

Water efficiency Delivery options

24th June 2019

Wessex Water
YTL GROUP



Housekeeping

- No fire alarms
- Toilets
- GDPR consent!
- Questions throughout
- Coffee break

Format for the meeting

- Introductions and plan for the session - Laura
- Our Wessex Water Marketplace approach - Laura
- Our water efficiency journey and strategy for AMP7 - Aimee
- Our AMP6 lessons learnt - Pippa
- Next steps and timetables - Laura
- Questions
- One to ones

Who's here?

- Aimee Shaw, Head of customer insight and participation
- Philippa Bond, Behaviour engagement manager
- Laura Mann, Head of open systems

Wessex Water Marketplace

Laura Mann

Wessex Water
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Sharing challenges to deliver better value

Our open systems approach



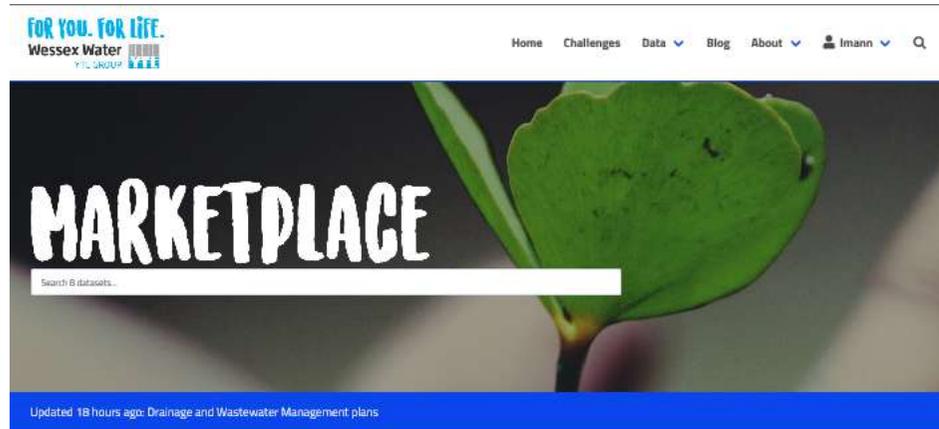
WE ARE PROUD
of our
RECORD TO DATE
BUT MORE OF
THE SAME
IS NOT
A GOOD PLAN

We will share challenges with the market, with the supporting data, to identify whether there is a better value solution than the traditional asset led approach.

This is in our business plan as the 'Open System' and will underpin our approach to PR19.



Wessex Water Marketplace



Welcome to the Wessex Water Marketplace, the hub for our 'open system' approach in our business plan. Here you can find out about the challenges we are looking for assistance from the market in meeting, the data that supports some of these challenges and more about our Marketplace approach.

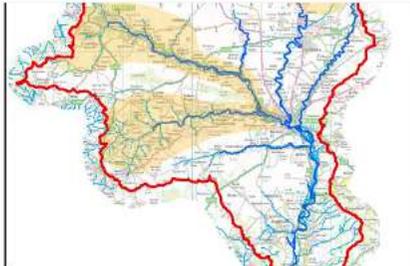
We want to know what you think about this and hope you'll get involved - please do [get in touch!](#)

