

AFFINITY WATER FINAL WATER RESOURCES MANAGEMENT PLAN 2015-2020

NOTICE OF INTENTION TO FIX METERED CHARGES – AFFINITY WATER CENTRAL REGION

SECTION 162(1A)(c) AND (4) OF THE WATER INDUSTRY ACT 1991 (THE “ACT”)

1. Affinity Water Limited (“Affinity Water”) hereby gives notice of its intention to fix metered charges¹ for water supplied to the premises described in paragraph 2 below (“Relevant Premises”), within the period specified in paragraph 3 below (“Relevant Period”).
2. The Relevant Premises are all premises within Affinity Water’s Central Region (as defined in the Charges Scheme published by Affinity Water from time to time) excluding any premises:
 - (a) in relation to which metered charges are already fixed by Affinity Water;
 - (b) which Affinity Water determines are impractical or unreasonably expensive to meter or in respect of which the consumer benefits from a concessionary unmetered tariff.
3. The Relevant Period is the earliest to occur of the date on or after installation of a meter (in accordance with the programme set out in Affinity Water’s Final Water Resources Management Plan – June 2014) when:
 - (a) the meter is installed (in the case of non-household premises only);
 - (b) the consumer requests Affinity Water to fix metered charges;
 - (c) the consumer (and any other person in occupation of the premises at the date the meter is installed) ceases to be the consumer or (as the case may be) in occupation of the premises; or
 - (d) the date of the next meter reading following the expiry of two years from the date of installation of a meter
4. Further information can be obtained from Affinity Water’s website: www.affinitywater.co.uk/wsp

A handwritten signature in blue ink that reads "Tim Monod".

Tim Monod, Company Secretary

Duly authorised on behalf of Affinity Water Limited

1 January 2015

¹ “metered charges” means that all or some of the charges for the supply of water are based on the measured quantities of volume supplied.

Legal powers to fix metered charges for household premises (note - for information)

1. Affinity Water Limited holds an appointment as water undertaker under what is now Section 6 of the Water Industry Act 1991 (“Act”). The water supply area for which Affinity Water holds this appointment is defined in an Instrument of Appointment approved by the Secretary of State.
2. Section 142(4) of the Act authorises a water undertaker to fix its charges for water supply by reference to such matters, and adopting such methods and principles for the calculation of its charges, as the water undertaker considers appropriate.
3. Charges for household customers must be fixed under a charges scheme made by a water undertaker under Section 143 of the Act.
4. Section 144B of the Act restricts the power of a water undertaker in its charges scheme to begin to fix by reference to volume charges for water supplied to household premises in certain circumstances and when certain conditions are met.
5. The conditions that must be met if the restriction in Section 144B is to apply, are set out in the Water Industry (Prescribed Conditions) Regulations 1999, as amended (“Regulations”).
6. One of the conditions in the Regulations is that the premises are not: (i) located in an area designated by the Secretary of State under the Regulations as an area of serious water stress; and (ii) subject to a programme for the fixing of charges by reference to volume, as specified in the water resources management plan of the relevant water undertaker published under Section 37B(8)(a) of the Act.
7. The Secretary of State for the Environment, Food and Rural Affairs has designated all of Affinity Water’s supply area as an area of serious water stress.
8. The Secretary of State for the Environment, Food and Rural Affairs has approved Affinity Water’s Water Resources Management Plan which includes a programme for the fixing of charges by reference to volume for household premises in Affinity Water’s Central Region.
9. As the conditions set out in the Regulations are not met, the restriction in Section 144B of the Act does not apply. Affinity Water is therefore entitled in its charges scheme to fix by reference to volume charges for water supplied to any household premises in its Central Region.
10. Affinity Water’s current charges schemes makes provision to fix charges by reference to volume for water supplied to any household premises in its Central Region and includes a two year transitional period following installation of a meter during which customers will continue to be billed on a non-metered basis unless the customer elects to be charged on a metered basis earlier.
11. Water undertakers have the power to install meters under Section 162 of the Act. This notice, published on Affinity Water’s website, is given for the purposes of Sections 162(1A)(c) and 162(4) of the Act. A copy has been provided to the Secretary of State.
12. For further clarification as to Affinity Water’s Water Saving Programme, please visit www.affinitywater.co.uk/wsp.