and 2019-20 to 2024-25, the data aligns with actuals and forecast data in PR19 table App28, Box A, Line 2 in the tables published in April 2019.</p> <p>The data for 2018-19 has been updated to match the 2019 APR.</p>
Line 11: Total new connections served by incumbent	Sum of lines 9 and 10
Line 12: New bulk supply connections into NAV sites	<p>There is limited historical data to use to forecast the level of future NAV activity within the Yorkshire Water area. There has been escalated activity over the last 13 months, with 40 Pre-Development enquires over both services. Six of the 40 sites being made new appointments by Ofwat.</p> <p>We have assumed a 25% increase in NAV activity per year from 2020-21.</p>
Line 13: Total new connections	Sum of lines 11 and 12
Line 14: New connections where self-lay providers/developers	The data for 2015-16 to 2024-25 aligns to the data reported in the IAP query YKY-DD-CE-006 water in Box C, Line 17.

<p>a significant proportion of contestable activity (more than 75% of contestable activity)</p>	<p>Actual costs are as recorded in our New Mains Development Database. We forecast new connections where SLP's undertake a significant proportion of contestable activity.</p> <p>Contestable activity for this purpose is defined as where the SLP lays all on-site and off-site assets excluding non-contestable activity. Our forecast is that the value of these connections will increase steadily over AMP7.</p> <p>The data in years 2011-12 to 2014-15 has been obtained from the same data source.</p>
<p>Line 15: New connections where self-lay providers/developers will undertake some contestable activity (25% to 75% of contestable activity)</p>	<p>The data for 2015-16 to 2024-25 aligns to the data reported in the IAP query YKY-DD-CE-006 water in Box C, Line 18.</p> <p>Contestable activity for this purpose is defined as the SLP lays all on-site assets and the incumbent lays off-site assets and non-contestable activity. We forecast that the value of these connections will increase steadily over AMP7.</p> <p>The data in years 2011-12 to 2014-15 has been obtained from the same data source.</p>
<p>Line 16: New connections where self-lay providers/developers will undertake little to no contestable activity (less than 25% of contestable activity)</p>	<p>The data for 2015-16 to 2024-25 aligns to the data reported in the IAP query YKY-DD-CE-006 water in Box C, Line 19 but from 2018-2019 to 2024-25 has been adjusted for the number of NAV connections in Line 12.</p> <p>The data in years 2011-12 to 2014-15 are the actual new connections in our new mains development system.</p>
<p>Line 17: Total new connections (excluding NAVs)</p>	<p>Total new connections (excluding NAVs).</p> <p>The line definition provided by Ofwat in the data table states Line 17 should agree to Line 13 – we believe that this should be aligned to Line 11 as it excludes NAV's and is also therefore consistent with the Wastewater table.</p>

Box C: Properties volume data – water	
Line 18: New properties (residential)	<p>The data for 2011-12 to 2014-15 has been obtained from the annual review of connections/properties that is completed for the WRMP.</p> <p>For 2015-16 to 2017-18 this data aligns with actuals and forecast data in PR19 table App28, Box A, Line 1 in the tables published in April 2019. The data for 2018-19 has been updated to match the 2019 APR.</p> <p>The data for years 2019-20 to 2020-25 agrees to the forecast in the PR19 tables but has been adjusted for the number of NAV properties in Line 23.</p>
Line 19: New properties (business)	<p>The data for 2011-12 to 2014-15 has been obtained from the annual review of connections that is completed for the WRMP. For 2015-16 to 2017-18, and 2019-20 to 2024-25, the data aligns with actuals and forecast data in PR19 table App28, Box A, Line 2 in the tables published in April 2019.</p> <p>The data for 2018-19 has been updated to match the 2019 APR.</p> <p>The data for years 2019-20 to 2020-25 agrees to the forecast in the PR19 tables but has been adjusted for the number of NAV properties in Line 22.</p>
Line 20: Total new properties served by the incumbent	Sum of lines 18 and 19
Line 21: New properties on NAV sites (residential)	<p>We have limited historical data on NAV sites so have used assumptions made in Line 12 to determine a forecast into AMP7.</p> <p>Assumptions: Average number of dwellings per year per site is 60 (this is based on the six appointed sites to-date). We have assumed an average build programme of a minimum of 6 years in line with NAV pre-development information that are confirmed as progressing.</p> <p>The calculation is a multiplication of Line 12 and the number of dwellings per year per site.</p>
Line 22: New properties on NAV sites (business)	Of the six new appointed NAV sites (of either service) to date only two have had associated commercial premises. However, to account for potential multiple commercial premises from one site we have assumed one

