



2024/25 blind year  
reconciliation submission  
supporting commentary

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## 1. ODI performance model

See our APR for information about our performance in 2024/25.

## 2. ODI differences model

The net movement between FD PR24 and our 2024/25 actual position is £1million. However, there have been movements at a price control/PC level. These movements are explained in the table below:

Price control	PR24 FD £m	BYR £m	Movement	Explanation for movement
<b>In period adjustment</b>				
Water resources	(0.230)	(0.756)	0.526	CRI performance better than forecast
Water network plus	(30.633)	(15.475)	(15.158)	Mains repairs PR24 FD forecast a small penalty, but our 2024/25 actual performance generated an award of £11.5m
Wastewater network plus	(31.440)	(38.396)	6.956	Our actual leakage ODI was higher than forecast, but has been offset by better than forecast performances for water supply interruptions and internal sewer flooding Our pollutions performance was worse than forecast resulting in a £5m increase in our penalty
Bioresources	1.814	(0.318)	2.132	We over forecast our renewable energy reward by 2.5m
Residential retail	0.000	0.231	(0.231)	We exceeded our FD forecast for empty household properties
<b>Total in period</b>	<b>(60.489)</b>	<b>(54.714)</b>	<b>(5.775)</b>	
<b>End of period adjustment</b>				
Water resources	0.000	(0.005)	0.005	
Water network plus	(9.282)	(8.917)	(0.365)	
Wastewater network plus	(6.796)	(5.062)	(1.734)	Our outturn for power resilience was more favourable than forecast
Bioresources	0.000	(0.002)	0.002	
Additional control	7.060	0.660	6.400	In PR24 FD, the TTT performance level for ET07 (early hand back), generated a forecast reward of £5m in 2024/25. The actual reward is £0.6m
<b>Total end of period</b>	<b>(9.018)</b>	<b>(13.605)</b>	<b>4.587</b>	
<b>GRAND TOTAL</b>	<b>(69.507)</b>	<b>(68.147)</b>	<b>(1.360)</b>	



### 3. In period adjustments model

In the PR24 Final Determination, a forecast view was taken on the level of ODI penalties that would be applicable to our performance in 2024/25. This was then reflected in the revenue allowances set for 2026/27 in the Notification to the PR24 Final Determination. As discussed above, our actual ODI performance in 2024/25 differed to the forecast used in the PR24 Final Determination.

The table below sets out the differences, by price control, between the allowed revenue metrics for 2026/27 used in the PR24 Final Determination and those which are now included as a part of the Blind Year Reconciliation.

Price control	PR24 FD	BYR	Movement
Water Resources 2026/27 K factor (%)	33.02%	32.22%	(0.8%)
Water Network Plus 2026/27 K factor (%)	6.41%	7.49%	1.08%
Wastewater Network Plus 2026/27 K factor (%)	(9.40%)	(10.09%)	(0.69%)
Thames Tideway Tunnel 2026/27 K factor (%)	(14.28%)	(22.65%)	(8.37%)
Bioresources 2026/27 revenue allowance* <sup>1</sup> (£m)	239.390	236.871	(2.519)
Residential Retail 2026/27 revenue per customer (£)	45.43	42.41	(3.02)

We note that in the PR24 Final Determination, Ofwat published a populated version of the ODI performance model with the forecast data available at the time. However, Ofwat appears to have used the view of ODIs from the PR24 Draft Determination in the PR24 Final Determination version of the Revenue Feeder model. These ODI payments were then included in the calculations of the AMP8 allowed revenues. This seems to have been accounted for and corrected by Ofwat as the ODI differences model within the Blind Year Reconciliation compares actual ODI performance per our APR25 submission with the PR24 FD Revenue Feeder model (rather than the ODI model).

No changes have been made to historical data inputs or to the mechanics of the in-period adjustments model that is being submitted as a part of the Blind Year Reconciliation.

<sup>1</sup> Note that the Bioresources revenue allowance is quoted in 2022/23 CPIH FYA deflated prices

#### 4. C-MeX model

We provide 2024/25 C-MeX information in the table below for completeness but are not submitting a model at this time.

