

south east water

## Wholesale charges

2017 - 2018



Pure know h<sub>2</sub>ow

## Our business

South East Water, supplies top quality drinking water to 2.1 million customers in the south east of England. Through a network of 9,000 miles of pipe, we deliver 540 million litres of water every day. The skill and expertise of our employees ensures our customers' water meets the highest of standards.

Our vision is to be the water company people want to be supplied by and want to work for. Everything we do is underpinned by technical excellence.

## Our supply area



## Good to know



**540 million litres of water a day** – that's how much water we supply to around 2.1 million people



**83 water treatment works** – that's how we ensure our water is of the highest quality



**500,000 water quality tests each year** – that's how we ensure your water meets the highest standards



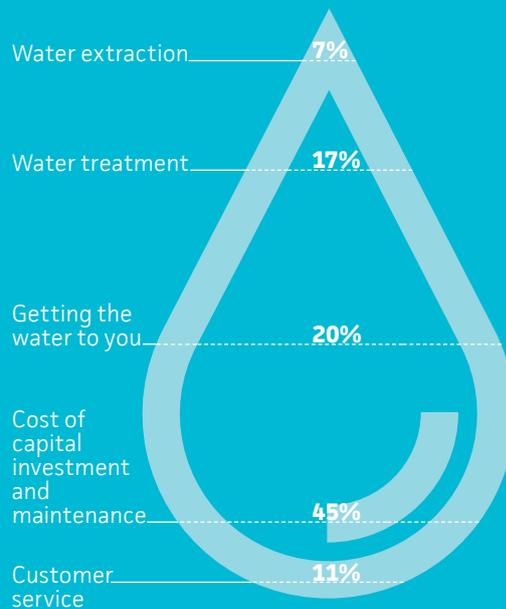
**9,000 miles of water mains** – that's how we transfer fresh drinking water direct to your tap



**849 employees** – that's how we make sure your water supply runs 24 hours a day, 365 days a year

## How we invest in your water

Where each £1 of your bill is spent



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**Darren – Production Technician**

Keleher Water Treatment Works at Bray in Hampshire where Darren keeps check on the filtration process. Keleher can treat 45 million litres of water a day

## Contact us

If you have any queries about this charges document please contact the Wholesale Service Desk as follows:

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[wholesale@southeastwater.co.uk](mailto:wholesale@southeastwater.co.uk)

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0333 000 00 18

**Write:**

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Rocfort Road  
Snodland  
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ME6 5AH

**Front cover - Kevin – Regional Production Manager**

In Eastbourne we've installed a new microfiltration system to improve water quality and secure supplies into the future



## Introduction

This document sets out the wholesale charges of South East Water Ltd for the year commencing on 1 April 2017 and ending on 31 March 2018. It sets out the wholesale charges that are applicable for both household and non-household premises. It is made in line with wholesale charging rules published by Ofwat and as required under condition B of our instrument of appointment.

In this charges scheme the words “we”, “us” and “our” refer to South East Water Ltd.

In fixing our charges we ensure that they comply with the price controls determined by Ofwat, and that no undue preference is shown to, and that there is no undue discrimination against, any class of customers or potential customers, or retailers.

This charges document must be interpreted in a manner that is consistent with relevant legislation and the terms of our licence and to the extent that any provision of this charges scheme are inconsistent with any legislation or the provisions of our licence the provisions of such legislation and/or of our licence prevail.

This document contains a short description of each charge, however further information on our charges, when they apply and our billing and payment policies can be found in the following documents:

- *Non-household charges scheme (for end users / customers)*
- *Household charges scheme (for end users / customers)*
- *Wholesale tariff document (for retailers)*

These can be accessed using the following web-link

**[southeastwater.co.uk/news-and-information/publications/our-charges](http://southeastwater.co.uk/news-and-information/publications/our-charges)**

The remainder of this document is structured as follows:

- *Section 1 – definition of wholesale charges for non-household premises*
- *Section 2 – definition of wholesale charges for household premises*
- *Appendix 1 – schedule of wholesale charges for non-household premises*
- *Appendix 2 – schedule of wholesale charges for household premises*
- *Appendix 3 – schedule of non-primary charges*

## Section one:

# Wholesale charges for water supplies to non-household premises (wholesale primary charges)

## 1. Types of water supply charges

We use three main methods to charge for water supply:

- **Metered charges:** which are based on the volume of water recorded by our meter
- **Assessed charges:** which are based on the characteristics of the premises
- **Unmetered charges:** which are based on the rateable value of the premises

Each of these is explained further below.

