

Regulatory supplementary table - upstream services trial 2014-15

Wholesale water		Network plus							
		Water resources		Raw water distribution		Water treatment	Treated water distribution		Total
Business unit		Abstraction licence	Raw water abstraction	Raw water transport	Raw water storage	Water treatment	Trunk treated water distribution	Local treated water distribution	
Service									
Total operating expenditure	£m	5.5	5.1	0.7	0.5	15.1	15.4	13.4	55.7
Infrastructure renewals charge	£m	0.0	0.0	0.0	0.0	0.0	8.5	25.4	33.8
Current cost depreciation	£m	0.0	5.2	0.7	0.0	31.0	16.1	5.1	58.1
Total operating costs	£m	5.5	10.3	1.4	0.5	46.1	40.0	43.9	147.6

Volumes/drivers		£/ml licenced to abstract	£/ml abstracted	£/km length of main	£/ml site capacity	£/ml treated	£/km length of main	£/km length of main	
Unit costs		12	50	18,739	12	227	20,919	3,690	

Wholesale wastewater		Network plus								
		Sewage collection			Sewage treatment	Sludge treatment			Sludge disposal	Total
Business unit		Foul	Surface water drainage	Highway drainage	Sewage treatment and disposal	Sludge transport	Sludge treatment	Liquor treatment	Sludge disposal	
Service										
Total operating expenditure	£m	31.2	1.9	1.9	52.0	5.1	19.0	1.6	5.4	118.1
Infrastructure renewals charge	£m	28.0	6.4	3.4	0.0	0.0	0.0	0.0	0.0	37.8
Current cost depreciation	£m	37.6	1.9	2.1	130.7	0.6	33.9	2.9	0.0	209.7
Total operating costs	£m	96.8	10.2	7.4	182.7	5.7	52.9	4.5	5.4	365.6

Volumes/drivers		£/km length of sewer	£/km length of sewer	£/km length of sewer	£/capita population served	£/m ³	£/TDS	£/capita population served	£/TDS
Unit costs		2,830	3,795	2,747	39	6	392	1	40

The figures shown above are un-audited and result from a significant number of assumptions regarding the allocation of costs between business units. They do not include any element of return on capital.

The allocation methods used in this trial remain under review and will be subject to change as better cost drivers and allocation methods are identified. These may have the effect of changing the proportional split of costs between the business units shown.

Details of our allocation methodology and explanations for the units used in deriving the unit costs can be found in our methodology statement, published on our website.

Acronyms used above include MI (Megalitres), km (kilometres), m³ (metres cubed) and TDS (Tonnes of dried solids)