C-MeX	2023/24 <sup>2</sup> Nr.	2024/25 Nr.	Movement
Annual customer satisfaction score - service	57.97	57.98	(0.01)
Annual customer satisfaction score for - experience	71.74	64.90	6.84
Annual C-MeX score	64.86	61.44	3.41
Annual net promoter score	(14.50)	(31.50)	17.00
Total household complaints	83,146	69,209	13,937
Total connected household properties	5,979,736	6,006,111	(26,375)
Total household complaints per 10,000 connections	139.046	115.231	23.82
Confirmation of communication channels offered	TRUE	TRUE	n/a
Residential retail - Revised total revenue (TRt)	124.750	145.842	(21.092)
UK Customer Satisfaction Index ('UKCSI') <sup>3</sup>	63.3	62.0	(1.3)
C-MeX score - rank	17	17	-
C-MeX performance payment rate	(12.0%)	(12.0%)	-
C-MeX performance payment (2017-18 CPIH prices)	(£12.211m)	(£13.705m)	(£1.494m)

#### 5. D-MeX model

We provide 2024/25 D-MeX information in the table below for completeness but are not submitting a model at this time.

D-MeX	2023/24 <sup>4</sup> Nr.	2024/25 Nr.	Movement
Qualitative component annual results	62.09	65.22	(3.13)
Quantitative component annual results	86.89	94.55	(7.65)
D-MeX score	74.49	79.88	(5.39)
Developer services revenue - water	39.653	45.786	(6.133)
Developer services revenue - wastewater	17.271	21.950	(4.679)
D-MeX score - rank	17	17	-
D-MeX performance payment rate	(12.0%)	(12.0%)	-
D-MeX performance payment – water (2017-18 CPIH prices)	(£4.367m)	(£4.302m)	£0.065m
D-MeX performance payment – wastewater (2017-18 CPIH prices)	(£1.698m)	(£2.063m)	(£0.364m)

<sup>2</sup> Source: C-MeX PR19 reconciliation model (PR24PD02)

<sup>3</sup> Updated to the latest published number (January 2025)

<sup>4</sup> Source: D-MeX PR19 reconciliation model (PR24PD03)

## 6. RFI model

In the PR24 Final Determination, it was assumed that our wholesale revenue recovery would be in line with the wholesale revenue allowances for 2024/25, hence a nil over/under-recovery was initially shown. This view was taken due to how early in the 2024/25 charging year that we were required to finalise our forecasts for the purposes of submitting our PR24 Draft Determination response.

Ofwat subsequently made retrospective adjustments to actual revenues throughout AMP7 in the PR24 Final Determination RFI model to correct for Third-party rechargeable works revenue that should have been included within revenue allowances for the wholesale price controls at PR19. This subsequently generated non-zero values for the year 5 RFI adjustments in the PR24 Final Determination.

Our actual wholesale revenue for 2024/25 shows an over-recovery against allowed revenues, as set out in the commentary for table 2M of our APR25 submission. This commentary is included below for completeness. Note that the figures in the commentary include revenues that relate to the Bioresources price control that sits outside of the scope of the RFI mechanism.

Wholesale revenue for 2024/25 of £2,536.6m is £83.1m (3.4%) higher than the amount allowed in Ofwat's in-period outcome delivery incentives final determinations.

Wholesale water revenue is £57.2m (4.9%) and wholesale wastewater revenue (including the Company's delivered element of the Thames Tideway Tunnel) is £25.9m (2.0%) higher than the allowance. The causes of the higher revenue in both cases are:

- higher core tariff revenue from household customers, as a result of a larger chargeable customer base and metered consumption being higher than originally anticipated;
- higher core tariff revenue from non-household customers, as a result of a larger chargeable customer base than originally anticipated; and
- higher than forecast capital contributions from Section 185 diversion revenue due to one particularly large and complex scheme.