Featured Challenges



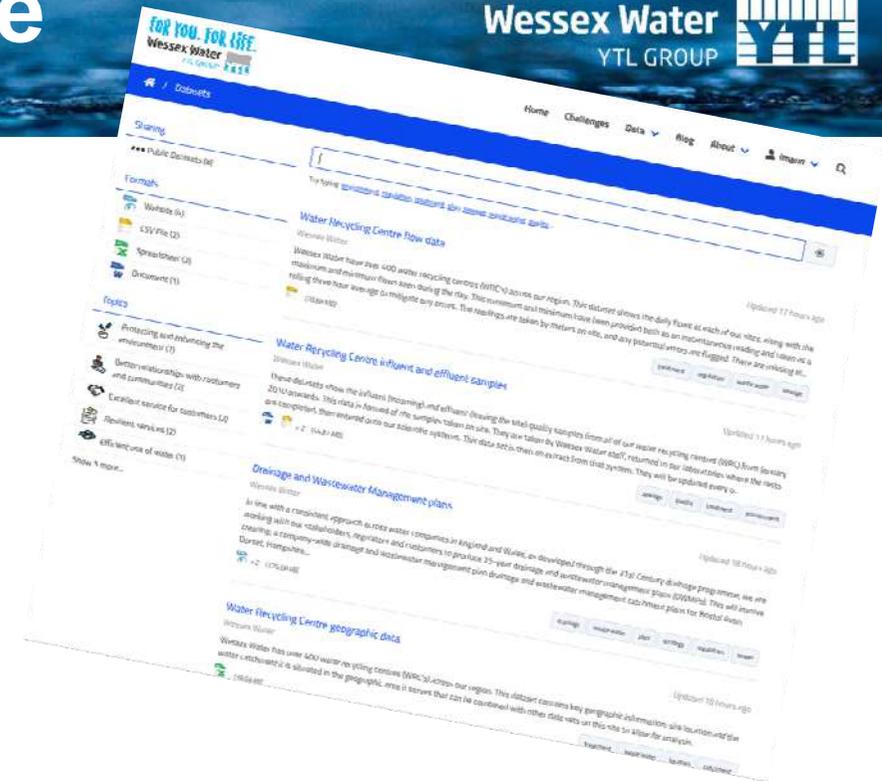
The PSTN challenge

April 8th, 2019



Hampshire Avon phosphorous reduction challenge

April 8th, 2019



Visit marketplace.wessexwater.co.uk

Current challenges

Water Efficiency Marketplace Challenge

June 14th, 2019 by Wessex Water

Supporting our customers to reduce their water consumption at home is a core part of our water efficiency programme – if approved, our 2020-25 business plan sets out ambitious new actions to enhance our programme and build on our achievements since 2015. We have collected a lot of data over the last four years and...

The business plan

April 16th, 2019 by Wessex Water

Our business plan for 2020-2025 sets out proposals on how we intend to further improve water and sewerage services over future years. To put our plan together we carried out our biggest ever consultation with customers, with more than 140,000 people providing feedback through surveys and independent focus groups giving their views on bills and services....

The PSTN challenge

April 10th, 2019 by Wessex Water

In May 2018 OpenReach (BT) launched a consultation on the move from analogue telephony to digital voice services by 2025. We have ~2800 sites that rely on analogue PSTN (Public Switched Telephone network) services to communicate back to our central control systems. We need to replace these lines to maintain visibility and control of the...

Hampshire Avon phosphorus reduction challenge

April 8th, 2019 by Wessex Water

If approved as part of our 2020-25 business plan, we'll aim to improve the river water quality in the Hampshire Avon catchment by reducing levels of

Future challenges

- CCTV and AI
- Leakage
- Lead pipe identification
- Flies(!)
- More to come....

Our journey and AMP7 strategy

Aimee Shaw

Wessex Water
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The story so far

- Statutory duty to promote water efficiency – Water Industry Act 1991

Basic one-way
engagement

- 2010-15: Ofwat mandatory target of 1 litre/per household/day = 0.55 MI/d
 - Free-pack of devices introduced for customers to install themselves
 - Water use calculator – EST, SWSM

Higher quality
engagement but
single transaction;
customer delivery

- 2015-20: bespoke performance commitment of 3.26 litres/person/day (~3.5 MI/d)
 - Free to customer in home service: “Home Check”
 - Water use calculator

