

**Non-household  
Wholesale charges scheme  
2017/18**



## NON-HOUSEHOLD WHOLESALE CHARGES SCHEME 2017/18

Bournemouth Water's powers to charge for water supplies are contained in the Water Industry Acts. Charges are set in accordance with revenue control limits determined by Ofwat. To comply with Condition E of our licence to operate, charges must not show undue preference to, or discriminate against, any class of person.

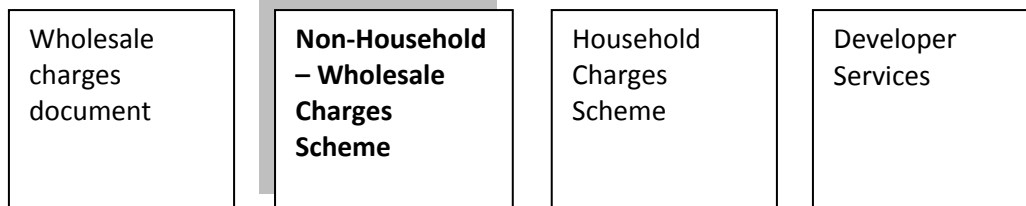
Under the terms laid down by Section 143 of the Water Industry Act 1991 and Ofwat's 2014 Price Review, incumbent regional monopoly water supply wholesalers are required to publish separate charges for the wholesale and retail activities of their business.

This document contains details of Bournemouth Water's Wholesale Charges Scheme for Non Household customers for 2017/18.

Wholesale charges will be published on our website annually, at a time dependent upon the requirements of the regulatory regime. Prices will take effect on 1 April each year.

Wholesale charges cover the cost of providing wholesale activities, which broadly encompass the operation and maintenance of the process and network assets which deliver the abstraction, treatment and supply of drinking water, and those for the collection, treatment and recycling of wastewater.

This document forms one of four separate charging schemes as set out below.



All charges exclude VAT unless stated otherwise. Details of those charges subject to VAT are given.

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## DEFINITIONS

**Access Code:** an appointed water company's document that sets out all principal aspects of access to its supply system and the terms and conditions on which it will grant access to its supply system by a licensee.

**Billing period:** the period, consisting of one or more settlement periods, that is charged for in one bill.

**Eligibility criteria:** the definition of a customer eligible to switch supplier will be as that laid down in Ofwat's document 'Guidance on assessing whether customers in England and Wales are eligible to switch their water and wastewater retailer', August 2015.

**Incumbent retailer:** retailer of one of the vertically integrated water and/or sewerage companies who can only operate within their own geographic area.

**Non-household:** as defined in Ofwat's eligibility criteria.

**Normal working hours:** means 8.00am to 5.00pm Monday to Friday, excluding bank holidays. Where a retailer or a retailer on behalf of a customer requests Bournemouth Water to carry out work outside of normal working hours, and Bournemouth Water agrees to meet the request an additional charge will be levied to reflect the increased costs incurred by Bournemouth Water.

**Ofwat:** see WRSA below.

**Payment period:** the length of time after the billing period in which the retailer must pay the wholesaler for services provided within the billing period.

**Price Review:** the process of setting appointed water companies' price limits. Maximum revenues are normally set every five years. The 2014 price review set wholesale prices and revenues for the period 1 April 2015-31 March 2020.

**Rateable value:** means the 'value' assigned a property by the local government Valuation Office which was effective on 31 March 1990.

**Retail licensee:** new entrant with a retail licence, including licensed retailers who are associates of regional monopoly wholesalers and who are able to operate outside their geographical area.

**Retailer:** provider of the retail service to the end customer, dealing with all customer services as outlined within the Ofwat pricing methodology statement such as billing, payment handling, customer calls, meter reading and administering new connections. A retailer could be an incumbent retailer or a retail licensee.

**Settlement period:** one calendar day. This is the minimum period for which services can be purchased by a retailer.

**WSL (Water Supply Licence):** a water supply licence will allow entry into the competitive water supply market for the purpose of providing retail and/or upstream services.

**Water supply wholesaler:** incumbent regional monopoly water company providing physical water services. This includes the supply of water services, meter ownership, installation, maintenance and replacement, and monitoring, physical disconnections and reconnections.

**Wholesale:** the abstraction of raw water, transmission of raw water, water treatment, storage and distribution to end users plus ancillary services.

**Wholesale charges:** charges paid to a water supply wholesaler by a retail licensee for the supply of treated, potable water.

**Wholesale contract:** a contract between the retailer and the company on terms and conditions laid out in our Access Code which sets out the services the wholesaler will provide

to the retailer and the commercial terms on which they will be provided.

**Wholesale tariff:** the tariff offered by wholesalers to retailers.

**Wholesale tariff structure:** the structure and thresholds of wholesale tariffs offered by a wholesaler to retailers. Wholesale tariff structures are different for each wholesaler in England.

**WRSA:** water Services Regulation Authority (Ofwat). The economic regulator of the water and sewerage industry in England and Wales.

## **CHARGING POLICY**

### **SECTION 1 - BASIS FOR CALCULATING WHOLESALE CHARGE**

- 1.1 The underlying principle used for deriving this wholesale tariff structure is that the wholesale tariff for each customer segment should be reflective of the average cost of providing wholesale water.
- 1.2 For the purposes of tariff setting wholesale activities are defined to cover the activities and overheads associated with: water resources and abstraction of water, raw water distribution, water treatment, treated water distribution and scientific services.
- 1.3 Development of the tariffs followed two key steps:
  - Identification of the wholesale cost base, separated by functional activity;
  - Allocation of those wholesale costs to distinct customer classes / segments.
- 1.4 To identify the unit cost to serve for each customer segment, cost allocation rules were developed applying variants of the relative output method, which is considered best practice within Fully Distributed Cost (FDC) methodologies.

