App5 – PR14 reconciliation ~ performance commitments

Northumbrian Water

Unique ID	Company	PR14 price control	PR19 price control allocation (%) Water resources	Water network plus	Wastewater network plus	Bioresources (sludge)	Residential retail	Business retail	Direct procurement for customers	Dummy control	Total	PC ref. (company)	Performance commitment	ODI type	ODI form	In-period ODI	PC unit	PC unit description	Decimal places
Column ref. 1	2	3	4								12	13	14	15	16	17	18	19	20
PR14NESWSW W-A1	NES	WSW									0.0%	W-A1	W-A1: Asset health measures - water	NFI			N/A	N/A (measured in separate PCs)	na
PR14NESWSW W-B1	NES	WSW		100.0%							100.0%	W-B1	W-B1: Satisfaction with taste and odour of tap water	Out & under	RCV		nr	No. of complaints per year	0
PR14NESWSW W-B2	NES	WSW		100.0%							100.0%	W-B2	W-B2: Overall drinking water compliance	Under	RCV		%	Mean zonal compliance (%)	3
PR14NESWSW W-B3	NES	WSW		100.0%							100.0%	W-B3	W-B3: Discoloured water complaints	Out & under	RCV		nr	No. of complaints per year	0
PR14NESWSW W-C1	NES	WSW		100.0%							100.0%	W-C1	W-C1: Interruptions to water supply for more than 3 hours (average time per property per year)	Out & under	RCV		time	Mins:secs per property per year	mins:sec
PR14NESWSW W-C2	NES	WSW		100.0%							100.0%	W-C2	W-C2: Properties experiencing poor water pressure	Out & under	RCV		nr	No. of properties	0
PR14NESWSW W-C3	NES	WSW		100.0%							100.0%	W-C3	W-C3: Water mains bursts	Under	RCV		nr	No. of burst mains per year	0
PR14NESWSW W-C4	NES	WSW		100.0%							100.0%	W-C4	W-C4: Leakage (Ml/d) Northumbrian area	Out & under	RCV		nr	Megalitres per day (Ml/d)	2
PR14NESWSW W-C5	NES	WSW		100.0%							100.0%	W-C5	W-C5: Leakage (Ml/d) Essex & Suffolk area	Out & under	RCV		nr	Megalitres per day (Ml/d)	2
PR14NESWSW_W-D1	NES	WSW									0.0%	W-D1	W-D1: NWL independent overall customer satisfaction score	NFI			score	Score between 0 and 10	1
PR14NESWSW W-D2	NES	WSW					100.0%				100.0%	W-D2	W-D2: Service incentive mechanism (SIM)	Out & under	Revenue		score	Service incentive mechanism (SIM) score	1
PR14NESWSW W-D3	NES	WSW									0.0%	W-D3	W-D3: Domestic customer satisfaction, net promoter score	NFI			%	% customer satisfaction	0
PR14NESWSW W-E1	NES	WSW									0.0%	W-E1	W-E1: NWL independent survey on keeping customers informed	NFI			%	% customer satisfaction	TBC
PR14NESWSW W-F1	NES	WSW									0.0%	W-F1	W-F1: Greenhouse gas emissions	NFI			nr	ktCO2e	0
PR14NESWSW W-F2	NES	WSW									0.0%	W-F2	W-F2: Annual environmental performance report	NFI			text	CRAG report publication	na
PR14NESWSWW S-A1	NES	WSWW									0.0%	S-A1	S-A1: Asset health measures - wastewater	NFI			N/A	N/A (measured in separate PCs)	na
PR14NESWSWW S-B1	NES	WSWW			100.0%						100.0%	S-B1	S-B1: Properties flooded externally	Out & under	RCV		nr	No. of properties per year	0
PR14NESWSWW S-B2	NES	WSWW			100.0%						100.0%	S-B2	S-B2: Properties flooded internally	Out & under	RCV		nr	No. of properties flooded internally per year	0
PR14NESWSWW S-B3	NES	WSWW			100.0%						100.0%	S-B3	S-B3: Repeat sewer flooding	Out & under	RCV		nr	No. of properties per year	0
PR14NESWSWW S-B4	NES	WSWW			100.0%						100.0%	S-B4	S-B4: Sewer collapses	Under	RCV		nr	No. of sewer collapses per year - excluding TDSs	0
PR14NESWSWW_S-B5	NES	WSWW			100.0%						100.0%	S-B5	S-B5: Transferred drains and sewers - internal sewer flooding	Out & under	RCV		nr	No. of properties per year	0
PR14NESWSWW S-B6	NES	WSWW			100.0%						100.0%	S-B6	S-B6: Transferred drains and sewers - external sewer flooding	Out & under	RCV		nr	No. of properties per year	0
PR14NESWSWW S-B7	NES	WSWW									0.0%	S-B7	S-B7: Transferred drains and sewers - sewer collapses	NFI			nr	No. of sewer collapses per year - TDSs	0
PR14NESWSWW S-C1	NES	WSWW			100.0%						100.0%	S-C1	S-C1: Sewage treatment works discharge compliance	Under	RCV		nr	No. discharge permit condition failures per year	0
PR14NESWSWW S-C2	NES	WSWW			100.0%						100.0%	S-C2	S-C2: Pollution incidents (category 3)	Out & under	RCV		nr	No. of pollution incidents (cat 3)	0
PR14NESWSWW S-C3	NES	WSWW			100.0%						100.0%	S-C3	S-C3: Bathing water compliance	Under	RCV		nr	No. of bathing waters per year	0
PR14NESWSWW S-C4	NES	WSWW			100.0%						100.0%	S-C4	S-C4: Whitburn combined sewer overflow (CSO) scheme	Under	RCV		text	Delivery / non-delivery	na
PR14NESWSWW_S-D1	NES	WSWW									0.0%	S-D1	S-D1: NWL independent overall customer satisfaction score	NFI			score	Customer satisfaction score out of 10	1
PR14NESWSWW S-D2	NES	WSWW					100.0%				100.0%	S-D2	S-D2: Service incentive mechanism (SIM)	Out & under	Revenue		score	Service incentive mechanism (SIM) score	1
PR14NESWSWW S-D3	NES	WSWW									0.0%	S-D3	S-D3: Domestic customer satisfaction, net promoter score	NFI			%	% customer satisfaction	0
PR14NESWSWW S-E1	NES	WSWW									0.0%	S-E1	S-E1: NWL independent survey on keeping customers informed	NFI			%	% customer satisfaction	TBC
PR14NESWSWW S-F1	NES	WSWW									0.0%	S-F1	S-F1: Greenhouse gas emissions	NFI			nr	ktCO2e	0
PR14NESWSWW S-F2	NES	WSWW									0.0%	S-F2	S-F2: Annual environmental performance report	NFI			text	CRAG report publication	na
PR14NESHHR R-B1	NES	HHR									0.0%	R-B1	R-B1: NWL independent overall customer satisfaction score	NFI			score	Customer satisfaction score out of 10	1
PR14NESHHR R-B2	NES	HHR					100.0%				100.0%	R-B2	R-B2: Service incentive mechanism (SIM)	Out & under	Revenue		score	Service incentive mechanism (SIM) score	1
PR14NESHHR R-B3	NES	HHR									0.0%	R-B3	R-B3: Domestic customer satisfaction, net promoter score	NFI			%	% customer satisfaction	0
PR14NESHHR R-C1	NES	HHR									0.0%	R-C1	R-C1: NWL independent value for money survey	NFI			score	Customer satisfaction score out of 10	1
PR14NESHHR R-C2	NES	HHR									0.0%	R-C2	R-C2: Satisfied with value for money of water services - Northumbrian region (CCWater research)	NFI			%	% customer satisfaction	0
PR14NESHHR_R-C3	NES	HHR									0.0%	R-C3	R-C3: Satisfied with value for money of sewerage services - Northumbrian region (CCWater research)	NFI			%	% customer satisfaction	0
PR14NESHHR R-C4	NES	HHR									0.0%	R-C4	R-C4: Satisfied with value for money of water services - Essex & Suffolk region (CCWater research)	NFI			%	% customer satisfaction	0
PR14NESHHR R-D1	NES	HHR									0.0%	R-D1	R-D1: NWL independent survey on keeping customers informed	NFI			%	% customer satisfaction	TBC
PR14NESHHR R-E1	NES	HHR									0.0%	R-E1	R-E1: Greenhouse gas emissions	NFI			nr	ktCO2e	0
PR14NESHHR R-E2	NES	HHR									0.0%	R-E2	R-E2: Annual environmental performance report	NFI			text	CRAG report publication	na
PR14NESHHR R-F1	NES	HHR					100.0%				100.0%	R-F1	R-F1: Delivering a consolidated Customer Information and Billing (CIB) system	Under	Revenue		£m	£ million cumulative depreciation	3

Northumbrian Water **Northumbrian Water**

Unique ID	2018-19 forecast data (monetary amounts in 2012-13 prices, net of tax) 2018-19 performance level - forecast	2018-19 PCL met? forecast	2018-19 forecast outperformance payment or underperformance penalty in-period ODIs	2018-19 forecast outperformance payment or underperformance penalty in-period ODIs (£m)	2018-19 forecast outperformance payment or underperformance penalty accrued at 31 March 2019	2018-19 forecast outperformance payment or underperformance penalty accrued at 31 March 2019 (£m)	2019-20 forecast data (monetary amounts in 2012-13 prices, net of tax) 2019-20 performance level - forecast	2019-20 PCL met? Forecast	2019-20 forecast outperformance payment or underperformance penalty in-period ODIs	2019-20 forecast outperformance payment or underperformance penalty in-period ODIs (£m)	2019-20 forecast outperformance payment or underperformance penalty accrued at 31 March 2020	2019-20 forecast outperformance payment or underperformance penalty accrued at 31 March 2020 (£m)
1	21	22	23	24	25	26	27	28	29	30	31	32
PR14NESWSW W-A1	n/a	-					n/a	-				
PR14NESWSW W-B1	987	Yes					987	Yes				
PR14NESWSW W-B2	100	Yes					100	Yes				
PR14NESWSW W-B3	2500	Yes			Outperformance payment	0.3370	2500	Yes			Outperformance payment	0.3370
PR14NESWSW W-C1	05:29	Yes					05:00	Yes				
PR14NESWSW W-C2	216	Yes					216	Yes				
PR14NESWSW W-C3	3640	Yes					3458	Yes				
PR14NESWSW W-C4	137	Yes					137	Yes				
PR14NESWSW W-C5	66	Yes					66	Yes				
PR14NESWSW_W-D1	8.2	Yes					8.2	Yes				
PR14NESWSW W-D2	90	Yes			(SIM)		90	Yes				
PR14NESWSW W-D3	32	Yes					32	Yes				
PR14NESWSW W-E1	94	Yes					94	Yes				
PR14NESWSW W-F1	38	Yes					33	Yes				
PR14NESWSW W-F2	Publish	Yes					Publish	Yes				
PR14NESWSWW S-A1	n/a	-					n/a	-				
PR14NESWSWW S-B1	900	Yes			Outperformance payment	0.3967	900	Yes			Outperformance payment	0.3967
PR14NESWSWW S-B2	120	Yes			Outperformance payment	0.7121	120	Yes			Outperformance payment	0.7121
PR14NESWSWW S-B3	60	Yes			Outperformance payment	1.0466	60	Yes			Outperformance payment	1.0466
PR14NESWSWW S-B4	58	Yes					58	Yes				
PR14NESWSWW_S-B5	235	Yes					185	Yes				
PR14NESWSWW S-B6	2686	Yes					2653	Yes				
PR14NESWSWW S-B7	84	Yes					84	Yes				
PR14NESWSWW S-C1	0	Yes					0	Yes				
PR14NESWSWW S-C2	75	Yes					75	Yes			Outperformance payment	0.1018
PR14NESWSWW S-C3	34	Yes					34	Yes				
PR14NESWSWW S-C4	Delivery	Yes					Delivery	Yes				
PR14NESWSWW_S-D1	8.2	Yes					8.2	Yes				
PR14NESWSWW S-D2	90	Yes			(SIM)		90	Yes				
PR14NESWSWW S-D3	32	Yes					32	Yes				
PR14NESWSWW S-E1	94	Yes					94	Yes				
PR14NESWSWW S-F1	38	Yes					33	Yes				
PR14NESWSWW S-F2	Publish	Yes					Publish	Yes				
PR14NESHHR R-B1	8.2	Yes					8.2	Yes				
PR14NESHHR R-B2	90	Yes			(SIM)		90	Yes				
PR14NESHHR R-B3	32	Yes					32	Yes				
PR14NESHHR R-C1	7.9	Yes					7.9	Yes				
PR14NESHHR R-C2	83	Yes					83	Yes				
PR14NESHHR_R-C3	84	Yes					84	Yes				
PR14NESHHR R-C4	73	Yes					73	Yes				
PR14NESHHR R-D1	94	Yes					94	Yes				
PR14NESHHR R-E1	38	Yes					33	Yes				
PR14NESHHR R-E2	Publish	Yes					Publish	Yes				
PR14NESHHR R-F1	n/a	-					n/a see commentary	-				

