Tideway Revenue Statement 2024

Allowed Revenue for Charging Year 2025/26

Revenue Statement - 2025/26 Allowed Revenue

Submitted to Ofwat on 20 December 2024

£, nominal	Year preceding Prior Charging Year 2022/23	Prior Charging Year 2023/24	Current Charging Year 2024/25	Forthcoming Charging Year 2025/26
Allowed Revenue	86,316,446	117,946,599	133,568,927	134,168,566
Amounts received from TWUL in Charging Year	86,667,996	106,544,937		

IP Charge Notification - 2025/26 Allowed Revenue

Submitted to Thames Water on 20 December 2024

IP Charge Estimate for 2025/26 (£)

134,168,566

November 2024 RPI

390.9

Source: ONS (18 December 2024 release)

Statement of calculation

ets out how Tideway's Allowed Revenue calculation has been made for the charging year 2025/26 (Eleventh Charging Year).

The Licence I	ascent read to from Yeeler's Protects revenue actuation in section make of an exchange year 2002/20 (person Citating); read; read in interpreting Appendix 1 of the Project Licence to ensure citating these assumptions, as set out in the table below, has been sent to Ofwar. In an email dated 10/09/2024, Ofwar noted it is content with the resolutions described.	the mechanics of the calculation are in line with the spirit of the licence. These modelling assumptions are set out in the table below.
Sheet	Issue	Resolution
BBRA Inputs 2021, BBRA Inputs 2022, BBRA Inputs 2023, Inputs 2024	The 2014/15 RPI Adjustment Factor refers to "the percentage movement in the RPI (All titens) index as published by ONS for the period April to September in the calendar year" However, if the index values for April and September are taken, this only picks up 5 months of inflation. Together with the other elements of the formula, this results in an underestimate of inflation for the Charging Year.	Interpret the movement for the period April to September as the movement between the March and September index values, which ensur April inflation is also picked up.
BBRA Calculation 2021, BBRA Calculation 2022, BBRA Calculation 2023, Calculation 2024.	Annual Actual Project Spend for the current Charging Year (Yt-1) feeds into the calculation of RCV, which is required for the calculation of the Return on Capital and Liquidity building blocks. The licence specifies that Annual Actual Project Spend should be deflated by the Applicable Change in Cost RPI for a Charging Year, rather than the 2014/15 RPI Adjustment Factor. However, the Applicable Change in Cost RPI can only be calculated following the publication of RPI for each month of the relevant Charging Year. This information is not available for the current Charging Year at the time the Revenue Statement is prepared.	Use the 2014/15 RPI Adjustment Factor to deflate the Annual Actual Project Spend in the current Charging Year. This will be trued up in ryear's Revenue Statement as part of the building block reconciliation adjustment.
BBRA Calculation 2021, BBRA Calculation 2022, BBRA Calculation 2023.	In order to reconcile Allowed Revenue calculated in prior years for updated inflation, it is not appropriate to use the 2014/15 RPI Adjustment Factor defined in Tideway's licence as more up to date information is available (i.e. a further year of actual inflation data which can be used to replace the forecast).	Use approach consistent with definition of 2014/15 RPI Adjustment Factor but with actual inflation used up to September of Yt. This is equivalent to applying the 2014/15 RPI Adjustment Factor values as calculated for the Eleventh Charging Year Allowed Revenue calculated ensures the latest actual RPI data is taken into account.
Calculation 2024	One of the terms in the formula for the underlover recovered revenue adjustment (as set out in Appendix 1, Part A 7 of Tideway's licence) is 'the amount in respect of the IP Charge recovered by the Infrastructure Provider in respect of Charging Year 1-2". However, the licence does not specify the time period to which this element of the calculation should relate.	Interpret "the amount in respect of the IP Charge recovered by the Infrastructure Provider in respect of Charging Year 1-2" as the amount it has been paid by Thames Water to Tideway and receipted in Tideway's bank account prior to the end of September of Charging Year 1-1.
		Apply a net present value adjustment in nominal terms by using (1+BWACC) as the real discount factor and adjusting for inflation using R
		To reconcile amounts not yet received in respect of Charging Year t-2, this involves multiplying the unadjusted reconciliation amount by

Year	Charging Year	Full description
2015/16	Y1	First Charging Year
2016/17	Y2	Second Charging Year
2017/18	Y3	Third Charging Year
2018/19	Y4	Fourth Charging Year
2019/20	Y5	Fifth Charging Year
2020/21	Y6	Sixth Charging Year
2021/22	Y7	Seventh Charging Year
2022/23	Y8	Eighth Charging Year
2023/24	Y9	Ninth Charging Year
2024/25	Y10	Tenth Charging Year
2025/26	Y11	Eleventh Charging Year

Summary
Below is a high-level breakdown of the Allowed Revenue for the Eleventh Changing Year, with respect to each of the building blocks involved in the calculation.

'Tideway Allowed Revenue (t) =		Return on capital	+ Liquidity	+ Operating expenditure -	- Financing cost adjustment	+ Tax	+ Revenue adjustment	+ Building block for reconciliation adjustment	+ Additional return on capital	+ Additional liquidity
Tideway Allowed Revenue (Eleventh Charging Year)	=	142.4	+ 2.4	+ 0	-18.4	+ 0	+ 9.7	-2.0	0	0
	=	134.2	Em)							

inputs
The inputs this calculation, and the sources of these inputs, are set out on the "Inputs 2024" "BBRA Inputs 2022", and "BBRA Inputs 2022", and "BBRA Inputs 2021" sheet is olates the inputs required to reconcile Allowed Revenue first calculated in 2021 (for the eighth charging year), "BBRA Inputs 2022" sheet isolates the inputs required to reconcile Allowed Revenue first calculated in 2022 and the "BBRA Inputs 2023" sheet isolates the inputs required to reconcile Allowed Revenue first calculated in 2023.

In the reconciliations are to routated or an air full-and the air calculated in 2022.

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In the reconciliation and the sources of these inputs, are set out on the "Inputs 2024" sheet isolates the inputs required to reconcile Allowed Revenue first calculated in 2021 (for the eighth charging year), "BBRA Inputs 2022" sheet isolates the inputs required to reconcile Allowed Revenue first calculated in 2022 (for the eighth charging year), "BBRA Inputs 2022" sheet isolates the inputs accounts of the air calculated in 2022 (for the eighth charging year), "BBRA Inputs 2022" sheet isolates the inputs accounts a calculated in 2022 (for the eighth charging year), "BBRA Inputs 2022" sheet isolates the in

Return on Capital
The Return on Capital building block allows Tideway to earn a return on capital in relation to the forecast average RCV in the Charging Year in question.
Average RCV is calculated using annual actual, estimated and forecast allowable project spend, as shown in the table below.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/2	26 202	6/27
£m, 2014/15 prices		Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12
Opening RCV		0.0	148.7	478.5	962.3	1,490.3	2,024.5	2,497.6	2,935.4	3,307.9	3,547.1	3,695.2	3,795.8
Allowable Project Spend		148.7	329.8	483.8	528.0	534.2	473.1	437.9	372.5	239.2	148.1	100.6	23.9
Closing RCV		148.7	478.5	962.3	1,490.3	2,024.5	2,497.6	2,935.4	3,307.9	3,547.1	3,695.2	3,795.8	3,819.7
Average RCV		74.4	313.6	720.4	1,226.3	1,757.4	2,261.0	2,716.5	3,121.7	3,427.5	3,621.2	3,745.5	3,807.7

Return or	n Capital	=	Average RCV in Y11	Bid WACC	Applicable Char	ge in Revenue RPI for the Eleventh Charging Y
		=	3,745.5	2.497%	39i	

The Eliquidity building block allows Tideway a liquidity allowance (return on capital) in relation to the incren	mental average RCV in the	year following the Charging Year in question.
For the Eleventh Charging Year, this building block is calculated as follows:		
Liquidity	=	(Forecast average RCV in year 12 - Average RCV in year 11) * Bid WACC * Applicable Change in Revenue RPI for the eleventh Charging Year
	=	62.2 • 2.497% • <u>390.9</u> 256.7
	=	2.4 (£m)
Operating Expenditure (Opex)		
In line with Tideway's licence, the Opex building block is currently zero as all costs are accounted for as capital expenditure.	=	0.0 (Em)

ng Cost Adjustment for a given year is calculated as follows:

(Net Debt (I-2) - Net Debt (I-3)) * Market Cost of Debt Adjustment Factor (I) * (1 + BWACC)*2 * Applicable Change in Revenue RPI (I)

Applicable Change in Revenue RPI (I-2)

Market Cost of Debt Adjustment Factor (t)

i) if the difference between the BRP and the ARP on any ARP Calculation Date is +/- 50 bps, the market cost of debt adjustment will be 0 ii) if the difference between the BRP and the ARP is between (+/-) 51 bps and 100 bps, the market cost of debt adjustment factor will be equal to 50% of the amount by which such difference exceeds 50bps iii) if the difference between the BRP and the ARP is greater than +/- 100 bps, the market cost of debt adjustment factor will be equal to 50% of the amount by which such difference exceeds 50bps iii) if the difference between the BRP and the ARP is greater than +/- 100 bps, the market cost of debt adjustment factor will be equal to 50% of the amount by which such difference exceeds 75 bps. The Market Cost of Debt Adjustment Factor shall be expressed as a positive figure where the ARP exceeds the BRP, and a negative figure where the BRP exceeds the ARP.

(1+ iBoxx BBB UK non-financials with 10+ year maturity)
(1+ spot implied inflation rates for 10 year maturity published by the Bank of England)

in Net Debt and Ofwat-stated RCV (current prices) is higher than the notional debt to RCV ratio, Net Debt will be deemed to equal the notional debt to RCV ratio multiplied by the Ofwat-stated RCV in current prices.

=

Cost Adjustment Building Block for each Charging Year is the sum of the Financing Cost Adjustment for that Charging Year and all previous Charging Years, to reflect the build-up of the market cost of debt protection over time.

Summaries the build-up of the Financing Cost Adjustment in previous years, and details of prior years calculations are available in previous Revenue Statement identified in the table).

Financing Cost Adjustment in respect of the Financing Cost Adjustment of the First of Second Charging Years, as in both cases, To Again and the Charging Year 12 and 5 od for to be that this time.

**Cost Adjustment building block was zero in the Timit Charging's Year as the difference between the BPP, and ARP was less than 50 tops, and therefore the Market Cost of Debt Adjustment Factor was zero.

**Cost Adjustment for the Earlith charging year includes an adjustment special position of the Earlith charging year includes an adjustment again and the Cost of Earlith Adjustment factor was zero.

**Cost Adjustment for the Earlith charging year includes an adjustment again and the Second Second

				Charging Year							
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Revenue Statement	2015	i	2016	2017	2018	2019	2020	2021	2022	2023	2024
Base Reference Point	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	0.00%	0.00%	0.00%
Annual Reference Point	1.30%	1.30%	1.43%	0.35%	0.01%	0.23%	-0.47%	-0.88%	0.00%	0.00%	0.00%
Market Cost of Debt Adjustment Factor	0.00%	0.00%	0.00%	-0.22%	-0.54%	-0.32%	-1.01%	-1.43%	0.00%	0.00%	0.00%
Change in Net Debt	0.0	0.0	-130.4	-185.5	243.8	615.2	613.8	532.5	0.0	0.0	0.0
Adjustment agreed with Ofwat in the 2022/23 Revenue											
Statement								0.2	0.0	0.0	0.0
Financing Cost Adjustment	0.00	0.00	0.00	0.5	-1.5	-2.2	-6.7	-8.4	0.0	0.0	0.0
Financing Cost Adjustment building block (cumulative)	0.00	0.00	0.00	0.5	-1.0	-3.2	-9.9	-18.4	-18.4	-18.4	-18.4

For the Eleventh Charging Year, this building block is calculated as follows:

Financing Cost Adjustment (year 8)

(Net Debt (year 6) - Net Debt (year 5))* Market Cost of Debt Adjustment Factor (year 8)* (1 + BWACC)*2* Applicable Change in Revenue RPI (year 8) + Adjustment agreed with Ofwat to correct for net debt error within the regulatory accounts Applicable Change in Revenue RPI (year 6)

Where the Market Cost of Debt Adjustment Factor (year 8) results from the difference between the BRP and the ARP:

BRP - ARP= 1.30% - -0.88%

= 2.18%, a difference of 218 basis points, which falls in the greater than 100 bps band.

-8.4 (£m)

This leads to a Market Cost of Debt Adjustment Factor (year 8) of the amount by which this difference exceeds 75bps, or (2.18% - 0.75%)) = -1.43% (The Market Cost of Debt Adjustment Factor shall be expressed as a positive figure where the ARP exceeds the BRP, and as a negative figure where the BRP exceeds the ARP)

Financing Cost Adjustment(year 1) + Financing Cost Adjustment(year 2) + Financing Cost Adjustment(year 3) + Financing Cost Adjustment(year 4) + Financing Cost Adjustment(year 5) + Financing Cost Adjustment(year 6) + Financing Cost Adjustment(year 7) + Financing Cost Adjustment(year 7) + Financing Cost Adjustment(year 8) + Financing Cost Adjustment(year Financing Cost Adjustment building block 0 + 0 +0 0.5 -1.5 -2.2 -6.7

Tax hile with Tideway's licence, the tax building block is zero as Tideway is not currently required to pay corporation tax or any other income-based tax.

The Revenue Adjustment for the Eleventh Charging Year is based on recovery of revenue for the Second, Third, Fourth, Fifth, Sidth, Seventh and Eighth Charging Years are being reconciled to remove amounts that have been reconciled previously but have subsequently been recovered from Thames Water. Note: Tideway agreed with TWUL, approved by Oftwat (March 2023) to simplify the revenue collection allocation methodology, Under the simplification revenues collected from April 2023 are only allocated to recent years. This does NOT impact the overall amounts paid by customers.

The table belows each of the amount in respect of the IP Oftway in re

	c							Payment received from	Thames Water in period										
	2.111	20	16/17	20	17/18	201	3/19		2019/20	2020/21		200	21/22	202	2/23	2023	3/24	2024/25	Total
Charging Year	Allowed revenue	Apr-Sep	Oct-Mar	Apr-Sep	Oct-Mar	Apr-Sep	Oct-Mar	Apr-Sep	Oct-Mar	Apr-Sep	Oct-Mar	Apr-Sep	Oct-Mar	Apr-Sep	Oct-Mar	Apr - Sep	Oct-Mar	Apr - Sep	1
2015/16	11.2	12.1	14.6	4.3	0.8	0.3	0.2				T		0.0	0.0					32.1
2016/17	22.4	-/-	-/-	9.3	40.4	3.4	0.4	0.4	-1.1	0.0	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	20.1
2017/16	49.2	n/a	n/a	9.3 n/a	12.4 n/a	16.3	18.7	10.7	1.0	-0.5	1.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	47.9
2019/20	63.4	n/a	n/a	n/a	n/a	n/a	n/a	20.1	24.3	11.2	4.5	0.5	0.1	0.1	0.1	0.0	0.0	0.0	60.8
2020/21	76.5	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	15.4	35.1	13.6	3.1	0.5	0.2	0.2	0.0	0.0	68.1
2021/22	87.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	24.7	30.6	21.8	4.7	1.0	-0.1	0.2	83.0
2022/23	86.3	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	24.5	34.9	11.5	-0.6	0.9	71.2
2023/24	117.9	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	39.4	55.1	14.5	109.0

Reconciliation amounts in respect of Ninth Charging Year (before NPV adjustment) Allowed Revenue for Ninth Charging Year - Amount in respect of the IP Charge recovered by the Infrastructure Provider in respect of Ninth Charging Year (to end of September 2024) 117.9 8.9 (£m) Amount in respect of the IP Charge recovered by the infrastructure Provider in respect of Eighth Charging Year (to end of September 2024)

- Amount in respect of the IP Charge recovered by the infrastructure Provider in respect of Eighth Charging Year (to end of September 2023) 71.2 0.3 (£m) Reconciliation amounts in respect of Seventh Charging Year (before NPV adjustment) Amount in respect of the IP Charge recovered by the Infrastructure Provider in respect of Seventh Charging Year (b end of September 2023)

- Amount in respect of the IP Charge recovered by the Infrastructure Provider in respect of Seventh Charging Year (b end of September 2023) Amount in respect of the IP Charge recovered by the Infrastructure Provider in respect of Skith Charging Year (to end of September 2023) Reconciliation amounts in respect of Sixth Charging Year (before NPV adjustment) 0.0 (£m) Amount in respect of the IP Charge recovered by the Infrastructure Provider in respect of Fifth Charging Year (to end of September 2023)

- Amount in respect of the IP Charge recovered by the Infrastructure Provider in respect of Fifth Charging Year (to end of September 2023) Reconciliation amounts in respect of Fifth Charging Year not previously included (before NPV adjustment) 60.8 - 60.8 0.0 (£m) Reconciliation amounts in respect of Fourth Charging Year not previously included (before NPV adjustment) Amount in respect of the IP Charge recovered by the Infrastructure Provider in respect of the Fourth Charging Year (to end of September 2024)

- Amount in respect of the IP Charge recovered by the Infrastructure Provider in respect of Fourth Charging Year (to end of September 2023) 47.9 - 47.9 0.0 (£m) Reconciliation amounts in respect of Third Charging Year not previously included (before NPV adjustment) Amount in respect of the IP Charge recovered by the Infrastructure Provider in respect of the Third Charging Year (to end of September 2021)

- Amount in respect of the IP Charge recovered by the Infrastructure Provider in respect of Third Charging Year (to end of September 2021) 0.0 (£m) Reconciliation amounts in respect of Second Charging Year not previously included (before NPV adjustment) Amount in respect of the IP Charge recovered by the Infrastructure Provider in respect of Second Charging Year (to end of September 2024)

- Amount in respect of the IP Charge recovered by the Infrastructure Provider in respect of Second Charging Year (to end of September 2023) 0.0 (£m) As required by Appendix 1 A7 of the licence, the reconciliation amounts are subject to a net present value (NPV) adjusts hich is set out below. The NPV adjustments are made consistent with the assumptions set out in the table at the beginning of this statement Reconciliation amounts in respect of Eighth Charging Year (before NPV adjustment) * ((1+BWACC)^2)) * Reconciliation amounts in respect of Ninth Charging Year (after NPV adjustment) = 1.52 10.2 (£m) Reconciliation amounts in respect of Eighth Charging Year (after NPV adjustment) Reconciliation amounts in respect of Eighth Charging Year (before NPV adjustment) * (1+BWACC)) * Applicable Change in Revenue RPI (year 11)
Applicable Change in Revenue RPI (year 10) -0.3 1.52 Reconciliation amounts in respect of Seventh Charging Year (after NPV adjustment) Reconciliation amounts in respect of Seventh Charging Year (before NPV adjustment) * (1+BWACC)) * * (1 + 0.02497) * -0.2 1.52 -0.2 (£m)