### **SECTION 2 - HOW WHOLESALE CHARGES ARE APPLIED**

- 2.1 This section sets out how the wholesale charges contained in this Charges Scheme are applied.
- 2.2 Under the Water Industry Act 1999, Bournemouth Water must charge occupiers of dwellings in accordance with this Charges Scheme. The Act removed the right of the Company to charge water charges by agreement on dwellings but any agreements made prior to 1 April 2000 are not affected by the legislation.
- 2.3 Bournemouth Water (the Company) continues to have a legal right to charge commercial customers by agreement rather than in accordance with this Charges Scheme (subject to a legal requirement that charges do not discriminate unduly in favour or against any class of customer).
- 2.4 Where a premise is used for both residential and commercial purposes, the Company will have regard to Ofwat's guidance on whether customers are eligible to switch their water and wastewater Retailer when determining on what basis charges should be levied, i.e. Household or Non-Household.
- 2.5 Water lost through unidentified leaks of water from service pipes supplying business premises will be charged for save where relief is granted under the provisions of Bournemouth Water's service guarantees for non-household customers.
- 2.6 Where we are required, for the purpose of providing a supply of water to any premises, to connect to any main or service pipe, any pipe which has not previously been connected, it is a condition of complying with that requirement that a meter is installed.

- 2.7 Where property or land is separated into distinct units, individual billing is required and separate metered water supplies must be provided to each property. If developers intend to carry out such work, they must apply to us for the appropriate number of metered connections. (See separate booklet Developer, new connection and infrastructure charges).
- 2.8 Please note that from the time that a new connection is laid and a meter fitted, we hold the developer responsible for paying the water bill until such time as we are notified by the developer that ownership of the property has changed, and the property is to be occupied.
- 2.9 The developer is liable for payment of water used through the meter, except for the first five cubic metres. A standing charge is not raised in this pre-occupation period. Standing charges will apply once the premises are occupied or are deemed to have gone beyond the pre-occupation period. Volumetric rates will also apply for the water used.
- 2.10 Developers should supply us with occupation details and a postal address as soon as these details are known. The water account will remain in the developer's / applicant's name until we are informed otherwise.
- 2.11 The meter remains our property. It is a criminal offence to interfere with any meter or any other apparatus belonging to us.
- 2.12 Where there is a change of use of water supplied by a common supply pipe to two or more premises in separate occupation, the charges for the supply to the premises on which the change of use has taken place will be metered charges, and the person chargeable for the supply must provide for the separation of the common supply and the installation of a meter on the separate supply to the premises.
- 2.13 In cases where the supply has not been separated, we will not split the existing bill unless, at our discretion, we feel there are reasonable grounds to do so. We will therefore collect all charges for the property in question from any one of the occupiers.
- 2.14 We have not adopted the rating valuation list for business premises and continue to calculate non-household rates on the basis of valuation effective at 31 March 1990. Where a non-household customer would like to be charged on a metered basis and we are unable to fit a meter, the customer is given the option of being charged on an assessed basis rather than by rateable value. This applies to situations where the installation of a meter would incur unreasonable expenses
- 2.15 Unreasonable expense includes:
- The cost of separation of a supply pipe if it is shared with other customers.
  - The cost of installing more than one meter. (Where there is more than one supply, we will consider the installation of a second meter provided this does not entail disproportionate costs.)
  - The cost of alterations to existing plumbing.
- 2.16 We will continue to use rateable values for non-household customers where a meter is not in place, unless a change of occupier has taken place and no charges have yet been demanded from the person who has become the customer, in which case we may fit a meter if we believe that the new occupier would benefit from a meter.

### **Liability for charges for unoccupied properties**

- 2.17 Where an unmetered property is unoccupied and unused the full charge remains payable unless the supply is disconnected. (Please note that the standard re-connection charge will apply when re-connection is requested.)
- 2.18 If a retailer wishes to retain the supply but does not wish to pay the full unmetered charge, they may opt to serve a measured charges notice. See also Section 5, Assessed charges.
- 2.19 Where the empty unmetered property shares a supply and therefore cannot be disconnected or easily metered, we will require access to ensure that the property is unfurnished.
- 2.20 The full charge remains payable
- o If the property is not totally unfurnished
  - o Until such time as access is granted to survey the property.
- 2.21 Where a metered property is unoccupied
- The full charge remains payable unless the supply is turned off. However, water volume charges will reflect the actual use recorded by the meter.

### **The Measured charges**

- 2.22 Where the occupier of a commercial property at which a meter has been installed is liable to pay water charges the standard measured charges will apply unless there is an agreement between the company and the retailer of that property to pay a different tariff; or the company has confirmed to the retailer of that property that unmeasured charges will apply.
- 2.23 The standard measured charges will also apply where a customer moves into a property at which a meter has been installed previously even if the out-going occupier of the property was not paying measured charges.

### **The Unmeasured Charges**

- 2.24 Where the occupier of a property is liable to pay water charges and a meter has not been installed at the property, the standard unmeasured charges, or the relevant assessed charge set out in this charges scheme will apply.
- 2.25 Unmeasured charges will continue to apply until such time as either:
- (a) the occupier of the commercial property chooses to have a meter installed at their convenience (see Section 5 on Water meter installation). Unmeasured charges will continue to apply and be payable up to the date the meter is installed; or
  - (b) Bournemouth Water determines that water is being used, or is to be used, for one or more of the non-domestic purposes which would entitle Bournemouth Water to require the water supply to be metered under Regulations made by the Secretary of State for the Environment, again unmeasured charges will continue to apply and be payable up to the date the meter is installed.