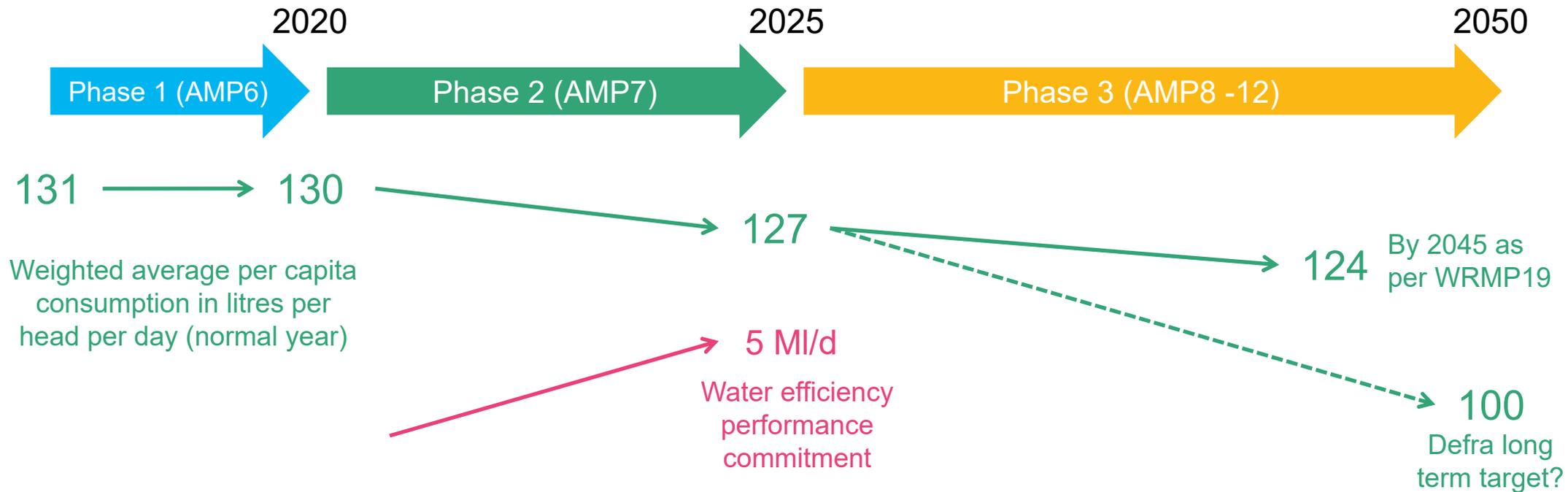
Practical assistance
for customers and
more certain savings;
Single transaction
online engagement

Future challenges



- 2019 Business Plan
 - 5 MI/d bespoke performance commitment for water efficiency
 - Continue and expand Home Check retrofit programme
 - Enhance digital/online engagement
 - 3 litres reduction in average per capita consumption
- Must deliver performance commitments but not bound to proposed strategy
- Wider context – longer-term PCC reduction, customer experience, community engagement and environmental improvements

PCC reduction – the challenge



- Annual outturn weighted average PCC has been rising since ~2013; need to reverse the trend
- Work back from the answer for vision for 2050
- Be mindful of links with other performance commitments e.g. leakage, affordability

PCC reduction – current strategy

Phase 1 (up to 2020)

- Deliver current PCs
- Prepare for Phase 2 delivery -
 - **Home retrofit visits** – cost efficiency, customer base
 - **Digital services** – more than calculator, repeat engagement, community
 - **Marketplace** - Innovation, partners
- Lobbying
 - Defra consultation

Phase 2 (2020-25)

- Programmes grounded in more data
 - Measured savings
 - Customer insight
- Smart metering and digital services
 - How smart?
 - Trials necessary?
- Sustainable housing – 120k new homes by 2050
- Not just PCC
 - NHH sector and retailers
- Lobbying

Phase 3 (2025-50)

- If 'the answer is 100' the vision is:
- Water efficiency is a social norm; engaged communities; environment is valued; water industry trust
 - Government policy:
 - Universal metering
 - Mandatory water labelling
 - Tighter building standards
 - Pressure on bill cuts removed?
 - Water industry:
 - Data driven services
 - Smart water metering
 - Tariffs
 - Resilient supplies