Reconciliation amounts in respect of Stdth Charging Year (after NPV adjustment)	= = =	Reconciliation amounts in respect of Sixth Charging Year (before NPV adjustment) 0.0 0.0 (Em)	((1+BWACC))) * ((1+0.02497)) *	Applicable Change in Revenue RPI (year 11) Applicable Change in Revenue RPI (year 10) 1.52 1.47						
Reconciliation emounts in respect of Fifth Charging Year not previously included (after NPV adjustment)	= = =	Reconciliation amounts in respect of Fifth Charging Year (before NPV adjustment) 0.0 0.0 (Em)	((1+BWACC))) * ((1+0.02497)) *	Applicable Change in Revenue RPI (year 11) Applicable Change in Revenue RPI (year 10) 1.52 1.47						
Reconciliation amounts in respect of Fourth Charging Year not previously included (after NPV adjustment)	= =	Reconciliation amounts in respect of Fourth Charging Year (before NPV adjustment 0.0 0.0 (£m)	nt) * ((1+BWACC)) * * ((1+0.02497) *	Applicable Change in Revenue RPI (year 11) Applicable Change in Revenue RPI (year 10) 1.52 1.47						
Reconciliation amounts in respect of Third Charging Year not previously included (after NPV adjustment)	=	Reconciliation amounts in respect of Third Charging Year (before NPV adjustment 0.0	t) * ((1+BWACC)) * * (1+0.02497) *	Applicable Change in Revenue RPI (year 11) Applicable Change in Revenue RPI (year 10) 1.52 1.47						
Reconciliation amounts in respect of Second Charging Year not previously included (after NPV adjustment)	= = =	0.0 (£m) Reconciliation amounts in respect of Second Charging Year (before NPV adjustme 0.0 0.0 (£m)	* ((1+BWACC)) *	Applicable Change in Revenue RPI (year 11) Applicable Change in Revenue RPI (year 10) 1.52 1.47						
Revenue Adjustment (Tenth Charqing Year) (after NPV adjustment)	=	The sum of the reconciliation amounts all after NPV adjustments in respect of Nint	th Charging Year, and (where previou	sly not included) the Eighth, Seventh, Sixth, Fitth, Fourth, Third, and Second Charg	ng Years.					
	=	10.2 -0.3 97 (Em)		-0.2	0.0	0.0	0.0	0.0	0.0	

ting Block Reconciliation Adjustment (BBRA)
onciliation adjustment applies for the Return on Capital judity, Opex, Financing Cost Adjustment, Tax, Additional Return on Capital and Additional Liquidity building blocks.
concollation is collaborated on an expressive risk better in the adversarial season of the Revenue for a particular year, and updated expenditure and inflation.
concollation is collaborated on an expressive risk better in the adversarial season of the Revenue for a particular year, and updated expenditure and inflation.
concollation is collaborated on an expressive risk better in the previous calculation of the Allowed Revenue for a particular year, and updated expenditure and inflation.
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concollation is collaborated on an expressive risk better in the previous calculation of the Allowed Revenue for the Allowed Rev

							Allowed Reven																						
						2015/16	2016		2017/18	2018/19	2019/	20	2020/21		2021/22	2022/23	2023/24	2024/25											
Allowed Revenue - as calculated fo						11.2		22.4																					
Allowed Revenue - as calculated fo						8.7		19.8	34.0																				
Allowed Revenue - as calculated fo						8.1		18.6	32.9	49.5																			
Allowed Revenue - as calculated fo							1	18.2	31.9	48.4		2.5																	
Allowed Revenue - as calculated fo									31.7	47.7	62	2.6	74.7																
Allowed Revenue - as calculated fo										47.6	62	2.0	74.9		80.4														
Allowed Revenue - as calculated for											61	1.6	73.5		78.5 79.0	85.6													
Allowed Revenue - as calculated fo													73.6		79.0	86.8	107.6												
Allowed Revenue - as calculated fo															79.0	86.7	108.9 107.9	119.5											
Allowed Revenue - as calculated fo	or 2024 Revenue Statement															86.4	107.9	119.1											
le above shows the Allowed Revenue for ea owed Revenue figures set out above exclude Iding block reconciliation is made on a net p a block reconciliation adjustment =	e the building block reconciliation ad	justment (BBRA) and re Bid WACC as a discour	venue adjustment (RA) b	r inflation using RPI	PI, which takes into	to account the numb	per of years since the	Allowed Revenue for d WACC)^3) * Applic	r a given year was first o	calculated. This gives the fol RPI (year 11)	llowing calculation:	(2023/24 Allowe	ed Revenue [2024 calculation] - 2023/24 Allowed	Revenue [2023 calculati						+	(2024/25 Allow	ed Revenue [2024 c	alculation] - 2024/	25 Allowed Revenue	e [2023 calculation]])*((1 + Bid WACC)^1) * Applicable Chang	ge in Revenue RPI (yea	
th Charging Year)								Applica	ble Change in Revenue I	RPI (year 8)					App	icable Change in Rev	enue RPI (year 9)											Applicable Change	e in Revenue RPI (year 10)
	=		(86.4	-	86.7)		* ((1 + 0.02497)^3)		.52 .22		+	(107.9	-	108.9)	* ((1 + 0.02497)^2) *	1.52			+	(119.1			-		119.5)	*((1+	0.02497)^1)*	1.52
	=		-0.3	+		-1.2	+	-1	0.4																				
	=		-2.0	£m)																									
on Capital Charging Year									.,						T														
narging Year	Return on Capital = Average RC	CV in Eighth Charging Ye	ar * Bid WACC * Applica	ble Change in Rev	venue RPI for the	Eighth Charging Ye	ear	Ninth Charging Return on Capi	rear tal = Averag	e RCV in Ninth Charging Yea	ar * Bid WACC * Applic	able Change in Re	venue RPI for the Ninth Charging Year		Tenth Charging Yea Return on Capital =	r Avera	ge RCV in Tenth Char	ging Year * Bid W	CC * Applicable Chan	e in Revenue	RPI for the Tent	Charging Year							
	=	3,121.7	*2.497%			314.3 256.7			=	3,427.5	*2.497%*	-	358.3 256.7			=	3,621.2		*2.497%			377.3 256.7							

= 132.9 (£m)

= 3.427.5 *2.497%* 358.3 256.7 = 119.5 (Em) 3,121.7 *2.497% * <u>314.3</u> 256.7 = 95.5 (£m)

Ninth Charging Year
Liquidity = (Forecast average RCV in year 9 - Average RCV in year 9) * Bid WACC * Applicable Change in Revenue RPI for the Eighth Charging Year
Liquidity = (Forecast average RCV in year 10 - Average RCV in year 9) * Bid WACC * Applicable Change in Revenue RPI for the Ninth Charging Year | iquidity = (Forecast average RCV in year 9 - Average = 4.6 (£m)

Opex In line with Tideway's licence, the Opex building block is zero as all costs are accounted for as capital expenditure. Therefore, no reconciliation is required.

Financing Cost Adjustment [Final reconciliation for 2021/22]
The Financing Cost Adjustment does not rely on any forecast inputs and therefore a reconciliation for actuals and updated forecasts is not required. The Final Engineer of Exposures in Section 1997 (Fig. 1997). The Charging Years back to 2019/20 (the Fifth Charging Year) for use in the FCA, therefore a reconciliation was required for the three Charging Years impacted. Tideway restated its reported net debt figures back to the regulatory accounts for the year ending 2017/18, impacting on three Charging Years back to 2019/20 (the Fifth Charging Year) for use in the FCA, therefore a reconciliation was required for the three Charging Years impacted. (Restated Net Debt (year 3) - Net Debt (year 2)) * Market Cost of Debt Adjustment Factor (year 5) * (1 + BWACC)*2 * Applicable Change in Revenue RPI (year 5) Applicable Change in Revenue RPI (year 3) -1.5 (£m) Financing Cost Adjustment(year 1) + Financing Cost Adjustment(year 2) + Financing Cost Adjustment(year 3) + Financing Cost Adjustment(year 4) + Financing Cost Adjustment(year 5) + Financing Cost Adjustment(year 6)

0 +0 +0 +0.5 -1.5

-1.0 (Em) Financing Cost Adjustment building block (Restated Net Debt (year 4) - Restated Net Debt (year 3)) * Market Cost of Debt Adjustment Factor (year 6) * (1 + BWACC)*2 * Applicable Change in Revenue RPI (year 6) Applicable Change in Revenue RPI (year 4) (556.63 - -67.05) • -1.01% • (1+0.02497) *2 • 1.13 -2.2 (£m)

Seventh Charging Year (Restated Net Debt (year 5) - Restated Net Debt (year 4)) * Market Cost of Debt Adjustment Factor (year 7) * (1 + BWACC)*2* Applicable Change in Revenue RPI (year 7)

Applicable Change in Revenue RPI (year 5) Financing Cost Adjustment (year 7) (1182 - 556.63) * -1.43% * (1+0.02497) * - 1.14 - 1.41 0 +0 +0 +0 +0.5 -1.5 -2.2 -6.9
-10.1 (Em) Financing Cost Adjustment(year 1) + Financing Cost Adjustment(year 2) + Financing Cost Adjustment(year 3) + Financing Cost Adjustment(year 4) + Financing Cost Adjustment(year 5) + Financing Cost Adjustment(year 6) + Financing Cost Adjustment(year 7)

Eighth Charging Year (Restated Net Debt (year 6) - Restated Net Debt (year 5)) * Market Cost of Debt Adjustment Factor (year 8) * (1 + BWACC)*2 * Applicable Change in Revenue RPI (year 8) * Applicable Change in Revenue RPI (year 6) Financing Cost Adjustment (year 8)

(1689.5 - 1156.97) * -1.43% * (1+0.02497)*2 * 1.13 -8.4 (£m) Financing Cost Adjustment(year 1) + Financing Cost Adjustment(year 2) + Financing Cost Adjustment(year 3) + Financing Cost Adjustment(year 5) + Financing Cost Adjustment(year 5) + Financing Cost Adjustment(year 6) + Financing Cost Adjustment(year 7) Financing Cost Adjustment building block

Ninth Charging Year

nce to base the Financing Cost Adjustment Mechanism for futrue years on the inputs at end of March 2021. Under this change the Financing Cost Adjustment mechanism benefit to customers is preserved and is projected to deliver future benefits to customers of £18.4m p.a.

Financing Cost Adjustment(year 1) + Financing Cost Adjustment(year 2) + Financing Cost Adjustment(year 3) + Financing Cost Adjustment(year 4) + Financing Cost Adjustment(year 5) + Financing Cost Adjustment(year 6) + Financing Cost Adjustment(year 6) + Financing Cost Adjustment(year 6) + Financing Cost Adjustment(year 7) + Financing Cost Adjustment(year 8) + Financing Cost Adjustment(year 6) + Financing Cost Adjustment(year 7) + Financing Cost Adjustment(year 8) + Financing Cost Adjustment(year 6) + Financing Cost Adjustment(year 7) + Financing Cost Adjustment(year 8) + Financing Cost Adjustment(year

Financing Cost Adjustment (year 10)
Mar 2022 Ofwat amended Tideway's licence to base the Financing Cost Adjustment Mechanism for futrue years on the inputs at end of March 2021. Under this change the Financing Cost Adjustment mechanism benefit to customers is preserved and is projected to deliver future benefits to customers of £18.4m p.a.

= 0.0 (£m)

Financing Cost Adjustment building block = Financing Cost Adjustment(year 1) + Financing Cost Adjustment(year 2) + Financing Cost Adjustment(year 3) + Financing Cost Adjustment(year 4) + Financing Cost Adjustment(year 5) + Financing Cost Adjustment(year 6) + Financing Cost Adjustment(year 6) + Financing Cost Adjustment(year 6) + Financing Cost Adjustment(year 7) + Financing Cost Adjustment(year 9) + 0 + 0 + 0.5 + 1.5 + 2.2 + 6.7 + 8.4 + 0.0

Tax
In line with Tideway's licence, the tax building block is zero as Tideway is not required to pay corporation tax or any other income-based tax.

Additional Return on Capital and Additional Liquidity
These building blocks will only apply if spend exceeds the Threshold Outrun and Tideway has made an IAR Overrun Application.
Therefore this building block is zero for the purposes of this calculation.

Therefore this building block is zero for the purposes of this calculation.

Recal culated Allowed Revenue

Tideway Allowed Revenue (t) = Return on capital + Liquidity + Operating espenditure + Financing cost adjustment + Tax + Additional return on capital + Additional liquidity

Tideway Allowed Revenue (Ninth Charging Year)	=	119.5	+6.8	+ 0	-18.4	+ 0	+ 0	+0
	=	107.9	(£m)					
Tideway Allowed Revenue (Tenth Charging Year)	=	132.9	+4.6	+ 0	-18.4	+ 0	+ 0	+ 0
	=	119.1	(£m)					

Additional Return on Capital
The Additional Return on Capital building block will only apply if spend exceeds the Threshold Outturn and Tideway has made an IAR Overrun Application.