	<p>commercial unit per site, connected in the same year the site is connected for bulk services.</p> <p>Therefore, our forecast number of commercial properties is equal to Line 12, 'New bulk supply connections into NAV sites'.</p>
Line 23: Total new properties supplied on NAV sites	Sum of lines 21 and 22
Line 24: Total new properties supplied by the incumbent	Sum of lines 20 and 23
Line 25: New properties where self-lay providers/developers a significant proportion of contestable activity (more than 75% of contestable activity)	<p>The data for 2015-16 to 2024-25 aligns to the data reported in the IAP query YKY-DD-CE-006 water in Box C, Line 17.</p> <p>The actual results are from our New Mains Development Database. We forecast new connections where SLP's undertake a significant proportion of contestable activity.</p> <p>Contestable activity for this entry means where the SLP's lay all on-site and off-site assets excluding non-contestable activity. We forecast that the value of these properties will increase steadily over AMP7.</p> <p>The data in years 2011-12 to 2014-15 has been obtained from the same data source.</p>
Line 26: New properties where self-lay providers/developers will undertake some contestable activity (25% to 75% of contestable activity)	<p>The data for 2015-16 to 2024-25 aligns to the data reported in the IAP query YKY-DD-CE-006 water in Box C, Line 18.</p> <p>The data in years 2011-12 to 2014-15 has been obtained from the same data source as Line 25</p> <p>Contestable activity for this entry means where the SLP's lay all on-site assets excluding non-contestable activity and the incumbent lays the off-site assets. We forecast that the number of new properties will increase steadily over AMP7.</p>
Line 27: New properties where self-lay	The data for 2015-16 to 2024-25 aligns to the data reported in the IAP query YKY-DD-CE-006 water in Box C, Line 19 but from 2019-2020 to

providers/developers will undertake little to no contestable activity (less than 25% of contestable activity)	<p>2024-25 has been adjusted for the number of new NAV properties in Line 12.</p> <p>The data in years 2011-12 to 2014-15 are the actual new connections in our new mains development system.</p>
Line 28: Total new properties served by the incumbent	Total new properties (excluding NAVs) - the sum of lines 25-27. Agrees to line 20.
Box D: Total cost of new wholesale water connections (£m)	
Line 29: Total direct costs of contestable activities for new connections where self-lay providers/developers will undertake a significant proportion of contestable activity (more than 75% of contestable activity)	<p>For lines 29-34 we have assumed that these costs include the cost of providing the network and all associated connections</p> <p>Total scheme costs and new connections costs have been used from the data set we used for the IAP workings.</p> <p>Asset payments were then deducted to reflect work undertaken by the incumbent.</p> <p>To calculate costs of non-contestable work we calculated the average cost of a mains connection based on actual data from the New Mains Development Database, and deducted from the scheme cost</p> <p>The value left is the cost of contestable work undertaken by the incumbent</p> <p>The actual costs for the incumbent to undertake the work where SLPs undertake more than 75% of the work (line 29) and where SLPs undertake 25 to 75% of the work (line 30) have been determined for years 2017-2018 and 2018-2019, and a percentage split derived.</p> <p>The percentage split has then been applied to the cost of contestable work undertaken by the incumbent, above, and extrapolated forward (2019/20 to 2024/25) and backwards (2011/12 to 2016/17) to determine the value of lines 29 and 30.</p>
Line 30: Total direct costs of contestable activities for new connections where	For lines 29-34 we have assumed that these costs include the cost of providing the network and all associated connections