Key

- 🟨 Input
- 🟪 Copy
- 🟦 Calculation
- 🟩 Pre populated
- 🟥 Validation error

App5 guidance and column definitions

General notes	• Before populating the table, companies should use the filter in column 2 ('Company') to display their own performance commitments and hide others. Please leave the filter on when submitting the table.	
	• All monetary amounts in table App5 should be in 2012-13 prices, net of tax	
	• Negative values (including underperformance penalties) should be input using the minus sign	
	• For SIM performance, we are not expecting companies to forecast financial outperformance payments or underperformance penalties in table App5	
	• Companies should include all the ODI calculation steps in the PR14 reconciliation commentary	
Column reference	**Definition**	
1	Unique ID: unique identifier generated for the performance commitment. For example: PR14AFWWSW_W-A1 (pre-populated data)	
2	Company: water company acronym (pre-populated data)	
3	PR14 price control: price control in the PR14 final determination (pre-populated data)	
4	PR19 price control allocation: enter the allocation for each price control (as a percentage, to 1 decimal place) Companies are not required to complete the PR19 price control allocations for performance commitments with reputational (i.e. non-financial) ODIs.	
12	PR19 price control allocation: the price control allocation total is calculated - it will be highlighted in red if the total does not equal 100%	
13	PC ref. (company): performance commitment reference (pre-populated data)	
14	Performance commitment: name of the performance commitment (pre-populated data)	
15	ODI type: type of outcome delivery incentive (pre-populated data) • NFI (no financial incentive) • OUT (outperformance payment only) • UNDER (underperformance penalty only) • OUT & UNDER (outperformance payment and underperformance penalty)	
16	ODI form: form of outcome delivery incentive (pre-populated data) • Revenue = Revenue adjustment (note: under the existing SIM mechanism any outperformance payment or underperformance penalty will be an adjustment to revenue) • RCV = RCV adjustment • RCV or Revenue = RCV or Revenue adjustment (for example, where an outperformance payment is applied as an adjustment to the RCV and an underperformance penalty is applied as a revenue adjustment) • SHLDER = underperformance penalty is applied as an investment for the benefit of customers financed by shareholders with no RCV adjustment • Revenue or SHLDER = Revenue adjustment or underperformance penalty investment financed by shareholders with no RCV adjustment (for example, where an outperformance payment is applied as a revenue adjustment and an underperformance penalty is applied as an investment financed by shareholders with no RCV adjustment)	
17	In-period ODI: this indicator is set to 'Yes' or blank. In the PR14 FDs, three companies (Anglian Water, Severn Trent Water and South West Water) have in-period ODIs. That is, PCs with financial outperformance payments and underperformance penalties that may be applied within the 2015-20 regulatory period (pre-populated data)	
18	PC unit: measurement unit for the performance commitment (pre-populated data)	
19	PC unit description: description of the PC unit (pre-populated data)	
20	Decimal places: number of decimal places for the performance commitment, where applicable (pre-populated data)	
21	2018-19 performance level - forecast: this is the forecast performance level for the 2018-19 reporting year in the units the PC is measured in. For example, if the PC is measured in Ml/day and the forecast performance level is 124.5 Ml/day, then enter 124.5 If the PC is measured as a monetary value it should be entered in 2012-13 prices, net of tax This column applies to all PCs, including those with non-financial incentives and those where a performance commitment level has not been set for the 2018-19 reporting year.	
22	2018-19 PCL met? forecast: if the performance commitment level for the 2018-19 reporting year is forecast to be met select 'Yes', where it is not select 'No'. If a performance commitment level has not been set for the 2018-19 reporting year select "-" (hyphen).	
23	2018-19 forecast outperformance payment or underperformance penalty for in-period ODIs: **this column applies only to PCs which have ODIs that are payable within AMP6 rather than at the end of AMP6 (that is, some of the Anglian Water, Severn Trent Water and South West Water PCs)**. • if an outperformance payment is forecast to be earned in the 2018-19 reporting year select 'Outperformance payment' • if an underperformance penalty is forecast to be earned in the 2018-19 reporting year select 'Underperformance penalty' • if the forecast performance level is within the outperformance payment deadband select 'Outperformance payment deadband' • if the forecast performance level is within the underperformance penalty deadband select 'Underperformance penalty deadband' • if the PC relates to the Service Incentive Mechanism select '(SIM)'. This will remove the yellow (input cell) shading - for SIM performance we are not expecting companies to forecast ODIs in table App5 Otherwise leave blank (empty) or select "-". Note: this refers to the outperformance payment or underperformance penalty for the 2018-19 reporting year, not the cumulative value since 1 April 2015. The forecast outperformance payment or underperformance penalty for the 2018-19 reporting year should be based on your current performance and your current expectation of 2018-19 performance. A forecast should be entered if: • an outperformance payment or underperformance penalty is probable ('more likely than not'); and • the amount can be estimated reliably (it should be the best estimate and, in reaching the best estimate, the company should take into account the risks and uncertainties that surround the underlying events).	X
24	2018-19 forecast outperformance payment or underperformance penalty for in-period ODIs (£m): **this column applies only to PCs which have ODIs that are payable within AMP6 rather than at the end of AMP6 (that is, some of the Anglian Water, Severn Trent Water and South West Water PCs)**. If an outperformance payment or underperformance penalty is forecast to be earned in the 2018-19 reporting year, enter the monetary value. £million to 4 decimal places, rounded. All monetary amounts should be in 2012-13 prices. Outperformance payments must be entered as positive numbers, underperformance penalties as negative numbers. Where no outperformance payment or underperformance penalty has been earned, leave blank (empty). Note: this refers to the outperformance payment or underperformance penalty for the 2018-19 reporting year, not the cumulative value since 1 April 2015.	X
25	2018-19 forecast outperformance payment or underperformance penalty for end-of-AMP: **this column applies only to PCs which have ODIs that are payable at the end of AMP6**. • if an outperformance payment is forecast to be earned in the 2018-19 reporting year select 'Outperformance payment' • if an underperformance penalty is forecast to be earned in the 2018-19 reporting year select 'Underperformance penalty' • if the forecast performance level is within the outperformance payment deadband select "Outperformance payment deadband' • if the forecast performance level is within the underperformance penalty deadband select "Underperformance penalty deadband' • if the PC relates to the Service Incentive Mechanism select '(SIM)'. This will remove the yellow (input cell) shading - for SIM performance we are not expecting companies to forecast ODIs in table App5 Otherwise leave blank (empty) or select "-". Note: this refers to the outperformance payment or underperformance penalty for the 2018-19 reporting year, not the cumulative value since 1 April 2015. The forecast outperformance payment or underperformance penalty for the 2018-19 reporting year should be based on your current performance and your current expectation of 2018-19 performance. A forecast should be entered if: • an outperformance payment or underperformance penalty is probable ('more likely than not'); and • the amount can be estimated reliably (it should be the best estimate and, in reaching the best estimate, the company should take into account the risks and uncertainties that surround the underlying events).	X
26	2018-19 forecast outperformance payment or underperformance penalty for end-of-AMP ODIs (£m): **this column applies only to PCs which have ODIs that are payable at the end of AMP6**. If an outperformance payment or underperformance penalty is forecast to be earned in the 2018-19 reporting year, enter the monetary value. £million to 4 decimal places, rounded. All monetary amounts should be in 2012-13 prices. Outperformance payments must be entered as positive numbers, underperformance penalties as negative numbers. Where no outperformance payment or underperformance penalty has been earned, leave blank (empty). Note: this refers to the outperformance payment or underperformance penalty for the 2018-19 reporting year, not the cumulative value since 1 April 2015.	X
27	2019-20 performance level - forecast: this is the forecast performance level for the 2019-20 reporting year in the units the PC is measured in. For example, if the PC is measured in Ml/day and the forecast performance level is 124.5 Ml/day, then enter 124.5 If the PC is measured as a monetary value it should be entered in 2012-13 prices, net of tax This column applies to all PCs, including those with non-financial incentives and those where a performance commitment level has not been set for the 2019-20 reporting year.	
28	2019-20 PCL met? forecast: if the performance commitment level for the 2019-20 reporting year is forecast to be met select 'Yes', where it is not select 'No'. If a performance commitment level has not been set for the 2019-20 reporting year select "-" (hyphen).	
29	2019-20 forecast outperformance payment or underperformance penalty for in-period ODIs: **this column applies only to PCs which have ODIs that are payable within AMP6 rather than at the end of AMP6 (that is, some of the Anglian Water, Severn Trent Water and South West Water PCs)**. • if an outperformance payment is forecast to be earned in the 2019-20 reporting year select 'Outperformance payment' • if an underperformance penalty is forecast to be earned in the 2019-20 reporting year select 'Underperformance penalty' • if the forecast performance level is within the outperformance payment deadband select 'Outperformance payment deadband' • if the forecast performance level is within the underperformance penalty deadband select 'Underperformance penalty deadband' • if the PC relates to the Service Incentive Mechanism select '(SIM)'. This will remove the yellow (input cell) shading - for SIM performance we are not expecting companies to forecast ODIs in table App5 Otherwise leave blank (empty) or select "-". Note: this refers to the outperformance payment or underperformance penalty for the 2019-20 reporting year, not the cumulative value since 1 April 2015. The forecast outperformance payment or underperformance penalty for the 2019-20 reporting year should be based on your current performance and your current expectation of 2019-20 performance. A forecast should be entered if: • an outperformance payment or underperformance penalty is probable ('more likely than not'); and • the amount can be estimated reliably (it should be the best estimate and, in reaching the best estimate, the company should take into account the risks and uncertainties that surround the underlying events).	
30	2019-20 forecast outperformance payment or underperformance penalty for in-period ODIs (£m): **this column applies only to PCs which have ODIs that are payable within AMP6 rather than at the end of AMP6 (that is, some of the Anglian Water, Severn Trent Water and South West Water PCs)**. If an outperformance payment or underperformance penalty is forecast to be earned in the 2019-20 reporting year, enter the monetary value. £million to 4 decimal places, rounded. All monetary amounts should be in 2012-13 prices, net of tax. Outperformance payments must be entered as positive numbers, underperformance penalties as negative numbers. Where no outperformance payment or underperformance penalty has been earned, leave blank (empty). Note: this refers to the outperformance payment or underperformance penalty for the 2019-20 reporting year, not the cumulative value since 1 April 2015.	
31	2019-20 forecast outperformance payment or underperformance penalty for end-of-AMP ODIs: **this column applies only to PCs which have ODIs that are payable at the end of AMP6**. • if an outperformance payment is forecast to be earned in the 2019-20 reporting year select 'Outperformance payment' • if an underperformance penalty is forecast to be earned in the 2019-20 reporting year select 'Underperformance penalty' • if the forecast performance level is within the outperformance payment deadband select 'Outperformance payment deadband' • if the forecast performance level is within the underperformance penalty deadband select 'Underperformance penalty deadband' • if the PC relates to the Service Incentive Mechanism select '(SIM)'. This will remove the yellow (input cell) shading - for SIM performance we are not expecting companies to forecast ODIs in table App5 Otherwise leave blank (empty) or select "-". Note: this refers to the outperformance payment or underperformance penalty for the 2019-20 reporting year, not the cumulative value since 1 April 2015. The forecast outperformance payment or underperformance penalty for the 2019-20 reporting year should be based on your current performance and your current expectation of 2019-20 performance. A forecast should be entered if: • an outperformance payment or underperformance penalty is probable ('more likely than not'); and • the amount can be estimated reliably (it should be the best estimate and, in reaching the best estimate, the company should take into account the risks and uncertainties that surround the underlying events).	
32	2019-20 forecast outperformance payment or underperformance penalty for end-of-AMP ODIs (£m): **this column applies only to PCs which have ODIs that are payable at the end of AMP6**. If an outperformance payment or underperformance penalty is forecast to be earned in the 2019-20 reporting year, enter the monetary value. £million to 4 decimal places, rounded. All monetary amounts should be in 2012-13 prices, net of tax. Outperformance payments must be entered as positive numbers, underperformance penalties as negative numbers. Where no outperformance payment or underperformance penalty has been earned, leave blank (empty). Note: this refers to the outperformance payment or underperformance penalty for the 2019-20 reporting year, not the cumulative value since 1 April 2015.	

App9 - Adjustments to RCV from disposals of interest in land

Northumbrian Water — **Data validation**

Line	Line description	Item reference	Units	DPs	Price base	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2014-20	Calculation, copy or download rule	Validation description
A	**RCV midnight adjustment ~ land sales water**													
1	Forecast at previous review	A7001W	£m	3	Outturn (nominal)	0.983							Input	
2	Actual and current forecast sales	BT39301PW	£000	3	Outturn (nominal)	2639.000	1697.000	648.000	1032.000	1125.667	1125.667		Input; RAG 4.07 2E	
3	Impact of 50% of proceeds	A7003W	£m	3	Outturn (nominal)	0.828	0.849	0.324	0.516	0.563	0.563		Calculated; (Line 2 minus line 1) divided by 2	
4	WACC - fully post tax on notional structure	A7004AW	%	2	-	3.60%	3.60%	3.60%	3.60%	3.60%	3.60%		Pre populated	
5	RPI: Financial year average year on year %	A7004BW	%	2	-	2.61%	2.61%	2.61%	2.61%	2.61%	2.61%		Average of App23 line 31 years 2015-20	
6	Discount rate (nominal)	A7004W	%	2	-	6.21%	6.21%	6.21%	6.21%	6.21%	6.21%		Calculated; sum of line 4 and line 5	
7	Years for discounting purposes	A7005YR	nr	0	-	-3	-2	-1	0	1	2		Pre populate. Generic values (replicate code in PR14 RCV midnight adjustment model)	
8	Discount factor	A7005W	ratio	2	-	0.83	0.89	0.94	1.00	1.06	1.13		Calculated using discount factor formulae using rate in line 6.	
9	PV effect of 50% of proceeds from disposals of interest in land	A7006W	£m	3	2017-18 FYA (RPI)	0.691	0.752	0.305	0.516	0.598	0.635		Calculated; Line 3 multiplied by line 8.	
10	NPV effect of 50% of proceeds from disposals of interest in land	A7010W	£m	3	2017-18 FYA (RPI)							-3.497	Sum of line 9 columns H to M with signage reversed. This is an input to the RCV adjustment feeder model	
11	Water ~ NPV effect of 50% of proceeds from disposals of interest in land at 2017-18 FYA CPIH deflated price base	A7011W	£m	3	2017-18 FYA (CPIH deflated)							-3.581	This is an output from the RCV adjustments model.	
B	**RCV midnight adjustment ~ land sales wastewater**													
12	Forecast at previous review	A7001WW	£m	3	Outturn (nominal)	0.883							Input	
13	Actual and current forecast sales	BT39301PS	£000	3	Outturn (nominal)	13.000	13.000	13.000	27.000	17.667	17.667		Input; RAG 4.07 2E	
14	Impact of 50% of proceeds	A7003WW	£m	3	Outturn (nominal)	-0.435	0.007	0.007	0.014	0.009	0.009		Calculated; (Line 12 minus line 11) divided by 2	
15	WACC - fully post tax on notional structure	A7004AWW	%	2	-	3.60%	3.60%	3.60%	3.60%	3.60%	3.60%		Pre populated	
16	RPI: Financial year average year on year %	A7004BWW	%	2	-	2.61%	2.61%	2.61%	2.61%	2.61%	2.61%		Average of App23 line 31 years 2015-20	
17	Discount rate (nominal)	A7004WW	%	2	-	6.21%	6.21%	6.21%	6.21%	6.21%	6.21%		Calculated; sum of line 14 and line 15	
18	Years for discounting purposes	A7005YR	nr	0	-	-3	-2	-1	0	1	2		Pre populate. Generic values (replicate code in PR14 RCV midnight adjustment model)	
19	Discount factor	A7005WW	ratio	2	-	0.83	0.89	0.94	1.00	1.06	1.13		Calculated using discount factor formulae using rate in line 16.	
20	PV effect of 50% of proceeds from disposals of interest in land	A7006WW	£m	3	2017-18 FYA (RPI)	-0.363	0.006	0.006	0.014	0.009	0.010		Calculated; Line 13 multiplied by line 18.	
21	NPV effect of 50% of proceeds from disposals of interest in land	A7010WW	£m	3	2017-18 FYA (RPI)							0.318	Sum of line 20 columns H to M with signage reversed. This is an input to the RCV adjustment feeder model.	
22	Wastewater ~ NPV effect of 50% of proceeds from disposals of interest in land at 2017-18 FYA CPIH deflated price base	A7011WW	£m	3	2017-18 FYA (CPIH deflated)							0.327	This is an output from the RCV adjustments model.	

KEY

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🟩	Pre populated

App9 guidance and line definitions

This table collates information actual and forecast land sale proceeds and applicable discount rate to calculate the RCV midnight adjustment arising from land disposals occuring in the years from 2014-15 to 2019-20.

Line	Definition
Block A	**RCV midnight adjustment ~ land sales water**
1	The water share of the forecast used for 2014-15 in the PR14 final determination RCV midnight adjustment model.
2	Proceeds from land sales (net of associated offsetting costs). For 2014-15 to 2017-18 input actual data reported in RAG 4 table 2E. Forecasts are required for 2018-20.
3	Calculated. Half of the proceeds from land sales.
4	Real fully post tax WACC that applied at PR14.
5	Calculated. Average of the year on year % change in the financial year average RPI for the 2015-20 period.
6	Calculated. The discount rate is the sum of the WACC and the RPI forecast.
7	Generic values.
8	Calculated. The discount factor based on the discount rate and is centred on the base year.
9	Calculated. Present value of half of the cash flow arising from the land sales using the service specific discount factor.
10	Calculated. The net present value adjustment for the RCV. This is the sum of the present values with signage reversed.
11	This is an output from the RCV adjustments model.
Block B	**RCV midnight adjustment ~ land sales wastewater**
12	The wastewater share of the forecast used for 2014-15 in the PR14 final determination RCV midnight adjustment model.
13	Proceeds from land sales (net of associated offsetting costs). For 2014-15 to 2017-18 input actual data reported in RAG 4 table 2E. Forecasts are required for 2018-20.
14	Calculated. Half of the proceeds from land sales.
15	Real fully post tax WACC that applied at PR14.
16	Calculated. Average of the year on year % change in the financial year average RPI for the 2015-20 period.
17	Calculated. The discount rate is the sum of the WACC and the RPI forecast.
18	Generic values.
19	Calculated. The discount factor based on the discount rate and is centred on the base year.
20	Calculated. Present value of half of the cash flow arising from the land sales using the service specific discount factor.
21	Calculated. The net present value adjustment for the RCV. This is the sum of the present values with signage reversed.
22	This is an output from the RCV adjustments model.

