

Cambridge Water

South Staffordshire Water PLC Green Lane Walsall WS2 7PD Anglian Water

Services Ltd Milton House Cowley Road Cambridge CB4 0AP

regulation@anglianwater.co.uk

Attention: Mr Paul Hickey RAPID Centre City Tower 7 Hill Street Birmingham B5 4UA

5 July 2021

Dear Paul,

Fens Reservoir – application to join the RAPID process

We have pleasure in submitting our application in the form of our gate one report for the Fens Reservoir to become a RAPID strategic regional water resource solution. The work undertaken to date has been summarised in this gate one submission and demonstrates that the Fens Reservoir has the potential to deliver a water resource benefit of a regional scale that could contribute to the future demand for water in the Anglian Water and Cambridge Water regions. We believe Fens Reservoir meets the criteria to join the RAPID process and have demonstrated this in our attached response to your questions.

Our signed Board assurance statement is also attached, confirming that both companies are fully supportive of this application and the joint development of this option.

We look forward to discussing our application and gate one submission with you in more detail.

Yours sincerely,

Caroline Cooper Strategy and Regulation Director Cambridge Water & Alex Plant Director of Strategy and Regulation on behalf of Anglian Water



Fens Reservoir – RAPID gate one application

Board Assurance Statement

Both the Anglian Water Board and Cambridge Water Board are satisfied that this application for Fens Reservoir to become a RAPID Strategic Resource Option meets the requirements set out in Section 6 titled 'New Solutions' of the written guidance produced by RAPID: Strategic regional water resource solutions guidance for 2021. The Boards also confirm that we:

- Support the recommendation for the solution to become a RAPID SRO;
- Understand our role in this submission as a receiver, supplier, or as an internal transfer of water;
- Are satisfied that sufficient progress has been made and that the solution will be developed to the expected standard by gate two

On behalf of:	Name and Position:	Date:	Signature:
Anglian Water	Alex Plant	5 th July 2021	
	Director of Strategy and Regulation		
Cambridge Water	Caroline Cooper Strategy and Regulation Director	5 th July 2021	

Criteria for joining the RAPID process

Is there value in accelerating the solution's development to be `construction ready' for the 2025-2030 period?

The deficit in WRMP24 is expected to be greater than in WRMP19 due to factors such as 1:500 drought resilience, the OxCam Arc growth and enhanced environmental benefit. Hence, it is currently expected that there will be a need for Fens Reservoir to be in supply in AMP10. This, along with the required output, will be confirmed when the drafts of the Regional Plan and WRMP24 are published in August 2022. Joining RAPID now will enable the scheme to be in a 'construction ready' state sooner than the current programme of work being undertaken as part of the adaptive planning programme would allow.

Does the solution need additional enhancement funding for investigations and development?

Fens Reservoir is currently funded as part of Anglian Water's Adaptive Planning Programme, based on the simple WRMP19 solution and limited DO allowance, to circa \pounds 1million. Additional enhancement funding is required to progress the scheme to gate four to ensure it can be in supply in AMP10. Further work is required to understand requirements and budget post gate two to inform conversations with RAPID regarding the additional funding.

Does the solution need the additional regulatory support and oversight provided by the Ofwat gated process and RAPID?

Yes. Anglian Water and Cambridge Water are collaborating on the scheme so RAPID's oversight and support will benefit both companies. The support will also provide efficiencies, especially working in parallel with the South Lincolnshire Reservoir, a RAPID scheme for Anglian Water and Affinity Water.

Does the solution provide a similar or better cost /water resource benefit ratio compared to current solutions?

Recent investigations have shown that using multiple sources improves the deployable output for the same size reservoir, making this solution more competitive against other possible solutions. However, until the Regional Plan and draft WRMP are published, required deployable output will not be known.

Does the solution have the potential to provide similar or better value (environmental, social and economic value – aligned with the Water Resources Planning Guideline) compared to current solutions?

The Fens Water Partnership has been established to identify and advance multisector benefits. Links have already been identified to flood storage, biodiversity and agricultural needs. The scheme could form a key part of a broader water management strategy for the Fens as part of the Future Fens collaborative initiative.