

Paul Hickey
Managing Director
RAPID
Centre City Tower
7 Hill Street
Birmingham B5 4UA

Dear Paul

Upper Derwent Valley Reservoir Expansion

Severn Trent Water and Yorkshire Water are pleased to submit a gate-1 business case report for the Upper Derwent Valley Reservoir Expansion (UDVRE) Strategic Resources Option (SRO). The report outlines our initial proposals for the UDVRE SRO and future work required prior to our gate-2 submission.

The UDVRE SRO would involve investigating the expansion of one or more of the three Derwent reservoirs (Derwent, Howden and Ladybower). During the feasibility of the scheme we will consider a range of options and recommend the best total value solution. The key benefits of this scheme, amongst others, are:

- The ability to retain, or potentially increase the 55Ml/d transfer between Severn Trent Water and Yorkshire Water.
- Potential increased output from major water treatment works in both areas.
- Release additional water to the River Derwent / River Trent providing a longer or increase source of raw water to some of STWs other water treatment works.
- Potential raw water transfer to Carsington, supporting longevity of onward transfer to north Staffordshire.
- Flood protection in the River Derwent or other areas.

The Boards of Severn Trent Water and Yorkshire Water confirm their support for this SRO with the supporting board statement attached.

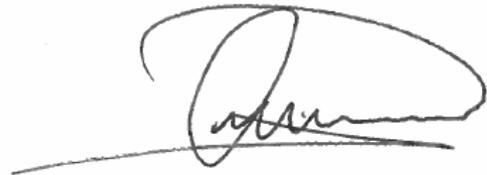
We have aimed to create a gate-1 business case report that demonstrates why this project should be granted funding and join the SRO process. We shared our initial thoughts at the RAPID Board meeting on 18 October 2021 and this business case aims to share more detail. As mentioned in our letter dated 18 November 2021 we are proposing an alternative gate-2 submission date of 31 March 2023. This is due to the extensive technical input required to provide a robust gate-2 report.

Our team, including personnel from Severn Trent Water and Yorkshire Water, look forward to developing this project to strengthen the UK's water infrastructure and creating a legacy of resilient water resources for future generations. If there are elements you would like to discuss with the team, please send your queries to justin.bailey@severntrent.co.uk, granville.davies@yorkshirewater.co.uk and upperderwentvalleyresexpansion@severntrent.co.uk ; we would welcome the opportunity to provide further clarity where needed.

Yours sincerely



Liv Garfield
CEO, Severn Trent Water
Water



Neil Dewis
Water Director, Yorkshire

Date: 1 December 2021

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