



Wessex Water Services Limited

Water Supply Licensing Indicative Wholesale Access Prices 2026-27

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Water Resource Position

Wessex Water has a single water resource zone. The table below illustrates Wessex Water's current and forecast resource position under DYAA (Dry Year Annual Average) conditions for our central planning scenario, before any non-committed investment is made.

Year	Resource position under DYAA conditions* (Ml/day)
2026-27	14
2027-28	13
2028-29	12
2029-30	12
2030-31	4
2031-32	3
2032-33	2
2033-34	1
2034-35	0.4
2035-36	-49
2036-37	-50
2037-38	-51
2038-39	-52
2039-40	-53
2040-41	-55
2041-42	-56
2042-43	-59
2043-44	-60
2044-45	-61
2045-46	-62

*in water resource zones without the introduction of the licensee's water or any investment by Wessex Water that is not already under construction and over 50% committed.

This is based on our 2024 [Water Resources Management Plan](#) (known as WRMP24), which was published in January 2025.

This table shows that with no interventions (investments), we forecast a small surplus in supplies over demands in the short term to 2035, declining into a deficit over the long term due to gradually increasing demand associated with population growth, a small reduction in available water due to climate change, but also because of step reductions in the amount of water we can abstract from the environment, primarily in 2035. This means that we will need to develop new water resource options in order to restore a supply-demand balance (SDB) in the medium to long-term.

Ofwat's [guidance](#) on access pricing states that the cost of developing new resource is likely to differ markedly from the average cost for existing resources, and that this should be taken into account when setting access prices in order to continue to promote efficient entry (that is, entry where the third party service provider has a lower cost of resource than the incumbent). To do this, it recommends including a compensation payment or 'rebate', based on the difference between the incumbent provider's incremental cost (measured by average incremental cost or AIC) and the

average cost of water resources. This will enable entry by service providers where their cost of new resources is lower than the incumbent's.

Given that we are now forecasting a supply-demand deficit by 2035, and therefore intend to develop new water resource options with an ongoing incremental cost, we have adjusted our indicative access prices to reflect this rebate. We have done so as follows:

- We firstly consider all supply-side schemes that are included in our preferred WRMP24 plan (ignoring any customer options such as temporary use bans or service restrictions), to achieve a SDB in the long-term.
- We focus on those schemes for which we are committing spend in AMP8. This would mitigate the risk of incentivising inefficient entry, as articulated in Ofwat's guidance. This guidance also states that one potential approach to addressing this risk is to focus on relevant schemes that are being considered to meet demand/supply imbalances over a shorter period, such as a rolling five-year period, as this essentially represents what a company is willing to pay to meet the imbalance in this period¹.
- We then consider the AICs of such schemes as a proxy for the willingness to pay to meet this imbalance, as we could in theory avoid or defer these incremental costs (while restoring a SDB) by instead facilitating entry through the use of alternative supply options. We deduct from the relevant wholesale cost the AIC of those schemes that could be avoided, for a given supply of water, as a form of compensation payment / rebate.
- We make this adjustment to the indicative price for usage of 500 MI per annum (or more). For any access agreement relating to less than 50 MI per annum, this would not materially affect our water resource position and / or supply-side requirements, so a rebate is not required.

This means that our indicative access prices are based on:

1. The average cost implied in our water network plus control (including for water treatment), based on allowed revenues set out in our Ofwat's PR24 Final Determination.
2. A compensation payment or rebate, as described above.

Indicative prices for 2026-27 are set out in the next section.

Indicative Wholesale Access Prices

Indicative Wholesale Charge information

Use (MI per annum)	Price base	Unit	2026-27
5	Nominal	£ per m ³	2.9342
25	Nominal	£ per m ³	2.8476
50	Nominal	£ per m ³	2.6744
500	Nominal	£ per m ³	2.0250

¹ See pages 21-22 of Ofwat's guidance.

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Indicative Combined Supply Access Price information

Use (Ml per annum)	Price base	Unit	2026-27
5	Nominal	£ per m ³	2.5801
25	Nominal	£ per m ³	2.5039
50	Nominal	£ per m ³	2.3516
500	Nominal	£ per m ³	1.5141

Case-specific access prices

The information presented above constitutes *indicative* access prices to inform potential entrants.

Access applications will be reviewed on a case-by-case basis. The specific details involved in each application may result in material changes from the indicative prices shown in the table above (e.g. the specific volume of water to be supplied; whether or not the water supplied into our network has been treated).

Furthermore, wholesale charge information is based on our indicative charges. Actual wholesale charges for 2026-27 are likely to vary from those set out above, as a result of changes made to reflect the latest available information when these are published in January 2026.