

2017 Directions			
Direction Paragraph	Direction Text	Guidance	Assessment
2	"A water undertaker shall prepare a water resources management plan, for a period of 25 years commencing on 1st April 2015."	Water resources management plans must cover a 25 year time horizon. However, this in itself does not constrain water companies to a 25 year forward look and if it is important to its plans, a water company can provide information past this planning horizon.	Portsmouth Water has produced a plan from the base year of 2015/16 until the end of the planning horizon in 2044/45.
3(a)	"how frequently it expects it may need to impose prohibitions or restrictions on its customers in relation to the use of water under each of the following - (i) section 7625 (ii) section 74(2)(b)26 of the Water Resources Act 1991; and (iii) section 7527 of the Water Resources Act 1991;"	A water company must set out its planned level of service that it will achieve throughout the planning period for its final planning scenario. The company will need to explain any changes or variation with this planned level of service. The company should indicate, as good practice, if customers will actually be receiving a different level of service as options are implemented.	Portsmouth Water is working to a planned level of service of 1 in 20 years for temporary restrictions. The planned level of service for Ordinary Drought Orders is 1 in 80. The planned level of service for Emergency Drought Orders is 1 in 200.
3(b)	"the appraisal methodologies which it used in choosing the measures it intends to take or continue for the purpose set out in section 37A(2)28, and its reasons for choosing those measures;"	Section 6 of the water resources planning guideline technical document sets out the approach to be followed by a water company when appraising a new option or solution to remove a deficit. Where this method is used a water company need only state that it is using the approach set out in the Guideline. A water company may use an alternative approach, but it must set out the appraisal method and the reasons for choosing that method. If the water company is part way through delivery and using an alternative approach, it must explain its existing measures and reasons. A narrative rather than a full appraisal will suffice.	Portsmouth Water has based its assessment of options on the EBSD approach as set out in the guidelines. This includes the use of an SEA and the production of a least cost plan.
3c	"the emissions of greenhouse gases which are likely to arise as a result of each measure which it has identified in accordance with section 37A(3)(b)29;"	A water company will need to produce an assessment of the likely emissions of greenhouse gases from its current and future activities. This should be produced in the water resources management plan for its final planning scenario. The company can decide at what point it starts its assessment but it should be the same for all components.	The carbon impact of each option is set out in the detailed tables . A profile for the full planning period is included.
3d	"how the supply and demand forecasts contained in the water resources management plan have taken into	Climate change may have a large impact for some water companies. The technical guideline sets out the approach for assessing climate change for supply and demand	Climate change impacts have been calculated for supply and demand. Uncertainty in the forecast is reflected in headroom. A detailed

	account the implications of climate change;"	using the latest information and methods available. Section 3 details impacts on supply and Section 4 details impacts on demand. A water company can decide to include an allocation with target headroom using the methods presented in the technical guideline. All water companies should follow these methods, clearly displaying the results and how they achieved them. If a water company follows an alternative approach it must give reasons for not following guideline.	description of the methodology is given in DO assessment.
3e	"how it has estimated future household demand in its area over the planning period, including the assumptions it has made in relation to population and housing numbers, except where it does not supply, and will continue not to supply, water to domestic premises,"	A company must describe how it has estimated current and future household demand unless it only supplies industrial/commercial customers.	The household demand forecast is covered in Section 3 of the Plan with extra detail in Appendices. Non household demand is covered in a separate Appendix.
3f	"its estimate of the increase in the number of domestic premises in its area, over the planning period, in respect of which it will be required to fix charges by reference to volume of water supplied to those premises under section 144A30;"	<p>Section 144A of the Water Industry Act relates to the right of a consumer to elect to be charged by reference to volume of water.</p> <p>A water company must provide an estimate of how many additional meters it will install as a result of customers asking for them (optants) over the planning period.</p>	Optional metering is included in the baseline forecast which is discussed in Section 3.3.1. Portsmouth Water intends to take a proactive approach to optional metering. The proposed number of meters is included in Table 3.
3g	"where the whole or part of its area has been determined by the Secretary of State to be an area of serious water stress under regulation 4(1) of the Regulations, its estimate of the number of domestic premises which are in the area of serious water stress and in respect of which it will fix charges by reference to volume of water supplied to those premises over the planning period;"	Those water companies whose areas (or part of whose areas) are designated as an area of serious water stress must provide an estimate of the number of households ³¹ in that area that will be compulsorily metered over the planning period.	Portsmouth Waters area of supply is not currently designated as an area of serious water stress. Compulsory metering has not been included as a feasible option.
3h	"its estimate of the increase in the number of domestic premises in its area (excluding any domestic premises which are included in	Those water companies designated within an area of serious water stress need to provide information on the number of households that they would plan to compulsorily meter using powers associated with	The Draft Plan is based on optional metering and non-revenue metering.