The over recovered revenue in 2024/25 attributable to variances in our customer base between outturn and the forecasts used when tariffs were set will be returned to customers during AMP8 under Ofwat's Revenue Forecasting Incentive ("RFI") mechanism.

A revenue penalty of £1.7m is generated by the RFI mechanism in relation to the over-recovery of wholesale revenue reported in 2024/25.

The table below sets out the differences, by price control, between the RFI view for 2024/25 used in the PR24 Final Determination and that which is now included as a part of the Blind Year Reconciliation.

Wholesale price control subject to RFI	PR24 FD £m	BYR £m	Movement £m
Water Resources 2024/25 RFI adjustment	0.0	(1.3)	(1.3)
Water Network Plus 2024/25 RFI adjustment	0.1	(57.7)	(57.8)
Wastewater Network Plus 2024/25 RFI adjustment	12.6	(11.5)	(24.0)
Thames Tideway Tunnel 2024/25 RFI adjustment	0.0	(0.8)	(0.8)
<b>Total 2024/25 RFI adjustment before financing costs and inflation adjustments</b>	<b>12.8</b>	<b>(71.3)</b>	<b>(84.0)</b>

No changes have been made to historical data inputs or to the mechanics of the RFI model that is being submitted as a part of the Blind Year Reconciliation.

#### Thames Tideway Tunnel ('TTT') PR14 Blind Year Reconciliation adjustment

As previously noted in our Business Plan submission and PR24 Draft Determination response, an adjustment is yet to be made to process the Blind Year Adjustment ("BYA") from PR14 for the TTT TWUL price control. This is an adjustment of £1.443m in 2017/18 prices. The BYA term for the TTT TWUL price control was inadvertently missed from the RFI formula for PR19 meaning the adjustment could not be included in our AMP7 allowed revenues.

Ofwat confirmed in section 2.1.6 of the 2019/20 Blind Year Adjustment final decision document<sup>5</sup> that it would be included at PR24, but it seems to have been removed from the PR24 Draft and Final Determinations whenever we have added it back in to the required adjustments. We have not amended the RFI model to account for this. Instead, we have included it under 'Other revenue adjustments' within the Revenue feeder model. As such, further detail is added to section 19 of this document, titled 'Revenue adjustments'.

#### Third-party rechargeable works revenue

Following the Ofwat outbound query issued in September 2024 on the topic of third-party rechargeable works revenue, we have continued to report the actual revenue for 2024/25 as prescribed by RAG 4.09, Appendix 1. As such, all third-party rechargeable works revenue is reported in lines 2I.3 and 2I.11 of our APR25 submission and hence flows through to table 2M of the APR to then be included within the RFI actual revenue. This now includes charges for building over company assets which had previously been reported outside of the price control in our previous APR submissions.

To be consistent with the treatment of third-party rechargeable works revenue in the PR24 Final Determination RFI model, Ofwat will again need to adjust the actual revenue for 2024/25 within the RFI model that we have submitted as a part of our Blind Year Reconciliation.

### 7. Cost of New Debt Reconciliation Model

Cost of New Debt Model (in 2017-18 deflated prices)	PR24 FD £m	BYR £m	Movement £m
PR19 Cost of Debt Revenue Adjustment (WR)	1.53	1.57	0.04
PR19 Cost of Debt Revenue Adjustment (WN)	26.11	26.68	0.57
PR19 Cost of Debt Revenue Adjustment (WWN)	21.44	21.90	0.46
PR19 Cost of Debt Revenue Adjustment (BR)	6.22	6.35	0.13
PR19 Cost of Debt Revenue Adjustment (ADDN1)	5.14	5.23	0.09

Cost of new debt BYR performance is driven by outturn 1 Year average of iBoxx (GBP non-financials 10+ A and BBB indices) provided by IHS Markit.

The average outturn yield for FY25 was higher than forecast at the FD at the FD and consequently there is a marginal increase of £1.283m (17/18) in revenue as per the blind-year reconciliation vs the PR24 FD.