App23 - Inflation measures

Northumbrian Water

Data validation

Line	Line description	Item reference	Units	DPs	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Calculation, copy or download rule	Validation description
A	**Retail price index**																								
1	RPI: Months of actual data for Financial Year	PB00000	nr	0	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	Counts the number of entries in lines 2 to 13.	Must equal 12.
2	Retail Price Index for April	BB3805AL	nr	1	234.4	242.5	249.5	255.7	258.0	261.4	270.6	279.7	288.1	296.7	305.6	314.8	324.2	333.9	343.9	354.2	364.8	375.7	387.0		
3	Retail Price Index for May	BB3805MY	nr	1	235.2	242.4	250.0	255.9	258.5	262.1	271.7	280.7	289.1	297.8	306.7	315.9	325.4	335.2	345.3	355.7	366.4	377.4	388.7		
4	Retail Price Index for June	BB3805JN	nr	1	235.2	241.8	249.7	256.3	258.9	263.1	272.3	281.5	289.9	298.6	307.6	316.8	326.3	336.1	346.2	356.6	367.3	378.3	389.6		
5	Retail Price Index for July	BB3805JL	nr	1	234.7	242.1	249.7	256.0	258.6	263.4	272.9	281.1	289.5	298.2	307.1	316.3	325.8	335.6	345.7	356.1	366.8	377.8	389.1		
6	Retail Price Index for August	BB3805AT	nr	1	236.1	243.0	251.0	257.0	259.8	264.4	274.7	282.9	291.4	300.1	309.1	318.4	328.0	337.8	347.9	358.3	369.0	380.1	391.5		
7	Retail Price Index for September	BB3805SR	nr	1	237.9	244.2	251.9	257.6	259.6	264.9	275.1	283.4	291.9	300.7	309.7	319.0	328.6	338.5	348.7	359.2	370.0	381.1	392.5		
8	Retail Price Index for October	BB3805OR	nr	1	238.0	245.6	251.9	257.7	259.5	264.8	275.3	283.6	292.1	300.9	309.9	319.2	328.8	338.7	348.9	359.4	370.2	381.3	392.7		
9	Retail Price Index for November	BB3805NR	nr	1	238.5	245.6	252.1	257.1	259.8	265.5	275.8	284.1	292.6	301.4	310.4	319.7	329.3	339.2	349.4	359.9	370.7	381.8	393.3		
10	Retail Price Index for December	BB3805DR	nr	1	239.4	246.8	253.4	257.5	260.6	267.1	278.1	286.4	295.0	303.9	313.0	322.4	332.1	342.1	352.4	363.0	373.9	385.1	396.7		
11	Retail Price Index for January	BB3805JY	nr	1	238.0	245.8	252.6	255.4	258.8	265.5	276.0	284.3	292.8	301.6	310.6	319.9	329.5	339.4	349.6	360.1	370.9	382.0	393.5		
12	Retail Price Index for February	BB3805FY	nr	1	239.9	247.6	254.2	256.7	260.0	268.4	278.1	286.4	295.0	303.9	313.0	322.4	332.1	342.1	352.4	363.0	373.9	385.1	396.7		
13	Retail Price Index for March	BB3805MH	nr	1	240.8	248.7	254.8	257.1	261.1	269.3	278.3	286.6	295.2	304.1	313.2	322.6	332.3	342.3	352.6	363.2	374.1	385.3	396.9		
B	**Consumer price index (including housing costs)**																								
14	CPIH: Months of actual data for Financial Year	PB00003	nr	0	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	Counts the number of entries in lines 15 to 26.	Must equal 12.
15	Consumer Price Index (with housing) for April	BB3905AL	nr	1	93.3	95.9	98.0	99.6	99.9	100.6	103.2	105.5	107.6	109.8	112.0	114.2	116.5	118.8	121.2	123.6	126.1	128.6	131.2		
16	Consumer Price Index (with housing) for May	BB3905MY	nr	1	93.5	95.9	98.2	99.6	100.1	100.8	103.5	105.9	108.0	110.2	112.4	114.6	116.9	119.2	121.6	124.0	126.5	129.0	131.6		
17	Consumer Price Index (with housing) for June	BB3905JN	nr	1	93.5	95.6	98.0	99.8	100.1	101.0	103.5	105.9	108.0	110.2	112.4	114.6	116.9	119.2	121.6	124.0	126.5	129.0	131.6		
18	Consumer Price Index (with housing) for July	BB3905JL	nr	1	93.5	95.7	98.0	99.6	100.0	100.9	103.5	105.6	107.7	109.9	112.1	114.3	116.6	118.9	121.3	123.7	126.2	128.7	131.3		
19	Consumer Price Index (with housing) for August	BB3905AT	nr	1	93.9	96.1	98.4	99.9	100.3	101.2	104.0	106.1	108.2	110.4	112.6	114.9	117.2	119.5	121.9	124.3	126.8	129.3	131.9		
20	Consumer Price Index (with housing) for September	BB3905SR	nr	1	94.5	96.4	98.7	100.0	100.2	101.5	104.3	106.4	108.5	110.7	112.9	115.2	117.5	119.9	122.3	124.7	127.2	129.7	132.3		
21	Consumer Price Index (with housing) for October	BB3905OR	nr	1	94.5	96.8	98.8	100.1	100.3	101.6	104.4	106.5	108.6	110.8	113.0	115.3	117.6	120.0	122.4	124.8	127.3	129.8	132.4		
22	Consumer Price Index (with housing) for November	BB3905NR	nr	1	94.7	97.0	98.8	99.9	100.3	101.8	104.7	106.8	108.9	111.1	113.3	115.6	117.9	120.3	122.7	125.2	127.7	130.3	132.9		
23	Consumer Price Index (with housing) for December	BB3905DR	nr	1	95.0	97.3	99.2	99.9	100.4	102.2	105.0	107.1	109.2	111.4	113.6	115.9	118.2	120.6	123.0	125.5	128.0	130.6	133.2		
24	Consumer Price Index (with housing) for January	BB3905JY	nr	1	94.7	97.0	98.7	99.2	99.9	101.8	104.5	106.6	108.7	110.9	113.1	115.4	117.7	120.1	122.5	125.0	127.5	130.1	132.7		
25	Consumer Price Index (with housing) for February	BB3905FY	nr	1	95.2	97.5	99.1	99.5	100.1	102.4	104.9	107.0	109.1	111.3	113.5	115.8	118.1	120.5	122.9	125.4	127.9	130.5	133.1		
26	Consumer Price Index (with housing) for March	BB3905MH	nr	1	95.4	97.8	99.3	99.6	100.4	102.7	105.1	107.2	109.3	111.5	113.7	116.0	118.3	120.7	123.1	125.6	128.1	130.7	133.3		
C	**Indexation rate for index linked debt percentage increase**																								
27	Indexation rate for index linked debt percentage increase	A9001	%	2								3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%		
D	**Financial year average indices**																								
28	RPI: Financial year average indices	PB00113BP	nr	1	237.3	244.7	251.7	256.7	259.4	265.0	274.9	283.4	291.9	300.7	309.7	319.0	328.5	338.4	348.6	359.1	369.8	380.9	392.4	Average of lines 2 to 13.	
29	CPIH: Financial year average indices	PB00200	nr	1	94.3	96.6	98.6	99.7	100.2	101.5	104.2	106.4	108.5	110.7	112.9	115.2	117.5	119.8	122.2	124.7	127.2	129.7	132.3	Average of lines 15 to 26.	
E	**Year on year % change**																								
30	RPI: November year on year %	APP23001	%	2		2.98%	2.65%	1.98%	1.05%	2.19%	3.88%	3.01%	2.99%	3.01%	2.99%	3.00%	3.00%	3.01%	3.01%	3.01%	3.00%	2.99%	3.01%	Year on year change in line 9.	
31	RPI: Financial year average indices year on year %	APP23002	%	2		3.09%	2.88%	1.96%	1.08%	2.14%	3.74%	3.09%	3.00%	3.01%	2.99%	3.00%	3.00%	3.01%	3.01%	3.01%	3.00%	3.00%	3.00%	Year on year change in line 28.	
32	RPI: Financial year end indices year on year %	APP23003	%	2		3.28%	2.45%	0.90%	1.56%	3.14%	3.34%	2.98%	3.00%	3.01%	2.99%	3.00%	3.01%	3.01%	3.01%	3.01%	3.00%	2.99%	3.01%	Year on year change in line 13.	
33	CPIH: November year on year %	APP23004	%	2		2.43%	1.86%	1.11%	0.40%	1.50%	2.85%	2.01%	1.97%	2.02%	1.98%	2.03%	1.99%	2.04%	2.00%	2.04%	2.00%	2.04%	2.00%	Year on year change in line 22.	
34	CPIH: Financial year average indices year on year %	APP23005	%	2		2.41%	2.09%	1.14%	0.44%	1.37%	2.63%	2.08%	1.97%	2.03%	1.99%	2.01%	2.00%	2.01%	2.00%	2.00%	2.01%	2.00%	2.00%	Year on year change in line 29.	
35	CPIH: Financial year end indices year on year %	APP23006	%	2		2.52%	1.53%	0.30%	0.80%	2.29%	2.34%	2.00%	1.96%	2.01%	1.97%	2.02%	1.98%	2.03%	1.99%	2.03%	1.99%	2.03%	1.99%	Year on year change in line 26.	
36	Wedge between RPI and CPIH	APP23007	%	2		0.68%	0.80%	0.82%	0.64%	0.77%	1.11%	1.01%	1.02%	0.98%	1.01%	0.99%	1.01%	1.00%	1.00%	1.01%	1.00%	1.00%	1.00%	Line 31 - line 34.	
F	**Long term inflation rates**																								
37	Long term RPI inflation rate	APP23008	%	2										3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%		
38	Long term CPIH inflation rate	APP23009	%	2										2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%		

KEY

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App23 guidance and line definitions

This table contains companies' assumptions about inflation during the price control period. The information allows us to adjust the price base of companies' business plan projections and compare across companies on a consistent basis without prescribing assumptions about inflation.

Line	Definition
Block A	**Retail price index**
1-13	Pre-populated data in green cells are published values for the retail price index (RPI) available on the ONS website. For 2017-18 onwards in lines 2 to 13, companies should enter forecast RPI values for each month. Line 1 will update automatically and should equal 12 to indicate that forecasts have been completed for all months of the financial year.
Block B	**Consumer price index (including housing costs)**
14-26	Pre-populated data in green cells are published values for the consumer price index including housing costs (CPIH) available on the ONS website. For 2017-18 onwards in lines 15 to 26, companies should enter forecast CPIH values for each month. Line 14 will update automatically and should equal 12 to indicate that forecasts have been completed for all months of the financial year.
Block C	**Indexation rate for index linked debt percentage increase**
27	The percentage uplift of index-linked debt by indexation. The financial model works on year average prices, so a year average inflation rate for index linked debt is more appropriate.
Block D	**Financial year average indices**
28-29	The financial year average indices calculated by taking an average over 12 months from April to March.
Block E	**Year on year % change**
30-35	The year on year % change in the indices.
36	The annual % change in RPI average minus the annual change in CPI(H) average.
Block F	**Long term inflation rates**
37	The company's view of the long term inflation rate for RPI. Long term inflation rate is the rate used to discount the nominal WACC into a real WACC.
38	The company's view of the long term inflation rate for CPI(H). Long term inflation rate is the rate used to discount the nominal WACC into a real WACC.

App25 - PR14 reconciliation adjustments summary

Northumbrian Water

Data validation

Line	Line description	Item reference	Units	DPs	Price base	2015-16	2016-17	2017-18	2018-19	2019-20	2015-20	Calculation, copy or download rule	Validation description	Completion
A	**Further 2010-15 reconciliation adjustments**													
1	Water ~ Total Adjustment RCV carry forward to PR19	C00572_L021	£m	3	2012-13 FYA (RPI)						-7.863	Pre populated cell. Final 2010-15 reconciliation adjustments.		
2	Water ~ Total Adjustment Revenue carry forward to PR19	C00578_L021	£m	3	2012-13 FYA (RPI)						3.148	Pre populated cell. Final 2010-15 reconciliation adjustments.		
3	Wastewater ~ Total Adjustment RCV carry forward to PR19	C00579_L021	£m	3	2012-13 FYA (RPI)						1.681	Pre populated cell. Final 2010-15 reconciliation adjustments.		
4	Wastewater ~ Total Adjustment Revenue carry forward to PR19	C00585_L021	£m	3	2012-13 FYA (RPI)						2.618	Pre populated cell. Final 2010-15 reconciliation adjustments.		
5	Water ~ CIS RCV inflation correction	APP25001	£m	3	2012-13 FYA (RPI)						-35.639	Pre populated cell. Final 2010-15 reconciliation adjustments.		
6	Wastewater ~ CIS RCV inflation correction	APP25002	£m	3	2012-13 FYA (RPI)						-26.694	Pre populated cell. Final 2010-15 reconciliation adjustments.		
7	Water ~ Total Adjustment RCV carry forward to PR19 at 2017-18 FYA CPIH deflated price base	APP25003	£m	3	2017-18 FYA (CPIH deflated)						-9.045	This is an output from the RCV adjustments model.		
8	Water ~ Total Adjustment Revenue carry forward to PR19 at 2017-18 FYA CPIH deflated price base	APP25004	£m	3	2017-18 FYA (CPIH deflated)						3.621	This is an output from the revenue adjustments model.		
9	Wastewater ~ Total Adjustment RCV carry forward to PR19 at 2017-18 FYA CPIH deflated price base	APP25005	£m	3	2017-18 FYA (CPIH deflated)						1.933	This is an output from the RCV adjustments model.		
10	Wastewater ~ Total Adjustment Revenue carry forward to PR19 at 2017-18 FYA CPIH deflated price base	APP25006	£m	3	2017-18 FYA (CPIH deflated)						3.012	This is an output from the revenue adjustments model.		
11	Water ~ CIS RCV inflation correction at 2017-18 FYA CPIH deflated price base	APP25007	£m	3	2017-18 FYA (CPIH deflated)						-40.999	This is an output from the RCV adjustments model.		
12	Wastewater ~ CIS RCV inflation correction at 2017-18 FYA CPIH deflated price base	APP25008	£m	3	2017-18 FYA (CPIH deflated)						-30.708	This is an output from the RCV adjustments model.		
B	**Adjustment to RCV from disposal of land**													
13	Water ~ NPV effect of 50% of proceeds from disposals of interest in land at 2017-18 FYA CPIH deflated price base	A7011W_CPY	£m	3	2017-18 FYA (CPIH deflated)						-3.581	Copied from App9 line 11.		
14	Wastewater ~ NPV effect of 50% of proceeds from disposals of interest in land at 2017-18 FYA CPIH deflated price base	A7011WW_CPY	£m	3	2017-18 FYA (CPIH deflated)						0.327	Copied from App9 line 22.		
C	**Outcome delivery incentive reconciliation adjustments to be applied at PR19**													
15	ODI in~period revenue adjustment ~ Total net revenue adjustment at 2017~18 FYA CPIH deflated price base	APP27040_CPY	£m	3	2017-18 FYA (CPIH deflated)						0.000	Copied from App27 line 40.		
16	ODI end of period revenue adjustment ~ Total net revenue adjustment at 2017~18 FYA CPIH deflated price base	APP27047_CPY	£m	3	2017-18 FYA (CPIH deflated)						-0.124	Copied from App27 line 47		
17	ODI end of period RCV adjustment ~ Total net adjustment at 2017~18 FYA CPIH deflated price base	APP27052_CPY	£m	3	2017-18 FYA (CPIH deflated)						18.438	Copied from App27 line 53		
D	**Wholesale total expenditure outperformance sharing**													
18	Water: Totex menu revenue adjustment at 2017-18 FYA CPIH deflated price base	WS15026_CPY	£m	3	2017-18 FYA (CPIH deflated)					7.796		Copied from WS15 line 26.		
19	Water: Totex menu RCV adjustment at 2017-18 FYA CPIH deflated price base	WS15027_CPY	£m	3	2017-18 FYA (CPIH deflated)					20.693		Copied from WS15 line 27.		
20	Wastewater: Totex menu revenue adjustment at 2017-18 FYA CPIH deflated price base	WWS15021_CPY	£m	3	2017-18 FYA (CPIH deflated)					-5.272		Copied from WWS15 line 21.		
21	Wastewater: Totex menu RCV adjustment at 2017-18 FYA CPIH deflated price base	WWS15022_CPY	£m	3	2017-18 FYA (CPIH deflated)					-132.369		Copied from WWS15 line 22.		
E	**Wholesale revenue forecasting incentive mechanism**													
22	WRFIM Total reward / (penalty) at the end of AMP6 ~ water network plus	WS13027_CPY	£m	3	2017-18 FYA (CPIH deflated)					0.001		Copied from WS13 line 31.		
23	WRFIM Total reward / (penalty) at the end of AMP6 ~ wastewater network plus	WWS13027_CPY	£m	3	2017-18 FYA (CPIH deflated)					0.000		Copied from WWS13 line 31.		
F	**Reconciliation of household retail revenue**													
24	Residential retail revenue adjustment at 2017-18 FYA CPIH deflated price base	R9046_CPY	£m	3	2017-18 FYA (CPIH deflated)					-0.176		Copied from R9 line 46.		
G	**Water trading incentive reconciliation**													
25	Total value of export incentive - water resources at 2017-18 FYA CPIH deflated price base	WS17028_CPY	£m	3	2017-18 FYA (CPIH deflated)					7.088		Copied from WS17 line 56.		
26	Total value of export incentive - water network plus at 2017-18 FYA CPIH deflated price base	WS17029_CPY	£m	3	2017-18 FYA (CPIH deflated)					0.000		Copied from WS17 line 57.		
27	Total value of export incentive to be paid after PR19 at 2017-18 FYA CPIH deflated price base	WS17030_CPY	£m	3	2017-18 FYA (CPIH deflated)					3.160		Copied from WS17 line 58.		
28	Total value of import incentive - water resources at 2017-18 FYA CPIH deflated price base	WS17031_CPY	£m	3	2017-18 FYA (CPIH deflated)					0.000		Copied from WS17 line 59.		
29	Total value of import incentive - water network plus at 2017-18 FYA CPIH deflated price base	WS17032_CPY	£m	3	2017-18 FYA (CPIH deflated)					0.000		Copied from WS17 line 60.		
H	**Service incentive mechanism**													
30	SIM forecast revenue adjustment at 2017-18 FYA CPIH deflated price base	R10009_CPY	£m	3	2017-18 FYA(CPIH deflated)						11.672	Copied from R10 line 9.		