Additional Liquidity
The Additional Ele

Inputs 2024

Year starts Year ends Year t-2 Year t-1 Year t-1 Year t-1 Year t-1 Year t-1	Unit	Source/notes	2012/13	2013/14	2014/15	First Charging Year 2015/16 01/04/2015 31/03/2016 2013/14 2014/15 2015/16 2016/17 2017/18	Second Charging Year 2016/17 01/04/2016 31/03/2017 2014/15 2015/16 2016/17 2017/18 2018/19	Third Charging Year 2017/18 01/04/2017 31/03/2018 2015/16 2016/17 2017/18 2018/19 2019/20	Fourth Charging Year 2018/19 01/04/2018 31/03/2019 2016/17 2017/18 2018/19 2019/20 2020/21	Fifth Charging Year 2019/20 0104/2019 31/03/2020 2017/18 2018/19 2019/20 2020/21 2021/22	Sixth Charging Year 2020/21 01/04/2020 31/03/2021 2018/19 2019/20 2020/21 2021/22 2022/23	Seventh Charging Year 2021/22 01/04/2021 31/03/2022 2019/20 2020/21 2021/22 2022/23 2023/24	Eighth Charging Year 2022/23 01/04/2022 31/03/2023 2020/21 2021/22 2022/23 2023/24 2024/25	Ninth Charging Year 2023/24 01/04/2023 31/03/2024 2021/22 2022/23 2023/24 2024/25 2025/26	Tenth Charging Year 2024/25 01/04/2024 31/03/2025 2022/23 2023/24 2024/25 2025/26 2026/27	Eleventh Charging Year 2025/26 01/04/2025 31/03/2026 2023/24 2024/25 2025/26 2026/27 2027/28		Thirteenth Charging Year 2027/28 0104/2027 3103/2028 2025/26 2026/27 2027/28 2028/29 2028/29
1.1 2014/15 RPI Adjustment Factor		Source: Average independent new forecasts for RPI, Table M3, "Forecasts for the UK economy: a comparison of																
Forecast RPI Adjustment Factor for the calendar year in which Charging Year commences	%	independent forecasts", HM Treasury, 21 August 2024. Required by Project Lience Appendix 1, 1, 1 (f), (ii), (iii) Source: Average independent new forecasts for RPI, Table M3, "Forecasts for the UK economy: a comparison of													3.50%	2.90%	2.80%	3.20%
Forecast RPI Adjustment Factor for the calendar year in which Charging Year ends	%	independent forecasts", HM Treasury, 21 August 2024 Required by Project Lience Appendix 1, 1, 1 (t), (ii), (iii) Source: RPI All Items index. Consumer Price Inflation time series (MM23), 16 October 2024, Office for National			1									3.50%	2.90%	2.80%	3.20%	3.10%
RPI, September of Charging Year		Statistics. Required by Project Licence Appendix 1, 1.1(iii) Source: RPI All Items index, Consumer Price Initiation time series (MM23), 16 October 2024, Office for National			257.6	259.6	264.9	275.1	284.1	291.0	294.3	308.6	347.6	378.4	388.6			
RPI, March of Charging Year		Statistics. Required by Project Licence Appendix 1, 1.1 (iii)		254.8	257.1	261.1	269.3	278.3	285.1	292.6	296.9	323.5	367.2	383.0				
Applicable Change in Revenue RPI		Source: RPI All items index, Consumer Price Inflation time series (MM23), 18 December 2024, Office for National																
RPIt (RPI for November in Charging Year YI-1)		Statistics. Required by Project Licence Appendix 1, Parl A 3, 4 and 6 Note: For both First and Second Charging years, stated RPI is for November 2015, as Allowed Revenue for both these years is being activated together		245.6	252.1	259.8	259.8	265.5	275.8	284.6	291.0	293.5	314.3	358.3	377.3	390.9		
Year average RPI		Source: Calculated from RPIAII flems index, Consumer Price Inflation time series (MM23), 16 October 2024, Office for National Statistics. Required by Project Licence Appendix 1, Part A 3, 4 and 6 and Appendix 1, 1.1 (iv)			256.7	259.4	265.0	274.9	283.3	290.6	294.2	311.2	351.2	377.5				
A.3. Return on Capital and A.4 Liquidity				,							1							
A.S. Neturn on Capital and A.4 Equidity		Source: Ofwat publication:																
Water Services Regulation Authority Stated RCV (2014/15 Prices) at 31 March	2014/15 prices, £	Ohwat Regulatory Capilal Values - Bazalgetts Tunnel Limited (Tideway): https://www.okat.gov.uk/publication/regulatory-capital-values-bazalgette-tunnel-limited-tideway-22072020/ Zaro prior to licence award Regulated by Project Licence Appendix 1, Part A 3		0	0	148,741,346	478,533,658	962,316,426	1,490,337,315	2,024,487,477	2,497,553,061	2,935,415,123	3,307,896,720	3,547,091,496				
Allowable Project Spend (actual and forecast) - as at October 2024 Allowable Project Spend	Outturn prices. £	Source: "ITA Verification No.85" - received 16/10/2024 from Paul Horton. Verification to June 2024.			0	150.344.662	340.489.147	518.165.900	582.828.772	604.855.688	542.182.309	530.822.453	509.695.109	351,787,175	72,381,674			
Estimated Allowable Project Spend	Outturn prices, £	Required by Project Licence Appendix 1, Part A 3 Source: "Regulation Reporting Sep 24", tab Regulatory Cost Metrics, sum of cells G48:148 (equal to July, August and September 2024 allowable spending not yet verified by ITA), rounded to nearest £1			0	0	0	0	0	0	0	0	0	0	61,736,409			
Forecast Allowable Project Spend	Outturn prices, £	Required by Project Licence Appendix 1, Part A 3 Source: "P6 2024-25 Expenditure Forecast Basecase v1" - from Rob Oliver, 14/10/24 for full-year 2024/25, 2025/26 and 2026/27 forecast.			0	0	0	0	0	0	0	0	0	0	90,432,148	156,806,876	38,305,208	
, опосаст волиции г туров органа		The 2024/25 figure is net of expenditure already realised (April to Sep) - sum of rows 29 and 30 Required by Project Licence Appendix 1, Part A 3, 4						1	1	1	1		1			,		
Excluded Project Spend	Outturn prices, £	All years up to and including 2022/23: from 2023 Revenue Statement 2023/24: from 2023-24 Regulatory, Section TTT Bids workings* that TTT Bespoke tables, cell O43. Agrees to reported excluded project spend (outturn prices) in regulatory table TTTB in the 23/24 Annual Performance Report 2024/25 Riguer from "Consol Model Sep" 24 STATS" tab Output 1 cell N25. See email from Cathal Cunningham dated 23/10/24. Relates to the period Apr-Olgy 2024.				64,394,743	87,615,825	108,108,556	80,287,259	66,925,849	30,837,611	63,258,312	66,449,248	6,659,416	52,388,586			
Alliance Agreement receipts - expenditure funded by these receipts is treated as Excluded Project Spend ar therefore is excluded from the Allowable spend metrics set out above	Outturn prices, £	Source: Chief Technical Officer, Tideway Notes: Zeno prior to Licence award. Required by Project Licence Appendix 2, 1,5			0	0	0	0	0	0	0	0	0	0	0	0		
BWACC	%	Source: Project Licence, Appendix 1, 1.18 Required by Project Licence Appendix 1, Part A 3, 4, 6, 7, 8			[2.497%												
A.5. Opex Opex forecast as at September 2024	Outturn prices, £	Note: In line with the Project Licence, zero as all expenditure treated as capes. Required by Project Licence Appendix 1, Part A Source: Financial Control: Consol Model September 2024 (for 24/25), Financial Model (for 25/26)			[0	0	0	0	0	0	0	0	0	0	0		
A.6. Financing Cost Adjustment																		
Financing Cost Adjustment Index Yield - 12 months trailing average at 31 March	%	Source: "FCA yield calculator 2020 21 xlsx" Calculated with reference to IBoxx BBS data and spot implied inflation rates for 10 year maturity from Bank of England Required by Project Licence Appendix 1, Part A 6			1.30%	1.43%	0.35%	0.01%	0.23%	-0.47%	-0.88%	n/a	n/a	n/a				
Water Services Regulation Authority Adjusted RCV (Current Prices) at 31 March	Current prices at March of Chargin Year	31 Source: https://www.cfwat.gov.uk/publication/regulatory-capital-values-bazalgette-tunnel-limited-tideway-g 2070200/ for the current year. Prior year values are the value recorded in that charging year. Required by Project Licence Appendix 1, Part A 5	-	-	-	151,310,515	502,087,458	1,043,425,953	1,655,435,722	2,307,915,724	2,889,052,612	n/a	n/a	n/a				
Net Debt at 31 March	Current prices at	St. Source: Tideway financial statements as at 31 March 2022 (checked against republished Regulatory Accounts g tables October 2022) Required by Project Licence Appendix 1, Part A 6	-	-	-	- 130,376,913	315,869,558	72,091,186	543,155,000	1,156,967,223	1,689,497,869	n/a	n/a	n/a				
Notional Debt to RCV ratio	%	Source: Project Licence Appendix 1, 1.45 Required by Project Licence Appendix 1, Part A 6			62.5%													
Adjustment agreed with Ofwat to correct for net debt error within the accounts	£, current prices	Source: Letter from Chest dated 26/10/2021 Adjustment agreed with Chest to correct for identified error in prior year Net Debt used in the FCA. This is added to the Financing Cost Adjustment for Yi in the 2021 revenue statement only so that the FCA is in a position that it should have been if the error had never occurred.											218,424					
A 1.4. Tax					_													
Tax forecast as at September 2024	Outturn prices, £	Tax forecast is in line with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax. NOTE: Only relate to BTL Tax. See Project Licence Appendix 1, Part A 1.4 Seures: Financial Control - Consol Model September 2024 (for 24/25), Financial Model (for 25/26)				0	0	0	0	0	0	0	0	0	0	0		
A.7. Under/Over Recovered Revenue Adjustment - as at October 2024		See Project Licence, Appendix 1, Part A.7			L						1	1		1				
A.7. Under/Over Recovered Revenue Adjustment - as at October 2024 Allowed Revenue (including building block reconciliation)	£	Source: 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022 and 2023 Updated Revised Revenue Statements					33,603,285	28,559,132	49,235,940	63,431,062	76,465,429	87,029,095	86,316,446	117,946,599	133,568,927			
Amount recovered in respect of 2016/17, 2017/18, 2018/19, 2019/20, 2020/21,2021/22, 2022/23 and 2023/24 Allowed Revenue (to end of September 2024)	Outturn prices,	Source: 2024 Final Monthly Collection Statement - July 2024 Captures all 2016/17, 2017/19, 2016/19, 2019/20, 2020/21, 2021/22, 2022/23 and 2023/24 revenue Excessived from Thames Water prior to the end of September 2024 - this is based on revenue collected by Thames Water up to and including July 2024.					32,084,075	28,072,343	47,902,574	60,755,832	68,135,566	83,025,897	71,182,706	109,039,667				
Amount recovered in respect of 2016/17, 2017/18, 2018/19, 2019/20, 2020/21, 2021/22 and 2022/23 Allowed Revenue (to end of September 2023)	Outturn prices,	Source: 2023 Final Monthly Collection - July 2023 6 Note: Captures all 2016/17, 2017/19, 2016/19, 2018/20, 2020/21, 2021/22 and 2022/23 revenue received from Thames Water prior to the end of September 2023 - this is based on revenue collected by Thames Water up to and including July 2023.					32,084,075	28,072,343	47,902,574	60,755,832	68,135,566	82,865,898	70,879,508					
Years of NPV adjustment		Represents the number of years of NPV adjustment required - two years for a Charging Year being reconciled for the first time, and one year to reconcile futher amounts received in respect of Charging Years already reconciled. See "Statement of Calculation 2024"					1	1	1	1	1	1	1	2				
Amounts received from TWUL in Charging Year (all years of Allowed Revenue)	Outturn prices,	"Final monthly collection statement - April-24 xisx" and Tideway bank records (see Financial Control latest f Monthly Revenue Model Tab. Tideway) Note: Captures all 2016/17, 2017/88, 2018/19, 2019/20, 2020/21, 2021/22, 2022/23 and 2023/24 revenue received from Thames Water prior to the end of March 2024.					26,747,386	26,791,391	38,387,688	57,610,001	68,887,910	72,886,391	86,667,996	106,544,937				
A.8. Reconciliation adjustment		See Project Licence, Appendix 1, Part A 8 Represents the number of years since revenue was first calculated to feed into the NPV adjustment of the			ı													
Time since original calculation Reconcile this year?	Years	reconciliation adjustment. Revenue for a given Changing Year is subject to building block reconciliation adjustment where estimated or forecast expenditure or inflation inputs were used the last time that year's revenue was calculated. Defined as				9	9	8	7	0	5	4	3	1	1	0		
Allowed Revenue as per most recently submitted Revenue Statement (excluding building block reconciliation and underlover recovered revenue adjustment)	n £	follows: 1 = yes. 0 = n. Source: 2004/25 value acclusted from "Tideney 2022 24 December 23 - submission v1.0 [FinAL] vis." tab "Calculation 2023" Equat to A.1. Allowed Revenue less A.7. Underlover recovered revenue adjustment. less A.8. Reconcilation adjustment. 2023/24 and 2022/23 laten from "Tideney 2023 24 December 23 - submission v1.0 [FinAL]" tab "BBRA Calculation 2022/202 laten from "Tideney 2023 24 December 23 - submission v1.0 [FinAL]" tab "BBRA Calculation 2022/202 laten from "Tideney 2023 24 December 23 - submission v1.0 [FinAL]" tab "BBRA Calculation 2022/202 leth Pad and tab (BBRA Calculation 2021" cell Pd9)			l	<u> </u>							86,682,535	108,919,115	119,528,815			

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Not applicable at present. Inputs to be added if this building block becomes relevant (i.e. if Tideway makes an IAR Overum Application to increase Allowable Project Spend above the Threshold Outhurn). See Project Licence, Appendix 1, Part A 11

A.11. Additional Return on Capital Building Block

Calculation 202

		Calculation 2024												
Building Block	Unit	Notes/description		First Charging	Second Charging	Third Charging	Fourth Charging	Fifth Charging	Sixth Charging	Seventh Charging	Eighth Charging	Ninth Charging	Tenth Charging	Eleventh Charging
· ·		•	2013/14 2014/15	Year 2015/16	Year 2016/17	Year 2017/18	Year 2018/19	Year 2019/20	Year 2020/21	Year 2021/22	Year 2022/23	Year 2023/24	Year 2024/25	Year 2025/26
Year starts Year ends Year t-2				01/04/2015 31/03/2016 2013/14	01/04/2016 31/03/2017 2014/15	01/04/2017 31/03/2018 2015/16	01/04/2018 31/03/2019 2016/17	01/04/2019 31/03/2020 2017/18	01/04/2020 31/03/2021 2018/19	01/04/2021 31/03/2022 2019/20	01/04/2022 31/03/2023 2020/21	01/04/2023 31/03/2024 2021/22	01/04/2024 31/03/2025 2022/23	01/04/2025 31/03/2026 2023/24
Year I-1 Year I Year I+1				2014/15 2015/16 2016/17	2015/16 2016/17 2017/18	2016/17 2017/18 2018/19	2017/18 2018/19 2019/20	2018/19 2019/20 2020/21	2019/20 2020/21 2021/22	2020/21 2021/22 2022/23	2021/22 2022/23 2023/24	2022/23 2023/24 2024/25	2023/24 2024/25 2025/26	2024/25 2025/26 2026/27
Year 1-2 1.1 2014/15 RPI Adjustment Factor		A factor calculated for each Charging Year to express costs associated with that year in		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
1.1 2014/15 KPI Adjustment Factor (a) for the purposes of calculating Forecast Allowable Project Spend for Charging Yea Y++1, estimated Allowable Project Spend for the said Charging Year shall be deflated	ir	a 2014/15 price base. See Project Licence, Appendix 1, 1.1												
from a price base in Charging Year Yt+1 to the Base RPI Index year ([2014/15]), using an adjustment factor derived from multiplying the factors set out in (i), (ii), (iii) and (iv))													
BBIOW: Forecast RPI Adjustment Factor for the calendar year in which Charging Year Y1+1 commences Forecast RPI Adjustment Factor for the calendar year in which Charging Year Y1+1 ends Forecast RPI Adjustment Factor for the calendar year in which Charging Year Y1 commences	% %	Forecast RP1 - see input sheet for description of source Forecast RP1 - see input sheet for description of source Forecast RP1 - see input sheet for description of source												2.8% 3.2% 2.9%
Forecast RPI Adjustment Factor for the calendar year in which Charging Year Yt ends	%	Purecus RPT - see injust sheet for description of source Forecast RPT - see injust sheet for description of source Calculated with reference to the index values for March and September to capture April												2.8%
Percentage movement in the RPI (All Items) index as published by Office for National Statistics for the period April to September in the calendar year in which Charging Year Yt-1 commenced	%	Cationated with federate to the modex values on waters and September to capture upon to September inflation (see detailed modelling assumptions in "Statement of calculation 2024")												1.5%
Forecast RPI Adjustment Factor for the calendar year in which Charging Year Yt-1 commenced Forecast RPI Adjustment Factor for the calendar year in which Charging Year Yt-1 ends	% %	Forecast RPI - see input sheet for description of source Forecast RPI - see input sheet for description of source												3.5% 2.9%
Base RPI Charging Year Yt-2, or where this is on or before Base RPI Index year, 2014/15		Year average RPI for 2014/15, used as base year RPI Year average RPI for Charging year T-2 (or 2014/15 where this is later)												256.7 377.5
1.1 (i) 1.1 (ii)		Factor used to adjust prices from Charging Year T+1 to Charging Year T Factor used to adjust prices from Charging Year T to Charging Year T-1												1.03 1.03
1.1 (iii) 1.1 (iv)		Factor used to adjust prices from Charging Year T-1 to Charging Year T-2 Factor used to adjust prices from Charging Year T-2 to Base RPI Index year												1.03 1.47
RPI Adjustment Factor Charging Year T+1		Combines factors (i), (ii), (iii) and (iv) above to calculate factor used to adjust prices from Charging Year T+1 to 2014/15 price base.												1.60
RPI Adjustment Factor Charging Year T		Combines factors (ii), (iii) and (iv) above to calculate factor used to adjust prices from												1.56
RPI Adjustment Factor Charging Year T-1		Changing Year T to 2014/15 price base. Combines factors (iii) and (iv) above to calculate factor used to adjust prices from Changing Year T-1 to 2014/15 price base.												1.52
RPI Adjustment Factor Charging Year T-2		Equal to factor (iv) above - used to adjust prices from Charging Year T-2 to 2014/15 price base.												1.47
Applicable Change in Revenue RPI		RPI in November of previous Charging Year relative to 2014/15 base year RPI in November of Charging Year T-1	0.96 0.98 245.6 252.1	1.01	1.01	1.03	1.07	1.11	1.13	1.14	1.22	1.40	1.47	1.52
кня RPlbase (Base RPI Index)		Average RPI for 2014/15	256.7 256.7	256.7	256.7	256.7	256.7	256.7	256.7	256.7	256.7	256.7	256.7	256.7
A.1. Allowed Revenue	£	Total Allowed Revenue calculated as the total of the building blocks below, in accordance with Project Licence, Appendix 1, 1.4. See Statement of calculation 2024 for further detail.												134,168,566
A.3. Return on Capital	£	The Return on Capital building block allows the IP to earn a return on capital in relation to the forecast average RCV in the Charging Year in question. See Project Licence, Appendix 1, Part A 3												142,438,192
Ofwat Stated RCV for Yk-2	£, 2014/15 prices	RCV at the end of Charging Year T-2 as published by Ofwat by 1 September following												3,547,091,496
OPRCV YI-1	£, 2014/15 prices £, 2014/15 prices	the end of the Charging Year Opening RCV for Charging Year T-1. Scalar to adjust forecast costs for Charging Year T-1 to 2014/15 price base												3,547,091,496
2014/15 RPI Adjustment Factor Yt-1 Annual Actual Project Spend Yt-1 Estimated Allowable Project Spend Yt-1	£, 2014/15 prices £, 2014/15 prices	Allowable Project Spend (verified by the ITA) incurred in Charging Year T-1 Allowable Project Spend (not verified by the ITA) incurred in Charging Year T-1												47,753,054 40,729,952 59,661,666
Forecast Allowable Project Spend YI-1 OPRCV YI 2014/15 RPI Adjustment Factor Yt	£, 2014/15 prices	Allowable Project Spend forecast to be incurred in Charging Year T-1 Opening RCV for Charging Year T - the sum of opening RCV for Charging year T-1 and all Allowable Project Seend in that year												59,661,666 3,695,236,168
Annual Actual Project Spend Yt Estimated Allowable Project Spend Yt	£, 2014/15 prices £, 2014/15 prices	Scalar to adjust forecast costs for Charging Year T to 2014/15 price base Allowable Project Spend (verified by the ITA) incurred in Charging Year T Allowable Project Spend (not verified by the ITA) incurred in Charging Year T												1.56 0.00 0.00
Forecast Allowable Project Spend Yt CPRCV Yt	£, 2014/15 prices £, 2014/15 prices	Allowabile Project Spend forecast to be incurred in Charging Year T Closing RCV for Charging Year T - the sum of opening RCV for Charging Year T and all Allowabile Project Spend in that year												3,795,796,751
YARCV YI	£, 2014/15 prices	Year average RCV for Charging Year T												3,745,516,460
A.4. Liquidity	£	The Liquidity building block allows the iP a liquidity allowance (return on capital) in relation to the incremental average RCV in the year following the Charging Year in												2,366,040
OPRCV Yt+1 2014/15 RPI Adjustment Factor Yt+1	£, 2014/15 prices	question. See Project Licence, Appendix 1, Parl A 4 Opening RCV for Charging Year T+1 Scalar to adjust forecast costs for Charging Year T+1 to 2014/15 price base												3,795,796,751
Forecast Allowable Project Spend for year t+1 CPRCV Yt+1	£, 2014/15 prices £, 2014/15 prices	Scenar to adjust to least costs for Charging Hear (**) to 2014/16 price base Allowable Project Spend forecast to be incurred in Charging Year T+1 Closing RCV for Charging Year T+1												23,872,897 3,819,669,649
FYARCV Yt+1	£, 2014/15 prices	Average RCV for Charging Year T+1												3,807,733,200
A.S. Opex		In line with the Project Licence, the Opex building block is zero as all costs are accounted for as capital expenditure. See Project Licence, Appendix 1, Part A 5												0
A.6. Financing Cost Adjustment building block		The Financing Cost Adjustment building block is intended to protect against movements in the market cost of debt, by companing a measure of financing costs at an annual reference point to a base reference point of March 2015. See Project Licence, Appendix				0	461,614	-1,016,891	-3,201,092	-9,948,780	-18,366,706	-18,366,706	-18,366,706	-18,366,706
Financing Cost Adjustment Yt		1, Part A 6		0	0	0	461,614	-1,478,505	-2,184,201	-6,747,688	-8,417,925	0	0	0
Financing Cost Adjustment Index Yield	%	See Project Licence Appendix 1, Part A 6.3	1.30%	1.43%	0.35%	0.01%	0.23%	-0.47%	-0.88%					
Base Reference Point (BRP)	%	The historic 12 months' trailing average of the Financing Cost Adjustment Index Yield as at 31 March 2015		1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%			
Annual Reference Point (ARP) BRP-ABP Market Cost of Debt Adjustment Factor (absolute)	%	The historic 12 months' trailing average of the Financing Cost Adjustment Index Yield as at 31 March of Charging Year Year. Difference between BRP and ARP. See Project Clarence Appendix 1 Part A 6,7		1.30%	1.30% 0.00% 0.00%	1.43% -0.13% 0.00%	0.35% 0.95% 0.22%	0.01% 1.29% 0.54%	0.23% 1.07% 0.32%	-0.47% 1.76% 1.01%	-0.88% 2.18% 1.43%			
Market Cost of Debt Adjustment Factor (absolute) Market Cost of Debt Adjustment Factor (corrected sign)	%	See Project Licence Appendix 1 Part A 6.7		0.00%	0.00%	0.00%	-0.22%	-0.54%	-0.32%	-1.01%	-1.43%			
Change in net debt		Calculation of Net debt at end of Charging year T-2 less Net debt at end of Charging year T-3, subject to the notional gearing cap defined in Project Licence Appendix 1 Part A 6.9		0	0	-130,376,913	-185,492,645	243,778,372	615,246,186	613,812,223	532,530,646			
Net Debt in Charging Year Yt-2 Water Services Regulation Authority Adjusted RCV (Current Prices) in Charging Year Yt-2	Charging Year T-2) £, current prices (March of Charging Year T-2)	Net Debt at the end of Charging Year T-2 as defined in Project Licence Appendix 1, 1.41 RCV at the end of Charging Year T-2 in then current prices		0	0	-130,376,913 151,310,515	-315,869,558 502,087,458	-72,091,186 1,043,425,953	543,155,000 1,655,435,722	1,156,967,223 2,307,915,724	1,689,497,869 2,889,052,612			
Notional Debt to RCV Ratio Notional Net Debt in Charging Year YI-2	%	As defined in Project Licence Appendix 1, 1.42 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A		62.5%	62.5%	62.5% 94,569,072	62.5% 313,804,661	62.5% 652,141,221	62.5% 1,034,647,326	62.5% 1,442,447,327	62.5% 1,805,657,883			
Net Debt in Charging Year Yt-3	£, current prices (March of Charging Year T-3)	Net Debt at the end of Charging Year T-3 as defined in Project Licence Appendix 1, 1.41		0	0	0	-130,376,913	-315,869,558	-72,091,186	543,155,000	1,156,967,223	·		
Water Services Regulation Authority Adjusted RCV (Current Prices) in Charging Year Yt-3 Notional Debt to RCV Ratio	£, current prices (March of Charging Year T-3) %	RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.42		0 62.5%	0 62.5%	0 62.5%	151,310,515 62.5%	502,087,458 62.5%	1,043,425,953 62.5%	1,655,435,722 62.5%	2,307,915,724 62.5%			
Notional Net Debt in Charging Year Yt-3	£, current prices (March of Charging Year T-3)	RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9		0	0		94,569,072	313,804,661	652,141,221	1,034,647,326	1,442,447,327			
Applicable Change in Revenue RPI for Charging Year YI Applicable Change in Revenue RPI for Charging Year YI-2				1.01 0.96	1.01 0.98	1.03 1.01	1.07 1.01	1.11 1.03	1.13 1.07	1.14	1.22 1.13			
Adjustment agreed with Ofwat to correct for net debt error within the regulatory accounts	$\mathbf{E}_{\rm c}$ current prices	Adjustment agreed with Othwat to correct for identified error in prior year Net Debt used in the FCA. This is added to the Financing Cost Adjustment for Y in the 2021 revenue statement only so that the FCA is in a position that it should have been if the error had navier converse.									218,424			
A.1.4. Tax	8	never occurred. Forecast is in line with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax												
		See Project Licence Appendix 1, Part A 1.4 The revenue adjustment building block is to reconcile for underlover recovered Allowed												
A.7. Under/Over Recovered Revenue Adjustment Allowed Revenue	£	The revenue aquistment building block is 30 reconcise for underiover recovered Allowed Revenue in previous Charloin Years. See Profect Licence. Abonetix 1. Path A.7 Allowed Revenue as submitted in 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023 and updated revised Revenue Statement			33,603,285	28,559,132	49,235,940	63,431,062	76,465,429	87,029,095	86,316,446	117,946,599	133,568,927	9,716,797
Amount recovered in respect of Allowed Revenue (to end of September 2024)		Amount collected by Thames Water and received by Tideway in respect of 2016/17, 2017/18, 2018/19, 2019/20, 2020/21, 2021/22, 2022/23 and 2023/24 Allowed Revenue, prior to the end of September 2024.			32,084,075	28,072,343	47,902,574	60,755,832	68,135,566	83,025,897	71,182,706	109,039,667		
Amount recovered in respect of Allowed Revenue (to end of September 2023)	£	Amount collected by Thames Water and received by Tideway in respect of 2016/17, 2017/18, 2016/19, 2019/20, 2020/21, 2021/22 and 2022/23 Allowed Revenue, prior to the end of September 2023.			32,084,075	28,072,343	47,902,574	60,755,832	68,135,566	82,865,898	70,879,508			
Applicable Change in Revenue RPI		RPI in November of previous Charging Year relative to 2014/15 base year			1.01	1.03	1.07	1.11	1.13	1.14	1.22	1.40	1.47	1.52
Years of NPV adjustment		Represents the number of years of NPV adjustment required - two years for a Charging Year being reconciled for the first time, and one year to reconciled utther amounts received in respect of Charging Years already reconciled. See "Statement of Calculation 2024"			*		•	1	1	1	1	2		
Amounts in respect of prior Charging Years not yet reconciled (unadjusted)		2024* Further amounts received in respect of Charging Years that have already been reconciled.		[159,999	303,198			
Reconciliation amounts - Charging Year T-2 (unadjusted)		reconsied. Difference between Allowed Revenue for a Charging Year and the amount collected by Thames Water and received by Tideway in respect of that Allowed Revenue.		ı								8,906,932		
Reconciliation amounts (NPV-adjusted)		Reconciliation amount as calculated above, NPV-adjusted for the delay between the original Charging Year and the year of reconciliation using the BWACC and Applicable		[169,905 -	321,971	10,208,673		
		Change in Revenue RPI.		l										
A.8. Reconciliation adjustment	£	Reconcilitation for updated expenditure and inflation data to reflect realised actuals and updated forecasts. See Project Licence, Appendix 1, Parl A 8 Revenue for a given Charging Year is subject to building block reconciliation adjustment where estimated or forecast expenditure or inflation inputs were used the last time that												-1,985,756
Reconcile this year? Time since original calculation	n/a years	year's revenue was calculated. Defined as follows: 1 = yes, 0= no Represents the number of years since revenue was first calculated to feed into the NPV									3	1	1	
		adjustment of the reconciliation adjustment. Allowed Revenue recalculated using updated expenditure and inflation data. Excludes the underlover recovered revenue adjustment and the reconciliation adjustment building												
Allowed Revenue (as at October 2024)	£	the underlover recovered revenue adjustment and the reconciliation adjustment building blocks, as these building blocks are not subject to reconciliation. See BBRA Calculation 2021, BBRA Calculation 2022 and BBRA Calculation 2023.									86,435,439	107,857,909	119,115,847	
Allowed Revenue (as at October 2023)	£	Allowed Revenue as submitted in 2023 updated revised Revenue Statement. Excludes the underiover recovered revenue adjustment and the reconciliation adjustment building blocks, as these building blocks are not subject to reconciliation.									86,682,535	108,919,115	119,528,815	
Applicable Change in Revenue RPI (year in which original calculation was made) Applicable Change in Revenue RPI (current year) Reconciliation amounts (unadjusted)	2	Adjustment calculated as difference between updated calculation and previous year's									-247,096	-1,061,206	412,968	1.52
Reconciliation amounts (unaquisted) Reconciliation amounts (NPV-adjusted)	Ē	calcutation, unior to NPV adjustment. Adjustment calcutated as difference between updated calcutation and previous year's calcutation, post NPV-adjustment using BWACC and Applicable Change in Revenue									-330,918	-1,216,301	438,537	
		RPI. Not applicable. To be added to calculation if building block becomes relevant (i.e. If Tideway makes an IAR Overum Application to increase Allowable Project Spend above												
A.11. Additional Return on Capital Building Block	£	the Threshold Outturn). See Project Licence, Appendix 1, Part A 11												0
A.11. Additional Liquidity Building Block	£	Not applicable. To be added to calculation if building block becomes relevant (i.e. if Tideway makes an IAR Overnu Application to increase Allowable Project Spend above the Threshold Outlum). See Project Licence, Appendix 1, Part A 11												0