<sup>5</sup> [Thames Water – Adjusting for actual performance in 2019-20: Blind year adjustment, final decisions](#), Ofwat, November 2020

## 8. Tax reconciliation model

N/A as no model was provided by Ofwat.

## 9. Cost sharing reconciliations model

Totex – cost sharing model (in 2017-18 deflated prices)	PR24 FD £m	BYR £m	Movement £m
PR19 Costs reconciliation RCV adjustment (WR)	16.0	13.5	(2.5)
PR19 Costs reconciliation RCV adjustment (WN)	16.0	(0.5)	(16.5)
PR19 Costs reconciliation RCV adjustment (WWN)	110.1	113.3	3.2
PR19 Costs reconciliation RCV adjustment (BR)	(20.5)	(20.5)	(0.0)
PR19 Costs reconciliation RCV adjustment (ADDN1)	(4.5)	(0.3)	4.2
PR19 Costs reconciliation RCV adjustment (ADDN2)	0.0	0.0	0.0
PR19 Totex costs revenue adjustment (WR)	19.4	16.3	(3.1)
PR19 Totex costs revenue adjustment (WN)	12.5	(0.4)	(12.9)
PR19 Totex costs revenue adjustment (WWN)	99.3	101.6	2.3
PR19 Totex costs revenue adjustment (BR)	(12.8)	(12.8)	(0.0)
PR19 Totex costs revenue adjustment ADDN1)	(0.4)	(0.0)	0.4
PR19 Totex costs revenue adjustment (ADDN2)	0.0	0.0	0.0

The 2024/25 forecast numbers were based on board approved forecasted expenditure.

Actual 2024/25 Totex has been taken from the finalised Annual Performance Report (APR) with CMA Totex figures taken from past delivery tables PD9.

## 10. Developer services revenue adjustments model

The allowed revenue for Developer Services in AMP7 was set as an allowance (unit rate) per new connected property for Water and for Waste. The continued economic conditions have resulted in lower connection activity by Developers and lower new property volumes than our forecast for PR24. The ratio of new Waste properties to Water has also fallen, so Waste has been impacted more significantly. This has resulted in a lower allowed revenue of £3.1m for Water and £4.5m for Waste.

Developer Services Revenue Adjustments	PR24 FD £m	BYR £m	Movement £m
Water DSRA Financing Adjustment (2017-18 FYA CPIH deflated prices)	(40.2)	(43.3)	(3.1)
Waste DSRA Financing Adjustment (2017-18 FYA CPIH deflated prices)	(11.6)	(16.0)	(4.5)



No changes have been made to historical data inputs or to the mechanics of the Developer services revenue adjustments model that is being submitted as a part of the Blind Year Reconciliation.

#### 11. RPI-CPIH Wedge<sup>6</sup>

RPI-CPIH Wedge Model (in 2017-18 deflated prices)	PR24 FD £m	BYR £m	Movement £m
PR19 RPI-CPIH Wedge RCV Adjustment (WR)	4.69	3.99	(0.70)
PR19 RPI-CPIH Wedge RCV Adjustment (WN)	92.87	79.08	(13.79)
PR19 RPI-CPIH Wedge RCV Adjustment (WWN)	73.60	62.67	(10.93)
PR19 RPI-CPIH Wedge RCV Adjustment (BR)	23.07	19.64	(3.43)
PR19 RPI-CPIH Wedge RCV Adjustment (ADDN1)	26.92	23.21	(3.71)
PR19 RPI-CPIH Wedge Revenue Adjustment (WR)	1.05	1.00	(0.04)
PR19 RPI-CPIH Wedge Revenue Adjustment (WN)	21.77	20.84	(0.92)
PR19 RPI-CPIH Wedge Revenue Adjustment (WWN)	21.00	20.19	(0.81)
PR19 RPI-CPIH Wedge Revenue Adjustment (BR)	6.04	5.79	(0.25)
PR19 RPI-CPIH Wedge Revenue Adjustment (ADDN1)	2.14	2.07	(0.07)

The RPI-CPIH wedge model is updated for outturn inflation for FY25. These updates are sourced from the ONS website and align with the values depicted in PD1.