- 2.26 Where the occupier of a property for which unmeasured charges are paid and a meter has not been installed vacates the property, the new occupier will be charged unmeasured charges also (NB but if a meter has been installed at the property, regardless of whether the out-going occupier paid unmeasured or measured charges, the new occupier will be charged measured charges).
- 2.27 If a person occupies more than one separately rated building or part of a building and has access between them other than by a highway, Bournemouth Water may agree to add (if requested to do so) the relevant rateable values together and bill the retailer of the property on a single rateable value basis (so that the retailer pays only one set of wholesale fixed charges). However where unmeasured properties are combined to form a single property occupied entirely by a single occupier and therefore no longer exist as the properties originally rated and assessed, a notional rateable value will be set for the new property/or metering.
- 2.28 The chargeable rateable value of the property is:
- Rated properties – the Rateable Value of the property
  - Unrated properties – where a property does not have a rateable value specifically assigned to it, and the company has not installed a water meter, the company will charge the occupier of that property on a relevant assessed charge (see Section 5)

### **Return to sewer allowances**

- 2.29 If a property is connected to the main drainage and a property is metered, recorded volumes will also be used to calculate sewerage charges. Retailers should consult the wholesale charges scheme for the relevant sewerage provider for details of the applicable return to sewer allowance.

### **Firefighting**

- 2.30 No water or sewerage charges are levied for water used for firefighting, fire training or firefighting systems such as sprinklers, including the replenishment of storage tanks, hydrants and testing. Bournemouth Water will usually install a separate connection to the water mains for these systems. Where this is not possible a sub meter will normally be installed. Should a sub meter not be possible then a specific arrangement will need to be considered with prior notification to Ofwat in line with the Water Act 2014.

### **Gap sites**

- 2.31 Where a retailer identifies a site that they believe is supplied with water services but is not currently being billed the relevant charges then they should advise Bournemouth Water through the standard Open Water process. Bournemouth Water do not operate an incentive scheme for the identification of such sites and only backdate charges for the current charging year, or to the point at which it was reasonable to have expected the customer / retailer to advise Bournemouth Water of the services received.

### **Accredited Entities**

- 2.32 Bournemouth Water will not be operating any accreditation schemes in 2017/18

## SECTION 3 - MISCELLANEOUS WHOLESALE CHARGES

### 3.1 Miscellaneous charges

3.1.1	Miscellaneous work within normal working hours – cost per hour	£53.00
3.1.2	Miscellaneous work outside normal working hours – cost per hour	£80.00
3.1.3	Leakage detection advice – cost per hour, where chargeable	£59.00
3.1.4	SMS data loggers. Per annum	By quotation
3.1.5	Pressure recording using a data logger	£64.00
3.1.6	Data logging and analysis for high consumption queries	£64.00
3.1.7	Missed appointment by a retailer or its customer. (No charge for first missed appointment)	£27.50
3.1.8	Unmetered animal drinking troughs	£46.50 each
3.1.9	Site survey for meter installation, exchange or relocation	At actual cost

### 3.2 Disconnection and reconnection charges

3.2.1	Charge for disconnecting supply – at the customer’s request	
	During normal working hours	£0.00
	Outside normal working hours	£87.00
	In an emergency (as determined by us)	Free of charge

3.2.2	Charge for disconnecting supply for non- payment of water charges – at the request of the retailer	
	During normal working hours	£59.00
	Outside normal working hours	£87.00

3.2.3 Disconnection for breach of water fittings regulations will be charged at cost.

3.2.4 The costs quoted relate to the operation of the boundary stopcock for disconnection and reconnection. Where additional work over and above the operation of the boundary stopcock is required the actual cost will be charged.

3.2.5	Reconnection at the request of the customer or retailer, or for a return visit following disconnection for non-payment	
	Per visit	

	Within normal working hours	£59.00
	Outside normal working hours	£87.00
3.2.6	Turn on fee following change of ownership	Free of charge
	Following change of ownership outside normal working hours	£87.00

- 3.3 **Abortive visits** - For all visits to Customers, abortive visit charges will apply when Bournemouth Water is prevented from undertaking the visit or associated work due to actions or either the retailer, customer, or their agents or sub-contractors, or due to erroneous information provided by the same. The charge will be at that quoted above for “missed appointments”.
- 3.4 **Other supplies** - Supplies made under the supervision of the company’s staff (or its agents) and not made through a permanently sited meter, a charge at the prevailing staff rate plus water used at the prevailing rate per cubic metre (tonne) will be made.
- 3.5 **Standpipes** - Portable hydrant standpipes for use on specified hydrants are available for hire from the Company’s nominated contractor. Hire will be subject to the nominated contractor’s terms and hire rates.
- 3.6 Water used through a portable standpipe will be charged on a measured basis at the rate of £1.0348 per cubic metre. Charges will be billed by, and be payable to, the nominated contractor.
- 3.7 **Building Water** - A temporary site supply that is used for construction purposes. It includes all water used for construction except that water provided to a household property where this is taken past the external stop tap. Any water used at household premise taken past the external stop tap will be subject to a ‘pre-occupation volumetric charge’ £1.0348 Per/m<sup>3</sup>
- 3.8 **Pre-occupation** - A supply connected during construction which is intended for the purposes of providing a service to a Household premises that is not yet occupied, and that is not a building water supply. See Developer Services for further information.
- 3.9 **Non Domestic supplies** - The charges for water supplied for any non-domestic purposes authorised by the company shall be the same as for water supplied for domestic purposes except that no charges are payable for water used for extinguishing fires, testing fire-fighting equipment or training people for fire-fighting.