<p>self-lay providers/developers will undertake some contestable activity (25% to 75% of contestable activity)</p>	<p>Total scheme costs and new connections costs have been used from the data set we used for the IAP workings.</p> <p>Asset payments were then deducted, to reflect work undertaken by the incumbent.</p> <p>To calculate costs of non-contestable work we calculated the average cost of a new mains connection based on actual data from the New Mains Connections Database, and deducted from the scheme cost</p> <p>The value left is the cost of contestable work undertaken by the incumbent</p> <p>The actual costs for the incumbent to undertake the work where SLPs undertake more than 75% of the work (line 29) and where SLPs undertake 25 to 75% of the work (line 30) have been determined for years 2017-2018 and 2018-2019, and a percentage split derived.</p> <p>The percentage split has then been applied to the cost of contestable work undertaken by the incumbent, above, and extrapolated forward (2019/20 to 2024/25) and backwards (2011/12 to 2016/17) to determine the value of lines 29 and 30.</p>
<p>Line 31: Total direct costs of contestable activities for new connections where self-lay providers/developers will undertake little to no contestable activity (less than 25% of contestable activity)</p>	<p>For lines 29-34 we have assumed that these costs include the cost of providing the network and all associated connections</p> <p>As part of previous annual returns and periodic review tables we have reported total Capital investment to “New Developments” as part of the Water service expenditure by purpose tables. This investment contains the expenditure and income associated with Mains Requisitions and costs incurred for Section 45 new connections. These are gross costs.</p> <p>The master data that breaks this investment down by investment driver and feeds all these tables and have been assured through our usual annual return audit process.</p> <p>The AMP7 data is as submitted as part of the PR19 tables for the period 2020-25 at 2017-18 FYA (CPIH deflated) in accordance with PR19 guidance (App 23).</p>

<p>Line 32: Asset value payments for new connections where self-lay providers/developers a significant proportion of contestable activity (more than 75% of contestable activity)</p>	<p>For lines 29-34 we have assumed that these costs include the cost of providing the network and all associated connections</p> <p>We used raw data from our New Mains Development Database and the asset value payment records for the full years of 17-18 and 18-19 to determine if option 4 was chosen (option 4 is when the SLP chooses to do the off-site and on-site main laying and we, as the incumbent carries out the non contestable mains connection activity)</p> <p>We know how much AVP has been paid and these are actual figures from FY12 up to FY19. This data was reported in Line 8 in the IAP table.</p> <p>The forecast is 36% option 4. These numbers have been forecast back for AMP 5 and 6, and forward for AMP7</p> <p>Note - the forecast numbers for AMP7 are lower in total - because we stopped asset payments in FY18, and this represents a run off under the older charging regime.</p>
<p>Line 33: Asset value payments for new connections where self-lay providers/developers will undertake some contestable activity (25% to 75% of contestable activity)</p>	<p>For lines 29-34 we have assumed that these costs include the cost of providing the network and all associated connections</p> <p>We used raw data from our New Mains Connections Database and the asset value payment records for the full years of 17-18 and 18-19 to determine if option 3 was chosen (option 3 is when the SLP chooses to do the on-site main laying and we, as the incumbent carries out the off-site main laying work and the non contestable mains connection activity)</p> <p>We know how much AVP has been paid and these are actual figures from FY12 up to FY19. This data was reported in Line 8 in the IAP table.</p> <p>The forecast is 64% option 3</p> <p>These numbers have been forecast back for AMP 5 and 6, and forward for AMP7</p> <p>Note - the forecast numbers for AMP7 are lower in total - because we stopped asset payments in FY18, and this represents a run off under the older charging regime.</p>