## 2. Metered water charges

### 2.1. Standard metered charges

Standard metered charges are our default meter charges which apply unless you have selected another metered tariff you are eligible for.

Standard metered charges include:

- *A fixed standing charge, which is an annual sum based on the size of the meter(s) and the meter reading frequency (monthly or six-monthly). Where the meter is a combination meter (i.e. where two meters of different sizes are used to measure the volume of water supplied at different flows) the standing charge is based on the size of the largest of the two meters*

- *A variable volumetric charge which is based on a rate for each cubic metre of water recorded by the meter(s) or estimated by us. There are different volumetric rates depending on the geographic area in which the premises are located and the meter reading frequency (monthly or six-monthly). We have two geographic areas: the eastern region and the western region*

The amount of the volumetric charge per cubic metre and of the standing charge for each type of meter can be found in Appendix 1.

### 2.2. Metered charges for large volume supplies – block tariff

Under our block tariff you will start benefiting from a lower volumetric charge where the consumption at the premises exceeds 10,000 cubic metres per year. Under the block tariff the total consumption in the month is allocated to different bands and the volumetric charge decreases as the consumption reaches higher bands. Meters must be read monthly.

Similar to the standard metered charges our block tariff comprises two elements – a fixed standing charge and a variable volumetric charge. The relevant consumption bands for the block tariff volumetric charge and the rates applicable in each of the bands, and the standing charge for each size of meter can be found in Appendix 1.

### 2.3. Metered charges for large volume supplies – super economy tariff

**Note:** the super economy tariff is only available for premises using more than 50,000 cubic metres per year and if the tariff already applied to the premises at 31 March 2017.

Under the super economy tariff you must agree an annual reservation volume each year which can fall within two consumption bands:

- *Band A: from 50,000 to 249,999 cubic metres*
- *Band B: 250,000 cubic metres and more*

The super economy tariff comprises five elements:

- *A fixed charge which is an annual sum applied per premises irrespective of the number of meters (based on Band A and Band B above)*
- *A fixed standing charge for the meter or each meter which is an annual sum based on the size of the meter. Where a meter is a combination meter (i.e. where two meters of different sizes are used to measure the volume of water supplied at different flows) the standing charge is based on the size of the largest of the two meters*



- *The capacity charge which is an annual sum based on the amount of water in cubic meters you wish to reserve for the charging year (the “reservation volume”) as agreed in advance with us. There is a different capacity charge rate for each of the two consumption bands in each of our two geographic areas. The annual capacity charge is calculated by first dividing the reservation volume in cubic meters by 1,000, then dividing the result by the number of days in the year and finally by multiplying the result by the capacity charge rate in the relevant band for the relevant geographic area. If the annual reservation volume is within Band A the capacity charge rate for that band and the relevant area is used and if the annual reservation volume is within Band B the capacity charge rate for that band and the relevant area is used*
- *The usage charge which is calculated by multiplying the volume of water recorded by the meter(s) in the month (or estimated in accordance with the wholesale retail code) up to the monthly average reservation volume plus 10 per cent by the relevant usage charge rate.*

*There is a different usage charge rate for each of the two consumption bands in each of our two geographic areas. If the annual reservation volume is within Band A the usage charge rate for that band and the relevant area is used and if the annual reservation volume is within Band B the usage charge rate for that band and the relevant area is used*

- *The excess usage charge which is calculated by multiplying the volume of water recorded by the meter(s) in the month (or estimated in accordance with the wholesale retail code) which is above the monthly average reservation volume plus 10 per cent by the relevant excess usage charge rate. There is a different excess usage charge rate for each of the two consumption bands in each of our two geographic areas. If the annual reservation volume is within Band A the excess usage charge rate for that band and the relevant area is used and if the annual reservation volume is within Band B the excess usage charge rate for that band and the relevant area is used*

The fixed charges, the capacity charge rates, the usage charge rates and the excess usage charge rates for each band in each geographic area and the standing charge for each size of meter can be found in Appendix 1.



### 3. Assessed charges

The assessed charge is an annual sum which is designed to reflect the estimated usage of water on the relevant premises and is based on the characteristics of the premises.

There are two types of assessed charges:

- *A low usage assessed charge for premises which only have a sink and toilet facilities and with usage estimated to be below 80 cubic metres per year*
- *A standard assessed charge for all other premises*

The amount of the assessed charges can be found in Appendix 1.