#### **Damage to Bournemouth Water apparatus**

- 3.10 Where Bournemouth Water incurs costs in relation to repairing damage to our apparatus, for example our network or meters, as a result of an act or omission by a retailer or its agents or sub-contractors, the company will charge the retailer an amount equal to the total cost of the work involved in repairing or replacing the damaged apparatus.
- 3.11 All charges will be based on actual costs inclusive of overheads and will use Bournemouth Water’s standard commercial hourly rates for the relevant category, or categories, of work.

- 3.12 Where such damage has caused a meter to under-record consumption, Bournemouth Water reserves the right to recover any additional charges which may be due for the period from which the meter is deemed to have been damaged. In doing so we will use readings taken from the meter installed when the damaged meter was removed and use any other historical data to calculate what the level of use was in the period in question

### **Work undertaken outside normal working hours**

- 3.13 Where a Retailer or a retailer on behalf of a customer requests the Company to carry out work outside of our normal operational working hours, which are 8.00am to 5.00pm Monday to Friday, excluding bank holidays, and Bournemouth Water agrees to meet this request and additional charge will be levied as per the table of miscellaneous charges above.

### **Special Agreements**

- 3.14 Where the customer has an existing special agreement with the Company. The Company has calculated a wholesale charge. A list of special agreements can be found in Section 9.

### **Operational visits**

- 3.15 Bournemouth Water will charge customers or retailers for operational visits which are in addition to the standard requirements necessary for the provision of wholesale water services. The work will be charged for at the hourly rates quoted in 3.1 above.

### **Replacing Lead Service Pipes**

- 3.16 If Bournemouth Water becomes aware that the pipe supplying a customer's property is made of lead, we will inform the Retailer and/or Customer. Where both the supply pipe and communication pipe are made of lead, we'll replace any lead communication pipe for which we are responsible

### **Standby charges**

- 3.17 A retailer or customer may wish to reserve capacity to provide back-up services for their own water supply arrangements. In such cases a standby charge will apply.
- 3.18 The charge will be applied where Bournemouth Water is satisfied that the retailer's customer has made alternative arrangements but requires a wholesale supply for back-up purposes. The frequency of use is not relevant as the charge will reflect the cost of maintaining capacity. This charge will be by quote.

### **Reliability of a standby supply**

- 3.19 Reliability of supply and other specific Terms and Conditions relating to a standby charge would be subject to a special agreement negotiated between Bournemouth Water and the party reserving the capacity.

### **Provision of fire hydrants**

3.20 Bournemouth Water can provide quotations for the installation of new and replacement fire hydrants. This work will be job-specific and therefore each request will be priced individually by quotation.

#### **Water quality testing**

3.21 Bournemouth Water may be able to offer water quality testing services. These will be considered upon request and will be priced by individual quotation based on the hourly rates quoted above under 'miscellaneous' plus the prevailing laboratory test fees.

#### **Hire of water bowsers**

3.22 Hire, including delivery and collection (per week or part week)	£171.00
Where separate visits are required for refill	£85.00
Tanker	By quotation

#### **Water Supply (Water Fittings) Regulations 1999**

3.23 Initial inspections to assess compliance with the above regulations are free. A site report and up to two follow-up re- inspection visits to assess resultant remedial works are also free. Subsequent visits may, at our discretion, be chargeable at £58.00 per visit until full compliance with the regulations is achieved.

#### **Increase or decrease the capacity of a supply (non-household only)**

3.24 By quotation.

#### **Other goods and services**

3.25 Any other goods and services provided by the Company will be charged at the reasonable actual cost of providing the service (inclusive of overheads as appropriate).

## SECTION 4 – SEARCHES FEES AND ENVIRONMENTAL INFORMATION REPORTING

4.1 Searches are available from the suppliers of wastewater services.

### Environmental Information Reporting<sup>1</sup>

4.2 The Environmental Information Regulations allow the information provider to make a reasonable charge for providing environmental information.

4.3 Where fees are required, a Fees Notice requesting payment will be issued and no further action will be taken until a fee is received. The time taken to pay the fees does not count as part of the 20 working day target for responding to requests, and it will be necessary to receive the due fee before providing the information requested.

4.4 We may charge for:

- a) Staff time for locating and retrieving information, except where the time spent is minimal
- b) Printing or photocopying costs
- c) Copying to different medias including photographic prints, scanning to CD-ROM, etc – details will be provided when responding to the particular request
- d) Postage or other delivery charges

4.5 We will not charge for:

- a) Information available on the Bournemouth Water website
- b) Copies of any publication (eg leaflets or reports) already made available by the Company
- c) Inspecting public registers or examining information at Bournemouth Water's head office.

4.6 Please note that these charges are correct at 1 April 2017 and will be reviewed to comply with any fees, or charges or regulations published.

4.7 Bournemouth Water reserves the right to waive charges where appropriate.

4.8 The Company charges a fee of £25.00 per hour per person for staff time.

Charges for photocopying and postage are as specified below.

### Other information

4.9 The Company may charge for providing other information:

Photocopying/printing

Black & white A4 £0.085/sheet

Black & white A3 £0.17/sheet

Colour A4 £0.85/sheet

Colour A3 £1.70/sheet

4.10 Where more than 40 sheets are provided, time will also be charged at £12.50 [per hour or part hour with a minimum charge of £12.50. Postage will be charged at cost.

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<sup>1</sup> EIR charges updated on 30 April 2017

4.11 Payment will be required in advance. In some cases where significant amounts of information are being requested, the Company will estimate the cost of provision and reserves the right to charge an additional amount should actual cost vary significantly from the estimate.

4.12 These charges are subject to VAT at the standard rate (see Section 8)

**SECTION 5 – WATER METER INSTALLATION**

5.1 Only meters provided by Bournemouth Water will be accepted for charging purposes and regardless of where they are installed, meters remain the property and responsibility of the company.