There is a decrease in the RCV adjustment when compared to the PR24 FD. The decrease is driven by a decrease in the outturn RPI indexation realised in FY25 when comparing to the assumptions used in the PR24 FD.

RPI-linked RCV is indexed according to the RPI 'wedge'. The wedge is made up of the year-on-year movement in average CPIH, plus the year-on-year movement in CPIH, less the equivalent movement for RPI. With outturn RPI for FY25 realised lower than forecast (offsetting the increase in CPIH vs forecasts), the closing RCV balance for FY25 is lower than projected in the PR24 FD.

The c.£2m decrease in revenue is attributable to the decrease in FY25 indexation and the closing RCV balance. A lower FY25 RCV closing balance and indexation results in lower return on RCV revenues, which are based on the WACC multiplied by average RCV in the year (opening + closing RCV + indexation / 2). In addition, lower indexation for FY25 results in lower run-off revenues, which are based on run-off rates multiplied by the sum of opening RCV + indexation in year.

<sup>6</sup> PR24 FD (17/18 prices) figures have been pulled from Ofwat's RPI-CPIH Wedge model, version 5.7.

## 12. Water trading incentive model

No Water trading incentive model was submitted as a part of our PR24 Draft Determination response, so no adjustment for the Water trading incentive was included within our PR24 Final Determination. We have now populated the Water trading incentive model to reflect two new exports to Affinity Water that commenced during AMP7.

The two exports are compliant with our Trading and Procurement code and a document detailing this compliance has been produced as per the requirements of the Water trading incentive model. This document will be submitted to Ofwat as a part of the Blind Year Reconciliation submission.

The table below sets out the difference between the Water trading incentive view for AMP7 used in the PR24 Final Determination and that which is now included as a part of the Blind Year Reconciliation.

Water trading incentive model	PR24 FD £m	BYR £m	Movement £m
Water trading incentive revenue adjustment for AMP7 (2017-18 FYA CPIH deflated)	0.0	0.7	0.7

No changes have been made to historical data inputs or to the mechanics of the Water trading incentive model that is being submitted as a part of the Blind Year Reconciliation.

## 13. Bioresources revenue reconciliation model

In the PR24 Final Determination, it was assumed that our wholesale revenue recovery would be in line with the wholesale revenue allowances for 2024/25, hence a nil over/under-recovery is shown. This view was taken due to how early in the 2024/25 charging year that we were required to finalise our forecasts for the purposes of submitting our PR24 Draft Determination response.

Our actual wholesale revenue for 2024/25 shows an over-recovery against allowed revenues, as set out in the commentary for table 2M of our APR25 submission. This can be seen in the section above that relates to the RFI. Note that the figures in the commentary include revenues that relate to the Bioresources price control that sits outside of the scope of the RFI mechanism.

The Bioresources forecasting accuracy incentive penalty for AMP7 has reduced slightly from the figure seen in the PR24 Final Determination as the actual volume of sludge produced in 2024/25 was slightly higher than the volume assumed in our PR24 Draft Determination response.

The table below sets out the difference between the Bioresources revenue reconciliation view for AMP7 used in the PR24 Final Determination and that which is now included as a part of the Blind Year Reconciliation.

Bioresources revenue reconciliation model	PR24 FD £m	BYR £m	Movement £m
Bioresources revenue adjustment for AMP7	1.2	(2.1)	(3.3)
Bioresources forecasting accuracy penalty AMP7	(8.4)	(8.1)	0.3

No changes have been made to historical data inputs or to the mechanics of the Bioresources revenue reconciliation model that is being submitted as a part of the Blind Year Reconciliation.

#### 14. Residential retail reconciliation model

In the PR24 Final Determination, it was assumed that our residential retail revenue recovery would be in line with the revenue allowances for 2024/25, hence a nil over/under-recovery is shown. This view was taken due to how early in the 2024/25 charging year that we were required to finalise our forecasts for the purposes of submitting our PR24 Draft Determination response.