KEY

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App25 guidance and line definitions

This table summarises the adjustments arising from the 2010-15 reconciliation and from each of the PR14 reconciliations of performance in the period ending 31 March 2020. This table copies values entered in the tables for each of the PR14 reconciliation mechanisms.
Block A relates to the further adjustments arising from the 2010-15 reconciliation to reflect the updated information for 2014-15. These are residual to the adjustments already recovered through the 2015-20 price controls.
All input and copied values are in 2017-18 prices.

Line	Definition
Block A	**Further 2010-15 reconciliation adjustments**
1-4	2010-15 reconciliation adjustments. These are the further adjustments arising from the update to take account of actual 2014-15 performance. Note – lines 2 and 4 relate to CIS revenue adjustments only, as per the PR09 legacy blind year adjustments model (published in December 2017).
5-6	The adjustments to ensure consistency in how we apply inflation indices for the PR09 capital expenditure incentive scheme, we published the adjustments in October 2016.
7	Line 1 inflated to 2017-18 prices.This is an output from the RCV adjustments model.
8	Line 2 inflated to 2017-18 prices.This is an output from the revenue adjustments model.
9	Line 3 inflated to 2017-18 prices.This is an output from the RCV adjustments model.
10	Line 4 inflated to 2017-18 prices.This is an output from the revenue adjustments model.
11	Line 5 inflated to 2017-18 prices.This is an output from the RCV adjustments model.
12	Line 6 inflated to 2017-18 prices.This is an output from the RCV adjustments model.

App27 - PR14 reconciliation - financial outcome delivery incentives summary

Northumbrian Water

Data validation

	Line description	Item reference	Units	DPs	2015-16	2016-17	2017-18	2018-19	2019-20	Total to be applied at PR19	Calculation, copy or download rule	Validation description	Completion	Validation
A	**In-period ODI revenue adjustments by PR14 price control units (2012-13 prices)**													
1	Net performance payment / (penalty) applied to revenue for in-period ODI adjustments ~ Wholesale water	APP27001	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
2	Net performance payment / (penalty) applied to revenue for in-period ODI adjustments ~ Wholesale wastewater	APP27002	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
3	Net performance payment / (penalty) applied to revenue for in-period ODI adjustments ~ Retail (household)	APP27003	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
4	Net performance payment / (penalty) applied to revenue for in-period ODI adjustments ~ Retail (non-household)	APP27004	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
5	Total net performance payment / (penalty) applied to revenue for in-period ODI adjustments ~ PR14 controls	APP27005	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	Calculated. Sum of lines 1 to 4	Line 21 = Line 5		
B	**End of period ODI revenue adjustments by PR14 price control units (2012-13 prices)**													
6	Net performance payment / (penalty) applied to revenue for end of period ODI adjustments ~ Wholesale water	APP27006	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
7	Net performance payment / (penalty) applied to revenue for end of period ODI adjustments ~ Wholesale wastewater	APP27007	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
8	Net performance payment / (penalty) applied to revenue for end of period ODI adjustments ~ Retail (household)	APP27008	£m	3	0.000	0.000	0.000	-0.108	0.000	-0.108				
9	Net performance payment / (penalty) applied to revenue for end of period ODI adjustments ~ Retail (non-household)	APP27009	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
10	Total net performance payment / (penalty) applied to revenue for end of period ODI adjustments ~ PR14 controls	APP27010	£m	3	0.000	0.000	0.000	-0.108	0.000	-0.108	Calculated. Sum of lines 6 to 9	Line 28 = Line 10		
C	**End of period ODI RCV adjustments by PR14 price control units (2012-13 prices)**													
11	Net performance payment / (penalty) applied to RCV for end of period ODI adjustments ~ Wholesale water	APP27011	£m	3	3.137	2.853	0.794	0.337	0.337	7.458				
12	Net performance payment / (penalty) applied to RCV for end of period ODI adjustments ~ Wholesale wastewater	APP27012	£m	3	0.593	1.221	2.341	2.156	2.257	8.569				
13	Net performance payment / (penalty) applied to RCV for end of period ODI adjustments ~ Thames Tideway	APP27013	£m	3										
14	Total net performance payment / (penalty) applied to RCV for end of period ODI adjustments ~ PR14 controls	APP27014	£m	3	3.730	4.074	3.135	2.493	2.594	16.027	Calculated. Sum of lines 11 to 13	Line 33 = Line 14		
D	**In-period ODI revenue adjustments allocated to PR19 price controls (2012-13 prices)**													
15	Net performance payment / (penalty) applied to revenue for in-period ODI adjustments ~ Water resources	APP27015	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
16	Net performance payment / (penalty) applied to revenue for in-period ODI adjustments ~ Water network plus	APP27016	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
17	Net performance payment / (penalty) applied to revenue for in-period ODI adjustments ~ Wastewater network plus	APP27017	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
18	Net performance payment / (penalty) applied to revenue for in-period ODI adjustments ~ Bioresources	APP27018	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
19	Net performance payment / (penalty) applied to revenue for in-period ODI adjustments ~ Residential retail	APP27019	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
20	Net performance payment / (penalty) applied to revenue for in-period ODI adjustments ~ Business retail	APP27020	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
21	Total net performance payment / (penalty) applied to revenue for in-period ODI adjustments ~ PR19 controls	APP27021	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	Calculated. Sum of lines 15 to 20	Line 21 = Line 5		
E	**End of period ODI revenue adjustments allocated to PR19 price controls (2012-13 prices)**													
22	Net performance payment / (penalty) applied to revenue for end of period ODI adjustments ~ Water resources	APP27022	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
23	Net performance payment / (penalty) applied to revenue for end of period ODI adjustments ~ Water network plus	APP27023	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
24	Net performance payment / (penalty) applied to revenue for end of period ODI adjustments ~ Wastewater network plus	APP27024	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
25	Net performance payment / (penalty) applied to revenue for end of period ODI adjustments ~ Bioresources	APP27025	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
26	Net performance payment / (penalty) applied to revenue for end of period ODI adjustments ~ Residential retail	APP27026	£m	3	0.000	0.000	0.000	-0.108	0.000	-0.108				
27	Net performance payment / (penalty) applied to revenue for end of period ODI adjustments ~ Business retail	APP27027	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
28	Total net performance payment / (penalty) applied to revenue for end of period ODI adjustments ~ PR19 controls	APP27028	£m	3	0.000	0.000	0.000	-0.108	0.000	-0.108	Calculated. Sum of lines 22 to 27	Line 28 = Line 10		
F	**End of period ODI RCV adjustments allocated to PR19 price controls (2012-13 prices)**													
29	Net performance payment / (penalty) applied to RCV for end of period ODI adjustments ~ Water resources	APP27029	£m	3	0.000	0.000	0.000	0.000	0.000	0.000				
30	Net performance payment / (penalty) applied to RCV for end of period ODI adjustments ~ Water network plus	APP27030	£m	3	3.137	2.853	0.794	0.337	0.337	7.458				
31	Net performance payment / (penalty) applied to RCV for end of period ODI adjustments ~ Wastewater network plus	APP27031	£m	3	0.593	1.221	2.341	2.156	2.257	8.569				
32	Net performance payment / (penalty) applied to RCV for end of period ODI adjustments ~ Thames Tideway	APP27032	£m	3										
33	Total net performance payment / (penalty) applied to RCV for end of period ODI adjustments ~ PR19 controls	APP27033	£m	3	3.730	4.074	3.135	2.493	2.594	16.027	Calculated. Sum of lines 29 to 32	Line 33 = Line 14		
G	**In-period ODI revenue adjustments input to PR19 financial model (2017-18 prices)**													
34	ODI in~period revenue adjustment ~ Water resources at 2017~18 FYA CPIH deflated price base	APP27034	£m	3						0.000	Output item from revenue adjustments feeder model.			
35	ODI in~period revenue adjustment ~ Water network plus at 2017~18 FYA CPIH deflated price base	APP27035	£m	3						0.000	Output item from revenue adjustments feeder model.			
36	ODI in~period revenue adjustment ~ Wastewater network plus at 2017~18 FYA CPIH deflated price base	APP27036	£m	3						0.000	Output item from revenue adjustments feeder model.			
37	ODI in~period revenue adjustment ~ Bioresources at 2017~18 FYA CPIH deflated price base	APP27037	£m	3						0.000	Output item from revenue adjustments feeder model.			
38	ODI in~period revenue adjustment ~ Residential retail at 2017~18 FYA CPIH deflated price base	APP27038	£m	3						0.000	Output item from revenue adjustments feeder model.			
39	ODI in~period revenue adjustment ~ Business retail at 2017~18 FYA CPIH deflated price base	APP27039	£m	3						0.000	Output item from revenue adjustments feeder model.			
40	ODI in~period revenue adjustment ~ Total net revenue adjustment at 2017~18 FYA CPIH deflated price base	APP27040	£m	3						0.000	Calculated. Sum of lines 34 to 39			
H	**End of period ODI revenue adjustments input to PR19 financial model (2017-18 prices)**													
41	ODI end of period revenue adjustment ~ Water resources at 2017~18 FYA CPIH deflated price base	APP27041	£m	3						0.000	Output item from revenue adjustments feeder model.			
42	ODI end of period revenue adjustment ~ Water network plus at 2017~18 FYA CPIH deflated price base	APP27042	£m	3						0.000	Output item from revenue adjustments feeder model.			
43	ODI end of period revenue adjustment ~ Wastewater network plus at 2017~18 FYA CPIH deflated price base	APP27043	£m	3						0.000	Output item from revenue adjustments feeder model.			
44	ODI end of period revenue adjustment ~ Bioresources at 2017~18 FYA CPIH deflated price base	APP27044	£m	3						0.000	Output item from revenue adjustments feeder model.			
45	ODI end of period revenue adjustment ~ Residential retail at 2017~18 FYA CPIH deflated price base	APP27045	£m	3						-0.124	Output item from revenue adjustments feeder model.			
46	ODI end of period revenue adjustment ~ Business retail at 2017~18 FYA CPIH deflated price base	APP27046	£m	3						0.000	Output item from revenue adjustments feeder model.			
47	ODI end of period revenue adjustment ~ Total net revenue adjustment at 2017~18 FYA CPIH deflated price base	APP27047	£m	3						-0.124	Calculated. Sum of lines 41 to 46			
I	**End of period ODI RCV adjustments input to PR19 financial model (2017-18 prices)**													
48	ODI end of period RCV adjustment ~ Water resources at 2017~18 FYA CPIH deflated price base	APP27048	£m	3						0.000	Output item from RCV adjustments feeder model.			
49	ODI end of period RCV adjustment ~ Water network plus at 2017~18 FYA CPIH deflated price base	APP27049	£m	3						8.580	Output item from RCV adjustments feeder model.			
50	ODI end of period RCV adjustment ~ Wastewater network plus at 2017~18 FYA CPIH deflated price base	APP27050	£m	3						9.858	Output item from RCV adjustments feeder model.			
51	ODI end of period RCV adjustment ~ Thames Tideway at 2017~18 FYA CPIH deflated price base	APP27051	£m	3							Output item from RCV adjustments feeder model.			
52	ODI end of period RCV adjustment ~ Total net adjustment at 2017~18 FYA CPIH deflated price base	APP27052	£m	3						18.438	Calculated. Sum of lines 48 to 51			

KEY

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App27 guidance

Companies should enter a summary of the financial adjustments arising from the actual and forecast performance levels as calculated under the PR14 reconciliation rulebook methodology.
The table includes both in-period and end-of-period adjustments with a breakdown by PR14 price control element and a breakdown by the proposed allocation to the PR19 price controls. For end-of-period ODIs companies should show how they accrue year by year, where appropriate, and confirm, in the "total to be applied at PR19" column, the adjustments they want to make to the various PR19 price controls.

Blocks A to F are in 2012-13 prices.
Blocks A to C show the total amounts relating to each of the PR14 price control elements (see table App5 column D).
Blocks D to F show the amounts allocated to the PR19 price controls. As set out in chapter 12, we will apply revenue adjustments to the network plus control except where an ODI is wholly aligned to water resources, bioresources or retail. RCV adjustments for water will be applied to the network plus control except where an ODI is wholly aligned to water resources. RCV adjustments for wastewater will be applied in full to wastewater network plus.

The “total to be applied at PR19” column in blocks D to E are inputs to the revenue adjustments feeder model and the “total to be applied at PR19” of block F are inputs to the RCV adjustments feeder model.

Blocks G to I are in 2017-18 prices. These are outputs from the revenue adjustments feeder model and RCV adjustments feeder model.

Block A
In relation to the in-period ODIs for the three companies with in-period ODIs in 2015-20, those three companies should complete the in-period ODI blocks with the actual amounts determined by Ofwat in December 2016 (for 2015-16) and December 2017 (for 2016-17) for each price control. Companies should also include forecasts for 2017-18, 2018-19 and 2019-20. However when completing the “total to be applied at PR19” column companies should be careful to ensure they only enter the amount they want to claim for PR19. We will carry out in-period ODI determinations in December 2018 and December 2020 where some of the forecast ODI payments will be determined.

For all companies we expect Table App27 to be consistent with the information submitted in Tables App5 and App6. If this is not the case a company must provide a full explanation.

App31 - Past performance

Northumbrian Water

Data validation

Line	Line description	Item reference	Units	DPs	2015-16	2016-17	2017-18	2018-19	2019-20	Calculation, copy or download rule	Validation description
	Price base				Not applicable						
A	**Complaints from residential and business customers**										
1	Stage 1 complaints received	BN200	nr	0	6106	5344	3874	3200	3000		
2	Complaints escalated internally to stage 2	SM000035	nr	0	255	161	126	120	110		
3	Complaints referred to CCWater	APP310003	nr	0	407	299	237	188	180		
4	Investigations opened by CCWater	APP310004	nr	0	0	0	0	0	0		
5	Complaints investigated by Ofwat or WATRS	APP310005	nr	0	6	7	8	7	7		
B	**Major incidents**										
6	Total number of major incidents	APP310006	nr	0	0	2	2				
C	**Compliance with Environment Agency/National Resources Wales statutory requirements**										
7	Number of category 1 & 2 serious pollution incidents	QEBS047	nr	0	5	9	2	0	0		
8	Number of category 3 pollution incidents	BC40499	nr	0	151	102	48	81	76		
9	Discharge permit compliance	APP310009	%	1	99.4%	97.8%	96.0%	99.4%	100.0%		
10	Satisfactory sludge use / disposal	APP310010	%	1	100.0%	100.0%	100.0%	100.0%	100.0%		
11	Prosecutions for breach of relevant environmental requirements enforced by EA/NRW	APP310011	nr	0	0	0	0				
12	Enforcement undertakings for breach of relevant environmental requirements from EA/NRW	APP310012	nr	0	0	1	1				
13	Formal cautions for breach of relevant environmental requirements from EA/NRW	APP310013	nr	0	1	0	0				
D	**Compliance with DWI statutory requirements**										
14	Formal cautions for breach of drinking water quality requirements	APP310014	nr	0	0	0	0				
15	Completed prosecutions for breach of drinking water quality requirements	APP310015	nr	0	0	0	0				
E	**Compliance with Ofwat regulatory requirements**										
16	Completed enforcement action taken under the Water Industry Act 1991 and the licence	APP310016	nr	0	0	0	0				
17	Completed enforcement action taken under competition law	APP310017	nr	0	0	0	0				

KEY

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App31 guidance and line definitions

The purpose of this table is to provide information on past performance that is not captured in other data tables associated with the PR14 reconciliations.

Block A covers complaints from residential and business customers and records the number of complaints at each of the key stages in the complaint handling process. Before 1 April 2017 this should include residential and business customer complaints. After 1 April 2017, for companies that have exited the business retail market business customer complaints should be limited to those that relate to wholesaler operations. For non exited companies from 1 April 2017 business customer complaints should be separately identified for those that relate to wholesaler and retailer operations.

Block B records the number of major incidents that the company has dealt with, if any. Companies should provide a brief descripition for each incident in the commentary. The description should include the details of the date, duration, number of customers affected by the disruption to normal business and the lessons learnt as a result of the incident.