5.2 Bournemouth Water has powers under Section 162 of the Water Industry Act 1991 to require certain categories of property to be metered.

5.3 It is Bournemouth Water’s policy to meter all non- households unless, in the view of the company, the cost or installation is not practicable. See Assessed charges below.

5.4 Bournemouth Water will not charge for meter installation where it requires a meter to be installed.

5.5 If a retailer requires a meter other than the standard meters offered scheme the company will consider the request. Meter installation costs will vary according to size, location, reinstatement requirements and other job specific details of the work. Bournemouth Water can provide on request a quotation for the work based on those individual factors. Quotations will be based on the charges shown in Section 10 as appropriate to the site in question, however it may be necessary to provide a bespoke quotation for some sites. The meter will remain the property of Bournemouth Water.

5.6 Bournemouth Water standard meter menu

Type of Meter	Meter Size	AMR Meter	Capable of capturing and transmitting usage data	Capable of having an external logger (or similar devices for data capture and transmission) applied to it
Elster V210P	Up to 20mm	No	No	Yes
Elster V100	Up to 42mm	AMR can be installed	No but can if AMR installed	Yes
Sensus Meistream	From 50mm Up to 100mm and above	AMR can be installed	No but can if AMR installed	Yes

5.7 Where a retailer requests Bournemouth Water to change a water meter that serves a Supply Point(s) registered to them, we may undertake a site survey to establish if the exchange is viable, and we will provide a quotation to the retailer for the cost of the meter exchange. The quotation will include the cost of the site survey, materials and other overheads as appropriate and will be based on the charges shown in Section 10 as appropriate to the site in question, however it may be necessary to provide a bespoke quotation for some sites. For the avoidance of doubt, the retailer will be liable for the cost of the site survey regardless of the viability of the exchange or whether the retailer chooses to proceed with the request to exchange the meter.

### Timescale to install a meter

- 5.8 Bournemouth water will install the within 22 business days of a request being received. If it does not, following a substantiated claim by the Retailer, the Company will credit the Retailer's account to the amount of the value of the water supply from the end of the 22<sup>nd</sup> business day period to the date the water meter is fitted, unless the delay is at the request of the Retailer or the relevant non-household customer.

### Cases where the cost of installing a meter would be unreasonable or installation would be impractical

- 5.9 Where the cost of installation is considered to be unreasonable (see Section 2 for costs which the Company may consider unreasonable) or it is impractical to install a meter the company will only install meters where customers arrange to alter their plumbing so that meters can be installed. Customers will be responsible for this work and the costs. Rateable value based charges will be payable until a meter is installed.
- 5.10 When carrying out a meter survey, the company will advise the retailer of any work that needs to be done before a meter can be installed.

### Meter location

- 5.11 A meter must be installed in accordance with the Water (Meters) Regulations 1988 at a position where it records all use within the property for which it has been installed. It must also be accessible for meter reading.
- 5.12 Where a meter is installed outside a property it will be installed as close as is reasonably practicable to the boundary of that property. For internal meters the meter will be sited as close as possible to the point at which water enters the building.
- 5.13 Usually Bournemouth Water will require a meter to be installed externally for a property which is not used solely as a single private residence. Only where an external meter will not record the use of water in the property to be metered alone will an internal location be offered.
- 5.14 Where the company has used its right to decide a meter location but a customer requires the meter to be located in a different place, subject to the requirements in the above bullet points, the customer may have the meter located in her or his preferred location provided that she or he pays any additional costs of installing the meter in the location requested rather than the location identified by the company.
- 5.15 Similarly if Bournemouth Water decides to fit an out- reader for an internal meter and a customer requires it to be fitted in a different location, the company may require the customer to pay any additional costs of complying with the customer's requirements.
- 5.16 Requests to alter the position of a meter or out-reader must be made in writing by the retailer of the property. Meter relocation costs will vary according to size, location, reinstatement requirements and other job specific details of the work. Bournemouth Water can provide on request a quotation for the work based on those individual factors. Payment is usually required in advance of installing the meter. Quotations will be based on the charges shown in Section 10, however it may be necessary to provide a bespoke quotation for some sites.



5.17 Any dispute about meter location; requests for alternative positioning of a meter or outreader; or the cost of an alternative position may be referred to the Water Services Regulation Authority (Ofwat), Centre City Tower, 7 Hill Street, Birmingham, B5 4UA.

#### Reverting to Rateable Value charges

5.18 Once a meter has been installed in a property which is not used solely as a single private residence, measured charges will be payable for the property. There is no right to revert to unmeasured charges.

#### Occupiers of properties with no water supply but for which a supply of water is provided elsewhere

5.19 A building may be divided into a number of separately rated units which while they do not have water supplies within the units, have access to a supply of water – for example communal washing and toilet facilities. If the supply is unmeasured, the occupier of each of the units is legally liable to pay unmeasured charges based on the rateable value of the unit occupied

5.20 The supply may be metered but Bournemouth Water will only agree to this where one person signs an agreement to pay the metered bill which will result. It will then be up to that person to apportion the metered charges between all persons with access to the supply and collect monies from them. Should the person who has agreed to pay the charges default, or request to be released from the agreement without another person confirming in writing that she or he will take over responsibility for payment, Bournemouth Water reserves the right to cancel the metered charging agreement and revert to charging the individual occupiers on an unmeasured basis.

5.21 A single bill will be issued for the installation charge: the company will not agree to apportion the price between all customers applying for the meter.

5.22 If in the case of shops or offices with no water supply to the actual premises and the company agrees that it is not feasible to set up a joint metered account, the relevant customers will be offered an assessed charge based on the number of persons working on the premises.