Line 34: Asset value payments for new connections where self-lay providers/developers will undertake little to no contestable activity (less than 25% of contestable activity)	<p>For lines 29-34 we have assumed that these costs include the cost of providing the network and all associated connections</p> <p>This is zero as this line relates to requisition sites and asset value payments are not applicable.</p>
Line 35: Total cost of contestable activities (excluding NAVs)	This is a sum of lines 29-34.
Box E: App 28 data (£m)	
Line 36: Infrastructure charge receipts (s146)	As part of previous annual returns and periodic review tables we have reported income received from infrastructure charge receipts in Block B Summary totals – Grants, Capital Contributions, infrastructure charge receipts for new connections as part of the Water service expenditure by purpose tables.
Line 37: Requisitioned mains (s43, s55 & s56)	As part of previous annual returns and periodic review tables we have reported income received from requisitions in Block B Summary totals – Enhancement requisitions, grants and capital contributions as part of the Water service expenditure by purpose tables.
Line 38: Total value of income offset allowances	<p>As part of previous annual returns and periodic review tables we have reported water requisition gross expenditure on - New developments as part of the Water service expenditure by purpose tables. This is the total cost of the project before any income offset allowances.</p> <p>This number has been used to derive the total value of income offset allowances by deducting the actual requisition income received from developers in Line 37 – Requisitioned Sewers (s43, s55 & s56) above.</p>

3.2. Developer Services - Wholesale wastewater

Line description	Commentary
Box A1: Diversions expenditure - wastewater	
Line 1: s185	<p>As part of previous annual returns and periodic review tables we have reported total Capital investment to “Maintain the serviceability of Wastewater infrastructure assets” as part of the Wastewater service expenditure by purpose tables. This investment contains the expenditure and income associated with Sewer Diversions. The master data that breaks this investment down by investment driver and feeds all these tables and have been assured through our usual annual return audit process.</p> <p>The scheme data for actual expenditure reported to date & booked to the Sewer diversions investment category has been reviewed and a filter applied to split out and remove projects with RASWA / NRSWA in the title. This is the project naming convention all project managers have been requested to use. The expenditure associated with non-NRSWA driven diversion has then been input into the table for the period 2011-20 at nominal outturn values as requested.</p> <p>The total actual expenditure for the period 2011-2019 has then been used to identify the % of total diversions over that period have been non-NRSWA driven in comparison to the overall diversions investment reported. This % has then been used to identify the potential forecast split in AMP7 and applied to the data submitted as part of the PR19 tables for the period 2020-25 at 2017-18 FYA (CPIH deflated) in accordance with PR19 guidance (App 23).</p>
Line 2: NRSWA	<p>As part of previous annual returns and periodic review tables we have reported total Capital investment to “Maintain the serviceability of Wastewater infrastructure assets” as part of the Wastewater service expenditure by purpose tables. This investment contains the expenditure and income associated with Sewer Diversions. The master data that breaks this investment down by investment driver and feeds all these tables and have been assured through our usual annual return audit process.</p> <p>The scheme data for actual expenditure reported to date & booked to the Sewer diversions investment category has been reviewed and a filter</p>

	<p>applied to split out and remove projects without RASWA / NRSWA in the title. This is the project naming convention all project managers have been requested to use. The expenditure associated with NRSWA driven diversion has then been input into the table for the period 2011-20 at nominal outturn values as requested.</p> <p>The total actual expenditure for the period 2011-2019 has then been used to identify the % of total diversions over that period have been NRSWA driven in comparison to the overall diversions investment reported. This % has then been used to identify the potential forecast split in AMP7 and applied to the data submitted as part of the PR19 tables for the period 2020-25 at 2017-18 FYA (CPIH deflated) in accordance with PR19 guidance (App 23).</p>
Line 3: Other non-s185	Expenditure associated with HS2 has been removed from line 1 and reported against this line to ensure full visibility of any a-typical diversion requests.
Line 4: Total diversions	Sum of lines 1 to 3 checked to Ofwat annual return data for total Sewer Diversions expenditure.
Box A2: Diversion income - wastewater	
Line 5: s185	<p>As part of previous annual returns and periodic review tables we have reported total Grants & Capital Contributions for infrastructure maintenance” as part of the Wastewater service expenditure by purpose tables. This investment contains the income associated with Sewer Diversions. The master data that breaks this investment down by investment driver and feeds all these tables and have been assured through our usual annual return audit process.</p> <p>The scheme data for actual income reported to date & booked to the Sewer diversions investment category has been reviewed and a filter applied to split out and remove projects with RASWA / NRSWA in the title. This is the project naming convention all project managers have been requested to use. The income associated with non-NRSWA driven diversion has then been input into the table for the period 2011-20 at nominal outturn values as requested.</p>