	Unit	Source/notes
Year starts Year 1-12 Year 1-1 Year 1-1 Year 1-1		
Year t+1 Year t+2		
1.1 2014/15 RPI Adjustment Factor		Source: Average independent new forecasts for RPI, Table M3, "Forecasts for the UK economy: a comparison of
Forecast RPI Adjustment Factor for the calendar year in which Charging Year commences	%	independent forecasts", HM Treasury, 21 August 2024 Required by Project Licence Appendix 1, 1.1 (i), (ii), (iii) Source: Average independent new forecasts for RPI, Table M3, "Forecasts for the UK economy: a comparison of
Forecast RPI Adjustment Factor for the calendar year in which Charging Year ends	96	independent forecasts", HM Treasury, 21 August 2024 Required by Project Licence Appendix 1, 1.1 (i), (ii), (iii)
RPI, September of Charging Year		Source. RPI All flams index. Consumer Price Inflation time series (MM23), 16 October 2024, Office for National Statistics. Required by Project Licence Appendix 1, 1.1(iii)
RPI, March of Charging Year		Source: RPI All Illems index. Consumer Price Inflation time series (MM23), 18 October 2024, Office for National Statistics. Required by Project Licence Appendix 1, 1.1 (iii)
Applicable Change in Revenue RPI		Source: RPI All Items index, Consumer Price Inflation time series (MM23), 18 December 2024, Office for National
RPIt (RPI for November in Charging Year YI-1)		Statistics. Required by Project Licence Appendix 1, Part A 3, 4 and 6 Note: for both First and Second Charging years, stated RPI is for November 2015, as Allowed Revenue for both these years is being calculated together.
Year average RPI		Source: Calculated from RPI All Items index, Consumer Price Inflation time series (MM23), 16 October 2024, Office for National Statistics. Required by Project Licence Appendix 1, Part A 3, 4 and 6 and Appendix 1, 1.1 (iv)
A.3. Return on Capital and A.4 Liquidity		
Water Services Regulation Authority Stated RCV (2014/15 Prices) at 31 March	2014/15 prices, £	Source: Ofwat publication: Ofwat Regulatory, Capital Values - Bazalgette Tunnel Limited (Tideway): https://www.ofwat.gov.uk/publication/regulatory-capital-values-bazalgette-tunnel-limited-tideway-22072020/ Zero prior to licence award Aequired by Project Licence Appendix 1, Part A 3
Allowable Project Spend (actual and forecast) - as at October 2024		Source: "ITA Verification No.85" - received 16/10/2024 from Paul Horton. Verification to June 2024.
Allowable Project Spend Estimated Allowable Project Spend	Outturn prices, £	Required by Project Licence Appendix 1, Part A 3 Source: "Regulation Reporting Sep 24", tab Regulatory Cost Metrics, sum of cells G48:148 (equal to July, August and September 2024 allowable spending not yet verified by ITA), rounded to nearest £1
	Outturn prices, £	Required by Project Licence Appendix 1, Part s, 180 -
Forecast Allowable Project Spend		The 2024/25 figure is net of expenditure already realised (April to Sep) - sum of rows 29 and 30 Required by Project Licence Appendix 1, Part A 3, 4
Excluded Project Spend		Data removed as not required for reconcillation purposes. See "Inputs 2024".
Alliance Agreement receipts - expenditure funded by these receipts is treated as Excluded Project Spend and therefore is excluded from the Allowable spend metrics set out above	Outturn prices, £	Data removed as not required for reconciliation purposes. See "linputs 2024".
BWACC	96	Source: Project Licence, Appendix 1, 1.18 Required by Project Licence Appendix 1, Part A 3, 4, 6, 7, 8
A.5. Opex		Note: In line with the Project Licence, zero as all expenditure treated as capex.
Opex forecast as at September 2024	Outturn prices, £	Required by Project Licence Appendix 1, Part A 5 Source: Financial Control - Consol Model September 2024 (for 24/25), Financial Model (for 25/26)
A.6. Financing Cost Adjustment		
Financing Cost Adjustment Index Yield - 12 months trailing average at 31 March	96	Source: "FCA yield calculator 2020 21 x1sx" Calculated with reference to IBoxx BBB data and spot implied inflation rates for 10 year maturity from Bank of England Required by Project Licence Appendix 1, Part A 6
Water Services Regulation Authority Adjusted RCV (Current Prices) at 31 March	Current prices at 31 March of Charging Year	Source: https://www.ofwat.gov.uk/publication/regulatory-capital-values-bazalgette-tunnel-limited-tideway- 2007/200 for the current year. Prior year values are the value recorded in that charging year. Required by Project Licence Appendix 1, Part A 3
Net Debt at 31 March		Source: Tideway financial statements as at 31 March 2022 (checked against republished Regulatory Accounts tables October 2022) Required by Project Licence Appendix 1, Part A 6
Notional Debt to RCV ratio	76ai %	Source: Project Licence Appendix 1, 1.45 Required by Project Licence Appendix 1, Part A 6
Adjustment agreed with Ofwat to correct for net debt error within the accounts	£, current prices	Source: Letter from Oheat dated 26/10/2021 Adjustment appress with Othat to correct for identified error in prior year Net Debt used in the FCA. This is added to the Financing Cost Adjustment for YI in the 2021 revenue statement only so that the FCA is in a position that it should have been if the error Had never occurred.
A 1.4. Tax		
Tax forecast as at September 2024	Outturn prices, £	Tax forecast is in line with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based at NOTE: Only relates to BTL Tax. See Project Licence Appendix 1, Part A 1.4 Source: Financial Control - Consol Model Seatember 2024 (for 2425), Financial Model (for 2526)
A.7. Under/Over Recovered Revenue Adjustment - as at October 2024		See Project Licence, Appendix 1, Part A.7
Allowed Revenue (including block reconciliation) Amount recovered in respect of 2016/17, 2017/18, 2018/19, 2019/20, 2020/21, 2021/22, 2022/23 and 2023/24 Allowed Revenue (be not of September 2024) Amount recovered in respect of 2016/17, 2017/18, 2018/19, 2019/20, 2020/21, 2021/22 and 2022/23 Allowed Revenue (be not of September 2023)		Data removed as not required for reconciliation purposes. See "inputs 2024". Data removed as not required for reconciliation purposes. See "inputs 2024". Data removed as not required for reconciliation purposes. See "inputs 2024".
Allowed Revenue (to end or September 2023) Years of NPV adjustment		Data removed as not required for reconciliation purposes. See "Inputs 2024".
Amounts received from TWUL in Charging Year (all years of Allowed Revenue)	Outturn prices, £	Data removed as not required for reconciliation purposes. See "Inputs 2024".
A.8. Reconciliation adjustment Time since original calculation	Years	See Project Licence, Appendix 1, Part A 8 Data removed as not required for reconciliation purposes. See "Inputs 2024".
Reconcile this year? Allowed Revenue as per most recently submitted Revenue Statement (excluding building block reconciliation and under/over recovered revenue adjustment)	£	Data removed as not required for reconciliation purposes. See "Inputs 2024". Data removed as not required for reconciliation purposes. See "Inputs 2024".
A.11. Additional Return on Capital Building Block		
Additional Allowable Project Spend		Not applicable at present. Inputs to be added if this building block becomes relevant (i.e. if Tideway makes an IAR Overrum Application to increase Allowable Project Spend above the Threshold Outturn). See Project Licence, Appendix 1, Part A 11
A 1.6.4. Net Present Value Adjustment End of first charging year Licence Award		Last day of the First Charging Year Date of Licence award

BBRA I	nputs 2023														
2012/13	2013/14	2014/15	First Charging Year 2015/16 0104/2015 31/03/2016 2013/14 2014/15 2015/16 2016/17 2017/18	Second Charging Year 2016/17 01/04/2016 31/03/2017 2014/15 2015/18 2016/17 2017/18 2018/19	Third Charging Year 2017/18 01/04/2017 31/03/2018 2015/16 2016/17 2017/18 2018/19 2019/20	Fourth Charging Year 2018/19 01/04/2018 31/03/2019 2016/17 2017/18 2018/19 2019/20 2020/21	Fifth Charging Year 2019/20 01/04/2019 31/03/2020 2017/18 2018/19 2019/20 2020/21 2021/22	Sixth Charging Year 2020/21 01/04/2020 31/03/2021 2018/19 2019/20 2020/21 2021/22 2022/23	Seventh Charging Year 2021/22 01/04/2021 31/03/2022 2019/20 2020/21 2021/22 2022/23 2023/24	Eighth Charging Year 2022/23 01/04/2022 31/03/2023 2020/21 2021/22 2022/23 2023/24 2024/25	Ninth Charging Year 2023/24 01/02/2023 31/03/2024 2021/22 2022/23 2023/24 2024/25 2025/26	Tenth Charging Year 2024/25 01/04/2024 31/03/2025 2022/23 2023/24 2024/25 2025/26 2026/27	Eleventh Charging Year 2025/26 01/04/2025 31/03/2026 2023/24 2024/25 2025/26 2026/27 2027/28	Twelfth Charging Year 2026/27 01/04/2026 31/03/2027 2024/25 2025/26 2026/27 2027/28 2028/29	Thirteenth Charging Year 2027/28 0104/2027 31/03/2028 2026/27 2027/28 2028/29 2028/29 2028/30
											0.0%	3.5%	2.9%	2.8%	3.2%
										0.0%	3.5%	2.9%	2.8%	3.2%	3.1%
		257.6	259.6	264.9	275.1	284.1	291.0	294.3	308.6	347.6	378.4	388.6			
	254.8	257.1	261.1	269.3	278.3	285.1	292.6	296.9	323.5	367.2	383.0				
	245.6	252.1	259.8	259.8	265.5	275.8	284.6	291.0	293.5	314.3	358.3	377.3			
		256.7	259.4	265.0	274.9	283.3	290.6	294.2	311.2	351.2	377.5				
	-	-	148,741,346	478,533,658	962,316,426	1,490,337,315	2,024,487,477	2,497,553,061	2,935,415,123	3,307,896,720					
		_	150,344,662	340,489,147	518,165,900	582,828,772	604,855,688	542,182,309	530,822,453	509,695,109	351,787,175	72,381,674			
		-	-	-	-	-	-	-	-	-	-	61,736,409			
		-	-	-	-	-	-	-	-	-	-	90,432,148	156,806,876		
			2.497%												
			-	-	-	-	-	-	-	-	-	-			

-	-	-	-	-	-	-	-	-	-

		1.3%	1.4%	0.4%	0.0%	0.2%	-0.5%	-0.9%	n/a	n/a
-	-	-	151,310,515	502,087,458	1,043,425,953	1,655,435,722	2,307,915,724	2,889,052,612	n/a	n/a
-	-	-	- 130,376,913	- 315,869,558	- 72,091,186	543,155,000	1,156,967,223	1,689,497,869	n/a	n/a
		62.6%								