Our actual residential retail revenue for 2024/25 shows an under-recovery of £16.1m against allowed revenues. This was due to more discounts being given out to customers in financially vulnerable situations than the corresponding cross-subsidies collected from the generality of our household customer base.

The table below sets out the difference between the Residential retail reconciliation view for AMP7 used in the PR24 Final Determination and that which is now included as a part of the Blind Year Reconciliation.

Residential retail reconciliation model	PR24 FD £m	BYR £m	Movement £m
Residential retail revenue adjustment for AMP7	(1.3)	14.9	16.2

We note that the Discount Rate included in cell F103 on the 'Inputs' tab of the model is using the wholesale WACC from PR19 of 2.92%, however we believe that the appointee WACC from PR19 (2.96%) would be more appropriate.

No changes have been made to historical data inputs or to the mechanics of the Residential retail reconciliation model that is being submitted as a part of the Blind Year Reconciliation.

#### 15. Land sales model

Land Sales model	PR24 FD £m	BYR £m	Movement £m
Proceeds from Land Sales	4.3	20.9	16.6

Forecasts for FY24/25 were based on review of the available land holdings which will achieve appropriate value and relevant OFWAT approvals.

TTT sales were expected in FY24/25 however were not included in the PR24 model.

TTT land sales of £14.7m for Carnwath Industrial estate in the blind year reconciliation have been appropriately included as additional control proceeds in 2024/25.

Proceeds from the sale of Land to the north of Farnham for £6.2m was forecasted to complete in 2023/24 but was delayed and not finalised until 2024/25.

The remaining variance is for other land sales that were forecast at P24 that have not completed as expected by the end of 2024/25.

It is also noted that the 2023/24 forecast proceeds from land sales of £6.2m does not align to the actual amounts per the 2023/24 Annual Performance Report of -£0.1m. We have not updated this forecast year in line with Ofwat guidance.

#### 16. Past delivery data

Comments relating to the past delivery data submission can be found in appendix 1

## 17. Strategic Regional water resources model Finance

The Strategic Resource Options (SRO) programme is funded by Ofwat via the Regulators' Alliance for Progressing Infrastructure Development (RAPID) gated process.

The AMP7 Thames Water SRO programme expenditure is £109.2m (17/18 prices). All five SROs successfully completed Gates 1 to 2 in AMP7. The London Reuse (or London Water Recycling) SRO also completed Gate 3 in AMP7.

The AMP7 SRO BYR model submission for APR25 has returned £51.7m (17/18 prices) of the RAPID Gates 3 to 4 funding allowances to customers.

The SRO BYR model has allowed for under expenditure from completed RAPID Gates 1 to 3 funding allowances to be retained by Thames Water.

## 18. RCV Adjustments Model

RCV Adjustments (in 2017-18 deflated prices) <sup>7</sup>	PR24 FD £m	BYR £m	Movement £m
PR19 Total RCV Adjustment (WR)	(86.82)	(80.43)	6.38
PR19 Total RCV Adjustment (WN)	113.23	73.67	(39.56)
PR19 Total RCV Adjustment (WWN)	102.32	94.09	(8.23)
PR19 Total RCV Adjustment (BR)	4.74	(0.88)	(5.62)
PR19 Total RCV Adjustment (ADDN1)	454.39	460.15	5.76

The RCV adjustments model ('feeder model') reflects updates to the other input tables included in this submission.

## 19. Revenue adjustments model

Revenue Adjustments (in 2017-18 deflated prices) <sup>8</sup>	PR24 FD £m	BYR £m	Movement £m
RFI	45.39	(21.98)	(67.37)
C-Mex	(12.21)	(25.92)	(13.70)
D-Mex	(6.07)	(12.43)	(6.37)
Bioresources	9.40	(9.82)	(19.22)
Residential Retail	(1.05)	11.55	12.60
Business Retail	0.00	0.00	0.00
Water Trading	0.00	0.74	0.74
Developer Services	(50.66)	(59.36)	(8.71)
Cost of New Debt	60.44	61.72	1.28
Gearing Out-Performance	0.00	0.00	0.00
Tax	0.00	0.00	0.00

<sup>7</sup> This table reflects the data produced by 'Table 2 - Total value of PR19 reconciliation RCV adjustments in 2024-25' as shown in the FD tables worksheet of the RCV adjustments model.

