

Opportunities to trade water

Water companies such as Southern Water are required to produce a Water Resources Management Plan (WRMP) every five years.

The WRMP sets out how a water company intends to ensure that there is sufficient supply of water to meet forecast water demands from its customers whilst protecting the environment over a 25-year period.

We are currently in the process of producing our draft Water Resources Management Plan for the 2015-2040 planning period which will be available for public consultation in spring 2013.

A key part of preparing a WRMP is the identification of any water supply areas that are predicted to have a shortfall over the 25-year planning period.

We then consider solutions that increase water supply (such as developing new sources) and/or reduce water demand (such as through metering or water efficiency).

In addition, we consider options for trading water with other water companies and with other parties who offer additional water supplies where it is cost effective to do so.

As such, we are now inviting potential suppliers with the ability to provide water to the company's water supply network to submit their proposals so that we may consider these during our options appraisal process.

Company overview

In order to assist potential suppliers we have prepared a brief overview of the company's water supply area and the potential opportunities for water supply trading.

Our water supply area is around 4,450 square kilometres; it extends from east Kent, through parts of Sussex, to Hampshire and the Isle of Wight. We serve just over 2.3 million customers.

For the WRMP assessment our supply area is divided into three sub-regions which consist of ten self-contained Water Resource Zones (WRZs).

Some of these WRZs are inter-connected and already benefit from water transfers with neighbouring water companies.

Our sub-regions and WRZs are set out below and illustrated in the map below (click to enlarge). The map also indicates the approximate composition of the types of supply which serve each WRZ.

Western Area – comprising four WRZs

Hampshire South

Hampshire Andover

Hampshire Kingsclere

Isle of Wight

Central Area – comprising three WRZs

Sussex North WRZ

Sussex Worthing WRZ

Sussex Brighton WRZ

Eastern Area – comprising three WRZs

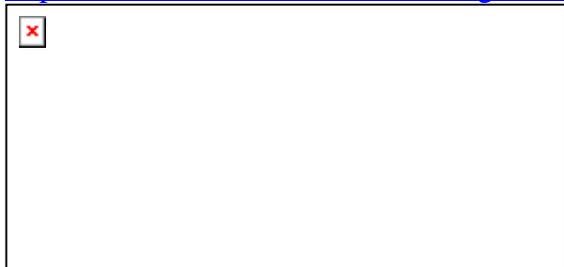
Kent Medway WRZ

Kent Thanet WRZ

Sussex Hastings WRZ

Southern Water's WRZs and supply-type characteristics:

<http://www.southernwater.co.uk/images/environment/droughtPlan/waterSourceMapLarge.jpg>



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Click on the map to enlarge

In the table below we have set out for each WRZ the estimated amount of water predicted in mega-litres per day (ML/d) to be in surplus or shortfall over the next 25 years (under a 'dry year' scenario); WRZs showing positive values indicate an expected water supply surplus whereas negative values suggest a water supply shortfall:

Indicative estimated surplus/shortfall in each WRZ over the 25-year planning period *

WRZ	2014-15	2019-20	2024-25	2029-30	2034-35	2039-40
Hampshire Kingsclere	0.00	0.00	0.00	0.00	0.00	0.00
Hampshire Andover	2.00	2.00	2.00	2.00	2.00	2.00
Hampshire South	25.00	-55.00	-55.00	-55.00	-60.00	-60.00
Isle of Wight	0.00	0.00	-10.00	-10.00	-10.00	-10.00
Sussex North	-5.00	-5.00	-5.00	-5.00	-10.00	-10.00
Sussex Brighton	-5.00	0.00	0.00	0.00	-5.00	-5.00
Sussex Worthing	-5.00	-5.00	-5.00	-5.00	-5.00	-10.00
Sussex Hastings	5.00	5.00	0.00	0.00	0.00	0.00
Kent Medway	15.00	0.00	0.00	-5.00	-10.00	-15.00
Kent Thanet	0.00	-5.00	-15.00	-20.00	-25.00	-25.00

*** Note: a value of zero indicates that supply is expected to meet demand over the plan period.**

To assist in our development of the WRMP we welcome water supply trading proposals from third parties.

Please submit your proposals to us by **October 31** by completing [this form](#).

We will consider each proposal along with our supply and demand solution for each zone.

We will contact everyone who has submitted a proposal by December 31 to explain how we have taken account of their suggestions in our Water Resources Management Plan.