31/03/2016 24/08/2015

-	-	-	-	-	-	-	-	-	-

BBRA Calculation 2023

		BBRA Ca	alculation 2023											
Building Block	Unit	Notes/description			First Charging Year	Second Charging Year	Third Charging Year	Fourth Charging Year	Fifth Charging Year	Sixth Charging Year	Seventh Charging Year	Eighth Charging Year	Ninth Charging Year	Tenth Charging Year
Year starts Year ends			2013/14 20	14/15	2015/16 01/04/2015 31/03/2016	2016/17 01/04/2016 31/03/2017	2017/18 01/04/2017 31/03/2018	2018/19 01/04/2018 31/03/2019	2019/20 01/04/2019 31/03/2020	2020/21 01/04/2020 31/03/2021	2021/22 01/04/2021 31/03/2022	2022/23 01/04/2022 31/03/2023	2023/24 01/04/2023 31/03/2024	2024/25 01/04/2024 31/03/2025
tear mus Year t-2 Year t-1 Year t					2013/14 2014/15 2015/16	2014/15 2015/16 2016/17	2015/16 2016/17 2017/18	2016/17 2017/18 2018/19	2017/18 2018/19 2019/20	2018/19 2019/20 2020/21	2019/20 2020/21 2021/22	2020/21 2021/22 2022/23	2021/22 2022/23 2023/24	2022/23 2023/24 2024/25
Year t+1 Year t+2					2016/17 2017/18	2017/18 2018/19	2018/19 2019/20	2019/20 2020/21	2020/21 2021/22	2021/22 2022/23	2022/23 2023/24	2023/24 2024/25	2024/25 2025/26	2025/26 2026/27
1.1 2014/15 RPI Adjustment Factor (a) for the purposes of calculating Forecast Allowable Project Spend for Charging		A factor calculated for each Charging Year to express costs associated with that year in a 2014/15 price base. See Project Licence, Appendix 1, 1.1												
Year Yt-1, estimated Allowable Project Spend for the said Charging Year shall be deflated from a price base in Charging Year Yt-1 to the Base RPI Index year ([2014/15]), using an adjustment factor derived from multiplying the factors set out in Forecast RPI Adjustment Factor for the calendar year in which Charging Year Yt-1 commences	44	Forecast RPI - see input sheet for description of source												2.0%
Forecast RPI Adjustment Factor for the calendar year in which Charging Year Y1-1 commences Forecast RPI Adjustment Factor for the calendar year in which Charging Year Y1-1 ends Forecast RPI Adjustment Factor for the calendar year in which Charging Year Y1 commences Forecast RPI Adjustment Factor for the calendar year in which Charging Year Y1 ends	% % %	Forecast RPI - see input sheet for description of source Forecast RPI - see input sheet for description of source Forecast RPI - see input sheet for description of source Forecast RPI - see input sheet for description of source												2.9% 2.8% 3.5% 2.9%
Percentage movement in the RPI (All Illems) index as published by Office for National Statistics for the period April to September in the calendar year in which Charging Year Yt-1 commenced	%	NOT USED FOR RECONCILIATION Calculated with reference to the index values for March and September to capture April to September inflation (see detailed modelling												
Percentages as September in the calendar year in which Changing Year 11-1 Commenced Percentage movement in RePI (All Items) Index as published by Office for National Statistics for the period April to September in the calendar year in which Changing Year Yt commenced	%	assumptions in "Statement of calculation 2024") NEW ROW ADDED FOR RECONCILIATION Calculated with reference to the index values for March and September to capture April to September inflation (see "Statement")												1.5%
	%	of Calculation 2024") NOT USED FOR RECONCILIATION Forecast RPI - see input sheet for description of source												
Forecast RPI Adjustment Factor for the calendar year in which Charging Year Y1-1 commenced Forecast RPI Adjustment Factor for the calendar year in which Charging Year Y1-1 ends	%	NOT USED FOR RECONCILIATION Forecast RPI - see input sheet for description of source												
Base RPI Charging Year Yt-2, or where this is on or before Base RPI Index year, 2014/15 Charging Year Yt-1 Charging Year Yt		Year average RPI for 2014/15, used as base year RPI Year average RPI for Charging year T-2 (or 2014/15 where this is later) NEW ROW ADDED FOR RECONCLIATION Year average RPI for Charging Year t-1 NOT USED FOR RECONCLIATION												256.7 351.2 377.5
1.1 (i) 1.1 (ii) 1.1 (iii)		Factor used to adjust prices from Charging Year T+1 to Charging Year T ALCULATION ALTERED FOR RECONCULATION Factor used to adjust prices from Charging ALCULATION ALTERED FOR RECONCULATION Factor used to adjust prices from Charging	y Year T to Charging Year T-1											1.03 1.03
1.1 (V) RPI Adjustment Factor Charging Year T+1		Factor used to adjust prices from Charging Year T-2 to Base RPI Index year Combines factors (i), (ii), (iii) and (iv) above to calculate factor used to adjust prices from	There is a consequency four is-a											1.37
		Charging Year T+1 to 2014/15 price base. Combines factors (ii), (iii) and (iv) above to calculate factor used to adjust prices from												
RPI Adjustment Factor Charging Year T RPI Adjustment Factor Charging Year T-1		Charging Year T to 2014/15 price base. Combines factors (iii) and (iv) above to calculate factor used to adjust prices from Charging Year T-1 to 2014/15 price base.												1.62
RPI Adjustment Factor Charging Year T-2		Charging Year 1-1 to 2014/15 price base. Equal to factor (iv) above – used to adjust prices from Charging Year T-2 to 2014/15 price base.												1.37
Applicable Change in Revenue RPI RPit RPitase (Base RPI Index)		RPI in November of previous Charging Year relative to 2014/15 base year RPI in November of Charging Year T-1 Average RPI for 2014/15	0.96 245.6 256.7	0.98 252.1 256.7	1.01 259.8 256.7	1.01 259.8 256.7	1.03 265.5 256.7	1.07 275.8 256.7	1.11 284.6 256.7	1.13 291.0 256.7	1.14 293.5 256.7	1.22 314.3 256.7	1.40 358.3 256.3	1.47 377.3 256.7
A.1. Allowed Revenue	£	Total Allowed Revenue calculated as the total of the building blocks below, in accordance with Project Licence, Appendix 1, 1.4. See Statement of calculation 2024 for further												119,115,847
A.3. Return on Capital	£	detail. The Return on Capital building block allows the IP to earn a return on capital in relation to the forecast average RCV in the Chamino Year in question. See Project Licence.												132,918,078
		Appendix 1, Part A 3												
Ofwat Stated RCV for Y+2 OPRCV Y+1	£, 2014/15 prices	RCV at the end of Charging Year T-2 as published by Ofwat by 1 September following the end of the Charging Year Opening RCV for Charging Year T-1.												3,307,896,720
2014/15 RPI Adjustment Factor Yt-1 Annual Actual Project Spend Yt-1 Estimated Allowable Project Spend Yt-1	£, 2014/15 prices £, 2014/15 prices	Scalar to adjust forecast costs for Charging Year T-1 to 2014/15 price base Allowable Project Spend (verified by the ITA) incurred in Charging Year T-1 Allowable Project Spend (not verified by the ITA) incurred in Charging Year T-1 Allowable Project Spend forecast to be incurred in Charging Year T-1												239,194,777
Forecast Allowable Project Spend YI-1 OPRCV YI OPRCV YI	£, 2014/15 prices £, 2014/15 prices	Opening RCV for Charging Year T - the sum of opening RCV for Charging year T-1 and all Allowable Project Spend in that year												3,547,091,496.29
2014/15 RPI Adjustment Factor Yt Annual Actual Project Spend Yt Estimated Allowable Project Spend Yt Forecast Allowable Project Spend Yt Forecast Allowable Project Spend Yt	£, 2014/15 prices £, 2014/15 prices £, 2014/15 prices	Scalar to adjust forecast costs for Charging Year T to 2014/15 price base Allowable Project Spend (verified by the ITA) incurred in Charging Year T Allowable Project Spend (not verified by the ITA) incurred in Charging Year T Allowable Project Spend forecast to be incurred in Charging Year T												47,753,054 40,729,952 59,661,666
CPRCV Yt	£, 2014/15 prices	Closing RCV for Charging Year T - the sum of opening RCV for Charging Year T and all Allowable Project Spend in that year												3,695,236,168
YARCV Yt	£, 2014/15 prices	Year average RCV for Charging Year T												3,621,163,832
A.4. Liquidity	£	The Liquidity building block allows the IP a liquidity allowance (return on capital) in relation to the incremental average RCV in the year following the Charging Year in question. See Project Licence, Appendix 1, Part A 4												4,564,475
OPRCV Yt+1 2014/15 RPI Adjustment Factor Yt+1	£, 2014/15 prices	Opening RCV for Changing Year T+1 Scalar to adjust forecast costs for Charging Year T+1 to 2014/15 price base NEW RCW ADDED FOR RECONCILIATION Allowable Project Spend (verified by the												3,695,236,168 1.56
Annual Actual Project Spend Yt+1 Estimated Allowable Project Spend Yt+1	£, 2014/15 prices £, 2014/15 prices	ITA) incurred in Charging Year T+1 NEW ROW ADDED FOR RECONCILIATION Allowable Project Spend (not verified by the												0.00
Forecast Allowable Project Spend for year t+1 CPRCV Yt+1	£, 2014/15 prices £, 2014/15 prices	ITA) incurred in Charolino Year T+1 Allowable Project Spend forecast to be incurred in Charging Year T+1 Closing RCV for Charging Year T+1												100,560,583 3,795,796,751
FYARCV Yt+1	£, 2014/15 prices	Average RCV for Changing Year T+1 In line with the Project Licence, the Opex building block is zero as all costs are accounted												3,745,516,460
A.5. Opex		for as capital expenditure. See Project Licence, Appendix 1, Part A 5 The Financing Cost Adjustment building block is intended to protect against movements in												0
A.6. Financing Cost Adjustment building block		The Prinancing Cost Adjustment busining brock is intended to protect against movements in the market cost of debt, by comparing a measure of financing costs at an annual reference point to a base reference point of March 2015. See Project Licence, Appendix 1, Part A 6					0	461,614	-1,016,891	-3,201,092	-9,948,780	-18,366,706	-18,366,70	-18,366,706
Financing Cost Adjustment Yt Financing Cost Adjustment Index Yield	%	See Project Licence Appendix 1, Part A 6.3	_	1.30%	1.43%	0.35%	0.01%	461,614 0.23%	-1,478,505 -0.47%	-2,184,201 -0.88% n	-6,747,688 L/a	-8,417,925		0
Base Reference Point (BRP)	%	The historic 12 months' trailing average of the Financing Cost Adjustment Index Yield as at 31 March 2015			1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%		
Annual Reference Point (ARP) BRP_ABP Market Cost of Debt Adjustment Factor (absolute)	%	The historic 12 months' trailing average of the Financing Cost Adjustment Index Yield as at 31 March of Charding Year Yi-2 Difference between BRP and ARP			1.30%	1.30%	1.43% -0.13%	0.35% 0.95%	0.01% 1.29%	0.23% 1.07%	-0.47% 1.76%	-0.88% 2.18%		
Market Cost of Debt Adjustment Factor (corrected sign)	%	See Project Licence Appendix 1 Part A 6.7 See Project Licence Appendix 1 Part A 6.7			0.00%	0.00%	0.00%	0.22% -0.22%	0.54% -0.54%	-0.32%	1.01%	1.43%		
Net Debt in Charging Year Yt-2 Water Services Regulation Authority Adjusted RCV (Current Prices) in Charging Year Yt-2	Charging Year T-2) £, current prices (March of Charging Year T-2) Charging Year T-2)	Met Debt at the end of Charging Year T-2 as defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-2 in then current prices			0	0	-130,376,913 151,310,515	-315,869,558 502,087,458	-72,091,186 1,043,425,953	543,155,000 1,655,435,722	1,156,967,223 2,307,915,724	1,689,497,869 2,889,052,612		
Notional Debt to RCV Ratio Notional Net Debt in Charging Year Yt-2	% £, current prices (March of Charging Year T-2)	As defined in Project Licence Appendix 1, 1.45 A RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9			62.5%	62.5%	62.5% 94,569,072	62.5% 313,804,661	62.5% 652,141,221	62.5% 1,034,647,326	62.5% 1,442,447,327	62.5% 1,805,657,883		
Net Debt in Charging Year Yt-3	£, current prices (March of Charging Year T-3)	Net Debt at the end of Changing Year T-3 as defined in Project Licence Appendix 1, 1.44			0	0	0	-130,376,913	-315,869,558	-72,091,186	543,155,000	1,156,967,223		
Water Services Regulation Authority Adjusted RCV (Current Prices) in Charging Year Yt-3 Notional Debt to RCV Ratio Notional Net Debt in Charging Year Yt-3	%	RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9			0 62.5%	0 62.5%	0 62.5%	151,310,515 62.5% 94,569,072	502,087,458 62.5% 313,804,661	1,043,425,953 62.5% 652,141,221	1,655,435,722 62.5% 1,034,647,326	2,307,915,724 62.5% 1,442,447,327		
Applicable Change in Revenue RPI for Charging Year Yt	Charging Year T-3)	recv multiplied by resional select to recv ratio. See Project science Appendix 1 Part A 0.9			1.01	1.01	1.03	1.07	1.11	1.13	1.14	1.22		
Applicable Change in Revenue RPI for Charging Year Yi-2		Adjustment agreed with Ofwat to correct for identified error in prior year Net Debt used in the ECA. This is added to the Eigenman Ocet Adjustment for VI in the 2021 researce.			0.96	0.98	1.01	1.01	1.03	1.07	1.11			
Adjustment agreed with Ofwat to correct for net debt error within the regulatory accounts	£, current prices	the FCA. This is added to the Financing Cost Adjustment for Yt in the 2021 revenue statement only so that the FCA is in a position that it should have been if the error had never occurred. In line with the Project Licence, zero as the IP is not required to pay corporation tax or any										218,424		
A.1.4. Tax	3	other income-based tax See Project Licence Appendix 1, Part A 1.4 REMOVED FROM THIS RECONCILIATION SHEET AS RECONCILED SEPARATELY.												0
A.7. Under/Over Recovered Revenue Adjustment	3	AS UNDER/OVER RECOVERED REVENUE IN RELATION TO ALL APPLICABLE CHARGING YEARS IS RECONCILED BY CALCULATION 2024. The revenue adjustment building block is to reconcile for under/over recovered Allowed Revenue in previous Charging Years. See Project Licence, Appendix 1, Part A. 7.												0
Allowed Revenue Amount recovered in respect of Allowed Revenue (to end of September 2023)		Allowed Revenue as submitted in 2015, 2016 and 2017 updated revised Revenue Statement Annount collected by Thames Water and received by Tidenay in respect of 2016/17, 2017/18, 2016/19, 2019/20 and 2020/21 Allowed Revenue, prior to the end of September 2023.												
Amount recovered in respect of Allowed Revenue (to end of September 2022)	£	2023. Amount collected by Thames Water and received by Tideway in respect of 2016/17, 2017/19 and 2019/20 Allowed Revenue, prior to the end of September 2020. The cut-off is the same as that used for the 2020 Revenue Statement ensuring that the amounts received are treated consistently between Revenue Statement.												
Applicable Change in Revenue RPI		RPI in November of previous Charging Year relative to 2014/15 base year												
Years of NPV adjustment		Represents the number of years of NPV adjustment required - two years for a Charging Year being reconciled for the first time, and one year for econcile further amounts received in respect of Charging Years already reconciled. See "Statement of Calculation 2024"												
Amounts in respect of prior Charging Years not yet reconciled (unadjusted)		Further amounts received in respect of Charging Years that have already been reconciled.												
Reconciliation amounts - Charging Year T-2 (unadjusted)		Difference between Allowed Revenue for a Charging Year and the amount collected by Thames Water and received by Tideway in respect of that Allowed Revenue.												
Reconciliation amounts (NPV-adjusted)		Reconciliation amount as calculated above, NPV-adjusted for the delay between the original Charging Year and the year of reconciliation using the BWACC and Applicable Change in Revenue RPI.												
A.8. Reconciliation adjustment	3	REMOVED FROM THIS RECONCILIATION SHEET AS RECONCILED SEPARATELY IN BBRA CALCULATION Reconciliation for updated expenditure and inflation data to reflect												0
Reconcile this year?	n/a	realised actuals and updated forecasts. See Project Licence, Appendix 1, Part A 8 Reserve for a circen Charging Year in subject to building block recognitioning activement.												
Time since original calculation	years	where estimated or forecast expenditure or inflation inputs were used the last time that year's revenue was calculated. Defined as follows: 1 = yes, 0 = no Represents the number of years since revenue was first calculated to feed into the NPV adulatment of the reconciliation adulatment.												
Allowed Revenue (as at October 2023)	3	Allowed Revenue recalculated using updated expenditure and inflation data. Excludes the underlover recovered revenue adjustment and the reconcilisation adjustment building blocks, as these building blocks are not subject to reconcilisation. See BBRA Calculation												
		2021, BBRA Calculation 2022 and BBRA Calculation 2023. Allowed Revenue as submitted in 2022 updated revised Revenue Statement. Excludes												
Allowed Revenue (as at October 2022) Applicable Change in Revenue RPI (year in which original calculation was made)	3	the under/over recovered revenue adjustment and the reconciliation adjustment building blocks, as these building blocks are not subject to reconciliation.												
Applicable Grange in Revenue RPI (current year) Reconciliation amounts (unadjusted)	3	Adjustment calculated as difference between updated calculation and previous year's calculation, prior to NPV adjustment.												
Reconciliation amounts (NPV-adjusted)	3	Adjustment calculated as difference between updated calculation and previous year's calculation, post NPV-adjustment using BWACC and Applicable Change in Revenue RPI.												
A.11. Additional Return on Capital Building Block	£	Not applicable. To be added to calculation if building block becomes relevant (i.e. if Tideway makes an IAR Overrun Application to increase Allowable Project Spend above the Therefore College.) Posing Livers and Application to the College Colle												0
A.11. Additional Liquidity Building Block	£	the Threshold Outlurn). See Project Licence, Appendix 1, Part A 11 Not applicable. To be added to calculation if building block becomes relevant (i.e. if Tideway makes an IAR Overrun Application to increase Allowable Project Spend above												0
		the Threshold Outturn). See Project Licence, Appendix 1, Part A 11												