	<p>The total actual income expenditure for the period 2011-2019 has then been used to identify the % of total diversions over that period have been non-NRSWA driven in comparison to the overall diversions investment reported. This % has then been used to identify the potential forecast split in AMP7 and applied to the data submitted as part of the PR19 tables for the period 2020-25 at 2017-18 FYA (CPIH deflated) in accordance with PR19 guidance (App 23).</p> <p>YW has assumed 75% contribution for Diversions</p>
Line 6: NRSWA	<p>As part of previous annual returns and periodic review tables we have reported total Grants & Capital Contributions for infrastructure maintenance” as part of the Wastewater service expenditure by purpose tables. This investment contains the income associated with Sewer Diversions. The master data that breaks this investment down by investment driver and feeds all these tables and have been assured through our usual annual return audit process.</p> <p>The scheme data for actual income reported to date & booked to the Sewer diversions investment category has been reviewed and a filter applied to split out and remove projects without RASWA / NRSWA in the title. This is the project naming convention all project managers have been requested to use. The income associated with NRSWA driven diversion has then been input into the table for the period 2011-20 at nominal outturn values as requested.</p> <p>The total actual income expenditure for the period 2011-2019 has then been used to identify the % of total diversions over that period have been NRSWA driven in comparison to the overall diversions investment reported. This % has then been used to identify the potential forecast split in AMP7 and applied to the data submitted as part of the PR19 tables for the period 2020-25 at 2017-18 FYA (CPIH deflated) in accordance with PR19 guidance (App 23).</p>
Line 7: Other non-s185	Income associated with HS2 has been removed from line 1 and reported against this line to ensure full visibility of any a-typical diversion requests.
Line 8: Total Diversions	Sum of lines 5 to 7 checked to Ofwat annual return data for total Sewer. Diversions income.

Box B: Connections volume data - wastewater	
Line 9: New connections (residential)	<p>For 2015-16 to 2018-19 this data aligns with actuals and forecast data in PR19 table App28, Box E, Line 17 in the tables published in April 2019.</p> <p>As with App28 assumption 1 property equals one connection, for continuity this assumption has been continued. S106 applications historically have not been recorded in a format to enable adequate reporting at a granularity to assist with such disaggregation.</p> <p>The data for years 2019-20 to 2020-25 agrees to the forecast in the PR19 tables but has been adjusted for NAV.</p>
Line 10: New connections (business – excluding NAV connection)	<p>For 2015-16 to 2024-25, the data aligns with actuals and forecast data in PR19 table App28, Box E, Line 18 in the tables published in April 2019.</p> <p>As with App28 assumption 1 property equals one connection, for continuity this assumption has been continued. S106 applications historically have not been recorded in a format to enable adequate reporting at a granularity to assist with such disaggregation.</p> <p>The data for years 2019-20 to 2020-25 agrees to the forecast in the PR19 tables but has been adjusted for NAV.</p>
Line 11: Total new connections served by incumbent	Sum of lines 9 and 10
Line 12: New bulk supply connections into NAV sites	<p>There is little historical data to use to forecast the potential NAV activity within the Yorkshire Water area. There has however been escalated activity over the last 13 months and we have received 40 pre-development enquires. Six of the 40 sites have been made new appointments by Ofwat for water, and only one being for waste water.</p> <p>We have assumed an incremental increase of one site per year.</p>
Line 13: Total new connections	Sum of lines 11 and 12