Block C covers compliance with statutory requirements around environmental protection enforced by the Environment Agency and Natural Resources Wales. The defintions for these lines are set out in The Environment Agency Environmental Performance Assessment methodology. Category 1, 2 & 3 pollution incidents as related to wastewater assets. If companies prefer to report this information by calendar rather than financial year they are free to do so and populate calendar year 2015 data in the 2015-16 column, 2016 data in 2016-17 and so on. Block C concerns wastewater pollution incidents only. Water only companies are not required to complete block C.

Block D refers to compliance with statutory obligations on drinking water quality enforced by the Drinkng Water Inspectorate.

Block E relates to completed Ofwat enforcement actions.
Completed enforcement action under the Water Industry Act includes:
- Section 18 enforcement orders
- Section 22A financial penalties
- Section 207 successful prosecutions for provision of false information

Completed enforcement action taken under competition law, including:
- Infringement decisions of any competition authority in relation to the Chapter I or II prohibition of the Competition Act 1998 or of Articles 101 or 102 of the Treaty on the Functioning of the European Union
- Successful private actions in any court or tribunal in relation to breach of competition law
- Successful prosecutions of a company director for the cartel offence under section 188 of the Enterprise Act 2002
- Findings of an adverse effect on competition following a market investigation under the Enterprise Act 2002

Line	Definition
Block A	**Complaints from residential and business customers**
1	Total number of written complaints received from household and non household customers. The definition should use the CCWater guidance on complaint handling.
2	Total number of complaints not resolved at stage 1 and escalated internally to stage 2. The definition should use the CCWater guidance on complaint handling.
3	Total number of complaints referred to CCWater, as referenced in CCWater's End of Year Complaints and Enquiries report.
4	Total number of investigations opened by CCWater against companies, as referenced in CCWater's End of Year Complaints and Enquiries report.
5	Total number of customer complaints where a case has been opened and formally investigated by Ofwat or WATRS.
Block B	**Major incidents**
6	Number of major incidents. A major incident is defined as a category 1 event by the EA/NRW or a major water quality event by the DWI.
Block C	**Compliance with Environment Agency/National Resources Wales statutory requirements**
7	Total number of category 1 & 2 pollution incidents defined by EA/NRW as follows - The total number of serious pollution incidents (categories 1 and 2) in a calendar year which overlaps with the greater part of the report year, emanating from a discharge or escape of a contaminant from a company sewerage asset affecting the water environment. This does not include incidents impacting on air or land. Incidents affecting amenity of the water environment, e.g. Bathing Waters, are included. This does not include pollution incidents from transferred/adopted private pumping stations or transferred/adopted private rising mains (transferred in 2016). Pollution incidents attributed to the clean water distribution system and water treatment works are not included in this serious pollution incidents sewerage definition. Assets included in the sewerage service are: - sewage treatment works; - foul sewers, including private sewers transferred to the water companies in Oct 2011 (used in the EPA from 1 Jan 2016); - combined sewer overflows; - rising mains; - pumping stations; - storm tanks; - surface water outfalls; - other. This is not an exhaustive list. The 'other' category is an optional categorisation used in the Environment Agency National Incident Recording System (NIRS) database for recording incidents where the incident source does not fit in any of the other categories. It is generally used very infrequently but is used occasionally.
8	Total number of category 3 pollution incidents defined by EA/NRW as follows - The total number of pollution incidents (category 3) in a calendar year which overlaps with the greater part of the report year, emanating from a discharge or escape of a contaminant from a company sewerage asset affecting the water environment. This does not include incidents impacting on air or land. Incidents affecting amenity of the water environment, e.g. Bathing Waters, are included. This does not include pollution incidents from transferred/adopted private pumping stations or transferred/adopted private rising mains (transferred in 2016). Pollution incidents attributed to the clean water distribution system and water treatment works are not included in this serious pollution incidents sewerage definition. Assets included in the sewerage service are: - sewage treatment works; - foul sewers, including private sewers transferred to the water companies in Oct 2011 (used in the EPA from 1 Jan 2016); - combined sewer overflows; - rising mains; - pumping stations; - storm tanks; - surface water outfalls; - other. This is not an exhaustive list. The 'other' category is an optional categorisation used in the Environment Agency National Incident Recording System (NIRS) database for recording incidents where the incident source does not fit in any of the other categories. It is generally used very infrequently but is used occasionally.
9	The definition for Discharge Permit Compliance is set out in section 2.3 of the Environment Agency's Water & Sewerage Company Environmental Performance Assessment (EPA) Methodology (version 3), November 2017. Note that the data to be reported relates to compliance with certain numeric consent conditions (specified in the EA's Methodology) at both sewage treatment works and water treatment works in the calendar year which overlaps with the greater part of the report year.
10	For 2017-18 and prior years: Percentage of overall tds production which is determined as satisfactory by the company, but which, as a minimum, is compliant with the Safe Sludge Matrix and with any legal obligations, including the Urban Waste Water Treatment Directive, the Sludge (Use in Agriculture) Regulations and the Environmental Permitting (England and Wales) Regulations 2010. For 2018-19 onwards: Percentage of overall tds production utilised in a compliant manner in the calendar year which overlaps with the greater part of the report year. "Compliant" should be interpreted as compliant with the Sludge (Use in Agriculture) Regulations, the EPR Regulations in so far as they apply to the recycling &/or disposal of sewage sludge containing products and residual wastes, and with the Safe Sludge Matrix.
11	The definition for prosections is set out in the Environment Agency's enforcement and sanctions policy (ESP). Include only completed prosecutions, not the ongoing cases.
12	The definition for enforcement undertakings is set out in the Environment Agency's enforcement and sanctions policy (ESP). Only include undertakings accepted by the EA/NRW and not those that have been submitted and are awaiting decision or those that have been rejected.
13	The definition of formal cautions is set out in the Environment Agency's enforcement and sanctions policy (ESP).
Block D	**Compliance with DWI statutory requirements**
14	Number of cautions related to water quality incidents as defined by DWI.
15	Number of successful prosecutions for water quality incidents.
Block E	**Compliance with Ofwat regulatory requirements**
16	Total should include section 18 enforcement orders, section 19 undertakings, section 22A financial penalties and section 207 successful prosecutions for false information.
17	Total should include • Infringement decisions of any competition authority in relation to the Chapter I or II prohibition of the Competition Act 1998 or of Articles 81 or 82 of the Treaty on the Functioning of the European Union • Successful private actions in any court or tribunal in relation to breach of competition law • Prosecution of a company director for the cartel offence under section 188 of the Enterprise Act 2002 • Findings of an adverse effect on competition following a market investigation under the Enterprise Act 2002 • Undertakings in lieu of a market investigation reference under the Enterprise Act 2002

WS13 - PR14 wholesale revenue forecast incentive mechanism for the water service

Northumbrian Water

Data validation

Line	Line description	Item reference	Units	DPs	Price base	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2015-20	Calculation, copy or download rule	Validation description	Completion
A	**Company details for WRFIM model**														
1	Company name		text	-								NES	Prepopulated cell		
2	Company type	BF200	Nr	0								2	Prepopulated cell. Key: 1=WoC, 2=WaSC		
3	Company has accepted WRFIM licence modification	WS13003	Boolean	0								TRUE	True/False		
B	**WRFIM model parameters**														
4	Penalty rate scaling minimum threshold (+/-)	WS13004	%	2	-							2.00%	PR14 reconciliation rulebook specifies value. Generic		
5	Penalty rate scaling maximum threshold (+/-)	WS13005	%	2	-							3.00%	PR14 reconciliation rulebook specifies value. Generic		
6	Penalty rate (+/-)	WS13006	%	2	-							3.00%	PR14 reconciliation rulebook specifies value. Generic		
7	Specified discount rate	WS13007	%	2	-							0.00%	FD14 data pre-populated cell		
8	Threshold for additional variance analyses (+/-)	WS13008	%	2	-							6.00%	PR14 reconciliation rulebook specifies value. Generic		
C	**Allowed revenue**														
9	Allowed revenue - water	WS13009	£m	3	Outturn (nominal)	405.534							FD14 data pre-populated cells.		
10	Actual RPI: November index year on year change	APP23001_CPY	%	2	-		1.98%	1.05%	2.19%	3.88%	3.01%		Copied from table App23 line 30.		
11	K ~ water	WS13011	nr	2	-		0.00	0.84	0.35	0.06	0.06		Extracted from FD14 and calculated to convert from % to nr format		
12	Total revenue forecast ~ water	WS13012	£m	3	Outturn (nominal)	405.534	413.577	421.394	432.115	449.138	462.924		Calculated		
D	**AMP5 RCM blind year adjustment**														
13	RCM blind year 14/15 adjustment for implementing via WRFIM ~ water	C00052_L021	£m	3	2012-13 FYA	-5.384							Final 2010-15 reconciliation data pre-populated cell		
14	Percentage of RCM adjustment by year ~ water	WS13014	%	2	-				0.00%	0.00%	0.00%		Final 2010-15 reconciliation implemented in 2017-18 charges pre-populated cell	All values must be >=0; sum of values must be <=1.	
E	**Revenue recovered**														
15	Water: Unmeasured ~ household	CR581	£m	3	Outturn (nominal)		196.966	195.478	194.566	192.754	192.901		APR (table 2I) reported actual data pre-populated cells		
16	Water: Unmeasured ~ non-household	CR583	£m	3	Outturn (nominal)		2.439	1.207	1.552	1.521	1.491		APR (table 2I) reported actual data pre-populated cells		
17	Water: Measured ~ household	CR582	£m	3	Outturn (nominal)		117.744	123.081	133.736	142.429	152.399		APR (table 2I) reported actual data pre-populated cells		
18	Water: Measured ~ non-household	CR584	£m	3	Outturn (nominal)		82.827	87.521	85.589	88.157	90.801		APR (table 2I) reported actual data pre-populated cells		
19	Water: Third party revenue ~ household	W9008HH	£m	3	Outturn (nominal)		0.000	0.000	0.000	0.000	0.000		APR (table 2I) reported actual data pre-populated cells		
20	Water: Third party revenue ~ non-household	W9008NHH	£m	3	Outturn (nominal)		6.840	6.620	7.143	7.357	7.578		APR (table 2I) reported actual data pre-populated cells		
21	Water: Revenue collected from household and non-household	BR589	£m	3	Outturn (nominal)		406.816	413.907	422.586	432.218	445.170		Sum lines 15 to 20		
22	Water: Grants and contributions	BC11274IN	£m	3	Outturn (nominal)		11.693	13.685	12.470	9.858	8.056		APR (table 2I) reported actual data pre-populated cells		
23	Water: Revenue recovered	W9014	£m	3	Outturn (nominal)		418.509	427.592	435.056	442.076	453.226		Sum lines 21 and 22		
F	**Variance analysis of grants and contributions**														
24	Water: Capital contributions from connection charges and revenue from infrastructure charges (PR14 FD)	C_ES_000660_A001	£m	3	2012-13 prices		8.056	8.056	8.056	8.056	8.056		FD14 data pre-populated cells		
25	Water: Grants and contributions	BC11274_CPY	£m	3	Outturn (nominal)		11.693	13.685	12.470	9.858	8.056		Copy line 22		
26	Water: Grants and contributions variance	WS13028	£m	3	Outturn (nominal)		3.151	4.960	3.419	0.527	-1.554		Difference line 25 - line 24. Line 24 adjusted to outturn prices using data in App23		
G	**Penalties**														
27	Main revenue adjustment as incurred ~ water	WS13023	£m	3	Outturn (nominal)				-5.466	-7.061	-9.655		PR14 reconciliation WRFIM model row 41 on calc sheet.		
28	Penalty adjustment as incurred ~ water	WS13024	£m	3	Outturn (nominal)				0.000	0.000	0.000		PR14 reconciliation WRFIM model row 51 on calc sheet.		
29	WRFIM adjustment as incurred ~ water	WS13025	£m	3	Outturn (nominal)				-5.466	-7.061	-9.655		PR14 reconciliation WRFIM model row 56 on calc sheet.		
30	WRFIM Total reward / (penalty) at the end of AMP6 ~ water	WS13026	£m	3	Outturn (nominal)						0.001		PR14 reconciliation WRFIM model output item row 73 on calc sheet.		
31	WRFIM Total reward / (penalty) at the end of AMP6 ~ water network plus	WS13027	£m	3	2017-18 FYA (CPIH deflated)						0.001		Output item from revenue adjustments model.		

KEY

🟨	Input
🟪	Copy
🟦	Calculation
🟩	Pre populated

WS13 guidance and line definitions

This table contains the water service inputs used for populating the WRFIM model and the penalties arising as calculated by the WFRIM model. The WRFIM model calculates in outturn prices and is converted to 2017-18 prices in the revenue adjustments model.
We expect companies to publish their populated WRFIM models with associated explanation with the regulatory accounts reporting in July 2018.

Line	Definition
Block A	**Company details for WRFIM model**
1-3	Company details for WRFIM model
Block B	**WRFIM model parameters**
4-8	WRFIM model parameters as defined in the PR14 reconciliation rulebook.
Block C	**Allowed revenue**
9	2014-15 allowed revenue from company final determination letter, as adjusted for ODIs or IDoK in accordance with the licence.
10	Year on year increase in November RPI for the November prior to the start of the financial year
11	Annual K factor from the PR14 final determination, as adjusted for in-period ODIs or interim determination of K in accordance with the licence.
12	Total revenue forecasted in PR14. Calculated as 2014-15 allowed revenue (WS13 line 9) compounded by RPI (WS13 line 10) and K (WS13 line 11).
Block D	**AMP5 RCM blind year adjustment**
13	Revenue Correction Mechanism (RCM) 2014-15 blind year adjustment implemented via WRFIM. As published in December 2016.
14	Profile for applying the RCM adjustment. This should be in accordance with the choice made (as published) in December 2016.
Block E	**Revenue recovered**
15-20	Actual revenue recovered from metered and unmetered customers' water charges, household and non-household over the 2015-2020 price review period. Annual wholesale water charge revenue as reported in company's regulatory reporting 2I.
21	Calculated. Sum of WS13 lines 15 to 20.
22	Actual water grants and contributions revenue recovered. As defined in the RAGs for 2017-18 2I, total of price control grants and contributions irrespective of accounting treatment. We raised several queries on grants and contributions reporting in the 2016 APR or 2017 APR. As a result of these queries, if a company is aware that previous years data has not been correctly reported, they should restate the figures in the pre-populated cells using the definition in the RAGs for 2017-18 reporting.
23	Calculated. Sum of WS13 lines 21 and 22.
Block F	**Variance analysis of grants and contributions**
24	Total grants and contributions that are included in the allowed water revenue totals.
25	Relevant water capital contributions from connection charges and revenue from infrastructure charges, defined in the final determination as covered by the price control. As defined in RAG 4.07 2I.
26	Difference in outturn prices between line 24 and line 25 for water grants and contributions. Line 24 is adjusted to outturn prices using data in App23.
Block G	**Penalties**
27	Main revenue adjustment as incurred. These values are calculated in the PR14 reconciliation WRFIM model on 'WRFIM - Water' sheet in row 41. The values are in outturn prices.
28	Penalty adjustment as incurred. These values are calculated in the PR14 reconciliation WRFIM model on 'WRFIM - Water' sheet in row 51. The values are in outturn prices.
29	WRFIM adjustment as incurred. These values are calculated in the PR14 reconciliation WRFIM model on 'WRFIM - Water' sheet in row 56. The values are in outturn prices.
30	WRFIM Total reward / (penalty) at the end of AMP6. These values are calculated in the PR14 reconciliation WRFIM model on 'WRFIM - Water' sheet in row 73. The values are in outturn prices.
31	WRFIM Total reward / (penalty) at the end of AMP6 expressed in 2017-18 FYA (CPIH deflated) prices. This is an output item from the revenue adjustments feeder model. The value entered is prior to profiling.