#### Assessed charges

5.23 Where a non-household customer wishes to be charged on a metered basis and Bournemouth Water is unable to fit a meter, the customer will be given the option of being charged on an assessed basis rather than by rateable value. For non-household properties charges will be based on the number of full time equivalent employees multiplied by an assessed volume per type of property supplied. This applies to situations where the installation of a meter would incur unreasonable expense. Unreasonable expense includes:

- o The cost of separation of a supply pipe if it is shared with other customers.
- o The cost of installing more than one meter. (Where there is more than one supply, we will consider the installation of a second meter provided this does not entail disproportionate costs.)
- o The cost of alterations to existing plumbing.

#### Meter reading services

5.24 Bournemouth Water may be able to offer meter reading services which will be charged based on the hourly rate for 'miscellaneous work' shown in the Section 3.

## Retailer equipment on meters

- 5.25 Should a retailer wish to install its own retailer equipment on a Bournemouth Water meter at a Supply Point for which they are registered, they must provide the Company with written notification according to the terms of the Wholesale-Retail Code. Any such installation will be subject to the terms and conditions set out in the 'Bournemouth Water Policy and Terms in respect of Retailer Equipment' which the Retailer will be deemed to have accepted upon providing such written notification.
- 5.26 At the time of notification, the retailer should provide Bournemouth Water with details of any charges which may be levied in respect of data sharing.
- 5.27 Bournemouth Water may withhold its consent for the installation of retailer equipment on its meter where there are practical factors existing at the meter location which may prohibit installation of the retailer equipment, or where installation of the retailer equipment on the meter may interfere with Bournemouth Water's ability to comply with its statutory obligations or licence, or result in interference with the Company's network or for leakage management purposes.
- 5.28 Bournemouth Water may need to undertake a site survey prior to issuing consent for retailer equipment to be installed, the cost of which will be charged to the retailer. The retailer should ensure that the Company will have reasonable access to the customer's premises if necessary to carry out a site survey and/or any water supply checks considered necessary by the Company.
- 5.29 Any damage caused to the Company's network or meters due to the installation of retailer equipment will be dealt with according to Section 3 of this document.
- 5.30 Any installed retailer equipment must not obstruct or hinder the Company in carrying out its statutory obligations. If the retailer equipment obstructs or hinders, or is believed to be interfering with meter readings or being used for non legitimate purposes, the Company reserves the right to remove the equipment without notice and to charge the retailer for any costs arising from that removal.
- 5.31 Any retailer equipment installed on a meter by the retailer must be clearly labeled with the retailer's name and contact number.
- 5.32 The retailer is responsible for its retailer equipment and any liabilities and costs associated with the installation and ongoing maintenance.
- 5.33 Subject to its service guarantees for non-households, Bournemouth Water is not responsible for any interruption or impediment to the supply of water to a customer's premises as a result of any activity by the retailer or the functioning of the retailer's equipment.
- 5.34 Where possible, Bournemouth Water will give reasonable notice to the retailer of work to be undertaken on the Company's network or meter which may require the removal of the retailer equipment in order to provide the opportunity for the retailer to remove its equipment if necessary. Should the retailer fail to remove its retailer equipment prior to the Company undertaking notified works, the Company reserves the right to charge the retailer for reconnection of the retailer's equipment.
- 5.35 Bournemouth Water reserves the right to remove, without notice, any retailer equipment it finds has been installed without permission, and reserves the right to charge the retailer for the cost of doing so.

5.36 The retailer must inform Bournemouth Water immediately, in writing, on discovering any equipment or logging devices already installed on the meter.

## SECTION 6 – OTHER MATTERS RELATED TO METERED CUSTOMERS

### Meter testing

- 6.1 In accordance with the provisions of the Water (Meters) Regulations 1988, a customer who believes the meter supplying his or her property is faulty may require the Company to test the accuracy of the meter. **However there will be a charge for this if the test shows that the meter is correctly recording use.**
- 6.2 Retailers are responsible for the due care of a water meter existing on a Supply Point for which they are registered. If the retailer, or their customer, believes a water meter is faulty or damaged, they must notify the Company.
- 6.3 Non-household customers are asked to call the Retailer of the property if they consider that their meter is incorrectly recording use. The Company will investigate the matter. If the Company considers that the meter is correctly recording use, the Retailer may ask to have the meter tested and should submit the relevant form set out in the Wholesale-Retail Code.
- 6.4 Except where it is proved to have started registering incorrectly on a later date, a meter which is found to be registering inaccurately (beyond the manufacturer's standards) will be deemed to have been faulty since the penultimate time it was read. In which cases the Company will adjust charges due accordingly.
- 6.5 Any dispute about any matter arising from meter testing may be referred to the Water Services Regulation Authority (Ofwat), Centre City Tower, 7 Hill Street, Birmingham B5 4UA.
- 6.6 Meter testing charge

Non-household meters 15/20mm: by quotation subject to a maximum charge	£70.00
Non-household meters 25mm and over	By quotation

## **SECTION 7- VALUE ADDED TAX**

- 7.1 All charges contained in this Charges Scheme are exclusive of Value Added Tax (VAT) unless otherwise stated.
- 7.2 This section is a description of the VAT liability of charges and is subject to changes in VAT registration and rates of VAT.
- 7.3 The supply of water from the wholesaler to the retailer is subject to VAT at the standard rate.
- 7.4 Measured and unmeasured sewerage and sewage disposal charges and trade effluent charges from the wholesaler to the retailer are subject to VAT at the zero rate.