<p>Line 14: New connections where self-lay providers/developers a significant proportion of contestable activity (more than 75% of contestable activity)</p>	<p>The data for 2015-16 to 2024-25 aligns to the data reported in the IAP query</p> <p><i>Actuals as recorded in our systems. We forecast new connections where SLPs and/or developers undertake all contestable activity will remain stable over AMP7 due to developers already undertaking on-site works through S104 adoption processes.</i></p> <p>As with IAP assumption 1 property equals one connection, for continuity this assumption has been continued. S106 applications historically have not been recorded in a format to enable adequate reporting at a granularity to assist with such disaggregation.</p>
<p>Line 15: New connections where self-lay providers/developers will undertake some contestable activity (25% to 75% of contestable activity)</p>	<p>The data for 2015-16 to 2024-25 aligns to the data reported in the IAP</p> <p><i>Actuals (under S98) as recorded in our systems. We forecast new connections where SLPs and/or developers undertake some contestable activity will remain stable over AMP7 as we consider developers will continue utilise our statutory powers.</i></p> <p>As with IAP assumption 1 property equals one connection, for continuity this assumption has been continued. S106 applications historically have not been recorded in a format to enable adequate reporting at a granularity to assist with such disaggregation.</p>
<p>Line 16: New connections where self-lay providers/developers will undertake little to no contestable activity (less than 25% of contestable activity)</p>	<p>The data for 2015-16 to 2024-25 aligns to the data reported in the IAP</p> <p><i>The company does not undertake exclusively contestable work and we envisage this position will continue across AMP7.</i></p>
<p>Line 17: Total new connections (excluding NAVs)</p>	<p>Total new connections (excluding NAVs) - sum of lines 14-16 and agrees to Line 11.</p>

Box C: Properties volume data – wastewater	
Line 18: New properties (residential)	<p>For 2015-16 to 2018-19 this data aligns with actuals and forecast data in PR19 table App28, Box E, Line 17 in the tables published in April 2019.</p> <p>As with App28 assumption 1 property equals one connection, S106 has not been taken into account</p> <p>The data for years 2019-20 to 2020-25 agrees to the forecast in the PR19 tables but has been adjusted for NAV.</p>
Line 19: New properties (business)	<p>For 2015-16 to 2024-25, the data aligns with actuals and forecast data in PR19 table App28, Box E, Line 18 in the tables published in April 2019.</p> <p>As with App28 assumption 1 property equals one connection, S106 has not been taken into account</p> <p>The data for years 2019-20 to 2020-25 agrees to the forecast in the PR19 tables but has been adjusted for NAV.</p>
Line 20: Total new properties served by incumbent	Sum of lines 18 and 19
Line 21: New properties on NAV sites (residential)	<p>As Line 12 there is little historically information to base a forecast on, we only have one waste water site currently</p> <p>Assumptions: Average number of dwellings per year per site is 55 (based on the one appointed site). Build program is a minimum of 6 years. The calculation is a simple multiplication of Line 12 and the number of dwellings per year per site on a rolling basis.</p>
Line 22: New properties on NAV sites (business)	We have no commercial premises currently under a NAV site. However, we are assuming a similar forecast as clean water. Therefore, forecast number of commercial properties is equal to Line 12
Line 23: Total new properties supplied on NAV sites	Sum of lines 21 and 22

