

# **Draft Determination Representation: Guide to reading our representation**

YKY-PR24-DDR-09-Guide-to-reading-our-representation



YorkshireWater

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# 1. Introduction

We welcome the opportunity to present our representation response to Ofwat's draft determination. This document provides an overview of our representation.

We have published our representation response on our website. This can be found at: <https://www.yorkshirewater.com/about-us/our-business-plan/>

## 2. Confidential documents

We want to be as transparent as possible in the information we present as part of our representation. However, we have needed to anonymise or redact a few details in versions of our representation documents and supporting appendices.

This has been done where the documents either,

- contain information site sensitivity,
- contain individuals' personal information, or
- contains commercially sensitive details.

We have shared with Ofwat the details of these in 'PR3' of the company proforma.

## 3. Representation structure

Our representation is made up of several core documents, with supporting appendices. These are detailed in the following section.

### 3.1 Executive summary

Our executive summary can be accessed here ([YKY-PR24-DDR-01](#))

Please note, site names have been anonymised on our published version of this document. This is in the interests of site security. We have shared a confidential version with Ofwat (YKY-PR24-DDR-01C).

### 3.2 Changes to our plan

This chapters summarises the changes to our plan as part of our representation. We also present details of customer support and customer testing ([YKY-PR24-DDR-01A](#)).

Please note, site names have been anonymised on our published version of this document. This is in the interests of site security. We have shared a confidential version with Ofwat (YKY-PR24-DDR-01B).

### 3.3 Expenditure allowances

Our representation on expenditure allowances is set out in four parts:

- Part 1: Introduction and base expenditure allowances
- Part 2: Clean water enhancement costs
- Part 3: Wastewater enhancement costs
- Part 4: Cross-cutting issues

### 3.3.1 Part 1: Introduction and base expenditure allowances

Part 1 ([YKY-PR24-DDR-02](#)) includes our introduction to our expenditure allowances chapter, as well as our representations relating to base expenditure allowances.

Please note, site names have been anonymised on our published version of this document. This is in the interests of site security. We have shared a confidential version with Ofwat (YKY-PR24-DDR-02A).

This section is supported by the following appendices:

- Unmodeled cost report appendix ([YKY-PR24-DDR-12](#))
- Lane rental appendix ([YKY-PR24-DDR-13](#))
- Oxera - Base cost appendix ([YKY-PR24-DDR-14](#))
- Oxera - Post modelling adjustments and CAC appendix ([YKY-PR24-DDR-16](#))
- Baringa energy costs appendix ([YKY-PR24-DDR-21](#))
- Clean water enhancement cost evidence appendix ([YKY-PR24-DDR-26](#))

The following appendices have not been published on our website as they contain details of site security or commercially sensitive materials.

- Supporting Data for Water Infrastructure Cost Adjustment Claim appendix (YKY-PR24-DDR-23)

### 3.3.2 Part 2: Clean water enhancement costs

Part 2 ([YKY-PR24-DDR-03](#)) sets out our points of representation relating to clean water enhancement cost allowances.

Please note, some content has been redacted and site names have been anonymised on our published version of this document. This is in the interests of site security. We have shared a confidential version with Ofwat (YKY-PR24-DDR-03A).

This section is supported by the following appendices:

- Clean water enhancement cost evidence appendix ([YKY-PR24-DDR-26](#))
- Supporting evidence for metering appendix ([YKY-PR24-DDR-28](#))
- Supporting evidence for biodiversity enhancement appendix ([YKY-PR24-DDR-29](#))
- New Bradford WTW appendix ([YKY-PR24-DDR-35](#))
- Clean Water Resilience appendix ([YKY-PR24-DDR-37](#))
- PFAS investigations Enhancement case appendix ([YKY-PR24-DDR-39](#))
- New SRO Enhancement case appendix ([YKY-PR24-DDR-41](#))

The following appendices have not been published on our website as they contain details of site security or commercially sensitive materials.

- Supporting evidence for SEMD enhancement appendix
- Clean water EC Cost evidence asset breakdown appendix

### 3.3.3 Part 3: Wastewater enhancement costs

Part 3 ([YKY-PR24-DDR-04](#)) sets out our points of representation relating to wastewater enhancement cost allowances.

This section is supported by the following appendices:

- Coastal Bathing Water asset specific details appendix ([YKY-PR24-DDR-32](#))
- Living with water EC appendix ([YKY-PR24-DDR-33](#))
- WINEP Investigation appendix ([YKY-PR24-DDR-36](#))

- Wastewater Resilience appendix ([YKY-PR24-DDR-38](#))
- Loss of landbank Enhancement case appendix ([YKY-PR24-DDR-40](#))
- Wastewater modelling approach ([YKY-PR24-DDR-42](#))

The following appendices have not been published on our website as they contain details of site security or commercially sensitive materials.

- Storm overflows asset specific details appendix ([YKY-PR24-DDR-31](#))

### 3.3.4 Part 4: Cross cutting issues

Part 4 ([YKY-PR24-DDR-05](#)) sets out our points of representation relating to cross cutting issues.

