



NORTHUMBRIAN WATER LIMITED

Statement of significant changes to primary wholesale charges 2025/26

In accordance with the Wholesale Charging Rules issued by the Water Services Regulation Authority (Ofwat) under sections 66E and 117I of the Water Industry Act 1991, this notice is to update stakeholders on any proposed significant changes to our primary wholesale charges for 2025/26.

Wholesale charges, as defined by Ofwat in the Wholesale Charging Rules, relate to the charges water and sewerage undertakers can impose on retailers for wholesale water and wastewater services.

We do not intend to change the structure of our standard charges or the methodology for calculating primary wholesale charges currently. We continue to prefer to provide stability and consistency for our end customers and retailers.

Return to sewer allowances

The standard return to sewer allowance for non-household properties is 5%. Previously this was factored into the tariff as a reduction and 100% of the recorded volume was billed. In order to align with G Retailer Wholesaler Group best practice guidance, this is changing in 2025/26 so that the allowance is given in the volume billed (i.e. now 95%) but with no discount built into the tariff. There is no impact on the end customer.

Trade Effluent (TE) Charges

We are reviewing the structure of our published TE charges with a view to incorporating a standard ammonia charge. The intention is that the charge will apply to new large industrial discharges and to our Special Agreements when relevant current contracts end where effluent has an ammonia content which breaches the threshold set by NWL. We therefore do not consider handling strategies are required for this change at this stage.

Vacant premises

We have the highest vacancy rate in the non-household market. As part of our vacant property management strategy we have previously created an exercisable option to charge for consumption recorded at vacant non-household premises. We have not yet exercised this option to charge but we continue to reserve the right to consult on this matter in the future.

8 January 2025