Line 24: Total new properties	Sum of lines 20 and 23
Line 25: New properties where self-lay providers/developers a significant proportion of contestable activity (more than 75% of contestable activity)	<p>The data for 2015-16 to 2024-25 aligns to the data reported in the IAP query</p> <p><i>Actuals as recorded in our systems. We forecast new connections where SLPs and/or developers undertake all contestable activity will remain stable over AMP7 due to developers already undertaking on-site works through S104 adoption processes.</i></p> <p>As with IAP assumption 1 property equals one connection, S106 has not been taken into account</p>
Line 26: New properties where self-lay providers/developers will undertake some contestable activity (25% to 75% of contestable activity)	<p>The data for 2015-16 to 2024-25 aligns to the data reported in the IAP</p> <p><i>Actuals (under S98) as recorded in our systems. We forecast new connections where SLPs and/or developers undertake some contestable activity will remain stable over AMP7 as we consider developers will continue utilise our statutory powers.</i></p> <p>As with IAP assumption 1 property equals one connection, S106 has not been taken into account</p>
Line 27: New properties where self-lay providers/developers will undertake little to no contestable activity (less than 25% of contestable activity)	<p>The data for 2015-16 to 2024-25 aligns to the data reported in the IAP</p> <p><i>The company does not undertake exclusively contestable work and we envisage this position will continue across AMP7.</i></p>
Line 28: Total new properties served by the incumbent	Sum of Lines 25-27
Box D: Total cost of contestable activities (£m)	

<p>Line 29: Total direct costs of contestable activities for new connections where self-lay providers/developers will undertake a significant proportion of contestable activity (more than 75% of contestable activity)</p>	<p>No contestable work undertaken by Yorkshire Water</p>
<p>Line 30: Total direct costs of contestable activities for new connections where self-lay providers/developers will undertake some contestable activity (25% to 75% of contestable activity)</p>	<p>No contestable work undertaken by Yorkshire Water</p>
<p>Line 31: Total direct costs of contestable activities for new connections where self-lay providers/developers will undertake little to no contestable activity (less than 25% of contestable activity)</p>	<p>For line 31 we have assumed that these costs include the cost of providing the network and all associated connections</p> <p>As part of previous annual returns and periodic review tables we have reported total Capital investment to “New Developments” as part of the Waste Water service expenditure by purpose tables. This investment contains the expenditure and income associated with Sewer Requisitions. These are gross costs.</p> <p>The master data that breaks this investment down by investment driver and feeds all these tables and have been assured through our usual annual return audit process.</p>

	The AMP7 data is as submitted as part of the PR19 tables for the period 2020-25 at 2017-18 FYA (CPIH deflated) in accordance with PR19 guidance (App 23).
Line 32: Asset value payments for new connections where self-lay providers/developers a significant proportion of contestable activity (more than 75% of contestable activity)	No asset value payments for connections given
Line 33: Asset value payments for new connections where self-lay providers/developers will undertake some contestable activity (25% to 75% of contestable activity)	No asset value payments for connections given
Line 34: Asset value payments for new connections where self-lay providers/developers will undertake little to no contestable activity (less than 25% of contestable activity)	No asset value payments for connections given
Line 35: Total cost of contestable activities	Total of line 29 - 34

Box E: App 28 data (£m)	
Line 35: Infrastructure charge receipts (s146)	As part of previous annual returns and periodic review tables we have reported income received from infrastructure charge receipts in Block B Summary totals - Grants, Capital Contributions, infrastructure charge receipts for new connections as part of the Wastewater service expenditure by purpose tables.
Line 37: Requisitioned sewers (s100)	As part of previous annual returns and periodic review tables we have reported income received from requisitions in Block B Summary totals – Enhancement requisitions, grants and capital contributions as part of the Wastewater service expenditure by purpose tables.
Line 38: Total value of income offset allowances	<p>As part of previous annual returns and periodic review tables we have reported water requisition gross expenditure on - New developments as part of the Wastewater service expenditure by purpose tables. This is the total cost of the project before any income offset allowances.</p> <p>This number has been used to derive the total value of income offset allowances by deducting the actual requisition income received from developers in Line 37 – Requisitioned Sewers (s100) above.</p>

Date of response to Ofwat	30/08/2019
Company contact / responsible person	Colin Fraser
Any annexes or attachments?	n/a
Have your data tables or models changed as a result of this query?	New PR19 developer services data request table completed.