This section is supported by the following appendices:

- Oxera - Base cost appendix ([YKY-PR24-DDR-14](#))
- Oxera - Post modelling adjustments and CAC appendix ([YKY-PR24-DDR-15](#))
- Oxera – Post modelling adjustments and CAC appendix ([YKY-PR24-DDR-16](#))
- Rebuttal to Europe Economics paper appendix ([YKY-PR24-DDR-17](#))
- Frontier shift update of analysis appendix ([YKY-PR24-DDR-16](#))
- Water UK letter - Bioresources uncertainty land bank appendix ([YKY-PR24-DDR-19](#))
- Water UK letter - Bioresources uncertainty waste permitting appendix ([YKY-PR24-DDR-19](#))

### 3.4 Outcomes for customers

Our representation on performance commitments and outcome delivery incentives is set out in the Outcomes for customers document ([YKY-PR24-DDR-06](#)).

This section is supported by the following appendices:

- Oxera – Post modelling adjustments and CAC appendix ([YKY-PR24-DDR-16](#))
- Wastewater Resilience appendix ([YKY-PR24-DDR-38](#))
- Wastewater modelling approach ([YKY-PR24-DDR-42](#))
- ISF appendix ([YKY-PR24-DDR-43](#))
- Freshfields - PCC report appendix ([YKY-PR24-DDR-44](#))
- Bathing Water Quality appendix ([YKY-PR24-DDR-47](#))
- 2024-08-21 Adjusted PCL Storm Overflows - Clean Modelling appendix ([YKY-PR24-DDR-58](#))

### 3.5 Price control deliverables

Our representation on price control deliverables is set out in the price control deliverables document ([YKY-PR24-DDR-07](#)).

This section is supported by the following appendices:

- Living with water EC appendix ([YKY-PR24-DDR-33](#))

### 3.6 Finance, financial resilience, risk and return

Our representation on finance, financial resilience, risk and return ([YKY-PR24-DDR-08](#))

This section is supported by the following appendices:

- KPMG risk paper appendix ([YKY-PR24-DDR-48](#))
- KPMG Estimating Cost of equity report appendix ([YKY-PR24-DDR-49](#))
- KPMG Estimating the Cost of New Debt and Additional Borrowing appendix ([YKY-PR24-DDR-50](#))
- KPMG - Cost of embedded debt appendix ([YKY-PR24-DDR-51](#))
- Run-off rate report appendix ([YKY-PR24-DDR-54](#))
- Frontier Economics –Return on Equity appendix ([YKY-PR24-DDR-55](#))

## 4. Supporting files

The supporting files submitted alongside our representation are:

- This guide to reading our representation (YKY-PR24-DDR-09) - this document.
- The company proforma ([YKY-PR24-DDR-10](#))

Please note, site names have been anonymised on our published version of this document. This is in the interests of site security. We have shared a confidential version with Ofwat (YKY-PR24-DDR-10A).

### RP1

- We have included additional actions identified. These are towards the end of the proforma.
- All actions have been given a unique ID (DDQ) that have allowed us to cross reference actions within our representation narrative.
- Finally, we have included hyperlinks to the document where the action is referenced, where applicable.

### RP2

- We have taken an approach to include cost changes from our January submission in red.
- We have however not included any details of costs that have not changes.

### RP3

- Contains details of redactions, and therefore has not been published.

- Our two-page company briefing note ([YKY-PR24-DDR-11](#))

## 5. Data tables, models and commentary

We have submitted the following data tables and supporting commentary requested as part of The draft determination representation.

### 5.1 Data tables

- The summary table can be accessed here ([YKY-PR24-DDR-60](#))
- Our data tables can be accessed here ([YKY-PR24-DDR-63](#)), using V7 and including change log.
- Additional data tables can be accessed here ([YKY-PR24-DDR-64](#))
- We have also updated two supporting excel documents to support updates to CWW21:
  - Legacy and S105 sewers additional information ([YKY-PR24-DDR-65](#))
  - Rising mains additional information ([YKY-PR24-DDR-66](#))
- ADD20 Discharge Reduction Data Table can be accessed here ([YKY-PR24-DDR-83](#))

### 5.2 Models

- Financial Model ([YKY-PR24-DDR-67](#))
- RCV Adjustments Feeder Model - ([YKY-PR24-DDR-68](#))
- Revenue Adjustments Feeder Model - ([YKY-PR24-DDR-69](#))
- Revenue Forecasting Incentive Model - ([YKY-PR24-DDR-70](#))
- Cost of New Debt Reconciliation - ([YKY-PR24-DDR-71](#))
- Tax Reconciliation - ([YKY-PR24-DDR-72](#))

- RPI CPIH Wedge Model - ([YKY-PR24-DDR-73](#))
- Residential Retail Reconciliation Model - ([YKY-PR24-DDR-74](#))
- Developer Services Reconciliation Model - ([YKY-PR24-DDR-75](#))
- Bioresources Revenue Reconciliation Model - ([YKY-PR24-DDR-76](#))
- Land Sales Model - ([YKY-PR24-DDR-77](#))
- WINEP Reconciliation Model - ([YKY-PR24-DDR-78](#))
- Cost Sharing Total Costs Reconciliation - ([YKY-PR24-DDR-79](#))
- ODI Performance Model Year 5 - ([YKY-PR24-DDR-80](#))

### 5.3 Additional information

- Data table commentary can be accessed here ([YKY-PR24-DDR-61](#))
- Past Delivery and Reconciliation commentary can be accessed here ([YKY-PR24-DDR-62](#))
- ADD20 Discharge Reduction Programme Commentary can be accessed here ([YKY-PR24-DDR-84](#))

Our response to the information request for Expenditure by AMP South Yorkshire sources SRO is referenced (YKY-PR24-DDR-82). This information is not required to be published on our website and has been uploaded to Ofwat DCS.