

Schedule of NAV Charges

1 April 2025 to 31 March 2026



BRISTOL
WATER

It's what we're made of.

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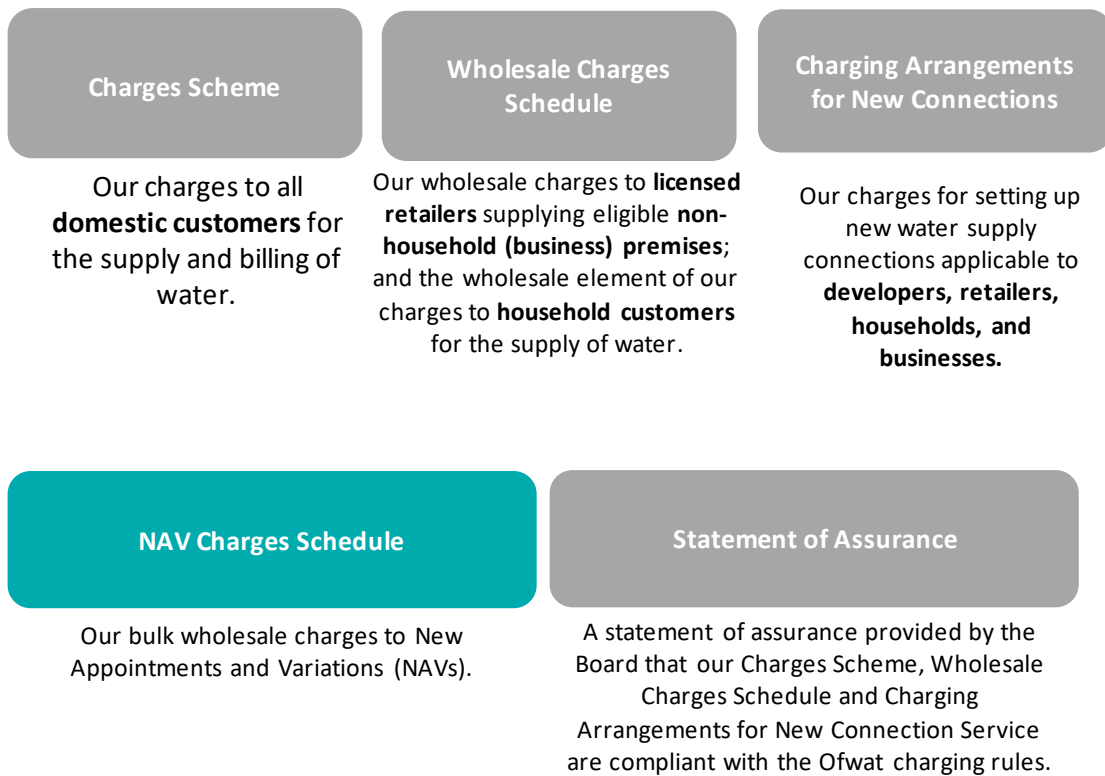
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1 Introduction

Bristol Water provides water to customers within the area of supply shown in Appendix 1. Bristol Water customers are billed by Bristol Wessex Billing Services Ltd (BWBSL), a company jointly owned by Pennon and Wessex Water, which is also responsible for billing Wessex Water customers for water and sewerage services.

On the 1 February 2023 Ofwat terminated the Licence of Bristol Water and varied the Licence of South West Water to cover the area served by Bristol Water, following the acquisition of Bristol Water plc by Pennon. The revised Licence of South West Water provides for separate price controls (and therefore charges) for the Bristol Water area.

Annual Charges Publications



2 Bulk Supply Charges for New Appointment and Variations (NAVs)

- 2.1 In 2019/20 we developed a tariff that will provide New Appointment and Variations (NAV) Licence holders with a method through which to calculate the wholesale bulk supply charges that are due to them. Our NAV tariff applies to new NAV sites after 1 April 2019, but is also an option for existing NAV sites to agree to transition to at their option. This tariff has been updated for 2025/26 in line with our wholesale charges.
- 2.2 The starting point for our NAV tariffs is our wholesale charging structure, which sets standing and volumetric charges for households, and for non-households in seven different consumption bands.
- 2.3 The principle of our NAV tariffs is that we then deduct from the wholesale charges the costs that we avoid within the NAV site. This recognises that we do not incur certain types of costs within NAV sites because some activities that we undertake where we serve customers directly.
- 2.4 Standing Charges: We no longer apply a standing charge to households or non-households on NAV sites. This forms part of the overall discount, with the remainder applying to the volumetric rates.
- We apply discounts in relation to:
 - the ongoing costs we avoid at NAV sites:
 - costs of taking and analysing water quality samples
 - costs of detecting and solving on-site leakages
 - not having to replace communication pipes and stop taps
 - not having to replace meters and their chambers
 - not having to renew or replace water mains within the sites
 - not having to clean (“flush”) the water mains
 - leakage allowances for volumes not used by NAV customers compared to our bulk meter.
 - depreciation costs avoided at NAV sites (an annuity for asset replacement)
 - the operating margin for risks we do not face without end customers.
 - Where relevant we adjust the calculated discounts for larger non-household properties in recognition of the discounts already included within wholesale charges, reflecting that for larger users they are receiving a discount for onsite operations, flushing and leakage etc.
- 2.5 The structure for the NAV tariff, compared to the standard wholesale tariff for each customer type, and the discounts applied, can be seen in the table on page 6. We have taken the standard rate for each band, and shown the associated avoided costs to give a Variable NAV tariff per Band. (no standing

charges are applied to NAVs). This shows the individual cost components across the entire network:

