

Gate two query process

| Strategic solution(s) | London Water Recycling SRO |
|-----------------------|----------------------------|
| Query number | LOR003 |
| Date sent to company | 30/11/2022 |
| Response due by | 02/12/2022 |

Query

 Please provide an assessment of progress against the project plan that indicates whether or not it is on track. Reasons should be provided for any missed milestones and impacts on the overall programme caused by delays.

Solution owner response

This response has been written in line with the requirements of the RAPID Gate 2 Guidance and to comply with the regulatory process pursuant to Thames Water's statutory duties. The information presented relates to material or data which is still in the course of completion. Should the solution presented in the Gate 2 documents be taken forward, Thames Water will be subject to the statutory duties pursuant to the necessary consenting process, including environmental assessment and consultation as required. This response should be read with those duties in mind.

Section 7 of the Gate 2 submission for London water recycling SRO and our Scheme Delivery Plan (annex F) sets out the project delivery plan for all schemes.

We confirm in paragraph 7.2 of the Gate 2 report that 'each water recycling scheme remains on track to proceed through planning, procurement and the gated process in parallel to be construction ready in AMP8 if required'. This statement is supported by an illustrative programme in figure 7.1 and further explanation of the activities required to be construction ready in AMP8 in annex F.

Gate two query OFFICIAL – SENSITIVE

We also confirm in paragraph 7.3 of the Gate 2 report that in addition to being construction ready in AMP8, each scheme could be built and operational early in AMP9, if required.

Therefore the SRO remains on track and aligned to the requirements set-out by RAPID to be construction ready in AMP8 with no missed milestones.

It should be noted that a number of schemes within the SRO have not been selected by the draft WRSE Regional Plan. As a result we have made recommendations within our Gate 2 submission about the future scope, activities and programme for these schemes with a view on limiting unnecessary or abortive spend. Should RAPID agree with these recommendations then these schemes are likely to follow a slower development path and only become construction ready if or when a selected scheme does not progress.

Paragraph 11.3 of the Gate 2 report states that 'all work planned for Gate 2 has been completed and results used to inform the conceptual designs, modelling and assessments presented in our submission'. This statement applies to all schemes within the SRO.

In summary we confirm that:

- The SRO and all schemes within it remain on track, with an earlist construction ready date in AMP8 if that were requred.
- There are no missed milestones in our Gate 2 submission and hence no consequential delays to the overall programme.

If you require any further information on the above, please contact the strategic solution contact below.

| Date of response to RAPID | 30/12/2022 |
|---|------------|
| Strategic solution contact / responsible person | |