WS15 - PR14 wholesale total expenditure outperformance sharing for the water service

Northumbrian Water

Data validation

Line	Line description	Item reference	Units	DPs	Price base	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2015-20	Calculation, copy or download rule	Validation description
A	**Company details**													
1	Company type	BF200	Nr	0								2	Pre-populate cell. Key: 1=WoC, 2=WaSC	
2	Is company enhanced?	WS15001	text	0								No	FD14 data pre-populated cell	Yes or No
3	Financing rate	WS15003	%	2								3.60%	FD14 data pre-populated cell	
B	**Menu choices**													
4	Water: Implied menu choice	C00729_W004	Nr	1	0		`					98.3	FD14 data pre-populated cell	
5	Water: FD pension deficit recovery costs allowance	C00558	£m	3	2012-13 FYA (RPI)		3.565	3.565	3.565	3.565	3.565		FD14 data pre-populated cells	
6	Water: Final menu choice	WS15006	nr	1	-							94.0	FD14 data pre-populated cell	
C	**TOTEX**													
7	Water: Baseline Totex	C00007_W011	£m	3	2012-13 FYA (RPI)		258.823	273.258	282.581	253.751	239.312		FD14 data pre-populated cells	
8	Water: FD allowed totex inclusive of menu cost exclusions, less PDRC allowance	C00772_A001	£m	3	2012-13 FYA (RPI)		263.402	277.608	286.897	258.207	243.830		FD14 data pre-populated cells	
9	Water: Actual Totex	W3026MTIN	£m	3	Outturn (nominal)		282.322	277.320	344.341	352.323	357.893		APR data pre-populated	
D	**Adjustments to TOTEX**													
10	Water: Third party services (opex)	BM323TASIN	£m	3	Outturn (nominal)		13.819	7.094	8.132	8.376	8.627		APR data pre-populated	
11	Water: Third party services (capex)	BM333TASIN	£m	3	Outturn (nominal)		0.000	0.000	0.000	0.000	0.000		APR data pre-populated	
12	Water: Pension deficit recovery costs	CRW003	£m	3	Outturn (nominal)		5.582	5.797	6.213	6.403	6.595		APR data pre-populated	
13	Water: Other cash items	CR00561TOT	£m	3	Outturn (nominal)		0.000	0.000	0.000	0.000	0.000			
14	Water: Disallowables	WS15014	£m	3	Outturn (nominal)		0.223	0.367	0.288	0.326	0.326			
15	Water: Transition expenditure	BP767NTIN	£m	3	2012-13 FYA (RPI)	0.000							Final 2010-15 reconciliation data pre-populated	
E	**PAYG**													
16	Water: PAYG ratio	C00766_A001	%	2	-		61.53%	67.62%	66.77%	74.14%	78.74%		FD14 PAYG ratio. Pre-populate cells	
F	**Business rates IDoK**													
17	Company specific water business rate sharing rate	WS15017	%	2	-							0.00%		
18	Menu Cost Sharing Rate	WS15018	nr	2	-							0.50	PR14 reconciliation rulebook specified value. Generic	
19	Menu Choice Expenditure Factor	WS15019	%	2	-							100.00%	PR14 reconciliation rulebook specified value. Generic	
20	Water business rate constant 2017, 2018, 2019	WS15020	nr	3	2012-13 FYA (RPI)				0.000	0.000	0.000			
21	Water business rate constant 2017, 2018, 2019	WS15021	nr	3	Outturn				0.000	0.000	0.000		Calculated. Line 20 inflated from 2012-13 FYA RPI prices to year FYA RPI prices	
22	Applicable Water Business Rate Costs	WS15022	nr	3	Outturn				0.000	0.000	0.000			
23	Water: IDoK Business rates adjustment	WS15023	nr	3	Outturn				0.000	0.000	0.000			
G	**Totex menu adjustments**													
24	Water: revenue adjustment from totex menu model	WS15024	£m	3	2012-13 FYA (RPI)						6.777		Output item from totex menu model	
25	Water: RCV adjustment from totex menu model	WS15025	£m	3	2012-13 FYA (RPI)						17.988		Output item from totex menu model	
26	Water: Totex menu revenue adjustment at 2017-18 FYA CPIH deflated price base	WS15026	£m	3	2017-18 FYA (CPIH deflated)						7.796		Output item from revenue adjustments model.	
27	Water: Totex menu RCV adjustment at 2017-18 FYA CPIH deflated price base	WS15027	£m	3	2017-18 FYA (CPIH deflated)						20.693		Output item from RCV adjustments model.	

KEY

🟨	Input
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🟦	Calculation
🟩	Pre populated

WS15 guidance and line definitions

This table contains the water service inputs used for populating the totex menu model and the total reward / (penalty) arising as calculated by the totex menu model. The totex menu model calculates in 2012-13 prices and the adjustments are converted to 2017-18 prices in the revenue adjustments model and the RCV adjustments model.
We expect companies to publish their populated totex menu models with associated explanation with the regulatory accounts reporting in July 2018.

Line	Definition
Block A	**Company details**
1	Company type is either WaSC or WoC.
2	Enhanced or Non-enhanced status in PR14.
3	Financing rate. The PR14 final determination weighted average cost of capital.
Block B	**Menu choices**
4	The implied menu choice number for water from PR14 final determination company specific appendix.
5	The final determinations pension deficit recovery costs allowance for water from PR14 final determination – company specific appendix.
6	The submitted final menu choice for water from Menu choice confirmation letter 16th January 2015.
Block C	**TOTEX**
7	Ofwat's view of the menu cost baseline at final determinations from PR14 populated final determination menu model.
8	The allowed expenditure in final determinations for input to PAYG from PR14 populated final determination menu model.
9	Reported actual totex for water from annual regulatory reporting.
Block D	**Adjustments to TOTEX**
10-14	Totex exclusions. Actual totex line items to be excluded in menu totex: third party costs, pension deficit recovery costs, other cash items, disallowables as set out in the PR14 reconciliation rulebook guidance.
15	Totex inclusions – Transition expenditure in 2014-15 (confirmed in final 2010-15 reconciliation decision document).
Block E	**PAYG**
16	The profile of PAYG ratio allowed in final determinations from PR14 final determination – company specific appendix.
Block F	**Business rates IDoK**
17-23	Business rates IDoK. Mechanism to account for the notified item on business rates. Only activated if after successful IDoK. See Annex of company FD letters and section 5.1 of this report for further details.
Block G	**Totex menu adjustments**
24	Output item from totex menu model as appears on the Totex menu adjustments sheet.
25	Output item from totex menu model as appears on the Totex menu adjustments sheet.
26	Output item from revenue adjustments model. Totex menu revenue adjustment - Water network at 2017-18 FYA CPIH deflated price base. The value entered is prior to profiling.
27	Output item from RCV adjustments model. Water: Totex menu RCV adjustment at 2017-18 FYA CPIH deflated price base.

WS17 - PR14 water trading incentive reconciliation

Northumbrian Water

Data validation

Line	Line description	Item reference	Units	DPs	Price base	2015-20	Calculation, copy or download rule	Validation description
A	**General parameters**							
1	Does the company have an Ofwat-approved trading and procurement code?	WS17001	Boolean	0	-	TRUE		True/false
B	**Time value of money adjustment for export incentive**							
2	Real cost of capital	WS17023	%	2	-	3.60%	FD14 data pre-populated cell	
3	Year for discounting purposes	WS17003	nr	0	-		Generic	
C	**New export 1**							
4	Name/reference of export trade	WS17NE1004	Text	0	-	NESBWE14		
5	Has the company produced a report to evidence that this is a new export and complies with its Ofwat-approved trading and procurement code?	WS17NE1005	Boolean	0	-	TRUE		True/false
6	Proportion of the incentive allocated to the water resources control	WS17NE1006	%	2	-	100.00%		Allocation between water resource and network plus should add up to 100%
7	Proportion of the incentive allocated to the network plus water control	WS17NE1007	%	2	-	0.00%		Allocation between water resource and network plus should add up to 100%
8	Forecast revenue from export 1	WS17NE1008	£m	3	2012-13 FYA (RPI)			We expect forecast revenue to be a positive number
9	Forecast cost (inclusive of return on capital) of export 1	WS17NE1009	£m	3	2012-13 FYA (RPI)			Forecast cost is expected to be less than forecast revenue
10	Net revenue/(cost) for export 1	WS17NE1010	£m	3	2012-13 FYA (RPI)			
11	First year to include in cap calculation	WS17NE1011	year	0	-	2016	Generic	
12	Last year to include in cap calculation	WS17NE1012	year	0	-	2020	Generic	
D	**New export 2**							
13	Name/reference of export trade	WS17NE2004	Text	0	-			
14	Has the company produced a report to evidence that this is a new export and complies with its Ofwat-approved trading and procurement code?	WS17NE2005	Boolean	0	-			True/false
15	Proportion of the incentive allocated to the water resources control	WS17NE2006	%	2	-			Allocation between water resource and network plus should add up to 100%
16	Proportion of the incentive allocated to the network plus water control	WS17NE2007	%	2	-			Allocation between water resource and network plus should add up to 100%
17	Forecast revenue from export 2	WS17NE2008	£m	3	2012-13 FYA (RPI)			We expect forecast revenue to be a positive number
18	Forecast cost (inclusive of return on capital) of export 2	WS17NE2009	£m	3	2012-13 FYA (RPI)			Forecast cost is expected to be less than forecast revenue
19	Net revenue/(cost) for export 2	WS17NE2010	£m	3	2012-13 FYA (RPI)			
20	First year to include in cap calculation	WS17NE2011	year	0	-	2016	Generic	
21	Last year to include in cap calculation	WS17NE2012	year	0	-	2020	Generic	
E	**New export 3**							
22	Name/reference of export trade	WS17NE3004	Text	0	-			
23	Has the company produced a report to evidence that this is a new export and complies with its Ofwat-approved trading and procurement code?	WS17NE3005	Boolean	0	-			True/false
24	Proportion of the incentive allocated to the water resources control	WS17NE3006	%	2	-			Allocation between water resource and network plus should add up to 100%
25	Proportion of the incentive allocated to the network plus water control	WS17NE3007	%	2	-			Allocation between water resource and network plus should add up to 100%
26	Forecast revenue from export 3	WS17NE3008	£m	3	2012-13 FYA (RPI)			We expect forecast revenue to be a positive number
27	Forecast cost (inclusive of return on capital) of export 3	WS17NE3009	£m	3	2012-13 FYA (RPI)			Forecast cost is expected to be less than forecast revenue
28	Net revenue/(cost) for export 3	WS17NE3010	£m	3	2012-13 FYA (RPI)			
29	First year to include in cap calculation	WS17NE3011	year	0	-	2016	PR14 reconciliation rulebook states rate. Generic	
30	Last year to include in cap calculation	WS17NE3012	year	0	-	2020	PR14 reconciliation rulebook states rate. Generic	
F	**Total value of export incentive**							
31	Total value of export incentive to be paid to water resources at PR19	WS17013	£m	3	2012-13 FYA (RPI)		Output item from water trading incentive reconciliation model	We expect forecast revenue to be a positive number
32	Total value of export incentive to be paid to water network plus at PR19	WS17014	£m	3	2012-13 FYA (RPI)		Output item from water trading incentive reconciliation model	We expect forecast revenue to be a positive number
33	Total value of export incentive to be paid after PR19	WS17015	£m	3	2012-13 FYA (RPI)		Output item from water trading incentive reconciliation model	We expect forecast revenue to be a positive number
G	**Time value of money adjustment for import incentive**							
34	Real cost of capital	WS17002_CPY	%	2	-	3.60%	Copy line 2	
35	Years for time value of money calculation	WS17016	nr	0	-		Generic	
H	**New import 1**							
36	Name/reference of import trade	WS17NI1017	Text	0	-			
37	Has the company provided evidence that this is a new import and complies with its Ofwat-approved trading and procurement code?	WS17NI1018	Boolean	0	-			True/false
38	Cost of water imported under new import 1	WS17NI1019	£m	3	2012-13 FYA (RPI)	0.000		
39	Proportion of the incentive allocated to the water resources control	WS17NI1020	%	2	-			
40	Proportion of the incentive allocated to the network plus water control	WS17NI1021	%	2	-			
I	**New import 2**							
41	Name/reference of import trade	WS17NI2017	Text	0	-			
42	Has the company provided evidence that this is a new import and complies with its Ofwat-approved trading and procurement code?	WS17NI2018	Boolean	0	-			True/false
43	Cost of water imported under new import 2	WS17NI2019	£m	3	2012-13 FYA (RPI)	0.000		
44	Proportion of the incentive allocated to the water resources control	WS17NI2020	%	2	-			
45	Proportion of the incentive allocated to the network plus water control	WS17NI2021	%	2	-			
J	**New import 3**							
46	Name/reference of import trade	WS17NI3017	Text	0	-			
47	Has the company provided evidence that this is a new import and complies with its Ofwat-approved trading and procurement code?	WS17NI3018	Boolean	0	-			True/false
48	Cost of water imported under new import 3	WS17NI3019	£m	3	2012-13 FYA (RPI)	0.000		
49	Proportion of the incentive allocated to the water resources control	WS17NI3020	%	2	-			
50	Proportion of the incentive allocated to the network plus water control	WS17NI3021	%	2	-			
K	**Application of import incentive cap**							
51	Import incentive rate (%)	WS17022	%	1	-		PR14 reconciliation rulebook states rate. Generic	
52	Company's water activity turnover	C_ES_000670_A001	£m	3	2012-13 FYA (RPI)		FD14 data pre-populated cell	
53	Cap rate (%)	WS17024	%	1	-		PR14 reconciliation rulebook states cap. Generic	
L	**Total value of import incentive**							
54	Total value of import incentive - water resources	WS17025	£m	3	2012-13 FYA (RPI)		Output item from water trading incentive reconciliation model	We expect forecast revenue to be a positive number
55	Total value of import incentive - water network plus	WS17026	£m	3	2012-13 FYA (RPI)		Output item from water trading incentive reconciliation model	We expect forecast revenue to be a positive number
M	**Total value of export and import incentives in 2017-18 prices**							
56	Total value of export incentive - water resources at 2017-18 FYA CPIH deflated price base	WS17027	£m	3	2017-18 FYA (CPIH deflated)		Output item from revenue adjustments feeder model	We expect forecast revenue to be a positive number
57	Total value of export incentive - water network plus at 2017-18 FYA CPIH deflated price base	WS17028	£m	3	2017-18 FYA (CPIH deflated)		Output item from revenue adjustments feeder model	We expect forecast revenue to be a positive number
58	Total value of export incentive to be paid after PR19 at 2017-18 FYA CPIH deflated price base	WS17029	£m	3	2017-18 FYA (CPIH deflated)		Output item from revenue adjustments feeder model	We expect forecast revenue to be a positive number
59	Total value of import incentive - water resources at 2017-18 FYA CPIH deflated price base	WS17030	£m	3	2017-18 FYA (CPIH deflated)		Output item from revenue adjustments feeder model	We expect forecast revenue to be a positive number
60	Total value of import incentive - water network plus at 2017-18 FYA CPIH deflated price base	WS17031	£m	3	2017-18 FYA (CPIH deflated)		Output item from revenue adjustments feeder model	We expect forecast revenue to be a positive number

Line	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41
3	-1	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
8		1.302	1.206	1.455	1.468	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	0.000	0.000	0.000	0.000	0.000	0.000
9		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
10		1.302	1.206	1.455	1.468	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	0.000	0.000	0.000	0.000	0.000	0.000
17																											
18																											
19		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
26																											
27																											
28		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
31						6.161																					
32						0.000																					
33						2.747																					
35		5	4	3	2	1																					
38																											
43																											
48																											
51		5.0%	5.0%	5.0%	5.0%	5.0%																					
52		384.374	385.329	386.288	387.245	388.208																					
53		0.1%	0.1%	0.1%	0.1%	0.1%																					
54						0.000																					
55						0.000																					
56						7.088																					
57						0.000																					
58						3.160																					
59						0.000																					
60						0.000																					

KEY

🟨 Input
🟪 Copy
🟦 Calculation
🟩 Pre populated

WS17 guidance and line definitions

This table contains the inputs used for populating the water trading incentives reconciliation model to calculate incentive payments due at PR19 and to be paid after PR19 The water trading incentives reconciliation model calculates in 2012-13 prices, with indexation for inflation and tax treatment dealt with in the financial model.
We expect companies to supply populated models and accompanying reports on compliance with trading and procurement codes in September 2018.