Cost element	£/m3
Water quality sampling	0.0077
Regulatory Compliance	0.2649
Leakage management	0.0985
Total operating cost	0.3711
Mains repair and replacement	0.3112
Emergency support	0.0095
Meter space	0.0007
Leakage allowance	0.0972
Operating margin	0.0583
Total Cost	0.8480

- 2.6 A separate document will be published along side this document, A checklist of avoided costs which will detail the avoided costs with supporting commentary.
- 2.7 The actual bulk supply charge tariff for the NAV will be calculated using a formula, based on the number of properties on the NAV site in each customer category. An assumed volume of use would be calculated based on the property type on the NAV site in order to apply the formula. The NAV will provide consumption information for each non-household property, with the remaining volume applied at the household rate. This will be based on the total volume recorded at the bulk meter, as an allowance for leakage are included in the cost of wholesale charges being discounted.
- 2.8 If the NAV does not wish to provide access to non-household property consumption data, then the property would be billed at the household tariff rate. However, this information should be available through the non-household central market system as the end customer has a choice of retail supplier (they may choose a different retailer from the NAV).
- 2.9 Where a NAV site has characteristics that are different from our standard calculation, we will consider whether an alternative calculation, based on our standard approach, provides a better calculation of bulk supply charges based on our formula set out in the table below.

Tariff Band	Customer consumption (m3 p.a.)	Standard rate wholesale tariff £ per m3	Avoided costs discount £/m3	Leakage and Operating margin discount £/m3	Variable NAV Tariff £/m3 2025/26
A	<500000	1.1776	0.0147	0.1555	1.0074
B	<250000	1.2519	0.0149	0.1555	1.0815
C	<100000	1.3231	0.0462	0.1555	1.1214
D	<50000	1.3930	0.0803	0.1555	1.1572
E	<15000	1.5720	0.2446	0.1555	1.1719
F	<5000	1.5946	0.2428	0.1555	1.1963
G	<1000	1.6154	0.1875	0.1555	1.2724
Household	any	1.6195	0.1875	0.1555	1.2765

2.10 Where the NAV provides alternative volume assumptions for the purposes of weighting then alternative assumptions will be agreed and set out in the bulk charges agreement.

Weighted Average tariff

$$= \frac{\{(A.Ax.Ay) + (B.Bx.By) + (C.Cx.Cy) + (D.Dx.Dy) + (E.Ex.Ey) + (F.Fx.Fy) + (G.Gx.Gy) + (H.Hx.Hy)\}}{\{(A.Ax) + (B.Bx) + (C.Cx) + (D.Dx) + (E.Ex) + (F.Fx) + (G.Gx) + (H.Hx)\}}$$

As an example, if there is a NAV site with 1 F, 10 G, and 89 H customers then the Weighted Average Tariff would be:

Tariff Band	No. properties (a)	Assumed Volume per property m3 (b)	Assumed Total Volume m3 (c = a x b)	Volumetric tariff £/m3 (d)	Cost £ (e = c x d)
F	1	5000	5000	1.1963	5,981.69
G	10	100	1000	1.2724	1,272.40
H	89	100	8900	1.2765	11,360.85
Total	100		14900		18,614.94
Weighted average Total (e) / Total (c)				1.2493	

3 Contact Details

Bristol Water Wholesale Services (For Retailer enquiries and service requests):

Address: Bridgwater Road, Bristol, BS13 7AT
Tel: 0345 604 1495 (Retailer line only)
Website: www.bristolwater.co.uk/your-business/wholesale-information/
Email: wholesale.desk@bristolwater.co.uk

BWBSL (For billing enquiries for household customers):

Address: 1, Clevedon Walk, Nailsea, Bristol BS48 1WA
Tel: 0345 600 3600 (Monday – Friday, 8am to 6pm)
Website: www.bristolwater.co.uk/your-home/billing-and-payments/
Email: customer.services@bwbsl.co.uk

Bristol Water (For operational enquires):

Address: Bridgwater Road, Bristol, BS13 7AT
Tel: 0345 702 3797 (Emergency Service only between 6pm and 8am)
Website: www.bristolwater.co.uk
Email: customer.services@bristolwater.co.uk

Consumer Council for Water:

This independent committee aims to protect customers' interests and investigate customer complaints free of charge.

Address:
Consumer Council for Water, 23 Stephenson Street, Birmingham, B2 4BH

Tel: 0300 034 2222 (8.30-17.00 Mon-Fri)
Email: enquires@ccwater.org.uk
Website: www.ccwater.org.uk
Email: enquires@ccwater.org.uk

Water Services Regulation Authority (Ofwat)

Address: Centre City Tower, 7 Hill Street, Birmingham, B5 4UA
Tel: 0121 644 7500
Email: mailbox@ofwat.gov.uk
Website: www.ofwat.gov.uk

Appendix One – Bristol Water Area of Supply