### Engineering and construction services

- 7.5 Charges for engineering and construction services, excluding infrastructure charges, are subject to VAT at the standard rate, unless they relate to new construction of dwellings (in which case they are zero rated). Infrastructure charges are outside the scope of VAT. Charges in respect of construction services/civil engineering services supplied in the course of certain residential conversions, or in the course of renovating certain buildings that have been empty for two or more years, may be taxed at a reduced rate, but only where the work is done wholly within the immediate site of the development.

## **SECTION 8 – COMPETITION**

### **Access Pricing**

- 8.1 Indicative access prices are published in our Access Code each year. They provide an indication of the prices that water supply licensees will be charged if they are successful in applying for access to a water company's supply system. The actual price may differ, depending on individual circumstances and subsequent negotiations.
- 8.2 The wholesale price used in the Bournemouth Water indicative price calculations in the Access Code is the best tariff available for a customer for the appropriate volume. Ofwat's expectations are that companies will base access prices initially on wholesale charges consistent with the wholesale revenue controls in place for 2015-20.
- 8.3 At the time of this preparing this Charging Scheme, indicative combined supply Access Prices have been calculated based on the Costs Principle. The Costs Principle still exists in legislation at the time of preparing this Charges Scheme. Under the Water Act 2014 provisions exist that, once enacted, will remove it from legislation and replace it with a new charging regime based on Ofwat charging rules developed in the light of Government charging guidance. Ofwat guidance was not available at the time of drafting this Charging Scheme.
- 8.4 Any changes to our access prices will be communicated through an update to our Access Code.
- 8.5 For the avoidance of doubt, the charging arrangement between the Company and a Licensee does not determine the arrangements that a customer makes with a licensee on charging amounts, methods and payment terms.

## SECTION 9 – SCHEDULES

### FIRST SCHEDULE

#### Wholesale non-household unmeasured water supply charges 2017/18

Water supply charges	Per annum
Standing charge	£1.50
Rateable value charge per £ of rateable value	64.98p
Churches, chapels and places of worship	£49.60
Unmetered watering points	£49.60
Unmetered swimming pools	£36.70

#### Assessed charges non-households

Band 1	20 m <sup>3</sup> pa per employee
Band 2	50 m <sup>3</sup> pa per employee
Band 3	100 m <sup>3</sup> pa per employee
Band 4	200 m <sup>3</sup> pa per employee
Band 5	By inspection per employee
Per cubic metre	£1.0348
Standing charge	£0.71

Examples of business types in for each band:

Band 1 Retail, accountants, legal services, doctors.

Band 2 Dentists, hairdressers, schools.

Band 3 Hotels, nightclubs, licensed bars, restaurants, cafes.

Band 4 Public houses, sport and recreation facilities, photographic processing.

Band 5 Laundries, concrete production, brewing.

This list is not exhaustive.

### SECOND SCHEDULE

#### Wholesale non-household measured water supply charges 2017/18

m <sup>3</sup> pa	Charge per m <sup>3</sup>	Fixed charge – per annum
0-750	£1.0348	£0.71
>750-2,000	£1.0348	£6.01
>2,000-4,000	£1.0348	£14.18
>4,000-5,000	£1.0348	£24.05
>5,000-10,000	£1.0348	36.69
>10,000-50,000	£0.9757	£875.36
>50,000	£0.7560	£11,516.69

## **THIRD SCHEDULE**

### Special Agreements

The Water Industry Act 1991 allows water and sewerage undertakers to enter in to a special agreement instead of charging in accordance with a charges scheme. This agreement specifies the charges for supplies of water and sewerage services to business premises. These charges may be different to those laid out in the charges scheme.

There are a number of non-household whole sale consumers where wholesale charges are charged under a special agreement, generally at a discount to the standard wholesale charge. A summary of these agreements is published on the [southwestwater.co.uk](http://southwestwater.co.uk) website.



## SECTION 10 - OTHER METER CHARGES

Description of charge	£
AMR meters – above ground up to 20mm	82.00
AMR meters – above ground 25/28mm (1")	114.00
AMR meters – above ground 30/32/35 and 40/42mm (1.25" and 1.5")	139.00
AMR meters – above ground 50/54 and 65mm (2" and 2.5")	174.00
AMR meters – above ground 75/80mm (3")	193.00
AMR meters – above ground 100mm (4")	213.00
AMR meters – above ground 125 and 150mm (5" and 6")	232.00
AMR meters – above ground >150mm (>6")	249.00
Non AMR meters – above ground up to 20mm	48.00
Non AMR meters – above ground 25/28mm (1")	67.00
Non AMR meters – above ground 30/32/35 and 40/42mm (1.25" and 1.5")	82.00
Non AMR meters – above ground 50/54 and 65mm (2" and 2.5")	102.00
Non AMR meters – above ground 75/80mm (3")	113.00
Non AMR meters – above ground 100mm (4")	125.00
Non AMR meters – above ground 125 and 150mm (5" and 6")	136.00
Non AMR meters – above ground >150mm (>6")	146.00
AMR Exchange above ground meter (retailer request) up to 20mm	183.00
AMR Exchange above ground meter (retailer request) 25/28mm (1")	183.00
AMR Exchange above ground meter (retailer request) 30/32/35 and 40/42mm (1.25" and 1.5")	183.00
AMR Exchange above ground meter (retailer request) 50/54 and 65mm (2" and 2.5")	183.00
AMR Exchange above ground meter (retailer request) 75/80mm (3")	183.00
AMR Exchange above ground meter (retailer request) 100mm (4")	183.00
AMR Exchange above ground meter (retailer request) 125 and 150mm	183.00