### 4. Unmetered charges

Unmetered charges include:

- *An annual standing charge for the geographic area in which the premises are located*
- *An annual rateable value charge which is based on a rate per pound of rateable value for the geographic area in which the premises are located*

The rateable value is the value determined or proposed for rating purposes in rating valuation lists under the General Rate Act 1967 as at 31 March 1990.

Where applicable a rateable value assessed by us may be applied when separate premises with a rateable value are combined into single premises; alternatively an assessed charge may be applied instead (except when the premises are subsequently metered). The assessed charge will be made based on an estimate of the water usage at the premises.

The amount of standing charges for unmetered premises and of the rateable value charges can be found in Appendix 1.

## Section two:

# Wholesale charges for water supplies to household premises (wholesale primary charges)

## 1. Types of water supply charges

We use three main methods to charge for water supply:

- **Metered charges:** which are based on the volume of water recorded by our meter
- **Assessed charges:** which are based on the characteristics of the premises
- **Unmetered charges:** which are based on the rateable value of the premises

Each of these is explained further below.

## 2. Metered water charges

### 2.1. Standard metered charges

Standard metered charges are our default meter charges which apply unless you have selected another metered tariff you are eligible for.

Standard metered charges include:

- *A fixed standing charge, which is an annual sum based on the size of the meter*

- *A variable volumetric charge which is based on a rate for each cubic metre of water recorded by the meter or estimated by us. There is a different volumetric rate for each of our two geographic areas. There is also a low user volumetric rate which only applies to customer who already benefited from this rate until 31 March 2017*

The amount of the volumetric charge per cubic metre and of the standing charge for each type of meter can be found in Appendix 2.

### 2.2. Saver tariff for large household premises

Our saver tariff is available if the water consumption at the premises is 10,000 cubic metres or more per year and the premises are single boundary sets of premises. This tariff is available only for some specific large household premises such as large permanent residential or retirement parks on a single site which meet the minimum consumption criteria. However, the consumption of separate buildings which are operated by the same person or entity cannot be aggregated if the buildings are not part of a single boundary set of premises. Meters must be read monthly.

There are two tariff bands for each of our two geographic areas:

- *Band A: from 10,000 to 49,999 cubic metres*
- *Band B: 50,000 cubic metres and more*

Our saver tariff comprises three elements:

- *A fixed charge which is applied per premises (irrespective of the number of meters) for the relevant band and geographic area*
- *A variable volumetric charge which is based on the rate for the relevant band and geographic area for each cubic meter of water recorded by the metre(s) in the month (or estimated by us)*

The amount of the fixed charge and of the volumetric rates per cubic metre and of the standing charge for each type of meter can be found in Appendix 2.

### 3. Assessed charges

The assessed charge is an annual sum which is designed to reflect the estimated usage of water on the relevant premises and is based on the number of bedrooms, the characteristics of the premises or the type of occupation of the premises.

There are three types of assessed charges:

- *The standard assessed charge which is an annual sum based on the number of bedrooms in the relevant premises (the standard assessed charge is the default assessed charge which will apply except when one of the following other assessed charges can be applied)*
- *The single occupier assessed charge which is an annual sum charged in respect of relevant premises occupied by a single qualifying occupier*
- *The single room assessed charge which is an annual sum charged in respect of qualifying relevant premises consisting of sheltered accommodation or bedsits which are billed individually and have the use of communal hot water or laundry facilities*

The amount of the assessed charges can be found in Appendix 2.

### 4. Unmetered charges

Unmetered charges include:

- *An annual standing charge for the geographic area in which the premises are located*
- *An annual rateable value charge which is based on a rate per pound of rateable value for the geographic area in which the premises are located*

The rateable value is the value determined or proposed for rating purposes in rating valuation lists under the General Rate Act 1967 as at 31 March 1990.

Where applicable a rateable value assessed by us may be applied when separate premises with a rateable value are combined into single premises; alternatively an assessed charge may be applied instead (except when the premises are subsequently metered). The assessed charge will be made based on an estimate of the water usage at the premises.

The amount of standing charges for unmetered premises and of the rateable value charges can be found in Appendix 2.

