

## Gate two query process

Strategic solution(s)	SESRO
Query number	SER006
Date sent to company	15/12/2022
Response due by	19/12/2022

### Query

Is there any difference between the best value solution option and the least cost solution option? If yes, please indicate where we can find the comparison between best value and least cost solution option.

### Solution owner response

As noted in Section 8.3 of the Gate 2 submission for SESRO:

- The solution that is selected in the WRSE draft Best Value plan and in the WRMP24 best value plan reported pathway is the 100 Mm<sup>3</sup> SESRO option. This is selected in 8 of the 9 adaptive pathways of the draft plans.
- The solution that is selected in the WRSE draft cost efficient plan is the 150 Mm<sup>3</sup> SESRO option.

There are differences between all of the SESRO options, in terms of spatial scale, deployable output, cost, carbon, environmental impact and benefits. All such aspects are taken into consideration in the WRSE best value planning approach.

As noted in Section 8.3 of the SESRO Gate 2 submission: *“Best value metrics have been determined for the SRO scheme. The metrics considered in addition to cost and carbon emissions are Natural Capital (NC), Biodiversity Net Gain (BNG), SEA benefit, SEA disbenefit, resilience: reliability, evolvability and adaptability, and customer preference.”* This approach enables comparison

between the options in a regional context, in comparison with and in combination with all other supply-side and demand-side options, to derive the regionally optimal plan.

However, in simple terms, the comparison between the different SESRO options is reported in the Gate 2 submission, in terms of:

- comparison of costs, in Section 8, Table 8.1 and 8.2
- comparison of carbon footprint, in section 6, Table 6.7 and Figure 6.1 and 6.2
- comparison of BNG and NCA, in section 6 (Table 6.5) and Section 8.2.1 respectively
- comparison environmental impacts in Supporting Documents B-4 (HRA), B-5 (WFD) and B-7 (SEA).
- comparison of water resources deployable output in section 4, Table 4.1

However, the overall choice of ‘best value’ and ‘least cost’ is done at a regional level, on the basis of the optimised programme that includes a particular option, rather than through a simple comparison solely between the different SESRO options.

As stated in paragraph 8.23 of the Gate 2 submission, *“Further discussion on the rationale for the choice and timing of this option may be found within the partner companies’ draft WRMP24 documents.”* Specifically, discussion on the choice of SESRO options within the draft plans and hence more detailed comparison between the options may be found in:

- The WRSE draft Regional Plan, Technical Annex 2, Chapter 15: Best Value Plan comparison:  
<https://www.wrse.org.uk/media/lanejwxx/wrse-draft-regional-plan-technical-annex-2-nov-2022.pdf>
- Thames Water’s draft WRMP24, Sections 10 and 11:  
<https://thames-wrmp.co.uk/hearing-your-views/document-library/>
- Affinity Water’s draft WRMP24, Section 9:  
<https://affinitywater.uk.engagementhq.com/wrmp>

<b>Date of response to RAPID</b>	19-12-22
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**Strategic solution contact /  
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