BBRA Inputs 2022

			DDK	A inputs 20	122													
Year starts Year ctds Year t-2 Year t-1 Year t 1 Year t 1 Year t 2 1.1 2014/15 RPI Adjustment Factor	Unit	Source/notes	2012/13	2013/14	2	014/15	First Charging Year 2015/16 0104/2015 31/03/2016 2013/14 2014/15 2015/16 2016/17 2017/18	Second Charging Year 2016/17 0104/2016 31/03/2017 2014/15 2016/17 2016/17 2016/17 2018/19	Third Charging Year 2017/18 01/04/2017 31/03/2018 2015/16 2016/17 2017/18 2018/19 2019/20	Fourth Charging Year 2018/19 01/04/2018 31/03/2019 2016/17 2017/18 2018/19 2018/19 2019/20 2020/21	Fifth Charging Year 2019/20 0104/2019 31/03/2020 2017/18 2018/29 2019/20 2020/21 2021/22	Sixth Charging Year 2020/21 01/04/2020 31/03/2021 2018/19 2019/20 2020/21 2021/22 2022/23	Seventh Charging Year 2021/22 01/04/2021 31/03/2022 2019/20 2020/21 2021/22 2022/23 2023/24	Eighth Charging Year 2022/23 0104/2022 31/03/2023 2020/21 2021/22 2022/23 2023/24 2024/25	Ninth Charging Year 2023/24 01/04/2023 31/03/2024 2021/22 2022/23 2023/24 2024/25 2025/26	Tenth Charging Year 2024/25 01/04/204 31/03/2025 2022/23 2023/24 2024/25 2025/26 2026/27	Eleventh Charging Year 2025/26 01/04/2025 31/03/2026 2023/24 2024/25 2025/26 2026/27 2027/28	Twelfth Charging Year 2026/27 0104/2026 31/03/2027 2024/25 2025/26 2026/27 2027/28 2028/29
Forecast RPI Adjustment Factor for the calendar year in which Charging Year commences	%	Source: Average independent new forecasts for RPI, Table M3, "Forecasts for the UK economy: a comparison of independent forecasts"; HM Treasury, 21 August 2024 Required by Project Licence Appendix 1, 1.1 (i), (ii), (iii)												0.0%	0.0%	3.5%	2.9%	2.8%
Forecast RPI Adjustment Factor for the calendar year in which Charging Year ends	%	Source: Average independent new forecasts for RPI, Table M3, "Forecasts for the UK economy: a comparison of independent forecasts"; HM Treasury, 21 August 2024. Required by Prolect Licence Appendix 1, 17 (i), (ii), (iii)											0.0%	0.0%	3.5%	2.9%	2.8%	3.2%
RPI, September of Charging Year		Source: RPI All Items index, Consumer Price Inflation time series (MM23), 16 October 2024, Office for National Statistics. Required by Project Licence Appendix 1. 1.1(iii)				257.6	259.6	264.9	275.1	284.1	291.0	294.3	308.6	347.6	378.4	388.6		
RPI, March of Charging Year		Source: RPI All Items index, Consumer Price Inflation time series (MM23), 16 October 2024, Office for National Statistics. Required by Project Licence Appendix 1, 1.1 (iii)			254.8	257.1	261.1	269.3	278.3	285.1	292.6	296.9	323.5	367.2	383.0			
Applicable Change in Revenue RPI																		
RPIt (RPI for November in Charging Year Yt-1)		Source: RPI All tems index, Consumer Price Inflation time series (MM23), 18 December 2024, Office for National Statistics. Required by Project Licence Appendix 1, Part A 3, 4 and 6 Note: for both First and Second Charjing years, stated RPI is for November 2015, as Allowed Revenue for both these years is being calculated together			245.6	252.1	259.8	259.8	265.5	275.8	284.6	291.0	293.5	314.3	358.3	377.3		
Year average RPI		Source: Cabulated from RPI All Items index, Consumer Price Inflation time series (MM23), 16 October 2024, Office for National Statistics. Required by Project Licence Appendix 1, Part A 3, 4 and 6 and Appendix 1, 1.1 (iv)				256.7	259.4	265.0	274.9	283.3	290.6	294.2	311.2	351.2	377.5			
A.3. Return on Capital and A.4 Liquidity																		
Water Services Regulation Authority Stated RCV (2014/15 Prices) at 31 March	2014/15 prices, £	Source: Ofwat publication: Oliwat Regulatory Capatal Values - Bazalgette Tunnel Limited (Tideway): https://www.ofwat.gov.uk/publication/regulatory-capital-values-bazalgette-tunnel-limited-tideway-22072020/ Zero prior to licence award			-	-	148,741,346	478,533,658	962,316,426	1,490,337,315	2,024,487,477	2,497,553,061	2,935,415,123					
Allowable Project Spend (actual and forecast) - as at October 2024 Allowable Project Spend	Outturn prices, £	Source: "ITA Verification No.85" - received 16/10/2024 from Paul Horton. Verification to June 2024. Required by Project Licence Appendix 1, Part A 3			Г	-	150,344,662	340,489,147	518,165,900	582,828,772	604,855,688	542,182,309	530,822,453	509,695,109	351,787,175	72,381,674		
Estimated Allowable Project Spend	Outturn prices, £	Toquiard by Tigge Learner Appending Ary 1 and Regulatory Cost Metrics, sum of cells G48.148 (equal to July, August and September 2024 allowable spending not yet verified by ITA), rounded to nearest £1 Regulatory to Proinc! Licence Appendix 1 and 1.8 Appendix 1				-	-	-	-	-	-	-	-	-	-	61,736,409		
Forecast Allowable Project Spend	Outturn prices, £	Source: "P6 2024-25 Expenditure Forecast Basecase v1" - from Rob Oliver, 14/10/24 for full-year 2024-25 2025/26 and 2026/27 forecast. The 2024/25 figure is net of expenditure already realised (April to Sep) - sum of rows 29 and 30 Required by Protect Licence Appendix 1, Part A 1, 3.				-	-	-	-	-	-	-	-	-	-	90,432,148		
Excluded Project Spend	Outturn prices, £	Data removed as not required for reconciliation purposes. See "Inputs 2024".			_													
Alliance Agreement receipts - expenditure funded by these receipts is treated as Excluded Project Spend and therefore is excluded from the Allovable spend metrics set out above	Outturn prices, £	Data removed as not required for reconciliation purposes. See "Inputs 2024".																
BWACC	%	Source: Project Licence, Appendix 1, 1.18 Required by Project Licence Appendix 1, Part A 3, 4, 6, 7, 8					2.497%											
A.5. Opex Opex forecast as at September 2024	Outturn prices, £	Note: In line with the Project Licence, zero as all expenditure treated as capex. Required by Project Licence Appendix 1, Part A 5 Source: Financial Control - Consol Model September 2024 (for 24/25), Financial Model (for 25/26)					-	-	-	-	-	-	-	-	-			
A.6. Financing Cost Adjustment																		
Financing Cost Adjustment Index Yield - 12 months trailing average at 31 March	%	Source: "FCA yield calculator 2020.21 xlsx" Calculated with reference to Boxx BBB data and spot implied inflation rates for 10 year maturity from Bank of England Required by Project Licence Appendix 1, Part A 6				1.3%	1.4%	0.4%	0.0%	0.2%	-0.5%	-0.9%	n/a					
Water Services Regulation Authority Adjusted RCV (Current Prices) at 31 March	Current prices at March of Chargin	31 Source: https://www.ofwat.gov.uk/publication/regulatory-capital-values-bazalgette-tunnel-limited-tideway-22072020/ ig for the current year. Prior year values are the value recorded in that charging year.		-	-		151,310,515	502,087,458	1,043,425,953	1,655,435,722	2,307,915,724	2,889,052,612	n/a					
Net Debt at 31 March		Required by Project Licence Appendix 1, Part A 3 31 Source: Tideway financial statements as at 31 March 2022 (checked against republished Regulatory Accounts g tables October 2022)		-	-		130,376,913	- 315,869,558 -	- 72,091,186	543,155,000	1,156,967,223	1,689,497,869	n/a					
Notional Debt to RCV ratio	Year %	Required by Project Licence Appendix 1, Part A 6 Source: Project Licence Appendix 1, 1.45 Required by Project Licence Appendix 1, 1.47 Required by Project Licence Appendix 1, Part A 6				62.5%												
Adjustment agreed with Ofwat to correct for net debt error within the accounts	£, current price	Source: Letter from Ofwat dated 26/10/2021 Adjustment agreed with Ofwat to correct for identified error in prior year Net Debt used in the FCA. This is added to the Financing Cost Adjustment for 'V1 in the 2021 revenue statement only so that the FCA is in a position that it should have been if the error had never occurred.												218,424				
A 1.4. Tax		Tax forecast is in line with the Project Licence, zero as the IP is not required to pay corporation tax or any other				_	1											
Tax forecast as at September 2024	Outturn prices, £	income hased tay NOTE: Only relates to BTI. Tay					-	-	-	-	-	-	-	-	-			
A.7. Under/Over Recovered Revenue Adjustment - as at October 2024		See Project Licence, Appendix 1, Part A.7																
Allowed Revenue (including building block reconciliation) Amount recovered in respect of 2016/17, 2017/18, 2018/19, 2019/20, 2020/21, 2021/22, 2022/23 and 2023/24 Allowed Revenue (to end of September 2024) Amount recovered in respect of 2016/17, 2017/19, 2018/19, 2019/20, 2020/21, 2021/22 and 2022/23	Outturn prices,	Data removed as not required for reconciliation purposes. See "Inputs 2024". £ Data removed as not required for reconciliation purposes. See "Inputs 2024". £ Data removed as not required for reconciliation purposes. See "Inputs 2024".																
Allowed Revenue (to end of September 2023) Years of NPV adjustment		Data removed as not required for reconciliation purposes. See "Inputs 2024".																
Amounts received from TWUL in Charging Year (all years of Allowed Revenue)	Outturn prices,	£ Data removed as not required for reconciliation purposes. See "Inputs 2024".																
A.8. Reconciliation adjustment Time since original calculation Reconcile this year? Allowed Revenue as per most recently submitted Revenue Statement (excluding building block reconciliation and under/over recovered revenue adjustment)	Years £	See Project Licence, Appendix 1, Part A 8 Data removed as not required for reconciliation purposes. See "Inputs 2024". Data removed as not required for reconciliation purposes. See "Inputs 2024". Data removed as not required for reconciliation purposes. See "Inputs 2024".																

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Not applicable at present. Inputs to be added if this building block becomes relevant (i.e. if Tideway makes an IAR Overrun Application to increase Allowable Project Spend above the Threshold Outturn). See Project Licence, Appendix 1, Part A 11