What we've learnt in AMP6

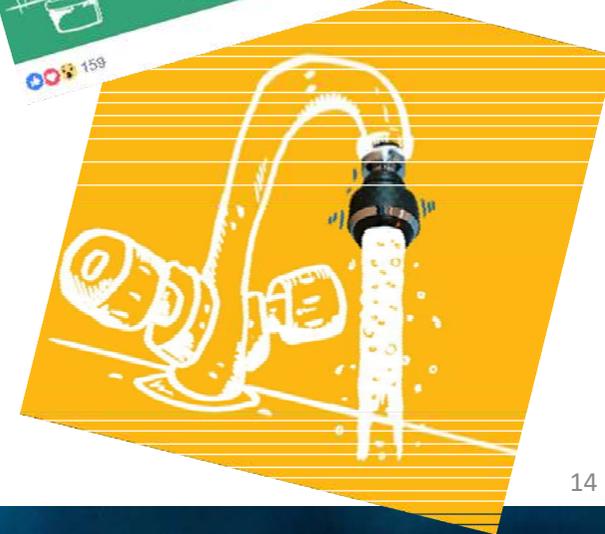
Pippa Bond

Wessex Water
YTL GROUP



Baseline Water Efficiency – AMP6

- Freepacks requested by customers
 - Nearly 30,000 packs issued with estimated savings of ~800,000 litres
- Education services
 - We have engaged with over 95,000 children and estimate savings to be ~1Ml
- Social media
 - Nearly 19,000 followers on social media
 - Approximately 35,000 website hits with ~90,000 litres saved
- Radio campaign 2019
 - Collaboration between neighbouring water companies
 - Will reach 450,000 customers and be heard over 3m times



Home Check

Customer uptake

- Customers letters sent 85,500
- Appointments booked 30,700 (36% of letters sent)
- Appointments completed 21,800 (25%)
- Door knocking acquisitions 83%

Savings achieved (assumed)

- Average saving per home 44 litres
- Total cumulative saving 1 MI



Home Check

Customer satisfaction

- Consistent SIM rating of >4.5
- Excellent customer feedback

Specific device statistics

- Devices fitted 47,400
- Leaks detected 4,600

Appliance	Leaks found	Leaks fixed	Percentage of households with leaking appliance
Toilet	962	105	5%
Taps	3201	953	15%
Showers	476	136	2%

Home Check

Lessons learned

- Door knocking was the best method to secure a customer booking
- No prequalification resulted in low savings for some households
- High customer satisfaction

Future questions

- Could adapting the delivery mode offer cost savings and increased water savings?
- How could we offer the service to all our customers?
- Assumed savings – How can we move to measured savings without compromising customer service (i.e. appointment delayed if take meter readings before)?

Digital engagement in AMP6

Water Efficiency Calculator

- In AMP6 we have used water efficiency calculators from both Save Water Save Money and the Energy Saving Trust
- 19,000 Customers have used the calculators resulting in an estimated 117,000 litres of water saves.
- The data is useful for long term planning – understanding customer behaviour

Future questions?

- How do we create repeat engagement?
- How do we encourage sustained behaviour change?
- How do we most effectively utilise the data?



Next steps and timetable

Laura Mann

Wessex Water
YTL GROUP



Next steps & timetable

- Submit suggestions for alternatives/replacements for Home Check and the digital engagement by 31st July
 - Answer the questions in the BAF annex 1 section 4
 - Please give a bit of detail – not just yes or no!
 - Not asking for IP
- We'll then review and use the exploration exercise to crystallise our needs for AMP7
- Feedback will be provided on what we liked and how we've decided to progress
- Tender then likely to commence in the early Autumn
 - Everyone will be able to participate (subject then to PQQ requirements etc)
- Aim to have contract placed by Christmas
- Feedback at each stage published on Marketplace