Line	Definition
Block A	**General parameters**
1	Does the company have an Ofwat-approved trading and procurement code? True/false flag.
Block B	**Time value of money adjustment for export incentive**
2	Real cost of capital. Company specific wholesale cost of capital from PR14 final determination.
3	Years for calculating time value of money of exports. Generic value specified by Ofwat.
Block C	**New export 1**
4	Name/reference of export trade.
5	Has the company produced a report to evidence that this is a new export and complies with its Ofwat-approved trading and procurement code? True/False flag.
6	Proportion of the incentive allocated to the water resources control
7	Proportion of the incentive allocated to the network plus water control
8	Forecast of expected revenue from the export 1.
9	Forecast of cost of export 1, inclusive of cost of capital.
10	Calculated. Difference between forecast revenue and forecast cost of export 1.
11	First year to include in cap calculation for export profits Financial year of first year used in cap calculation. Generic value specified by Ofwat.
12	Last year to include in cap calculation for export profits Financial year of last year used in cap calculation. Generic value specified by Ofwat.
Block D	**New export 2**
13	Name/reference of export trade.
14	Has the company produced a report to evidence that this is a new export and complies with its Ofwat-approved trading and procurement code? True/False flag.
15	Proportion of the incentive allocated to the water resources control
16	Proportion of the incentive allocated to the network plus water control
17	Forecast of expected revenue from the export 1.
18	Forecast of cost of export 1, inclusive of cost of capital.
19	Calculated. Difference between forecast revenue and forecast cost of export 1.
20	First year to include in cap calculation for export profits Financial year of first year used in cap calculation. Generic value specified by Ofwat.
21	Last year to include in cap calculation for export profits Financial year of last year used in cap calculation. Generic value specified by Ofwat.
Block E	**New export 3**
22	Name/reference of export trade.
23	Has the company produced a report to evidence that this is a new export and complies with its Ofwat-approved trading and procurement code? True/False flag.
24	Proportion of the incentive allocated to the water resources control
25	Proportion of the incentive allocated to the network plus water control
26	Forecast of expected revenue from the export 1.
27	Forecast of cost of export 1, inclusive of cost of capital.
28	Calculated. Difference between forecast revenue and forecast cost of export 1.
29	First year to include in cap calculation for export profits Financial year of first year used in cap calculation. Generic value specified by Ofwat.
30	Last year to include in cap calculation for export profits Financial year of last year used in cap calculation. Generic value specified by Ofwat.
Block F	**Total value of export incentive**
31	Total value of export incentive to be paid to water resources at PR19. Output from water trading reconciliation model.
32	Total value of export incentive to be paid to network plus water at PR19. Output from water trading reconciliation model.
33	Total value of export incentive to be paid after PR19. Output from water trading reconciliation model.
Block G	**Time value of money adjustment for import incentive**
34	Real cost of capital. Company specific wholesale cost of capital from PR14 final determination.
35	Years for calculating time value of money of imports. Generic value specified by Ofwat.
Block H	**New import 1**
36	Name/reference of import trade.
37	Has the company provided evidence that this is a new import and complies with its Ofwat-approved trading and procurement code? True/False flag.
38	Forecast of cost of water under the new import 1.
39	Proportion of the incentive allocated to the water resources control
40	Proportion of the incentive allocated to the network plus water control
Block I	**New import 2**
41	Name/reference of import trade.
42	Has the company provided evidence that this is a new import and complies with its Ofwat-approved trading and procurement code? True/False flag.
43	Forecast of cost of water under the new import 1.
44	Proportion of the incentive allocated to the water resources control
45	Proportion of the incentive allocated to the network plus water control
Block J	**New import 3**
46	Name/reference of import trade.
47	Has the company provided evidence that this is a new import and complies with its Ofwat-approved trading and procurement code? True/False flag.
48	Forecast of cost of water under the new import 3.
49	Proportion of the incentive allocated to the water resources control
50	Proportion of the incentive allocated to the network plus water control
Block K	**Application of import incentive cap**
51	Import incentive rate (%) applied to cost of imported water. Supplied by Ofwat.
52	Company's wholesale water turnover for each financial year in 2012-13 prices.
53	Cap rate (%) for cap on incentive payments as a proportion of company's water activity turnover.
Block L	**Total value of import incentive**
54	Total value of import incentive - water resources. Output from water trading incentive reconciliation model.
55	Total value of import incentive - water network plus. Output from revenue adjustments model.
Block M	**Total value of export and import incentives in 2017-18 prices**
56	Total value of export incentive - water resources at 2017-18 FYA CPIH deflated price base. Output item from revenue adjustments feeder model.
57	Total value of export incentive - water network plus at 2017-18 FYA CPIH deflated price base. Output item from revenue adjustments feeder model.
58	Total value of export incentive to be paid after PR19 at 2017-18 FYA CPIH deflated price base. Output item from revenue adjustments feeder model.
59	Total value of import incentive - water resources at 2017-18 FYA CPIH deflated price base. Output item from revenue adjustments feeder model.
60	Total value of import incentive - water network plus at 2017-18 FYA CPIH deflated price base. Output item from revenue adjustments feeder model.

WWS13 - PR14 wholesale revenue forecast incentive mechanism for the wastewater service

Northumbrian Water

Data validation

	Line description	Item reference	Units	DPs	Price base	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2015-20	Calculation, copy or download rule	Validation description
A	**Company details for WRFIM model**													
1	Company name	SYS01	text	0								NES	Prepopulated cell	
2	Company type	BF200	Nr	0								2	Prepopulated cell. Key: 1=WoC, 2=WaSC	
3	Company has accepted WRFIM licence modification	WWS13003	Boolean	0								TRUE	True/False	
B	**WRFIM model parameters**													
4	Penalty rate scaling minimum threshold (+/-)	WWS13004	%	2	-							2.00%	PR14 reconciliation rulebook specifies value. Generic	
5	Penalty rate scaling maximum threshold (+/-)	WWS13005	%	2	-							3.00%	PR14 reconciliation rulebook specifies value. Generic	
6	Penalty rate (+/-)	WWS13006	%	2	-							3.00%	PR14 reconciliation rulebook specifies value. Generic	
7	Specified discount rate	WWS13007	%	2	-							0.00%	FD14 data pre-populated cell	
8	Threshold for additional variance analyses (+/-)	WWS13008	%	2	-							6.00%	PR14 reconciliation rulebook specifies value. Generic	
C	**Allowed revenue**													
9	Allowed revenue - wastewater	WWS13009	£m	3	Outturn (nominal)	289.036							FD14 data pre-populated cells.	
10	Actual RPI: November index year on year change	APP23001_CPY	%	2	-		1.98%	1.05%	2.19%	3.88%	3.01%		Copied from table App23 line 30.	
11	K ~ wastewater	WWS13011	nr	2	-		0.00	0.89	0.40	0.11	0.11		Extracted from FD14 and calculated to convert from % to nr format	
12	Total revenue forecast ~ wastewater	WWS13012	£m	3	Outturn (nominal)	289.036	294.769	300.488	308.282	320.581	330.581		Calculated	
D	**AMP5 RCM blind year adjustment**													
13	RCM blind year 14/15 adjustment for implementing via WRFIM ~ wastewater	C00053_L021	£m	3	2012-13 prices	-2.198							Final 2010-15 reconciliation data pre-populated cell	
14	Percentage of RCM adjustment by year ~ wastewater	WWS13014	%	2	-				0.00%	0.00%	0.00%		Final 2010-15 reconciliation implemented in 2017-18 charges pre-populated cell	All values must be >=0; sum of values must be <=1.
E	**Revenue recovered**													
15	Wastewater: Unmeasured ~ household	CR881	£m	3	Outturn (nominal)		152.714	152.601	155.817	159.437	159.648		APR (table 2I) reported actual data pre-populated cells	
16	Wastewater: Unmeasured ~ non-household	CR883	£m	3	Outturn (nominal)		4.120	3.494	4.238	4.196	4.154		APR (table 2I) reported actual data pre-populated cells	
17	Wastewater: Measured ~ household	CR882	£m	3	Outturn (nominal)		58.401	62.992	70.889	77.269	81.905		APR (table 2I) reported actual data pre-populated cells	
18	Wastewater: Measured ~ non-household	CR884	£m	3	Outturn (nominal)		74.320	74.591	73.868	77.561	79.888		APR (table 2I) reported actual data pre-populated cells	
19	Wastewater: Third party revenue ~ household	S9008HH	£m	3	Outturn (nominal)		0.000	0.000	0.000	0.000	0.000		APR (table 2I) reported actual data pre-populated cells	
20	Wastewater: Third party revenue ~ non-household	S9008NHH	£m	3	Outturn (nominal)		0.000	0.000	0.000	0.000	0.000		APR (table 2I) reported actual data pre-populated cells	
21	Wastewater: Revenue collected from household and non-household	BR689	£m	3	Outturn (nominal)		289.555	293.678	304.812	318.463	325.595		Sum lines 15 to 20	
22	Wastewater: Grants and contributions	BC11374IN	£m	3	Outturn (nominal)		4.771	5.659	5.770	3.429	2.878		APR (table 2I) reported actual data pre-populated cells	
23	Wastewater: Revenue recovered	S9014	£m	3	Outturn (nominal)		294.326	299.337	310.582	321.892	328.473		Sum lines 21 and 22	
F	**Variance analysis of grants and contributions**													
24	Wastewater: Capital contributions from connection charges and revenue from infrastructure charges (PR14 FD)	C_ES_000830_A001	£m	3	2012-13 prices		2.878	2.878	2.878	2.878	2.878		FD14 data pre-populated cells	
25	Wastewater: Grants and contributions	BC11374_CPY	£m	3	Outturn (nominal)		4.771	5.659	5.770	3.429	2.878		Copy line 22	
26	Wastewater: Grants and contributions variance	WWS13028	£m	3	Outturn (nominal)		1.720	2.543	2.537	0.096	-0.555		Difference line 25 - line 24. Line 24 adjusted to outturn prices using data in App23	
G	**Penalties**													
27	Main revenue adjustment as incurred ~ wastewater	WWS130023	£m	3	Outturn (nominal)				0.491	1.311	-2.078		PR14 reconciliation WRFIM model row 41 on calc sheet.	
28	Penalty adjustment as incurred ~ wastewater	WWS130024	£m	3	Outturn (nominal)				0.000	0.000	0.000		PR14 reconciliation WRFIM model row 51 on calc sheet.	
29	WRFIM adjustment as incurred ~ wastewater	WWS13025	£m	3	Outturn (nominal)				0.491	1.311	-2.078		PR14 reconciliation WRFIM model row 56 on calc sheet.	
30	WRFIM Total reward / (penalty) at the end of AMP6 ~ wastewater	WWS13026	£m	3	Outturn (nominal)						0.000		PR14 reconciliation WRFIM model output item row 73 on calc sheet	
31	WRFIM Total reward / (penalty) at the end of AMP6 ~ wastewater network plus	WWS13027	£m	3	2017-18 FYA (CPIH deflated)						0.000		Output item from revenue adjustments model.	

KEY

🟨	Input
🟪	Copy
🟦	Calculation
🟩	Pre populated

WWS13 guidance and line definitions

This table contains the wastewater service inputs used for populating the WRFIM model and the penalties arising as calculated by the WFRIM model. The WRFIM model calculates in outturn prices and is converted to 2017-18 prices in the revenue adjustments model.
We expect companies to publish their populated WRFIM models with associated explanation with the regulatory accounts reporting in July 2018.

Line	Definition
Block A	**Company details for WRFIM model**
1-3	Company details for WRFIM model
Block B	**WRFIM model parameters**
4-8	WRFIM model parameters as defined in the PR14 reconciliation rulebook.
Block C	**Allowed revenue**
9	2014-15 allowed revenue from company final determination letter, as adjusted for ODIs or IDoK in accordance with the licence.
10	Year on year increase in November RPI for the November prior to the start of the financial year
11	Annual K factor from the PR14 final determination, as adjusted for in-period ODIs or interim determination of K in accordance with the licence.
12	Total revenue forecasted in PR14. Calculated as 2014-15 allowed revenue (WWS13 line 9) compounded by RPI (WWS13 line 10) and K (WWS13 line 11).
Block D	**AMP5 RCM blind year adjustment**
13	Revenue Correction Mechanism (RCM) 2014-15 blind year adjustment implemented via WRFIM. As published in December 2016.
14	Profile for applying the RCM adjustment. This should be in accordance with the choice made (as published) in December 2016.
Block E	**Revenue recovered**
15-20	Actual revenue recovered from metered and unmetered customers' wastewater charges, household and non-household over the 2015-2020 price review period. Annual wholesale wastewater charge revenue as reported in company's regulatory reporting 2I.
21	Calculated. Sum of WWS13 lines 15 to 20.
22	Actual wastewater grants and contributions revenue recovered. As defined in the RAGs for 2017-18 2I, total of price control grants and contributions irrespective of accounting treatment. We raised several queries on grants and contributions reporting in the 2016 APR or 2017 APR. As a result of these queries, if a company is aware that previous years data has not been correctly reported, they should restate the figures in the pre-populated cells using the definition in the RAGs for 2017-18 reporting.
23	Calculated. Sum of WWS13 lines 21 and 22.
Block F	**Variance analysis of grants and contributions**
24	Total grants and contributions that are included in the allowed wastewater revenue totals.
25	Relevant wastewater capital contributions from connection charges and revenue from infrastructure charges, defined in the final determination as covered by the price control. As defined in RAG 4.07 2I.
26	Difference in outturn prices between line 24 and line 25 for wastewater grants and contributions. Line 24 is adjusted to outturn prices using data in App23.
Block G	**Penalties**
27	Main revenue adjustment as incurred. These values are calculated in the PR14 reconciliation WRFIM model on 'WRFIM - Waste' sheet in row 41. The values are in outturn prices.
28	Penalty adjustment as incurred. These values are calculated in the PR14 reconciliation WRFIM model on 'WRFIM - Waste' sheet in row 51. The values are in outturn prices.
29	WRFIM adjustment as incurred. These values are calculated in the PR14 reconciliation WRFIM model on 'WRFIM - Waste' sheet in row 56. The values are in outturn prices.
30	WRFIM Total reward / (penalty) at the end of AMP6. These values are calculated in the PR14 reconciliation WRFIM model on 'WRFIM - Waste' sheet in row 73. The values are in outturn prices.
31	WRFIM Total reward / (penalty) at the end of AMP6 expressed in 2017-18 FYA (CPIH deflated) prices. This is an output item from the revenue adjustments feeder model. The value entered is prior to profiling.

WWS15 - PR14 wholesale total expenditure outperformance sharing for the wastewater service

Northumbrian Water

Data validation

	Line description	Item reference	Units	DPs	Price base	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2015-20	Calculation, copy or download rule	Validation description
A	**Company details**													
1	Company type	BF200	Nr	0	-							2	Pre-populate cell. Key: 1=WoC, 2=WaSC	
2	Is company enhanced?	WWS15001	text	0	-							No	FD14 data pre-populated cell	Yes or No
3	Financing rate	WWS15003	%	2	-							3.60%	FD14 data pre-populated cell	
B	**Menu choices**													
4	Sewerage: Implied menu choice	C00728_S004	Nr	1	-							98.4	FD14 data pre-populated cell	
5	Sewerage: FD pension deficit recovery costs allowance	C00559	£m	3	2012-13 FYA (RPI)		2.273	2.273	2.273	2.273	2.273		FD14 data pre-populated cells	
6	Sewerage: Final menu choice	WWS15006	nr	1	-							94.0	FD14 data pre-populated cell	
C	**TOTEX**													
7	Sewerage: Baseline Totex	C00008_S011	£m	3	2012-13 FYA (RPI)		205.324	207.279	213.115	201.762	172.400		FD14 data pre-populated cells	
8	Sewerage: FD allowed totex inclusive of menu cost exclusions, less PDRC allowance	C00768_A001	£m	3	2012-13 FYA (RPI)		207.668	209.467	215.250	203.913	174.641		FD14 data pre-populated cells	
9	Sewerage: Actual Totex	S3040MTIN	£m	3	Outturn (nominal)		174.756	168.742	174.432	182.794	183.646		APR data pre-populated	
D	**ADJUSTMENTS TO TOTEX**													
10	Sewerage: Third party services (opex)	BM823TASIN	£m	3	Outturn (nominal)		3.707	0.699	0.302	0.311	0.320		APR data pre-populated	
11	Sewerage: Third party services (capex)	BM833TASIN	£m	3	Outturn (nominal)		0.000	0.000	0.000	0.000	0.000		APR data pre-populated	
12	Sewerage: Pension deficit recovery costs	CRS003	£m	3	Outturn (nominal)		2.815	2.809	2.713	2.793	2.877		APR data pre-populated	
13	Sewerage: Other cash items	CR00562TOT	£m	3	Outturn (nominal)		0.000	0.000	0.000	0.000	0.000			
14	Sewerage: Disallowables	WWS15014	£m	3	Outturn (nominal)		0.000	0.298	2.894	0.020	0.020			
15	TTT control: logging up / (down) of scope swaps	WWS15015	£m	3	Outturn (nominal)		0.000	0.000	0.000	0.000	0.000			
16	TTT control: Land - 100:0 (customer: company) cost sharing factor	WWS15016	£m	3	Outturn (nominal)		0.000	0.000	0.000	0.000	0.000			
17	Sewerage: Transition expenditure	BP867NTIN	£m	3	2012-13 FYA (RPI)	0.000								
E	**PAYG**													
18	Sewerage: PAYG ratio	C00770_A001	%	2	-		48.62%	52.25%	50.52%	52.47%	60.93%		FD14 PAYG ratio. Pre-populate cells	
F	**Business rates IDoK - Not applicable to wastewater service**													
G	**Totex menu adjustments**													
19	Wastewater: revenue adjustment from totex menu model	WWS15019	£m	3	2012-13 FYA (RPI)						-4.583		Output item from totex menu model	
20	Wastewater: RCV adjustment from totex menu model	WWS15020	£m	3	2012-13 FYA (RPI)						-115.065		Output item from totex menu model	
21	Wastewater: Totex menu revenue adjustment at 2017-18 FYA CPIH deflated price base	WWS15021	£m	3	2017-18 FYA (CPIH deflated)						-5.272		Output item from revenue adjustments model.	
22	Wastewater: Totex menu RCV adjustment at 2017-18 FYA CPIH deflated price base	WWS15022	£m	3	2017-18 FYA (CPIH deflated)						-132.369		Output item from RCV adjustments model.	