<sup>8</sup> This table reflects the data produced by 'Table 4 - Total value of PR19 reconciliation revenue adjustments in 2024-25' as shown in the FD tables worksheet of the Revenue adjustments model.

ODIs	(106.70)	(105.23)	1.47
Totex Costs	118.02	104.74	(13.29)
RPI-CPIH Wedge	67.97	49.90	(18.07)
Strategic Regional Water Resources (SRO)	(31.40)	(29.29)	2.11
Havant T	0.00	0.00	0.00
Other	0.00	1.67	1.67

As noted in the RFI section above, we are re-inserting an adjustment into the 'Other revenue adjustments' line of the Revenue feeder model to reflect the missing TTT TWUL price control PR14 Blind Year Adjustment (£1.443m in 2017/18 prices, £1.666m in 2017/18 prices with five years' worth of time value of money adjustments applied) that is missing from the PR24 FD. This figure will also appear on table PD12, line 35 of our Blind Year Reconciliation submission, as it did within our PR24 Draft Determination response.

## 20. Water industry national environment programme (WINEP) reconciliation

On comparison with our 2024/25 WINEP year-end tracker<sup>9</sup>, we identified 9 schemes in the PR24 model that have been delivered since our previous submission. These are listed in the table below for completeness but we are not submitting a model at this time.

Unique ID	Scheme name	PR24 FD Quantity delivered	BYR Quantity delivered
7TW200743	Bentley STW	0	4,100
7TW200915	Brentwood STW	0	43,300
7TW100021	Chingford south - River Lee diversion	0	0
7TW100021	Chingford supply channel - River Lee diversion	0	0
7TW100021	Enfield lock - Lea navigation	0	0
7TW100021	Enfield lock - River Lee	0	0
7TW200105	Hatfield (Mill Green) STW	0	31,800
7TW100021	Keids weir - River Lee navigation	0	1
7TW200700	Lewknor STW	0	400

For four of these delivered schemes (Chingford x 2 and Enfield x 2), we have maintained the original delivery quantity of zero in our submission as the PR19 FD quantity is accounted for under a different scheme. In these instances, we have merely turned the font for the zero quantity to red.

<sup>9</sup> We have also used for this tracker to report against our bespoke performance commitment (NEP01- WINEP delivery)



#### 21. Green recovery cost allowance adjustment model

The Green Recovery metering programme was discontinued during AMP7. As such, the adjusted cost allowances that were included in our PR24 Draft Determination response and subsequently in the PR24 Final Determination were set to zero for all project components.

There has been no change to this position, so there are no amendments to be made to the PR24 Final Determination version of the Green Recovery cost allowance adjustment model. This model has therefore been excluded from the Blind Year Reconciliation submission.

#### 22. Green recovery time value of money model

See explanation above.

#### 23. Accelerated / transition programme model

The company has not been allocated PR24 transition expenditure funding. This model has therefore been excluded from the Blind Year Reconciliation submission.

