

# A new deal for our customers

## South West Water's business plan for the PR19 regulatory period (2020-2025)

Lower bills, extra investment & shares for customers in radical 'New Deal'

### BUSINESS PLAN BUILT ON BIGGEST EVER CUSTOMER CONSULTATION

30,000 customers providing feedback

Significant challenge from the Independent Water Future Customer Panel

Plan built on priorities that matter most for customers

A resilient and reliable service

A fair and affordable bill

### KEY ELEMENTS OF THE 2020-2025 BUSINESS PLAN

#### Affordable bills for all and targeting elimination of water poverty

- In real terms, average customer bills will fall 11% by 2025
- Targeting zero customers in water poverty by 2024/25
- Bill reductions delivered through increased efficiency from cost control and innovation

South West Water average customer bill will be lower in 2025 than it is today

88% customer acceptance

#### Further investment to support regional communities and economy

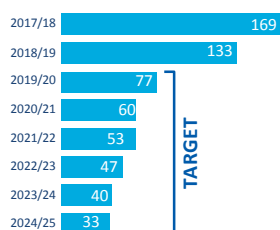
- Further improve services and operational resilience
- Provide new employment opportunities, investing in people, skills and personal development
- Outstanding bathing water quality
- Work in c.80% of river catchments to improve raw water quality and water storage in the landscape

>£1 billion investment

#### Environmental leadership to ensure reliable and resilient supply

- Largest programme of environmental improvements for 15 years
- Industry leading leakage, delivering 15% reduction from current levels
- Zero serious pollutions and lowest number of minor pollutions in industry
- 100% wastewater compliance

##### Pollution incidents - Category 1-3 (number)



#### Outstanding customer service - households and businesses

- Targeting sector leading customer service as assessed by CMeX
- Excellent drinking water quality

CMeX



#### Empowering our customers by giving them a stake and say in our business

- WaterShare framework to be developed into WaterShare+
- First of its kind customer share ownership scheme to be introduced from 2020
- Scheme will mirror benefits, dividends and capital for customers
- Customers given additional powers through attending AGMs
- Sharing of outperformance on financing costs

£20 million of shares for SWW customers

#### Delivering our promises and upholding our special responsibility

- All PR14 commitments delivered through transparent WaterShare governance framework
- Customer driven culture, driven by:

Responsible approach to corporation tax

Sustainable financing framework

Transparent and clear policy for dividends and executive pay