KEY

🟨	Input
🟪	Copy
🟦	Calculation
🟩	Pre populated

WWS15 guidance and line definitions

This table contains the wastewater service inputs used for populating the totex menu model and the total reward / (penalty) arising as calculated by the totex menu model. The totex menu model calculates in 2012-13 prices and the adjustments are converted to 2017-18 prices in the revenue adjustments model and the RCV adjustments model.
We expect companies to publish their populated totex menu models with associated explanation with the regulatory accounts reporting in July 2018.

Line	Definition
Block A	**Company details**
1	Company type is either WaSC or WoC.
2	Enhanced or Non-enhanced status in PR14.
3	Financing rate. The PR14 final determination weighted average cost of capital.
Block B	**Menu choices**
4	The implied menu choice number for water from PR14 final determination company specific appendix.
5	The final determinations pension deficit recovery costs allowance for water from PR14 final determination – company specific appendix.
6	The submitted final menu choice for water from Menu choice confirmation letter 16th January 2015.
Block C	**TOTEX**
7	Ofwat's view of the menu cost baseline at final determinations from PR14 populated final determination menu model.
8	The allowed expenditure in final determinations for input to PAYG from PR14 populated final determination menu model.
9	Reported actual totex for water from annual regulatory reporting.
Block D	**ADJUSTMENTS TO TOTEX**
10-14	Totex exclusions. Actual totex line items to be excluded in menu totex: third party costs, pension deficit recovery costs, other cash items, disallowables as set out in the PR14 reconciliation rulebook guidance.
15	TTT Control: logging up / (down) of scope swaps. Costs associated with the reallocation of scope from the Infrastructure Provider to Thames Water that are subject to the logging up process.
16	TTT control: Land - 100:0 (customer: company) cost sharing factor. TTT control land costs are not subject to the standard menu incentives and have a customer sharing rate of 100:0 to ensure customers benefit from future land disposals.
17	Totex inclusions – Transition expenditure in 2014-15 (confirmed in final 2010-15 reconciliation decision document).
Block E	**PAYG**
18	The profile of PAYG ratio allowed in final determinations from PR14 final determination – company specific appendix.
Block F	**Business rates IDoK - Not applicable to wastewater service**
Block G	**Totex menu adjustments**
19	Output item from totex menu model as appears on the Totex menu adjustments sheet.
20	Output item from totex menu model as appears on the Totex menu adjustments sheet.
21	Output item from revenue adjustments model. Totex menu revenue adjustment - Wastewater network at 2017-18 FYA CPIH deflated price base. The value entered is prior to profiling.
22	Output item from RCV adjustments model. Wastewater: Totex menu RCV adjustment at 2017-18 FYA CPIH deflated price base.

R9 - PR14 reconciliation of household retail revenue

Northumbrian Water

Data validation

Line	Line description	Item reference	Units	DPs	Price base	2015-16	2016-17	2017-18	2018-19	2019-20	2015-20	Calculation, copy or download rule	Validation description
A	**Forecast customer numbers**												
1	Unmetered water-only customer	R9001	nr	0		304,312	291,659	278,531	265,410	252,823		FD14 data pre-populated cell. NB units coverted from 000's to nr.	R9001 = R3017 * 1000
2	Unmetered wastewater-only customer	R9002	nr	0		33,731	33,009	32,287	31,565	30,843		FD14 data pre-populated cell. NB units coverted from 000's to nr.	R9002 = R3019 * 1000
3	Unmetered water and wastewater customer	R9003	nr	0		721,729	706,494	691,259	676,024	660,788		FD14 data pre-populated cell. NB units coverted from 000's to nr.	R9003 = R3021 * 1000
4	Metered water-only customer	R9004	nr	0		427,694	444,283	461,401	478,727	495,712		FD14 data pre-populated cell. NB units coverted from 000's to nr.	R9004 = R3018 * 1000
5	Metered wastewater-only customer	R9005	nr	0		35,267	37,325	39,396	41,471	43,557		FD14 data pre-populated cell. NB units coverted from 000's to nr.	R9005 = R3020 * 1000
6	Metered water and wastewater customer	R9006	nr	0		340,822	361,305	381,925	402,580	423,358		FD14 data pre-populated cell. NB units coverted from 000's to nr.	R9006 = R3022 * 1000
B	**Reforecast customer numbers**												
7	Unmetered water-only customer	R9007	nr	0		306,913	299,927	289,668	279,860	273,187			
8	Unmetered wastewater-only customer	R9008	nr	0		34,683	33,391	32,775	31,681	31,274			
9	Unmetered water and wastewater customer	R9009	nr	0		720,347	709,864	692,246	669,910	661,303			
10	Metered water-only customer	R9010	nr	0		426,488	439,887	453,445	467,873	504,039			
11	Metered wastewater-only customer	R9011	nr	0		30,923	32,700	33,097	34,663	36,733			
12	Metered water and wastewater customer	R9012	nr	0		343,438	362,757	382,262	406,809	431,099			
C	**Actual customer numbers**												
13	Unmetered water-only customer	R9013	nr	0		309,704	300,566	291,119	282,757	273,187		APR data pre-populated. NB units coverted from 000's to nr.	R9013 = R3017 * 1000
14	Unmetered wastewater-only customer	R9014	nr	0		33,780	33,590	32,777	31,681	31,274		APR data pre-populated. NB units coverted from 000's to nr.	R9014 = R3019 * 1000
15	Unmetered water and wastewater customer	R9015	nr	0		720,499	703,913	686,371	676,358	661,303		APR data pre-populated. NB units coverted from 000's to nr.	R9015 = R3021 * 1000
16	Metered water-only customer	R9016	nr	0		424,067	436,901	450,182	487,242	504,039		APR data pre-populated. NB units coverted from 000's to nr.	R9016 = R3018 * 1000
17	Metered wastewater-only customer	R9017	nr	0		31,498	32,275	33,038	37,588	36,733		APR data pre-populated. NB units coverted from 000's to nr.	R9017 = R3020 * 1000
18	Metered water and wastewater customer	R9018	nr	0		341,115	361,835	385,005	406,809	431,099		APR data pre-populated. NB units coverted from 000's to nr.	R9018 = R3022 * 1000
D	**Actual revenue collected**												
19	Unmetered water-only customer	R3017RR	£m	3	Outturn (nominal)	7.614	7.458	7.390	7.114	6.906		APR data pre-populated	
20	Unmetered wastewater-only customer	R3019RR	£m	3	Outturn (nominal)	0.351	0.406	0.417	0.797	0.791		APR data pre-populated	
21	Unmetered water and wastewater customer	R3021RR	£m	3	Outturn (nominal)	23.296	23.259	22.802	22.117	21.730		APR data pre-populated	
22	Metered water-only customer	R3018RR	£m	3	Outturn (nominal)	11.973	12.130	12.264	13.706	14.244		APR data pre-populated	
23	Metered wastewater-only customer	R3020RR	£m	3	Outturn (nominal)	0.422	0.489	0.445	1.057	1.038		APR data pre-populated	
24	Metered water and wastewater customer	R3022RR	£m	3	Outturn (nominal)	13.485	14.209	15.458	15.723	16.735		APR data pre-populated	
E	**Revenue sacrifice**												
25	Unmetered water-only customer	R9025	£m	3	Outturn (nominal)	0.000	0.000	0.000	0.000	0.000			
26	Unmetered wastewater-only customer	R9026	£m	3	Outturn (nominal)	0.000	0.000	0.000	0.000	0.000			
27	Unmetered water and wastewater customer	R9027	£m	3	Outturn (nominal)	0.000	0.000	0.000	0.000	0.000			
28	Metered water-only customer	R9028	£m	3	Outturn (nominal)	0.000	0.000	0.000	0.000	0.000			
29	Metered wastewater-only customer	R9029	£m	3	Outturn (nominal)	0.000	0.000	0.000	0.000	0.000			
30	Metered water and wastewater customer	R9030	£m	3	Outturn (nominal)	0.000	0.000	0.000	0.000	0.000			
F	**Actual revenue collected (net)**												
31	Unmetered water-only customer	R9031	£m	3	Outturn (nominal)	7.614	7.458	7.390	7.114	6.906			
32	Unmetered wastewater-only customer	R9032	£m	3	Outturn (nominal)	0.351	0.406	0.417	0.797	0.791			
33	Unmetered water and wastewater customer	R9033	£m	3	Outturn (nominal)	23.296	23.259	22.802	22.117	21.730			
34	Metered water-only customer	R9034	£m	3	Outturn (nominal)	11.973	12.130	12.264	13.706	14.244			
35	Metered wastewater-only customer	R9035	£m	3	Outturn (nominal)	0.422	0.489	0.445	1.057	1.038			
36	Metered water and wastewater customer	R9036	£m	3	Outturn (nominal)	13.485	14.209	15.458	15.723	16.735			
G	**Modification factor**												
37	Unmetered water-only customer	C00739_A001	£	2		24.60	24.87	25.03	25.16	25.28		FD 14 data pre-populated cell	
38	Unmetered wastewater-only customer	C00740_A001	£	2		24.60	24.87	25.03	25.16	25.28		FD 14 data pre-populated cell	
39	Unmetered water and wastewater customer	C00741_A001	£	2		31.97	32.33	32.53	32.70	32.86		FD 14 data pre-populated cell	
40	Metered water-only customer	C00736_A001	£	2		27.55	27.82	27.99	28.13	28.26		FD 14 data pre-populated cell	
41	Metered wastewater-only customer	C00737_A001	£	2		27.56	27.82	27.98	28.13	28.27		FD 14 data pre-populated cell	
42	Metered water and wastewater customer	C00738_A001	£	2		37.88	38.24	38.46	38.65	38.82		FD 14 data pre-populated cell	
H	**Materiality threshold for financing adjustment**												
43	Materiality threshold	R9043	%	2							2.00%	PR14 reconciliation rulebook specifies value. Generic	
44	Discount Rate	R9044	%	2							3.60%		
I	**Total reward / (penalty) at the end of AMP6**												
45	Residential retail revenue adjustment at the end of AMP6	R9045	£m	3	Outturn (nominal)					0.000		Output item from household retail revenue reconciliation model Calc sheet row 94	
46	Residential retail revenue adjustment at 2017-18 FYA CPIH deflated price bas	R9046	£m	3	2017-18 FYA (CPIH deflated)					-0.176		Output item from revenue adjustments model.	

KEY

🟨	Input
🟪	Copy
🟦	Calculation
🟩	Pre populated

R9 guidance and line definitions

This table contains the inputs used for populating the household retail revenue reconciliation model and the penalties arising as calculated by the household retail revenue reconciliation model. The household retail revenue reconciliation model calculates in outturn (nominal) prices and is converted to 2017-18 prices in the revenue adjustments model.
We expect companies to publish their populated household retail revenue reconciliation models with associated explanation with the regulatory accounts reporting in July 2018.

Line	Definition
Block A	**Forecast customer numbers**
1-6	Forecast customer numbers as set out in the PR14 final determination company specific appendix.
Block B	**Reforecast customer numbers**
7-12	Reforecast customer numbers for each customer type at the beginning of each year from company regulatory reporting.
Block C	**Actual customer numbers**
13-18	Actual customer numbers for each customer type each year from company regulatory reporting. Number of customers – RAG Proforma 2F.
Block D	**Actual revenue collected**
19-24	The revenue that each company actually collected per customer type from company regulatory reporting. Retail revenue per customer type – RAG Proforma 2F.
Block E	**Revenue sacrifice**
25-30	Revenue sacrifice. Revenue voluntarily foregone by companies, for example through customer discounts from company regulatory reporting.
Block F	**Actual revenue collected (net)**
31-36	Actual revenue collected (Net). The revenue that each company actually collected per customer type less any forgone revenue. Calculated.
Block G	**Modification factor**
37-42	Modification Factors. Each company has a specific modification factor for each customer type each year from PR14 final determination company specific appendix.
Block H	**Materiality threshold for financing adjustment**
43	Materiality threshold is specified at 2% of revenue expected from actual customers from AMP6.
44	The discount rate used to provide a financing adjustment for the time value of money of the incentive reward / penalty. Input to be defined at PR19, if required. This may be required if the materiality threshold is
Block I	**Total reward / (penalty) at the end of AMP6**
45	The total revenue adjustment for household retail due to differences in actual and forecast customer numbers and differences in revenue per customer type. Output item from household retail revenue reconciliation model as appears on the Calc sheet.
46	Output item from revenue adjustments model. The value entered is prior to profiling.

R10 - PR14 Service incentive mechanism

Northumbrian Water **Data validation**

	Line description	Item reference	Units	DPs	2015-16	2016-17	2017-18	2018-19	2019-20	2015-20	Calculation, copy or download rule	Validation description	Completion
	Price base									2017-18 FYA (CPIH deflated)			
A	**Qualitative performance**												
1	1st survey score	SIMAMP6_QL1	nr	2	4.39	4.50	4.33	4.65	4.70		APR (table 3D) reported actual data pre-populated cells		
2	2nd survey score	SIMAMP6_QL2	nr	2	4.42	4.53	4.53	4.65	4.70		APR (table 3D) reported actual data pre-populated cells		
3	3rd survey score	SIMAMP6_QL3	nr	2	4.41	4.62	4.51	4.65	4.70		APR (table 3D) reported actual data pre-populated cells		
4	4th survey score	SIMAMP6_QL4	nr	2	4.27	4.54	4.53	4.65	4.70		APR (table 3D) reported actual data pre-populated cells		
5	Qualitative SIM score (out of 75)	SIMAMP6_QLS	nr	2	63.23	66.52	65.16	68.44	69.38		APR (table 3D) reported actual data pre-populated cells		
B	**Quantitative performance**												
6	Quantitative composite score	SIMAMP6_CS	nr	2	91.89	79.79	75.25	70.00	65.00		APR (table 3D) reported actual data pre-populated cells		
7	Quantitative SIM score (out of 25)	SIMAMP6_QNS	nr	2	20.41	21.01	21.24	21.50	21.75				
C	**SIM score**												
8	Total annual SIM score (out of 100)	KI001U	nr	0	84	88	86	90	91				
D	**Revenue adjustment for SIM performance**												
9	SIM forecast revenue adjustment at 2017-18 FYA CPIH deflated price base	R10009	£m	3						11.672	Output item from revenue adjustments model.		

KEY

🟨	Input
🟪	Copy
🟦	Calculation
🟩	Pre populated

R10 guidance and line definitions

This table asks companies to include their actual and forecast SIM scores and ranking. The table is based on the APR SIM table for consistency. Final SIM results will be available during PR19 to inform the application of rewards and penalties. The table also asks companies to forecast their SIM scores and ranking for 2019-20 as this informs whether they have met their own performance committments and reputational ODIs. This information will not be used to inform any financial incentives.

Line	Definition
Block A	**Qualitative performance**
1	Score of the first qualitative survey for the current reporting year.
2	Score of the second qualitative survey for the current reporting year.
3	Score of the third qualitative survey for the current reporting year.
4	Score of the fourth qualitative survey for the current reporting.
5	Companies should use the formula below to calculate their score and then input this number in line 5. The qualitative score is calculated as follows: [(S - LS) / (HS - LS)] * WS where: S = qualitative survey annual average score (unrounded), calculated using unrounded quarterly Wave scores. LS = minimum survey score possible (set at 1). HS = maximum survey score possible (set at 5). WS = survey weighting (set at 75).
Block B	**Quantitative performance**
6	The quantitative composite score is calculated as follows: [(unwanted phone contacts x 1) + (written complaints x 5) + (escalated written complaints x 100) + (CCWater investigated complaints x 1000)] / (connected household properties /1000)
7	The quantitative score is calculated as follows: [1 - [(C - CL) / (CH - CL)]] * WC where: C = total contact score (see above). CL = contact score minimum (set at 0). CH = contact score maximum (set at 500). WC = contact score weighting (set at 25).
Block C	**SIM score**
8	The total annual SIM score is the addition of R10 lines 5 and 7.
Block D	**Revenue adjustment for SIM performance**
9	SIM high performance payment / (low performance penalty) revenue adjustment at end of period for retail. Output item from revenue adjustments model. The value entered is prior to