

Bioresources PR24 data tables commentary

PR24 Draft Determination Representations – August 2024



Bioresources PR24 Table Commentary

Overview of changes to Bioresources tables	3
BIO1 Bioresources sludge data	4
BIO2 Bioresources operating expenditure analysis	5
BIO3a Bioresources energy analysis	6
BIO3b Bioresources income, liquors and metering analysis	7
BIO4 Bioresources sludge treatment and disposal data	8
BIO5 Bioresources - additional treatment and storage data	9
BIO6 Bioresources - NMEAV for capital enhancement schemes	10



Overview of changes to Bioresources tables

We have updated our data tables to reflect our Draft Determination Representations in accordance with Ofwat requirements, including updating 2023-24 forecasts with actuals for both APR aligned and non-APR aligned data.

We have provided commentary on material changes made to the data in the tables. Please refer to our original data table commentary (ANH07 to ANH18) if more information is required.

We have made changes to the following Risk and Return tables since submitting the version of our data tables that our Draft Determination is based on (ANH03 Data tables - March 2024 update). Please see the Change Log in ANH_DD_004 - v7 Main data tables for a more detailed summary and the individual tables themselves for changes in red font:

- BIO1
- BIO2
- BIO3a
- BIO3b
- BIO4
- BIO5
- BIO6

BIO1 Bioresources sludge data

Overview

To inform our PR24 plan we engaged Business Modelling Associates (BMA) to expand our capability within our bioresources network tactical (60 week) model. The scope of the model covers all of our bioresources transport, treatment and disposal operations.

We have used the output information from the model to complete the majority of the projections from 2023/24 through to 2029/30 as set out in the line by line commentary.

The figures for 22/23 and 23/24 are taken from our recent Annual Performance Report (APR) submissions.

It should be noted that the model scenario used to complete the data tables assumes all raw sludge produced by Network Plus is transported, treated and disposed by the Anglian Water bioresource asset base. Manual adjustments have been made to reflect an amount of raw sludge that may be treated and disposed of by a third party.

The model also assumes the network is operated at the optimum with raw sludge scheduled to sites to give the lowest overall cost of transport, treatment and disposal and it assumes an average Sludge Treatment Centre (STC) uptime of 85% capacity utilisation.

BIO2 Bioresources operating expenditure analysis

There has been no change in the methodology used from our previous submission. Variances in cost are as a result of the overall change in our opex figures within CWW1.

BIO3a Bioresources energy analysis

There has been no change in the methodology used from our previous submission, rather the lines have been advanced by one year with updated information including:

- the bioresources production forecasts for 2024/25 to 2029/30
- the revised phasing of schemes in the updated regulatory plan
- updated population forecasts which we have used to adjust consumption forecasts.

BIO3b Bioresources income, liquors and metering analysis

Percentage of bioresources energy consumption that is metered

There has been no change to the methodology used to calculate the forecast of income from renewable energy subsidies, rather the lines have been advanced by one year with updated information.

The income claimed from renewable energy subsidies has been updated with the figure reported in APR 2023/23, adjusted for inflation to a 2022/23 baseline, and the 2024/25 figure has been calculated from the budget for that year. All figures for subsequent years have been calculated from the updated forecast for combined heat and power (CHP) output and the relevant Renewable Obligation Certificate (ROC) accreditation for the various CHP engines. All financial figures are baseline to 2022/23.

Subsidies expiring in the next two financial years have also been calculated from the updated forecast of CHP output.

The methodology used to calculate the percentage of bioresources energy consumption that is metered has also not changed. Line Bio3b.12 has been updated from:

- the APR for 2023/24;
- the budgets for gas, electricity and on-site renewables generation for 2024/25;
- the bioresources production forecasts for 2024/25 to 2029/30;
- the revised phasing of schemes in the updated regulatory plan; and
- updated population forecasts which we have used to adjust consumption forecasts.

BIO4 Bioresources sludge treatment and disposal data

There has been no change in the methodology used from our previous submission, rather the lines have been advanced by one year with updated APR information.

BIO5 Bioresources - additional treatment and storage data

There has been no change in the methodology used from our previous submission, rather the lines have been advanced by one year's updated information. Line BIO5.12 has been updated with a revised number of schemes to reflect the inclusion of IED tank covering. The delivery has been reprofiled to align with our best available information.

BIO6 Bioresources - NMEAV for capital enhancement schemes

There has been no change in the methodology used from our previous submission, rather the lines have been updated to reflect our DD representations.



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