A.11. Additional Return on Capital Building Block

A 1.6.4. Net Present Value Adjustment End of first charding year Licence Award

Additional Allowable Project Spend

BBRA Calculation 2022

			BBRA Calculation 2022										
Building Block	Unit	Notes/description			irst Iraina	Second Charging	Third Charging	Fourth Charging	Fifth Charging	Sixth Charging	Seventh Charging	Eighth Charging	Ninth Charging
			2013/14 2014	1/15 20	ear 15/16	Year 2016/17	Year 2017/18	Year 2018/19	Year 2019/20	Year 2020/21	Year 2021/22	Year 2022/23	Year 2023/24
Year starts Year ends Year et-2				31/	04/2015 03/2016 113/14	01/04/2016 31/03/2017 2014/15	01/04/2017 31/03/2018 2015/16	01/04/2018 31/03/2019 2016/17	01/04/2019 31/03/2020 2017/18	01/04/2020 31/03/2021 2018/19	01/04/2021 31/03/2022 2019/20	01/04/2022 31/03/2023 2019/20	01/04/2023 31/03/2024 2020/21
Year t-1 Year t				21	14/15 15/16	2015/16 2016/17	2016/17 2017/18	2017/18 2018/19	2018/19 2019/20	2019/20 2020/21	2020/21 2021/22	2020/21 2021/22	2021/22 2022/23
Year t+1 Year t+2					116/17 117/18	2017/18 2018/19	2018/19 2019/20	2019/20 2020/21	2020/21 2021/22	2021/22 2022/23	2022/23 2023/24	2022/23 2024/25	2023/24 2025/26
1.1 2014/15 RPI Adjustment Factor (a) for the purposes of calculating Forecast Allowable Project Spend for Charging Year		A factor calculated for each Charging Year to express costs associated with that year in a 2014/15 price base. See Project Licence, Appendix 1, 1.1											
Yt+1, estimated Allowable Project Spend for the said Charging Year shall be deflated fr a price base in Charging Year Yt+1 to the Base RPI Index year ([2014/15]), using an adiustment factor derived from multiolving the factors set out in (ii). (iii) and (iv) bek													
Forecast RPI Adjustment Factor for the calendar year in which Charging Year Ye1 commences Forecast RPI Adjustment Factor for the calendar year in which Charging Year Ye1 ends Forecast RPI Adjustment Factor for the calendar year in which Charging Year Ye1 ends Forecast RPI Adjustment Factor for the calendar year in which Charging Year Ye1 ends	% %	Forecast RPI - see input sheet for description of source Forecast RPI - see input sheet for description of source NOT USED FOR RECONCILIATION Forecast RPI - see input sheet for description of source											3.5% 2.9%
Forecast RPI Adjustment Factor for the calendar year in which Charging Year Yt ends	%	NOT USED FOR RECONCILIATION Forecast RPI - see input sheet for description of source NOT USED FOR RECONCILIATION Calculated with reference to the index values for											
Percentage movement in the RPI (All Items) index as published by Office for National Statistics for the period April to September in the calendar year in which Charging Year YI-1 commenced	%	March and September to capture April to September inflation (see detailed modelling assumptions in "Statement of calculation 2024") NEW ROW ADDED FOR RECONCILIATION Calculated with reference to the index											
Percentage movement in the RPI (All Items) index as published by Office for National Statistics for the period April to September in the calendar year in which Charging Year Yt commenced	%	visities for March and September to capture April to September inflation (see "Statement of Calculation 2024"). NEW ROW ADDED FOR RECONCILIATION Calculated with reference to the index											
Percentage movement in the RPI (All Items) index as published by Office for National Statistics for the period April to September in the calendar year in which Charging Year Yt+1 commenced	%	values for March and September to capture April to September inflation (see "Statement of Calculation 2024")											1.5%
Forecast RPI Adjustment Factor for the calendar year in which Charging Year Yt-1 commenced Forecast RPI Adjustment Factor for the calendar year in which Charging Year Yt-1 ends	% %	NOT USED FOR RECONCILIATION Forecast RPI - see input sheet for description of source NOT USED FOR RECONCILIATION Forecast RPI - see input sheet for description of source											
Base RPI Charging Year Yh-2, or where this is on or before Base RPI Index year, 2014/15 Charging Year Yh-1 Charging Year Yh-1		Year average RPI for 2014/15, used as base year RPI Year average RPI for Charping year 1-2 (or 2014/15 where this is later) NEW ROW ADDED FOR RECONCILIATION Year average RPI for Charping Year 1-1 NEW ROW ADDED FOR RECONCILIATION Year average RPI for Charping Year I NEW ROW ADDED FOR RECONCILIATION Year average RPI for Charping Year I											256.7 311.2 351.2 377.5
		CALCULATION ALTERED FOR RECONCILIATION Factor used to adjust prices from											577.5
1.1 (i) 1.1 (ii)		Charging Year T+1 to Charging Year T CALCULATION ALTERED FOR RECONCILIATION Factor used to adjust prices from Charging Year T to Charging Year T-1											1.03
1.1 (iii) 1.1 (iv)		CALCULATION ALTERED FOR RECONCILIATION Factor used to adjust prices from Charging Year T-1 to Charging Year T-2 Factor used to adjust prices from Charging Year T-2 to Base RPI Index year											1.13 1.21
		Combines factors (i), (ii), (iii) and (iv) above to calculate factor used to adjust prices from											1.52
RPIAdjustment Factor Charging Year T+1 RPIAdjustment Factor Charging Year T		Charging Year T+1 to 2014/15 price base. Combines factors (ii). (iii) and (iv) above to calculate factor used to adjust prices from											1.47
RPI Adjustment Factor Charging Year T-1		Charging Year T to 2014/15 price base. Combines factors (iii) and (iv) above to calculate factor used to adjust prices from Charging Year T-1 to 2014/15 price base.											1.37
RPI Adjustment Factor Charging Year T-2		Equal to factor (iv) above - used to adjust prices from Charging Year T-2 to 2014/15 price base.											1.21
Applicable Change in Revenue RPI RPIL RPibase (Base RPI Index)		RPI in November of previous Charging Year relative to 2014/15 base year RPI in November of Charging Year T-1 Average RPI for 2014/15	0.96 0.9 245.6 2 256.7 2	252.1 256.7	259.8 256.7	1.01 259.8 256.7	1.03 265.5 256.7	1.07 275.8 256.7	1.11 284.6 256.7	1.13 291.0 256.7	1.14 293.5 256.7	1.22 314.3 256.7	1.40 358.3 256.7
A.1. Allowed Revenue	£	Total Allowed Revenue calculated as the total of the building blocks below, in accordance with Project Licence, Appendix 1, 1.4. See Statement of calculation 2024 for further detail.											107,857,909
A.3. Return on Capital	£	The Return on Capital building block allows the IP to earn a return on capital in relation to the forecast average RCV in the Charging Year in question. See Project Licence,											119,473,778
•	-	Appendix 1, Part A 3											
Ofwat Stated RCV for Yt-2	£, 2014/15 prices	RCV at the end of Charging Year T-2 as published by Ofwat by 1 September following the end of the Charcina Year											2,935,415,123
OPRCV Yt-1 2014/15 RPI Adjustment Factor Yt-1 Annual Actual Project Spend Yt-1	£, 2014/15 prices £, 2014/15 prices	Opening RCV for Charging Year T-1. Scalar to adjust forecast costs for Charging Year T-1 to 2014/15 price base Allowable Project Spend (verified by the ITA) incurred in Charging Year T-1											2,935,415,123 1.37 372,481,596
Estimated Allowable Project Spend Yt-1 Forecast Allowable Project Spend Yt-1	£, 2014/15 prices £, 2014/15 prices	Allowable Project Spend (not verified by the ITA) incurred in Charging Year T-1 Allowable Project Spend forecast to be incurred in Charging Year T-1											- 0
OPRCV YI 2014/15 RPI Adjustment Factor YI Annual Actual Project Spend YI	£, 2014/15 prices £, 2014/15 prices	Opening RCV for Charging Year T - the sum of opening RCV for Charging year T-1 and all Allowablie Project Spend in that year Scalar to adjust forecast costs for Charging Year T to 2014/15 price base Allowablie Project Spend (welfiled by the ITA) incurred in Charging Year T											3,307,896,720 1.47 239,194,777
Estimated Allowable Project Spend Yt Forecast Allowable Project Spend Yt	£, 2014/15 prices £, 2014/15 prices	Allowable Project Spend (retinued by the ITA) incurred in Charping Year T Allowable Project Spend (not verified by the ITA) incurred in Charping Year T Allowable Project Spend forecast to be incurred in Charping Year T Closing RCV for Charping Year T - the sum of opening RCV for Charping Year T and all										E	0
CPRCV YI YARCV YI	£, 2014/15 prices £, 2014/15 prices	Closing RCV for Changing Year 7 are aum of opening RCV for Changing Year 7 and all Allowable Project Spend in that year Year average RCV for Changing Year T										L	3,547,091,496
7860 11	z., zore lo prices											_	5,427,454,100
A.4. Liquidity	£	The Liquidity building block allows the IP a liquidity allowance (return on capital) in relation to the incremental average RCV in the year following the Charging Year in question. See Project Licence, Appendix 1, Parl A 4											6,750,837
OPRCV Yt+1 2014/15 RPI Adjustment Factor Yt+1	£, 2014/15 prices	Opening RCV for Charging Year T+1 Scalar to adjust forecast costs for Charging Year T+1 to 2014/15 price base											3,547,091,496 1.515749631
Annual Actual Project Spend Yt+1 Estimated Allowable Project Spend Yt+1	£, 2014/15 prices £, 2014/15 prices	NEW ROW ADDED FOR RECONCILATION Allowable Project Spend (verified by the ITA) incurred in Charging Year T+1 NEW ROW ADDED FOR RECONCILIATION Allowable Project Spend (not verified by the											47,753,054 40,729,952
Forecast Allowable Project Spend for year t+1 CPRCV Yt+1	£, 2014/15 prices £, 2014/15 prices	ITA) incurred in Charging Year T+1 Allowable Project Spend forecast to be incurred in Charging Year T+1 Closing RCV for Charging Year T+1											59,661,666 3,695,236,168
FYARCV YI+1	£, 2014/15 prices	Average RCV for Charging Year T+1											3,621,163,832
A.5. Opex		In line with the Project Licence, the Opex building block is zero as all costs are accounted for as capital expenditure. See Project Licence, Appendix 1, Part A 5											0
A.6. Financing Cost Adjustment building block		The Financing Cost Adjustment building block is intended to protect against movements in the market cost of debt, by comparing a measure of financing costs at an annual reference point to a base reference point of March 2015. See Project Licence, Appendix 1, Part A 6					0	461,614	-1,016,891	-3,201,092	-9,948,780	-18,366,706	-18.366,706
Financing Cost Adjustment Yt		point to a base reference point of March 2015. See Project Licence, Appendix 1, Part A 6			0	0	0	461,614	-1,478,505	-2,184,201	-6,747,688	-8,417,925	0
Financing Cost Adiustment Index Yield	%	See Project Licence Appendix 1, Part A 6.3	1.	.30%	1.43%	0.35%	0.01%	0.23%	-0.47%	-0.88%			
Base Reference Point (BRP)	%	The historic 12 months' trailing average of the Financing Cost Adjustment Index Yield as at 31 March 2015 The historic 12 months' trailing average of the Financing Cost Adjustment Index Yield as at			1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	
Annual Reference Point (ARP) BRP-ABP Market Coat of Debt Adjustment Factor (absolute)	% %	The Instinct 12 minutes training average or the minuteng Cost Adjustment index fred as at 31 March of Charding Year 4V-2 Difference between BRP and ARP See Project Leence Appendix 1 Part A 6.7			1.30% 0.00%	1.30% 0.00%	1.43% -0.13%	0.35% 0.95%	0.01% 1.29%	0.23% 1.07%	-0.47% 1.76%	-0.88% 2.18%	
Market Cost of Debt Adjustment Factor (corrected sign)	%	See Project Licence Appendix 1 Part A 6.7			0.00%	0.00%	0.00% 0.00%	0.22% -0.22%	0.54% -0.54%	0.32% -0.32%	-1.01%	1.43% -1.43%	
Net Debt in Charging Year Yt-2 Water Services Regulation Authority Adjusted RCV (Current Prices) in Charging Year Yt-2	E, current prices (March	Net Deht at the end of Charging Year T-2 as defined in Project Licence Annendix 1 1 44			0	0	-130,376,913	-315,869,558	-72,091,186	543,155,000	1,156,967,223	1,689,497,869	
Notional Debt to RCV Ratio	of Charging Year T-2) Ε, current prices (March of Charging Year T-2)	Net Debt at the end of Charging Year T-2 as defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-2 in then current prices			0	0	151,310,515	502,087,458	1,043,425,953	1,655,435,722	2,307,915,724	2,889,052,612	
Notional Net Debt in Charging Year Yt-2	£, current prices (March of Charging Year T-2) %	RCV at the end of Charging Year T-2 in then current prices As defined in Project Licence Appendix 1, 1,45			0 62.5%	0 62.5% 0	151,310,515 62.5% 94,569,072	502,087,458 62.5% 313,804,661	1,043,425,953 62.5% 652,141,221	1,655,435,722 62.5% 1,034,647,326	2,307,915,724 62.5% 1,442,447,327		
Notional Net Debt in Charging Year Yt-2 Net Debt in Charging Year Yt-3	£, current prices (March of Charging Year T-2) % £, current prices (March of Charging Year T-2) £, current prices (March of Charging Year T-3)	RCV at the end of Chapting Van T-3 in then current prices As defined in Protect Licence Appendix 1, 1-6 RCV mulpilled by National Debt in RCV ratio. See Project Licence Appendix 1 Plet A 6.9 Net Debt at the end of Chapting Year T-3 as defined in Project Licence Appendix 1, 1-44			62.5%	62.5%	62.5%	62.5%	62.5%	62.5%	62.5%	2,889,052,612 62.5%	
Net Debt in Charging Year Yt-3 Water Services Regulation Authority Adjusted RCV (Current Prices) in Charging Year Yt-3	E, current prices (March of Charging Year T-2) % E, current prices (March of Charging Year T-2) E, current prices (March of Charging Year T-3) E, current prices (March of Charging Year T-3)	RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 145 As defined in Project Licence Appendix 1, 146 Net Debt at the end of Charging Year T-3 as defined in Project Licence Appendix 1, 144 RCV at the end of Charging Year T-3 in then current prices			62.5% 0 0	62.5% 0 0	62.5% 94,569,072 0	62.5% 313,804,661 -130,376,913 151,310,515	62.5% 652,141,221 -315,869,558 502,087,458	62.5% 1,034,647,326 -72,091,186 1,043,425,953	62.5% 1,442,447,327 543,155,000 1,655,435,722	2,889,052,612 62,5% 1,805,657,883 1,156,967,223 2,307,915,724	
Net Debt in Charging Year Yt-3	E, current prices (March of Charging Year T-2) E, current prices (March of Charging Year T-2) E, current prices (March of Charging Year T-3) E, current prices (March of Charging Year T-3)	RCV at the end of Chapting Van T-3 in then current prices As defined in Protect Licence Appendix 1, 1-6 RCV mulpilled by National Debt in RCV ratio. See Project Licence Appendix 1 Plet A 6.9 Net Debt at the end of Chapting Year T-3 as defined in Project Licence Appendix 1, 1-44			62.5%	62.5%	62.5% 94,569,072	62.5% 313,804,661 -130,376,913	62.5% 652,141,221 -315,869,558	62.5% 1,034,647,326 -72,091,186	62.5% 1,442,447,327 543,155,000	2,889,052,612 62.5% 1,805,657,883	
Net Debt in Changing Year Yl-3 Water Services Regulation Authority Adjusted RCV (Current Prices) in Changing Year Yl-3 Notional Debt to RCV Ratio Notional Net Debt in Changing Year Yl-3 Applicable Change in Revenue RPI for Changing Year Yl Applicable Change in Revenue RPI for Changing Year Yl-2	E, current prices (March of Charging Year T-2) E, current prices (March of Charging Year T-2) E, current prices (March of Charging Year T-3) E, current prices (March of Charging Year T-3)	RCV at the end of Charging Year 7-3 in then current prices As defined in Project Licence Appendix 1, 1-45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 Net Debt at the end of Charging Year T-3 as defined in Project Licence Appendix 1, 1-44 RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1-53			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5%	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	
Net Debt in Changing Year Y1-3 Water Services Regulation Authority Adjusted RCV (Current Prices) in Changing Year Y1-3 Notional Debt to RCV Ratio Notional Net Debt in Changing Year Y1-3 Applicable Change in Revenue RPI for Changing Year Y1 Applicable Change in Revenue RPI for Changing Year Y1 Applicable Change in Revenue RPI for Changing Year Y1-2 Adjustment agreed with Offwat to correct for net debt error within the regulatory accounts	E. current prices (March of Charsring Year 7-2) E. current prices (March of Charsring Year 7-2) E. current prices (March of Charsring Year 7-3)	RCV at the end of Chapting Year 7-3 in their current prices As defined in Protect Licence Appendix 1, 145 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 Net Debt at the end of Chapting Year T-3 as defined in Project Licence Appendix 1, 1.44 RCV at the end of Chapting Year T-3 in their current prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In time with the Project Licence, zero as the IP is not required to pay corporation tax or any			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	
Net Debt in Changing Year Yl-3 Water Services Regulation Authority Adjusted RCV (Current Prices) in Changing Year Yl-3 Notional Debt to RCV Ratio Notional Net Debt in Changing Year Yl-3 Applicable Change in Revenue RPI for Changing Year Yl Applicable Change in Revenue RPI for Changing Year Yl-2	E, current prices (March of Charging Year T-2) E, current prices (March of Charging Year T-2) E, current prices (March of Charging Year T-3) E, current prices (March of Charging Year T-3)	RCV at the end of Chaping Year 7-3 in then current prioss As defined in Project Licence Appendix 1, 1.46 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Plet A 6.9 Net Debt at the end of Chaping Year 7-3 as defined in Project Licence Appendix 1, 1.44 RCV at the end of Chaping Year 7-3 in then current prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Plet A 6.9 In line with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based las. See Project Licence Appendix 1, Plet A 1.4			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	9
Net Debt in Changing Year Y1-3 Water Services Regulation Authority Adjusted RCV (Current Prices) in Changing Year Y1-3 Notional Debt to RCV Ratio Notional Net Debt in Changing Year Y1-3 Applicable Change in Revenue RPI for Changing Year Y1 Applicable Change in Revenue RPI for Changing Year Y1 Applicable Change in Revenue RPI for Changing Year Y1-2 Adjustment agreed with Offwat to correct for net debt error within the regulatory accounts	E. current prices (March of Charsring Year 7-2) E. current prices (March of Charsring Year 7-2) E. current prices (March of Charsring Year 7-3)	RCV at the end of Charging Year 7-3 in then current prices As defined in Project Licence Appendix 1, 1.48 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Plart A 6.9 Net Debt at the end of Charging Year 7-3 is defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year 7-3 in then current prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Plart A 6.9 In line with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence Appendix 1, Plart A 1.4 Submission Cycle Teach (Plart A) Company (Plart A) Compa			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	0
Net Debt in Charging Year Yt-3 Water Services Replation Authority Adjusted RCV (Current Prices) in Charging Year Yt-3 Notional Debt to RCV Ratio Notional Net Debt in Charging Year Yt-3 Applicable Change in Revenue RPI for Charging Year Yt Applicable Change in Revenue RPI for Charging Year Yt-2 Adjustment agreed with Offwat to correct for net debt error within the regulatory accounts A.1.4. Tax A.7. Under/Over Recovered Revenue Adjustment	E. currer prices (Mexic Advanced Prices Trail) E. currer prices (Mexic Advanced Prices Trail) E. currer prices (Mexic Advanced Prices Trail) E. currer prices (Mexic Advanced Prices Advanced Prices Advanced Prices Advanced Prices Advanced Prices (Mexic Advanced Prices Trail) E. current prices (Mexic Advanced Prices Trail)	RCV at the end of Charging Year 7-3 in then current prices As defined in Prolifect Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 Net Debt at the end of Charging Year 7-3 in then current prices As defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year 7-3 in then current prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In time with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence Appendix 1, Part A 1.4 SUNDEROVER PROJECT SEE RECOVERED REVENUE IN RELATION TO ALL APPLICABLE CHARGING VERSIS SERCONCELED IN ACCULATION SIGNET The revenue adjustment building Book is to recovered to instances rescovered Allowed Revenue in previous Aboved Revenue as summetted in 2015. 2016 and 2017 ingulated revealed revenue in previous Aboved Revenue as summetted in 2015. 2016 and 2017 ingulated revealed Revenue			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	0
Net Debt in Changing Year Y1-3 Water Services Regulation Authority Adjusted RCV (Current Prices) in Changing Year Y1-3 Notional Debt to RCV Ratio Notional Net Debt in Changing Year Y1-3 Applicable Change in Revenue RPI for Changing Year Y1 Applicable Change in Revenue RPI for Changing Year Y1 Applicable Change in Revenue RPI for Changing Year Y1 Adjustment agreed with Offwat to correct for net debt error within the regulatory accounts A.1.4. Tax	E. currer prices (Mexic Advanced Prices Trail) E. currer prices (Mexic Advanced Prices Trail) E. currer prices (Mexic Advanced Prices Trail) E. currer prices (Mexic Advanced Prices Advanced Prices Advanced Prices Advanced Prices Advanced Prices (Mexic Advanced Prices Trail) E. current prices (Mexic Advanced Prices Trail)	RCV at the end of Charging Year 7-3 in then current prices As defined in Project Licence Appendix 1, 1.48 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Plart A 6.9 Net Debt at the end of Charging Year 7-3 as defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year 7-3 in then current prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Plart A 6.9 In line with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence Appendix 1, Plart A 1.4 REMOVED FROM THIS RECONCLATION SHEET AS RECONCLED SEPARATELY, AS UNDERFOURT RECOVERED IN CALCULATION 2004. The revenue equiument CHARGING VEARS IS RECONCLED IN CALCULATION 2004. The revenue equiument			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	0
Net Debt in Changing Year Y1-3 Water Services Regulation Authority Adjusted RCV (Current Prices) in Charging Year Y1-3 Notional Debt to RCV Ratio Notional Net Debt in Charging Year Y1-3 Applicable Change in Revenue RPI for Charging Year Y1 Applicable Change in Revenue RPI for Charging Year Y1 Adjustment agreed with Offvat to correct for net debt error within the regulatory accounts A.1.4. Tax A.7. Under/Over Recovered Revenue Adjustment Allowed Revenue Amount recovered in respect of Allowed Revenue (to end of September 2022)	E. currer prices (March of Champine year T-2) E. currer prices (March of Champine year T-3)	RCV at the end of Charging Year 7-3 in then current prices As defined in Prolice Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 Net Debt at the end of Charging Year 7-3 in then current prices As defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year 7-3 in then current prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In line with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax Gee Project Licence. Appendix 1, Part A 1.4 SUNDEROVER PRICE SEED SEED SEED SEED SEED SEED SEED SE			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	0
