



Your Ref:

Our Ref:

Date: 9th November 2012

Contact:

Fax:

Dear Sir/Madam

AMP5 Water Resource Management Plan

Water companies 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.

Southern Water 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.

We recently published a statement on “opportunities for trading water” on our website with a request for potential suppliers with the ability to provide water to our water supply network to submit their proposals to us, so that we may consider these during our options appraisal process. The link to this page on our website is below. It also provides background information about Southern Water and indicative estimates of potential surpluses and/or shortfalls in each of our areas of supply (water resource zones) to 2039/40.

<http://www.southernwater.co.uk/Environment/managingResources/publicConsultation/view-of-need.asp>

We wanted to write to you directly to invite you to consider whether you may be willing to trade some or all of your current abstraction licence with us, and if so, to contact us so we

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can consider the viability and cost effectiveness of the scheme in comparison to other options we have to meet any predicted shortfall in our supply areas.

Our work on finalising the supply and demand forecasts for the WRMP planning period is still ongoing. Nevertheless, we hope that the indicative information provided on our website will give a reasonable basis for understanding the potential situation we may face over the next planning period.

We look forward to hearing from you shortly, should there be any water trading options you would like to discuss with us.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'M Gough', written in a cursive style.

Meyrick Gough
Water Quality and Strategy manager