

Yorkshire Water Indicative Wholesale Charges 2020-21 – What's Changing?

October 2019

Introduction

- The purpose of this document is to provide Retailers with an update on the publication of the 2020-21 Indicative Wholesale Charges Scheme.
- This isn't a normal year as regulated water companies are currently going through the Ofwat Price Review (PR19) process which means there is a degree of uncertainty in respect of future prices.

The PR 19 Uncertainty

- We published our Indicative Wholesale Charges Scheme on the 11th October 2019 which this year includes tariff ranges due to the uncertainty of the Final Determination. The lower tariff range will be set to deliver our [Draft Determination](#) as published by Ofwat on 18th July 2019 and the upper range will be set to deliver our [Representation](#) on the Draft Determination submitted by Yorkshire Water to Ofwat on 30th August 2019.
- The Final Determination will be published by Ofwat on the 11th December 2019. Following that we will publish final tariffs on the 13th January 2020 which will be based on the Final Determination.

Separation of the Highway Drainage charge

- For the year commencing 1st April 2020 we will be providing visibility of the Highway Drainage Charges (HWD) which was previously not visible within our existing tariffs. This change is to meet our regulatory requirements to provide separate charges for the reception, treatment and disposal of wastewater draining from streets and roads into a public sewer.
- HWD is included within the rateable value (RV) and the volumetric charge/assessed charge for non-household customers and the Indicative Wholesale Charges Scheme provides the tariff visibility. In the Indicative Wholesale Charges Scheme we have therefore made it clear how much of the sewerage charge relates to foul only, how much relates to HWD only and the overall total.

Q) How will HWD be shown in CMOS?

A) There will be no change in CMOS as the sewerage tariff is displayed at the total charge level. This also means no change on the settlement reports.

GAP Sites and Vacant premise

- Yorkshire Water does not currently offer incentive payments but we are undertaking incentive pilots for both Gap Site and Vacant premises during 2019/20 and will be completing an evaluation against our own internal data initiatives. We will publish the results of the evaluation as well as our policy on incentives payments by the 31 March 2020.

Key Dates for Retailers

What?	Publication Date
Indicative Wholesale Charges Scheme	Published on the Yorkshire Water website on 11 th October 2019.
Final Determination	To be published by Ofwat on the 11 th December 2019.
Final Wholesale Charges Scheme	To be published on the Yorkshire Water website by the 13 th January 2020.
Retailer Invoicing Timetable for Primary Charges, Non-Primary Charges and other payments to and from the Contracting Wholesaler.	On or before 15th February 2020

Further information

- For more information on PR19 please click on this [link](#).
- As stated in our '[Statement of Significant Changes](#)', published on our website in July 2019 there is only one planned change, Highway Drainage Charge, to our current charges structure for 2020-21.
- Link to the Wholesale Charges -> <https://www.yorkshirewater.com/business/wholesale-charges/>

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