## Appendix 1 – Primary charges - wholesale non-household

### Schedule of charges, 2017-2018

Excluding VAT

All charges are effective from 1 April 2017

#### Unmetered water supplies

##### • Standing charge

Sussex (Eastern region)	£0.77
West Kent (Eastern region)	£0.77
Mid Southern (Western region)	£0.77
Mid Kent (Eastern region)	£29.11

##### • Rateable value charges

*Value charge per £ of rateable value*

Sussex (Eastern region)	£1.52
West Kent (Eastern region)	£1.42
Mid Southern (Western region)	£0.92
Mid Kent (Eastern region)	£1.27

#### Assessed charges

Non-household properties with just a sink and toilet facilities and water usage below 80 m <sup>3</sup> per year	£121.00
Other non-household properties	£272.07
Most properties with swimming pools are metered. An additional charge of £143.68 will be made for those unmeasured properties with swimming pools.	

#### Metered water supplies

The following charges apply from 1 April and where applicable metered bills will be apportioned to take into account any consumption prior to 1 April. This will be shown on the bill as two separate calculations.

#### Annual standing charge

Meter size (mm)	Six monthly read
12/15	£5.47
20/22	£18.21
25/28	£24.73
30/32/35	£37.86
40/42	£47.10
50/54	£58.38
65	£64.90
75/80	£80.46
100	£115.77
125	£168.49
150	£168.49
300	£204.29
Meter size (mm)	Monthly read
12/15	£5.30
20/22	£17.99
25/28	£24.44
30/32/35	£37.44
40/42	£47.12
50/54	£58.35
65	£64.90
75/80	£80.48
100	£115.87
125	£168.56
150	£168.56
300	£204.25

##### • Volumetric charges

*Volumetric charge per m<sup>3</sup>, six monthly read*

Eastern region	£1.6229
Western region	£1.2317



**Lee – Senior Electrical Engineer**

Tonbridge Water Treatment Works in Kent treats both river water and groundwater. Lee worked on a project to improve the settlement tanks

**Block tariff**

Volumetric charge per m<sup>3</sup>, monthly read

	Western region	Eastern region
Fixed charges	£57.99	
Consumed water per volumetric charge £/m <sup>3</sup>		
0 - 10 ML/ annum	£1.2317	£1.6229
10 - 150 ML/ annum	£0.9850	£1.3009
150 - 250 ML/ annum	£0.9608	£1.2719
250+ ML/ annum	£0.9439	£1.2405

**SuperEconomy tariff**

Volumetric band	Charge metric	Western region	Eastern region
50,000 to 249,999m <sup>3</sup>	Fixed charge (£)	£5,355	£7,068
	Capacity charge per 1000m <sup>3</sup> per day (£)	£87,745	£115,806
	Usage charge (£ per m <sup>3</sup> )	£0.7021	£0.9240
	Excess usage charge (£ per m <sup>3</sup> )	£0.9922	£1.3094
250,000m <sup>3</sup> +	Fixed charge (£)	£14,697	£19,385
	Capacity charge per 1000m <sup>3</sup> per day (£)	£84,184	£111,071
	Usage charge (£ per m <sup>3</sup> )	£0.6741	£0.8868
	Excess usage charge (£ per m <sup>3</sup> )	£0.9518	£1.2490



## Appendix 2 – Primary charges - wholesale household

### Schedule of charges, 2017-2018

Excluding VAT

All charges are effective from 1 April 2016

#### Unmetered water supplies

##### • Standing charge

Sussex (Eastern region)	£0.76
West Kent (Eastern region)	£0.76
Mid Southern (Western region)	£0.76
Mid Kent (Eastern region)	£29.26

##### • Rateable value charges

*Value charge per £ of rateable value*

Sussex (Eastern region)	£1.5160
West Kent (Eastern region)	£1.4199
Mid Southern (Western region)	£0.9128
Mid Kent (Eastern region)	£1.2600

#### Metered water supplies

The following charges apply from 1 April and where applicable metered bills will be apportioned to take into account any consumption prior to 1 April. This will be shown on the bill as two separate calculations.

##### • Volumetric charges

*Volumetric charge per m<sup>3</sup>*

Eastern region	£1.6186
Western region	£1.2264
Low user*	£1.9813

\* only available to existing customers on this tariff



**Molly – our tunnel boring machine**

Our Water Resources Management Plan ensures we carry out the work required to ensure resilient supplies for the future. Here at Burham in Kent we've used the latest tunnel boring techniques to install a new 7km pipeline to help transfer water around our network.