	<p>the estimate referred to in sub-paragraph (g)), over the planning period, in respect of which section 144B(2) will not apply because the conditions referred to in section 144B(1)(c) are not satisfied and in respect of which it will fix charges by reference to volume of water supplied to those premises;”</p>	<p>being designated as an area of water scarcity over the planning period.</p> <p>s.144B (1) (c) refers to the conditions to be satisfied in limiting the ability of water undertakers to compulsorily meter. The Water Industry (Prescribed Conditions) Regulations 1999 set out a number of situations in which those conditions will not be satisfied. These include situations relating to the use of premises, and the use of the water supplied. They also include areas determined to be areas of Serious Water Stress, where a programme of metering applies, or areas of Water Scarcity.</p> <p>Water undertakers should estimate the number of domestic premises (not already accounted for under paragraph 2(b) above) where it will compulsorily meter under s.144B (1) (c).</p> <p>This does not apply to companies wholly or mainly in Wales.</p>	<p>Portsmouth Water is not able to compulsorily meter any properties.</p>
3i	<p>“full details of the likely effect of what is forecast pursuant to sub-paragraphs (f) to (h) on demand for water in its area;”</p>	<p>A water company must assess the impact on household demand forecast under paragraphs (a)-(c) as a result of metering schemes for optants and compulsory schemes.</p> <p>Water companies in an area of serious water stress need to establish programmes of metering installation for optants and compulsory metering, under sub section (a) to (c).</p> <p>This does not apply to companies wholly or mainly in Wales.</p>	<p>The Draft Plan is based on optional metering which is included in the base forecast (Table WRP 3). The demand effects of metering, including the impacts of supply pipe leakage, are reflected in forecast.</p> <p>Compulsory metering is not included in the Draft Plan.</p>
3j	<p>“the estimated cost to it in relation to the installation and operation of water meters to meet what is forecasted pursuant to sub-paragraphs (f) to (h) and a comparison of that cost with the other measures which it might take to manage demand for water, or increase supplies of water, in its area to meet its obligations under Part III of the Water Industry Act 1991;”</p>	<p>A water company must assess the cost of installing and operating of estimated opt-in metering and compulsory metering. As part of its options appraisal a water company must set out, for comparison, the cost of metering programmes and alternative programmes to balance supply and demand.</p> <p>This does not apply to companies wholly or mainly in Wales.</p>	<p>The cost of optional metering is included in the baseline expenditure in the Business Plan. The CBA report considers the costs and benefits of optional metering. It concludes that optional metering is cost effective for Portsmouth Water.</p>

3k	“a programme for the implementation of what is forecasted pursuant to sub-paragraphs (g) and (h).”	A water company must set out its implementation plans for its programme of compulsory metering. This does not apply to companies wholly or mainly in Wales.	There is no implementation plan for compulsory metering but a proactive approach to optional metering is described in Section 3.3.1.
4	“Except where the Secretary of State or the Welsh Ministers otherwise permit, a water undertaker must send its draft water resources management plan to the Secretary of State or the Welsh Ministers in accordance with section 37B32(1) before 31 March 2013.”	“The water company must submit its water resources plan to the Secretary of State or Welsh Ministers by 31 March 2013, unless directed otherwise.	Portsmouth Water will submitted this Draft WRMP 2019 to the Secretary of State prior to the 1 st December 2017.
5	“Except where the Secretary of State or the Welsh Ministers otherwise permit, a water undertaker must publish its draft water resources management plan in accordance with section 37B(3)(a) within 30 days of the later of the date on which the Secretary of State or the Welsh Ministers —”	The water company must publish its draft plan within the set timescale and exclude information that is determined to be commercially confidential or contrary to the interests of national security.	When the Secretary of State is happy with the content of the Draft Plan, from the point of national security and commercial confidentiality, then Portsmouth Water will publish the main report and the appendices. The detailed cost profiles in Table 5 are not included in the public version of the document.
6	“Except where the Secretary of State or the Welsh Ministers otherwise permit, a water undertaker must publish the statement required by regulation 4(2)(a) of the Water Resources Management Plan Regulations 2007(a), and send a copy of the statement to the persons specified in regulation 4(2)(b), within 26 weeks of the date of publication of the draft water resources management plan.”	The water company must publish its statement of response within 26 weeks of the publication date of the draft water resources management plan. The statement of response must be sent to any person that has made a representation. Within the 26 week period, Government suggests a period of 12 weeks for the consultation.	When the company publishes the Draft Plan they will set out the timetable for representation to the Secretary of State. A consultation period of 12 weeks will be allowed giving Portsmouth Water an additional 14 weeks to produce a Statement of Response.