#### 24. Business Retail

N/A

## Appendix 1: Past delivery model

Tab	Area	Description	Comments
RR27	2: Risk & return	Revenue analysis	Increase in total appointed revenue from £2.3bn to £2.4bn predominately due to higher receipts from residential and business metered water billing and wastewater measured foul charges.
RR27a	2: Risk & return	Revenue analysis	
CW1	3: Costs (wholesale) - water	Totex analysis	
CW12	3: Costs (wholesale) - water	Transitional expenditure	Zero return -The company has not been allocated PR24 transition expenditure funding.
CW17	3: Costs (wholesale) - water	Accelerated programme expenditure	Zero return -The company has not been allocated PR24 transition expenditure funding.
CWW1	4: Costs (wholesale) - wastewater	Totex analysis	
CWW12	4: Costs (wholesale) - wastewater	Transitional expenditure	Zero return -The company has not been allocated PR24 transition expenditure funding.
CWW17	4: Costs (wholesale) - wastewater	Accelerated programme expenditure	Zero return -The company has not been allocated PR24 transition expenditure funding.
BIO1	6: Bioresources	Bioresources sludge data	Numbers taken from table 8A of our APR25 submission.
RET2	7: Retail	Residential retail	Decrease in average household retail revenue on a customer basis from £21.2 to £20.4 due to a small decrease in number of customers compared to the PR24 submission of c. 33k.

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Tab	Area	Description	Comments
DS4	8: Developer services	New connections, properties and mains	Overall, there was lower new developer property connections than forecast for PR24 due to the continuing adverse economic conditions, and a higher proportion of properties being connected by NAV's as contract mix has changed ahead of forecast.
SUP4	10: Supplementary tables	Green recovery expenditure - water resources and water network+	Zero return - the Green Recovery metering programme was discontinued during AMP7, so inputs were set to zero for all project components in the PR24 Final Determination.
SUP5	10: Supplementary tables	Green recovery expenditure - wastewater network+ and bioresources	Zero return - the Green Recovery metering programme was discontinued during AMP7, so inputs were set to zero for all project components in the PR24 Final Determination.
SUP10	10: Supplementary tables	Green recovery data capture reconciliation model input	Zero return - the Green Recovery metering programme was discontinued during AMP7, so inputs were set to zero for all project components in the PR24 Final Determination.
PD1	12: Past delivery	Inflation indices	Inflation indices for RPI and CPIH over the period April 2024 to March 2025 have now been sourced from the Office for National Statistics.
PD2	12: Past delivery	Non-household water - revenues by tariff type	n/a
PD3	12: Past delivery	Non-household wastewater - revenues by tariff type	n/a
PD4	12: Past delivery	Analysis of land sales	See comments relating to Land Sales Model above for analysis.
PD5	12: Past delivery	Revenue reconciliation – wholesale	Data is sourced from table 2M of our APR25 submission for which commentary has been provided. Figures are restated in 2022/23 prices.

Tab	Area	Description	Comments
PD6	12: Past delivery	Bulk supply information	Overall reduction in expected volumes from 45.4 MI to 40.3 MI offset by increased bulk supply unit pricing driving revenue growth. Operating costs are largely in line with forecasts made for the PR24 submission.
PD7	12: Past delivery	Impact of Green recovery on RCV	Zero return - the Green Recovery metering programme was discontinued during AMP7, so inputs were set to zero for all project components in the PR24 Final Determination.
PD7a	12: Past delivery	Impact of Green recovery on RCV	Zero return - the Green Recovery metering programme was discontinued during AMP7, so inputs were set to zero for all project components in the PR24 Final Determination.
PD8	12: Past delivery	Totex analysis - wholesale	Higher than forecasted PR24 Totex from £2.622m to £2.971 due to increased other operating expenditure for exceptional base costs, including fines and penalties (+£109.1m), increased business rate valuations (£18.6m), exceptional third-party restructuring costs (+£75.9m), additional capital expenditure (+£44.1m) and other increases in base operating expenditure for items such as Power (+£25.2).
PD9	12: Past delivery	Totex performance	See comments relating to Totex cost sharing Model above for analysis.
PD10	12: Past delivery	Super-deduction first-year capital allowances	Zero return – Super deductions are only available for qualifying expenditure in the period 01 April 2021 to 31 March 2023. Therefore, the requested year of 2024-25 is nil.
PD11	12: Past delivery	RCV midnight adjustments	Inputs are sourced from the outputs of the various Blind Year Reconciliation models as discussed in the prior sections of this commentary document.
PD12	12: Past delivery	PR19 reconciliation adjustments summary	Inputs are sourced from the outputs of the various Blind Year Reconciliation models as discussed in the prior sections of this commentary document.