**Annual standing charges**

Low user standing charge: nil

Domestic meters installed before 1 April 2003: £5.35

Meter size (mm)	Annual charge
12/15	£5.35
20/22	£18.05
25/28	£24.45
30/32/35	£37.45
40/42	£47.15
50/54	£58.25
65	£64.95
75/80	£80.45
100	£115.85
125	£168.45
150	£168.45
300	£204.25

**Meter access charge**

The meter access charge is the aggregate of the existing charge in relation to the premises plus a surcharge of £162.70.

**Assessed water charges**

	Western region	Eastern region
1 bedroom	£105.86	£138.36
2 bedroom	£137.26	£179.16
3 bedroom	£168.56	£218.16
4 bedroom or more	£198.46	£259.26
Single room	£58.26	£72.36
Single person	£83.16	£105.86

Most properties with swimming pools are metered. An additional charge of £145.70 will be made for those unmeasured properties with swimming pools. These charges are levied for the period 1 April to 31 March and are not apportioned on change of occupation of the premises during the year. As part of our policy to promote efficient use of water we will progressively meter all properties with swimming pools.

**Large user – saver tariff**

Band A and B

Consumed water (per annum)	Western region	Eastern region
Fixed charges		
Band A: 10-50 million litres	£1,866.35	£2,463.85
Band B: 50 million litres +	£5,569.95	£7,351.25
Variable charges – £/m <sup>3</sup>		
Band A: 10-50 million litres	£1.0479	£1.3817
Band B: 50 million litres +	£0.9733	£1.2832

## Appendix 3 – Non-primary charges

### Miscellaneous charges, 2017-18\*

(Excluding VAT)

Item	Charge/basis of charge
Replacement of lead service pipes	Price on application. <i>Dependent on specific situation.</i>
Provision and maintenance of fire hydrants - including: <ul style="list-style-type: none"> <li>· <i>Installation of new hydrant</i></li> <li>· <i>Replace hydrant</i></li> <li>· <i>Replace post and plate</i></li> <li>· <i>Replace false spindle top</i></li> <li>· <i>Repack hydrant</i></li> <li>· <i>Maintenance – broken seals, illegal use, not used for firefighting</i></li> <li>· <i>Valve installations</i></li> </ul>	Price on application. Dependent on specific situation.
Damage to apparatus	Costs reasonably incurred by us as a result of the damage caused by a third party (including without limitation the costs of inspecting and repairing any damage caused).
Water fittings inspections	Price on application. Dependent on specific situation.
Site Inspections	
<i>First visit</i>	£65.00
<i>Additional hour</i>	£36.00
Testing of meters – onsite	
First visit	Nil
Subsequent visit	
<i>Test shows meter accurate:</i>	
· <i>meter connected to supply to a house</i>	£20
· <i>other meters</i>	<i>Costs reasonably incurred</i>
<i>Test shows meter inaccurate</i>	Nil
Testing of meters – meter removal	
<i>Test shows meter accurate:</i>	
· <i>meter connected to supply to a house</i>	£70
· <i>other meters</i>	<i>Costs reasonably incurred</i>
<i>Test shows meter inaccurate</i>	Nil
Standpipes – including:	
· <i>Deposit</i>	Price on application.
· <i>Hire charge</i>	Dependent on specific situation.
Disconnection and reconnection	
<i>Disconnection (Requested by customer – s62)</i>	No charge
Standard temporary disconnection (e.g. for non-payment)	
<i>Standard temporary disconnection (turning off supply) – in hours</i>	£87.00
Non-standard disconnection temporary or permanent (e.g. for non-payment)	
<i>Survey (First hour) – in hours</i>	£87.00
<i>Non-standard disconnection – in hours</i>	POA
Reconnection	
<i>Standard reconnection (turning on supply) – in hours</i>	£87.00
<i>Non-standard reconnection (including clamp/plug) – in hours</i>	POA
<i>A new connection must be applied for following all permanent disconnections.</i>	
Emergency temporary turn off (e.g. in case of internal leak)	
<i>Standard temporary emergency turn off (turning off supply) – in hours/out of hours</i>	No charge
<i>Non-standard temporary emergency turn off – in hours/out of hours</i>	POA

\*Charges listed in rule nine of the wholesale charging rules.

**You can contact us in the following ways:**



[southeastwater.co.uk](https://southeastwater.co.uk)



[southeastwater.co.uk/contact](https://southeastwater.co.uk/contact)



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