

FAO Carol Skilling
Water Resources and Supply
Department for Environment, Food and Rural Affairs
Area 3D, Nobel House
17 Smith Square
London
SW1P 3JR

21st March 2014

Dear Carol,

Re: Provision of further information in support of our Statement of Response

Thank you for your letter dated 5th March, in which you asked us to provide further information in support of our revised Water Resources Management Plan (WRMP) and Statement of Response (SoR). I am pleased to include the information in this letter and appendices.

Natural England

Although Natural England were not able to join our CCG, we were pleased to receive their response to our draft WRMP consultation 01/08/13, and we took account of their comments in preparing our revised WRMP and SoR. Following the publication of our revised WRMP and SoR, on 27/11/13 Dr Rachel Crabbe asked for a copy of our SEA (with appendices) and HRA, which we sent on 28/11/13. We held a conference call with Dr Crabbe on 29/11/13 to clarify matters relating to our updated HRA report, the outcomes of which we included in a subsequent update to the report and provided a copy to Dr Crabbe for her records. Dr Crabbe also sent her comments on our updated SEA on 10/12/13, which we responded to on 17/12/13, providing further clarification, together with the final version of our SEA. On 18/12/13, Rachel confirmed that she was happy that we had addressed Natural England's comments. I have prepared the correspondence log for your records, please see Appendix A.

To clarify, we continued working on our HRA and SEA after the date that we submitted them with our revised WRMP and SoR to ensure that we addressed Natural England's feedback. These amendments were minor in nature and did not change the conclusions of our HRA or SEA and there were no changes required to our revised WRMP or SoR, which remain at the same version as that we submitted to Defra, the Environment Agency and Ofwat on 15/11/13. I am pleased to include the updated SEA and HRA reports in Appendix B.

I am pleased that we were able to satisfy Natural England that our plans are robust. As a precaution, we included a section in our revised WRMP that sets out the options we would bring in to our Preferred Plan in the event our demand management programme failed to deliver the projected savings, or in the event the yield from the small number of supply side options was not achieved. Our SEA report confirms that we have a large number of feasible options so alternative options are available. We identify the contingency options in section 11.12.5 of our revised WRMP.

HS2

We remain committed to delivering our WRMP and the programme of sustainability reductions included within it. We expect to be able to do this whilst maintaining the resilience of our supplies by continuing to work closely with HS2. We prepared a comprehensive response to HS2's Environmental Statement consultation, which is included in Appendix C and Appendix D to this letter for your reference. I believe this will provide full answers to your queries about the impacts on our individual sources.

I will also ensure that our WRMP annual review this year and in future years includes a chapter on HS2 summarising the progress we have made with them over the previous 12 months.

Thames Water transfer volumes

We understand that Thames Water has received a similar letter from Defra asking for transfer volumes and timings to be clarified. We exchanged information by email and spoke with Thames Water on 20th March 2014 to discuss our respective positions and again on 21st March to conclude our investigations. Please note that this letter includes the names of the bulk transfers, which will be redacted from the letter that we will publish as an amendment to our revised WRMP and SoR.

We have modelled NYAA, DYAA and DYCP with a weighted average annual demand of 80%, 15% and 5% respectively. Each of these conditions has been modelled separately to understand the critical condition in each of our WRZ. This is the same principle as the modelling for the Water Resources in the South East (WRSE) project, in which both Affinity Water and Thames Water participated. It also allows us to account for any bulk supplies that have different licence volumes at different conditions. Thames Water advised us that DYAA is the critical condition for their London zone and as such, they had to convert our DYAA and DYCP utilisation to a single volume. Thames Water shared their methodology with us, and sought endorsement from the Environment Agency. Both companies appreciated this would give rise to different volumes in our respective WRP tables, but as Thames Water's adjusted figures came from our modelled utilisation, they are equivalent. This relates to two of the bulk imports we receive from Thames Water and we explain our investigations and conclusions below.

Hampstead Lane

- Our revised WRMP includes an existing 0.2MI/d transfer from Thames Water to our WRZ4 via Hampstead Lane, which was not included in Thames Water's WRMP. Thames Water has confirmed that this was an unintended omission on their part and that their final WRMP and WRP tables will include the transfer. Please refer to Appendix E.

Ladymead, Guildford

- The maximum amount of water available to us from Thames Water via this bulk import into our WRZ6 is the volume governed by the current agreement of 0.5mgd (equivalent to 2.27MI/d) plus an additional 2.7MI/d that arose as an option from WRSE.
- Regarding the current bulk import, we confirm that our tables incorrectly stated the current volume (capacity) as 2.2MI/d and we will correct our WRP tables to 2.27MI/d. This change has no impact on our WRMP.
- We found an error in our tables suggesting that we do not use the current transfer at DYAA; this is not the case as we utilise the full capacity as per the graph (red line) in Figure 69 in our revised WRMP. We will correct our WRP tables to account for this. This change has no impact on our WRMP.
- Thames Water has confirmed that they have the capacity available to meet our needs for this bulk transfer including the increase in capacity from 2034, and will amend their WRMP and WRP tables to account for our revised WRMP utilisation profiles. Please refer to Appendix F.

Fortis Green, Haringey

- We provided Thames Water with details of our utilisation profile for our revised WRMP for both DYAA and DYCP in October 2013, which was different to that of our draft WRMP. We have discussed our modelled utilisation at both DYAA and DYCP with Thames Water and they have agreed to reflect our needs in their WRMP and WRP tables.
- Thames Water has confirmed that they have the capacity available to meet our needs for this bulk transfer, and will amend their WRMP and WRP tables to account for our revised WRMP utilisation profiles. Please refer to Appendix F.

I confirm that we will make the changes to our WRP tables and compile the information described in this letter into a supplement for our SoR. We will publish the amended documents on our website and we will ensure that the consultees who made representations on our draft WRMP are advised of the changes.

I trust that this letter resolves all of the queries raised. Please let me know if you require any further clarification.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "M. Pocock".

Mike Pocock
Physical Asset Manager, Affinity Water Limited

Cc: Adrian Brookes, Defra
Pauline Smith, Environment Agency
Natasha Wyse, Environment Agency
Jon Ashley, Ofwat
Chris Lambert, Thames Water

List of Appendices

Appendix A: Correspondence with Natural England regarding our SEA and HRA reports. **CONFIDENTIAL** as the emails include company sensitive information.

Appendix B: Our latest SEA and HRA reports, updated following extensive dialogue with Natural England in November and December 2013. **CONFIDENTIAL** as the reports include company sensitive information.

Appendix C: Covering letter of Affinity Water's response to HS2's Environmental Statement. This letter has been written such that it does not include company sensitive information and will be published on our website with our revised WRMP.

Appendix D: Detailed report reviewing HS2's Environmental Statement. **CONFIDENTIAL** as the report includes company sensitive information.

Appendix E: Email from Chris Lambert (Thames Water) confirming that the Hampstead Lane transfer will be included in Thames Water's WRMP. **CONFIDENTIAL** as the email includes company sensitive information.

Appendix F: Email between Sarah Clark (Affinity Water) and Kevin Mountain / Chris Lambert (Thames Water) confirming agreed volumes and timings of Ladymead and Fortis Green. **CONFIDENTIAL** as the email includes company sensitive information.