(5" and 6")	
AMR Exchange above ground meter (retailer request) >150mm (>6")	183.00
Non AMR Exchange above ground meter (retailer request) up to 20mm	157.00
Non AMR Exchange above ground meter (retailer request) 25/28mm (1")	157.00
Non AMR Exchange above ground meter (retailer request) 30/32/35 and 40/42mm (1.25" and 1.5")	157.00
Non AMR Exchange above ground meter (retailer request) 50/54 and 65mm (2" and 2.5")	157.00
Non AMR Exchange above ground meter (retailer request) 75/80 mm(3")	157.00
Non AMR Exchange above ground meter (retailer request) 100mm (4")	157.00
Non AMR Exchange above ground meter (retailer request) 125 and 150mm (5" and 6")	157.00
Non AMR Exchange above ground meter (retailer request) >150mm (>6")	157.00
AMR replace below ground meter (retailer request) up to 20mm	63.00
AMR replace below ground meter (retailer request) 25/28mm (1")	63.00
AMR replace below ground meter (retailer request) 30/32/35 and 40/42mm (1.25" and 1.5")	63.00
AMR replace below ground meter (retailer request) 50/54 and 65mm (2" and 2.5")	63.00
AMR replace below ground meter (retailer request) 75/80mm (3")	63.00
AMR replace below ground meter (retailer request) 100mm (4")	63.00
AMR replace below ground meter (retailer request) 125 and 150mm (5" and 6")	63.00
AMR replace below ground meter (retailer request) >150mm (>6")	63.00
Non AMR replace below ground meter (retailer request) up to 20mm	37.00
Non AMR replace below ground meter (retailer request) 25/28mm (1")	37.00
Non AMR replace below ground meter (retailer request) 30/32/35 and 40/42mm (1.25" and 1.5")	37.00

Non AMR replace below ground meter (retailer request) 50/54 and 65mm (2" and 2.5")	37.00
Non AMR replace below ground meter (retailer request) 75/80mm (3")	37.00
Non AMR replace below ground meter (retailer request) 100mm (4")	37.00
Non AMR replace below ground meter (retailer request) 125 and 150mm (5" and 6")	37.00
Non AMR replace below ground meter (retailer request) >150mm (>6")	37.00
AMR replace below ground meter + dig up and rebuild verge or footway (retailer request) up to 20mm	251.00
AMR replace below ground meter + dig up and rebuild verge or footway (retailer request) 25/28mm (1")	251.00
AMR replace below ground meter + dig up and rebuild verge or footway (retailer request) 30/32/35 and 40/42mm (1.25" and 1.5")	251.00
AMR replace below ground meter + dig up and rebuild verge or footway (retailer request) 50/54 and 65mm (2" and 2.5")	251.00
AMR replace below ground meter + dig up and rebuild verge or footway (retailer request) 75/80mm (3")	251.00
AMR replace below ground meter + dig up and rebuild verge or footway (retailer request) 100mm (4")	251.00
AMR replace below ground meter + dig up and rebuild verge or footway (retailer request) 125 and 150mm (5" and 6")	251.00
AMR replace below ground meter + dig up and rebuild verge or footway (retailer request) >150mm (>6")	251.00
Non AMR replace below ground meter + dig up and rebuild verge or footway (retailer request) up to 20mm	218.00
Non AMR replace below ground meter + dig up and rebuild verge or footway (retailer request) 25/28mm (1")	218.00
Non AMR replace below ground meter + dig up and rebuild verge or footway (retailer request) 30/32/35 and 40/42mm (1.25" and 1.5")	218.00
Non AMR replace below ground meter + dig up and rebuild verge or footway (retailer request) 50/54 and 65mm (2" and 2.5")	218.00
Non AMR replace below ground meter + dig up and rebuild verge or footway (retailer request) 75/80mm (3")	218.00

Non AMR replace below ground meter + dig up and rebuild verge or footway (retailer request) 100mm (4")	218.00
Non AMR replace below ground meter + dig up and rebuild verge or footway (retailer request) 125 and 150mm (5" and 6")	218.00
Non AMR replace below ground meter + dig up and rebuild verge or footway (retailer request) >150mm (>6")	218.00
AMR below ground EBCO and MTM (except surfaced road) up to 20mm	336.00
AMR below ground EBCO and MTM (except surfaced road) 25/28mm (1")	369.00
AMR below ground EBCO and MTM (except surfaced road) 30/32/35 and 40/42mm (1.25" and 1.4")	393.00
AMR below ground EBCO and MTM (except surfaced road) up to 20mm 50/54 and 65mm (2" and 2.5")	428.00
AMR below ground EBCO and MTM (except surfaced road) up to 20mm 75/80mm (3")	448.00
AMR below ground EBCO and MTM (except surfaced road) up to 20mm 100mm (4")	467.00
AMR below ground EBCO and MTM (except surfaced road) up to 20mm 125 and 150mm (5" and 6")	486.00
AMR below ground EBCO and MTM (except surfaced road) up to 20mm 100mm (4") >150mm (>6")	504.00
Non AMR below ground EBCO and MTM (except surfaced road) up to 20mm	304.00
Non AMR below ground EBCO and MTM (except surfaced road) 25/28mm (1")	336.00
Non AMR below ground EBCO and MTM (except surfaced road) 30/32/35 and 40/42mm (1.25" and 1.4")	361.00
Non AMR below ground EBCO and MTM (except surfaced road) up to 20mm 50/54 and 65mm (2" and 2.5")	396.00
Non AMR below ground EBCO and MTM (except surfaced road) up to 20mm 75/80mm (3")	415.00
Non AMR below ground EBCO and MTM (except surfaced road) up to 20mm 100mm (4")	434.00
Non AMR below ground EBCO and MTM (except surfaced road) up to	454.00

20mm 125 and 150mm (5" and 6")	
Non AMR below ground EBCO and MTM (except surfaced road) up to 20mm 100mm (4") >150mm (>6")	471.00
AMR / Non AMR - surfaced roads	By quotation