

Gap Site Incentive Scheme

Anglian Water operates a gap site incentive scheme which looks to reward Retailer's that identify gaps within the Non Household Market. This helps AWS with a number of broader objectives such as fair charges and leakage reduction.

Retailers are encouraged to report gaps, defined as an Eligible Premises which is in receipt of Water Services but where no Supply Points or insufficient Supply Points are registered in the Supply Point Register.

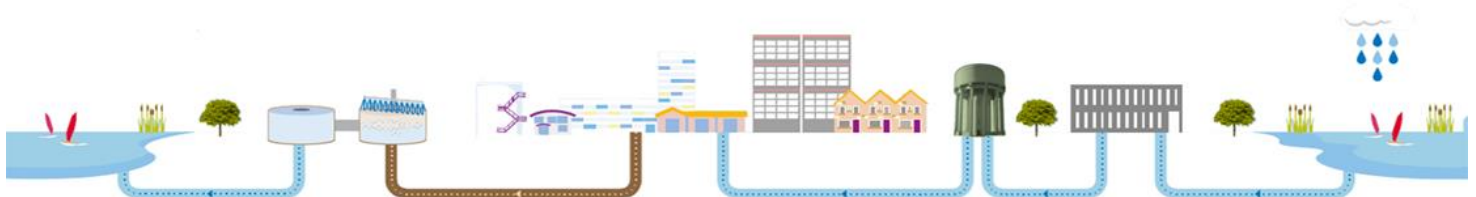
Under the scheme, an identifying Retailer may opt out of being appointed as the supplier to the gap site identified in the market. However, unless confirmed otherwise, we will assume that a Retailer who submits a gap site wishes to be appointed as the supplier for the premises on an enduring basis.

Please note – that there is no incentive payment in relation to sewerage services.

Incentive bonus

Where gaps are identified that contribute to a greater level of lost water, AWS will provide an additional incentive. For this additional incentive to apply there are a number of conditions and qualifying criteria, as outlined below:

- The gap site must meet all the standard terms which will attract the standard incentive payment as listed below.
- The annual consumption from the gap site must amount to **366m³** or more to benefit from the bonus incentive.
- The enhanced rate will be paid at **£0.33** per m³ in addition to the standard **£350** incentive.



- The Retailer must opt to be the supplier of the site in the enduring market. Where a premises subsequently switches the bonus remains payable to the original Retailer who submitted the gap site.
- The water consumption from the date of notification to the gap site to the 12 month anniversary of the gap site submission will be used to establish if the bonus is applicable.
- Reads must be entered into CMOS and these reads will be used for calculation of the annual demand. AWS reserves the right to validate consumption.
- Only actual consumption will be considered. Any supply pipe leakage will not count towards consumption.

The table below is for illustrative purposes and shows the possible levels of **enhanced incentive** payments that can be achieved in addition to your standard incentive.

daily consumption m3/day	annual consumption m3	Bonus (£)
1.0	365	£0 (standard incentive only)
1.4	500	44.55
2.7	1000	209.55
5.5	2000	539.55
27.4	10000	3179.55



- There is a maximum incentive payment cap of **£5,000** for each Supply Point ID.

Bonus payments will be made following the anniversary of the gap site submission. In line with the market terms, where appropriate a credit will be applied to sums owed to AWS under non-primary charges. The standard (£350) incentive will be paid once the SPID or meter has been uploaded to the central market (CMOS).

Please note that this policy will be kept under review and AWS reserves the right to withdraw the bonus scheme at any time. We will continue to review our scheme to ensure that our approach incentivises Retailers to find sites in our water area.

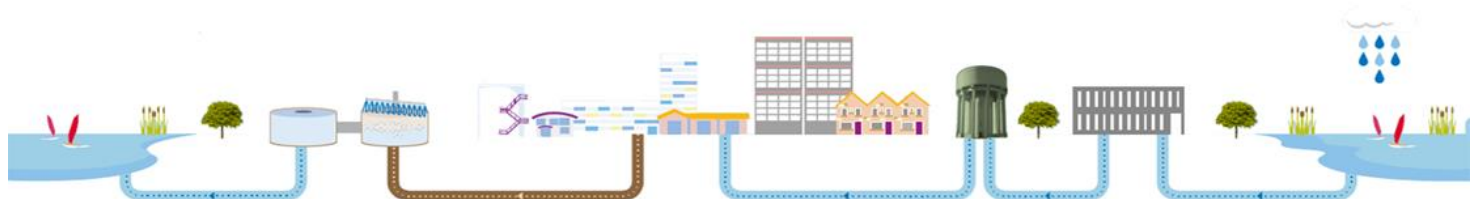
Case Study – what works best

We have refined our approach to identifying lost water from our network over many years, and we are happy to share our experience so that Retailers can maximise their success. We welcome prior engagement to discuss the best approach, and where suitable can arrange to undertake pilots to help with refining the retailer's process.

The most successful approach is one that goes beyond a simple desktop search. While there are many commercial datasets available which will identify commercial properties, these on their own do not lead to the successful identification of a gap site under our scheme. This is due to the fact that a number of businesses may be served from one supply point that is registered in the market. In addition some premises may have shared supplies which serve both non-household and household premises. In this circumstance, where the primary use is subsequently identified as non-household, no payment will be issued, as this supply is already registered on our system and does not constitute additional revenue or lost water.

Some tips for successful gap site identification

- Speak to your Wholesale Technical Account Manager; they may be in a position to offer you help, support and advice.
- We have overlapping sewerage boundaries with other water companies.



Please ensure you review our mapping information on our Wholesale website to identify only our water region.

- Information on our mains pipework is available on-line (<http://utilities.digdat.co.uk/>). This may assist with understanding connectivity.
- Do not rely solely on a desktop assessment as this has proven to have limited success.
- Establishing estimated consumption for particular premises might help identify a potential gap. For example a 200 bed hotel that is only using a small volume of water.
- Water calculation tools may help establish average consumption
- Characteristics such as meter size may help indicate a potential gap.

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