Net Debt in Charging Year Yt-3 Water Services Replation Authority Adjusted RCV (Current Prices) in Charging Year Yt-3 Notional Debt to RCV Ratio Notional Pet Debt in Charging Year Yt-3 Applicable Change in Revenue RPI for Charging Year Yt. Applicable Change in Revenue RPI for Charging Year Yt- Adjustment agreed with Official to correct for net debt error within the regulatory accounts A.1.4. Tax A.7. Under/Over Recovered Revenue Adjustment Allowed Revenue	E. currer prices (Mexic Advanced Prices Trail) E. currer prices (Mexic Advanced Prices Trail) E. currer prices (Mexic Advanced Prices Trail) E. currer prices (Mexic Advanced Prices Advanced Prices Advanced Prices Advanced Prices Advanced Prices (Mexic Advanced Prices Trail) E. current prices (Mexic Advanced Prices Trail)	RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Leprends 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 Net Debt at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In line with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence Appendix 1, Part A 1.4 As UNCENTRAL PRICE CONCLINED IN PART A THE CONCLINED SEPPARTEY, AS JUNGSTON VIEW RECOVERED REPORTED IN PART A THE AS A SECONDAL TO A LLAPPE, CASHAC CHARGING YEARS IS RECOVERED IN CALCULATION SHOP The revenue equisiment building book is to reconcile for undertower recovered Allowed Revenue in previous Charging Years See Project Licence, Appendix 1, Part A 1.4 Allowed Revenue as automitted in 2015, 2016 and 2017 Ligibility revised Revenue Androut collected by Themse Water and reviewed by Tilesway in respect of 201917, 201716, 201919, 201902 A 201902 A 100 and 2017 A 201716, 201919, 201902 A 201902			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	0
Net Debt in Charging Year Yt-3 Water Services Replation Authority Adjusted RCV (Current Prices) in Charging Year Yt-3 Notional Debt to RCV Ratio Notional Net Debt in Charging Year Yt-3 Applicable Change in Reverue RPI for Charging Year Yt Applicable Change in Reverue RPI for Charging Year Yt-3 Adjustment agreed with Offset to correct for net debt error will'n the regulatory accounts A.1.4. Tax A.7. Under/Over Recovered Revenue Adjustment Allowed Reverue Amount recovered in respect of Allowed Revenue (to end of September 2022) Amount recovered in respect of Allowed Revenue (to end of September 2021) Applicable Change in Revenue RPI	E. currer prices (March of Champine year T-2) E. currer prices (March of Champine year T-3)	RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Leprends 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 Net Debt at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In Issue with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence Appendix 1, 1.47 REMOVED FROM THIS RECONCE, LINTON SHEET AS RECONCELED SEPARATELY, AS UNDERFOORT RECOVERED REVIEWE BY RELATION TO ALL APPLICABLE SEE AND ADDITIONAL RECOVERED REVIEWE BY RELATION TO ALL APPLICABLE ADMINISTRATION REVIEWE BY TO ALL APPLICABLE ADMINISTRATION REVIEWE BY TO ADMINISTRATION REVIEWE BY REVIEWE B			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	0
Net Debt in Charging Year Yt-3 Water Services Replation Authority Adjusted RCV (Current Prices) in Charging Year Yt-3 Notional Debt to RCV Ratio Notional Net Debt in Charging Year Yt-3 Applicable Change in Revenue RPI for Charging Year Yt Applicable Change in Revenue RPI for Charging Year Yt- Adjustment agreed with Offset to correct for net debt error will'n the regulatory accounts A.1.4. Tax A.7. Under/Over Recovered Revenue Adjustment Allowed Revenue Amount recovered in respect of Allowed Revenue (to end of September 2022) Amount recovered in respect of Allowed Revenue (to end of September 2022)	E. currer prices (March of Champine year T-2) E. currer prices (March of Champine year T-3)	RCV at the end of Charging Year 7-3 in then current prices As defined in Prolifect Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 Net Debt at the end of Charging Year 7-3 in then current prices As defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year 7-3 in then current prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In line with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax Gen Project Licence Appendix 1, Part A 1.4 SUNDERFOUND REPORT AND APPENDIX 1, Part A 1.4 SUNDERFOUND REPORT AND SEED REVENUE IN RELATION TO ALL APPLICABLE CHARGING VERALS INCOMEDED IN ACCULATION SHEET AS RECONCILED SEPARATELY, AS UNDERFOUND RECONCILION SEED REVENUE IN RELATION TO ALL APPLICABLE CHARGING VERALS INCOMEDED IN ACCULATION SHEET AS RECONCILED IN PRIVATE Charging Years. See Project Licence, Appendix 1, Part A 1.4 SUNDERFOUND RECONCILION OF A CONTRACT AND APPLICABLE CHARGING VERALS INCOMEDED TO ACCULATION SHEET AS RECONCILED TO The revenue Application of Charging Years. See Project Licence, Appendix 1, Part A 1.4 SUNDERFOUND RECONCILION OF A CONTRACT AND APPLICABLE CHARGING VERALS INCOMED TO ACCULATION SHEET AS THE CONTRACT AND APPLICABLE CHARGING VERALS INCOMED TO A CONTRACT AND APPLICABLE CHARGING VERALS INCOMED TO A CONTRACT AND APPLICABLE CHARGING VERALS INCOMED TO A CONTRACT AND APPLICABLE CHARGING VERALS AND APPLICABLE CHARGING VERAL			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	0
Net Debt in Charging Year Yt-3 Water Services Replation Authority Adjusted RCV (Current Prices) in Charging Year Yt-3 Notional Debt to RCV Ratio Notional Net Debt in Charging Year Yt-3 Applicable Change in Reverue RPI for Charging Year Yt Applicable Change in Reverue RPI for Charging Year Yt-3 Adjustment agreed with Offset to correct for net debt error will'n the regulatory accounts A.1.4. Tax A.7. Under/Over Recovered Revenue Adjustment Allowed Reverue Amount recovered in respect of Allowed Revenue (to end of September 2022) Amount recovered in respect of Allowed Revenue (to end of September 2021) Applicable Change in Revenue RPI	E. currer prices (March of Champine year T-2) E. currer prices (March of Champine year T-3)	RCV at the end of Charging Year T-3 in then current prices As defined in Prolifect Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 Net Debt at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In time with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence Appendix 1, Part A 1.4 Sin RDEWORD PROFILE REPORT AND APPENDIX 1, Part A 1.4 SUNDEROVER REPORT SIS FIGURACIES DE NOTION TO ALL APPLICABLE CHARGINS VERSE SIS FIGURACIES DE NOTION TO ALL APPLICABLE CHARGINS VERSE SIS FIGURACIES DE NOTION TO ALL APPLICABLE CHARGINS VERSE SIS FIGURACIES DE NOTION TO ALL APPLICABLE CHARGINS VERSE SIS RECONCIES DE 105 and 2017 updated revised reviewe Statement Anional Celevines as sumithed in 2015 Licence Price Prices Part April 1, 2017 1, 2017 16, 2019 16 and 2017 updated reviewed Reviewe Statement Amount collected by Thames Wister and received by Tribenay in respect of 2016 17, 2017 18, 2019 17 and 2019 16 and 2017 updated reviewed Reviewe Statement Amount collected by Thames Wister and received by Thames Wi			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	0
Net Debt in Changing Year Y1-3 Water Services Regulation Authority Adjusted RCV (Current Prices) in Charging Year Y1-3 Notional Debt to RCV Ratio Notional Net Debt in Charging Year Y1-3 Applicable Change in Revenue RPI for Charging Year Y1 Applicable Change in Revenue RPI for Charging Year Y1-2 Adjustment agreed with Offwat to correct for net debt error within the regulatory accounts A.1.4. Tax A.7. Under/Over Recovered Revenue Adjustment Allowed Revenue Amount recovered in respect of Allowed Revenue (to end of September 2022) Amount recovered in respect of Allowed Revenue (to end of September 2022) Applicable Change in Revenue RPI Years of NPV adjustment	E. currer prices (March of Champine year T-2) E. currer prices (March of Champine year T-3)	RCV at the end of Charging Year T-3 in then current prices As defined in Prolice Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 Net Debt at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In line with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax Gen Project Licence. Zero as the IP is not required to pay corporation tax or any other income-based tax Gen Project Licence. Appendix 1, Part A 1.4 SUNDEROVER PROINT BERCONCLEUT ON SHEET AS RECONCLED SEPARATELY, AS UNDEROVER PROINT BERCONCLEUT ON SHEET AS RECONCLED SEPARATELY, AS UNDEROVER PROINT BERCONCLEUT ON SHEET AS RECONCLED SEPARATELY, AS UNDEROVER PROINT BERCONCLEUT ON SHEET AS RECONCLED IN SEPARATELY, AS UNDEROVER RECOVERED REVENUE IN RELECTION TO ALL APPLICABLE CHARGING YEARS IS PECCONCLED TO ALL CLULATION VOICE The revenue applications Charging Years. See Project Licence, Appendix 1, Part A 1.4 SUNDEROVER PROINT SEED SEED SEED SEED TO THE SEED SEED SEED SEED SEED SEED SEED SE			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	0
Net Debt in Changing Year Y1-3 Water Services Replation Authority Adjusted RCV (Current Prices) in Changing Year Y1-3 Notional Debt to RCV Ratio Notional Net Debt in Changing Year Y1-3 Applicable Change in Revenue RPI for Changing Year Y1- Applicable Change in Revenue RPI for Changing Year Y1- Adjustment agreed with Offwat to correct for net debt error within the regulatory accounts A.1.4. Tax A.7. Under/Over Recovered Revenue Adjustment Allowed Revenue Amount recovered in respect of Allowed Revenue (to end of September 2022) Amount recovered in respect of Allowed Revenue (to end of September 2021) Applicable Change in Revenue RPI Years of NPV adjustment Amounts in respect of prior Charging Years not yet reconciled (unadjusted)	E. currer prices (March of Champine year T-2) E. currer prices (March of Champine year T-3)	RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Leorence Licence Appendix 1 Part A 6.9 Net Debt at the end of Charging Year T-3 as defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 as defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In line with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence Appendix 1, Part A 1.4 REMONDED FROM THE REMONELATION SHEET AS RECONDEDED SEPPARTEY, REMONDED FROM SER REMONELED NO. ACCULATION SHEET TAX RECONDEDED SEPPARTEY, Allowed Revenue as automated in 2015, 2016 and 2017 Ligidaded revenue in previous Charalon Years. See Project Licence, Appendix 1, Part A 7.4 Allowed Revenue as automated in 2015, 2016 and 2017 Ligidaded revenue in previous Charalon Years. See Project Licence, Appendix 1, Part A 7.1 Allowed Revenue as automated in 2015, 2016 and 2017 Ligidaded revenue in previous Charalon Years. See Project Licence, Appendix 1, Part A 7.1 Allowed Revenue as automated in 2015, 2016 and 2017 Ligidaded revenue and 2016 and 2017 Allowed Revenue, prior to the end of September 2022 2022 Amount collected by Thames Water and received by Trienway in respect of 2016 17, 201718, 2018 1917 and 2019 200 Allowed Revenue, prior to the end of September 2020 The cut-off is the same as that used for the 2020 Revenue Selection Conduction of Charalon Years and Year			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	0
Net Debt in Charging Year Y1-3 Water Services Replation Authority Adjusted RCV (Current Prices) in Charging Year Y1-3 Notional Debt to RCV Ratio Notional Net Debt in Charging Year Y1-3 Applicable Change in Reverue RPI for Charging Year Y1 Applicable Change in Reverue RPI for Charging Year Y1-2 Adjustment agreed with Offset to correct for net debt error will'n the regulatory accounts A.1.4. Tax A.7. Under/Over Recovered Revenue Adjustment Allowed Reverue Amount recovered in respect of Allowed Reverue (to end of September 2022) Amount recovered in respect of Allowed Revenue (to end of September 2021) Applicable Change in Revenue RPI Years of NPV adjustment Amounts in respect of prior Charging Years not yet reconciled (unadjusted) Reconciliation amounts - Charging Years not yet reconciled (unadjusted)	E. currer prices (March of Champine year T-2) E. currer prices (March of Champine year T-3)	RCV at the end of Charging Year 7-3 in then current prices As defined in Prolifect Licence Appendix 1, 1-45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 Net Debt at the end of Charging Year 7-3 in then current prices As defined in Project Licence Appendix 1, 1-44 RCV at the end of Charging Year 7-3 in then current prices As defined in Project Licence Appendix 1, 1-45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In line with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax Gene Project Licence. Zero as the IP is not required to pay corporation tax or any other income-based tax Gene Project Licence. Appendix 1, Part A 1-4 SUNDEROVER PROINT BERCONCLED ATTON SHEET AS RECONCLED SEPARATELY, AS UNDEROVER PROINT BERCONCLED REVENUE IN RELATION TO ALL APPLICABLE CHARGING YEARS IS PECCONCLED IN ACCULATION SHEET AS RECONCLED IN EVALUATION CHARGING STATE SECONCLED CONTROL AND ACCULATION CONT			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	0
Net Debt in Charging Year Y1-3 Water Services Replation Authority Adjusted RCV (Current Prices) in Charging Year Y1-3 Notional Debt to RCV Ratio Notional Net Debt in Charging Year Y1-3 Applicable Change in Reverue RPI for Charging Year Y1 Applicable Change in Reverue RPI for Charging Year Y1-2 Adjustment agreed with Offset to correct for net debt error will'n the regulatory accounts A.1.4. Tax A.7. Under/Over Recovered Revenue Adjustment Allowed Reverue Amount recovered in respect of Allowed Reverue (to end of September 2022) Amount recovered in respect of Allowed Revenue (to end of September 2021) Applicable Change in Revenue RPI Years of NPV adjustment Amounts in respect of prior Charging Years not yet reconciled (unadjusted) Reconciliation amounts - Charging Years not yet reconciled (unadjusted)	E. currer prices (March of Champine year T-2) E. currer prices (March of Champine year T-3)	RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Leorence Licence Appendix 1 Part A 6.9 Net Debt at the end of Charging Year T-3 as defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 as defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In line with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence Appendix 1, Part A 1.4 REMONDED FROM THE REMONELATION SHEET AS RECONDEDED SEPPARTEY, REMONDED FROM SER REMONELED NO. ACCULATION SHEET TAX RECONDEDED SEPPARTEY, Allowed Revenue as automated in 2015, 2016 and 2017 Ligidaded revenue in previous Charalon Years. See Project Licence, Appendix 1, Part A 7.4 Allowed Revenue as automated in 2015, 2016 and 2017 Ligidaded revenue in previous Charalon Years. See Project Licence, Appendix 1, Part A 7.1 Allowed Revenue as automated in 2015, 2016 and 2017 Ligidaded revenue in previous Charalon Years. See Project Licence, Appendix 1, Part A 7.1 Allowed Revenue as automated in 2015, 2016 and 2017 Ligidaded revenue and 2016 and 2017 Allowed Revenue, prior to the end of September 2022 2022 Amount collected by Thames Water and received by Trienway in respect of 2016 17, 201718, 2018 1917 and 2019 200 Allowed Revenue, prior to the end of September 2020 The cut-off is the same as that used for the 2020 Revenue Selection Conduction of Charalon Years and Year			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	0
Net Debt in Charging Year Y1-3 Water Services Replation Authority Adjusted RCV (Current Prices) in Charging Year Y1-3 Notional Debt to RCV Ratio Notional Net Debt in Charging Year Y1-3 Applicable Change in Reverue RPI for Charging Year Y1 Applicable Change in Reverue RPI for Charging Year Y1-2 Adjustment agreed with Offset to correct for net debt error within the regulatory accounts A.1.4. Tax A.7. Under/Over Recovered Revenue Adjustment Allowed Reverue Amount recovered in respect of Allowed Reverue (to end of September 2022) Amount recovered in respect of Allowed Revenue (to end of September 2021) Applicable Change in Reverue RPI Years of NPV adjustment Amounts in respect of prior Charging Years not yet reconciled (unadjusted) Reconciliation amounts - Charging Year T-2 (unadjusted) Reconciliation amounts (NPV-adjusted)	E. currer prices (March Character prices) E. currer prices) E. currer prices (March Character prices) E. currer prices)	RCV at the end of Charging Year T-3 in then curred prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then curred prices As defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then curred prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1, 1.46 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In its will his Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence Appendix 1, Part A 1.4 REMOVED FROM THIS RECONCLIATION SHEET AS RECONCLED SEPARATEL Y, ADVINED ROVER RCC OVERED REVIEWE BY RELATION TO ALL APPLICABLE SURVEY RECOVERED REVIEWE BY			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	0
Net Debt in Charging Year Y1-3 Water Services Replation Authority Adjusted RCV (Current Prices) in Charging Year Y1-3 Notional Debt to RCV Ratio Notional Pet Debt in Charging Year Y1-3 Applicable Change in Revenue RPI for Charging Year Y1 Applicable Change in Revenue RPI for Charging Year Y1-2 Adjustment agreed with Offwat to correct for net debt error within the regulatory accounts A.1.4. Tax A.7. UnderfOver Recovered Revenue Adjustment Allowed Revenue Amount recovered in respect of Allowed Revenue (to end of September 2022) Amount recovered in respect of Allowed Revenue (to end of September 2022) Applicable Change in Revenue RPI Years of NPV adjustment Amounts in respect of prior Charging Years not yet reconciled (unadjusted) Reconciliation amounts (NPV-adjusted) Reconciliation amounts (NPV-adjusted)	E. current prices (March of Charaties (New York 72) E. current prices (March of Charaties (New York 72) E. current prices (March of Charaties (New York 72) E. current prices (March of Charaties (New York 72) E. current prices (March of Charaties (New York 73) E. current prices (March of Charaties (New York 73) E. current prices (March of Charaties (New York 73) E. current prices (March of Charaties (New York 73) E. current prices (March of Charaties (New York 73)) E. E.	RCV at the end of Charging Year T-3 in then current prices As defined in Prolifect Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 Net Debt at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In time with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence Appendix 1, Part A 1.4 In time with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence Appendix 1, Part A 1.4 SERBOVIDE PROM THE RECONCLEDIATION SHEET AS RECONCLEDIS SEPARATELY, AS UNDERFOVER RECOVERED REVEWILE IN RELATION TO ALL APPLICABLE CHARGININ YEARS IS RECONCLED TO ALCULATION SHOT The revenue significant building block is to recordable to underlover recovered Allowed Revenue in previous Advanced Revenue as submitted in 1013, 120 and 2017 uddeet reveal revenue Statement Annount collected by Thames Wister and received by Tribenay in respect of 2016/17, 2017/18, 2016/19, 2			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	0
Net Debt in Charging Year Y1-3 Water Services Replation Authority Adjusted RCV (Current Prices) in Charging Year Y1-3 Notional Debt to RCV Ratio Notional Pet Debt in Charging Year Y1-3 Applicable Change in Revenue RPI for Charging Year Y1 Applicable Change in Revenue RPI for Charging Year Y1-2 Adjustment agreed with Offwat to correct for net debt error within the regulatory accounts A.1.4. Tax A.7. UnderfOver Recovered Revenue Adjustment Allowed Revenue Amount recovered in respect of Allowed Revenue (to end of September 2022) Amount recovered in respect of Allowed Revenue (to end of September 2022) Applicable Change in Revenue RPI Years of NPV adjustment Aenounts in respect of prior Charging Years not yet reconciled (unadjusted) Reconciliation amounts (NPV-adjusted) Reconciliation amounts (NPV-adjusted) A.8. Reconciliation adjustment Reconcile this year?	E. current prices (March of Charaties (New Year T-2) E. current prices (March of Charaties (New Year T-2) E. current prices (March of Charaties (New Year T-2) E. current prices (March of Charaties (New Year T-2) E. current prices (March of Charaties (New Year T-3) E. current prices (March of Charaties (New Year T-3) E. current prices (March of Charaties (New Year T-3) E. current prices (March of Charaties (New Year T-3) E. current prices (March of Charaties (New Year T-3) E. E.	RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Leoneral, 1.145 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In line with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence, Papendix 1, Part A 1.4 Since Project Licence, Papendix 1, Part A 1.4 READOLED FROM THE RECONCLEDITON INSECT AS RECONCLED SEPPLATELY, AS JUNGSTON LICENSE SEPPLATELY SEED, AS JUNGSTON LICENSE SEPARATELY IN BIBBAC LICENSE AS JUNGSTON LICENSE SEPARATELY IN BIB			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	0
Net Debt in Charging Year Y1-3 Water Services Replation Authority Adjusted RCV (Current Prices) in Charging Year Y1-3 Notional Debt to RCV Ratio Notional Pet Debt in Charging Year Y1-3 Applicable Change in Revenue RPI for Charging Year Y1 Applicable Change in Revenue RPI for Charging Year Y1-2 Adjustment agreed with Offwat to correct for net debt error within the regulatory accounts A.1.4. Tax A.7. Under/Over Recovered Revenue Adjustment Allowed Revenue Amount recovered in respect of Allowed Revenue (to end of September 2022) Amount recovered in respect of Allowed Revenue (to end of September 2022) Applicable Change in Revenue RPI Years of NPV adjustment Aenounts in respect of prior Charging Years not yet reconciled (unadjusted) Reconciliation amounts (NPV-adjusted) Reconciliation amounts (NPV-adjusted) A.8. Reconciliation adjustment Reconcile this year? Time since original calculation Allowed Revenue (as at October 2022)	E. current prices (March of Charling's Year T-2) E. current prices (March of Charling's Year T-2) E. current prices (March of Charling's Year T-2) E. current prices (March of Charling's Year T-3) E. current prices (March of Charling'	RCV at the end of Charging Year T-3 in then curred prices As defined in Prolifect Licence Appendix 1 Part A 6.9 Net Debt at the end of Charging Year T-3 as defined in Project Licence Appendix 1 Part A 6.9 Net Debt at the end of Charging Year T-3 in then curred prices As defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then curred prices As defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then curred prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In time with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence Appendix 1, Part A 1.4 See REMOVED FROM THIS RECONCLEUT AND SHEET AS RECONCLED SEPARATELY, AS UNDERVOVER RECOVERED REVEWLE IN RELATION TO ALL APPLICABLE CHARGINS YEARS IS RECONCLED TO ALCULATION SHOT The revenue significant building block is to recordible to underlover recovered Allowed Revenue in previous Advanced Revenue as submitted in 2012, 105 and 2017 uddeeth revealed Revenue Statement Allowed Revenue as submitted in 2012, 105 and 2017 uddeeth revealed Revenue Statement Allowed Revenue as submitted in 2012, 105 and 2017 uddeeth revealed Revenue Statement Allowed Revenue as submitted in 2012, 105 and 2017 uddeeth revealed Revenue Statement Allowed Revenue as submitted in 2012, 105 and 2017 uddeeth revealed Revenue Statement Proposes to the statement of the 2018 Revenue Statement Allowed Revenue as submitted in 2012, 105 and 2017 uddeeth revealed Revenue Statement Proposes to the statement of the 2018 Revenue Statement Revenue Statement Proposes to the statement of the 2018 Revenue Statement			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	0
Net Debt in Charging Year Y1-3 Water Services Repulation Authority Adjusted RCV (Current Prices) in Charging Year Y1-3 Notional Debt to RCV Ratio Notional Net Debt in Charging Year Y1-3 Applicable Change in Revenue RPI for Charging Year Y1 Applicable Change in Revenue RPI for Charging Year Y1-3 Adjustment agreed with Offwat to correct for net debt error within the regulationy accounts A.1.4. Tax A.7. Under/Over Recovered Revenue Adjustment Allowed Revenue Amount recovered in respect of Allowed Revenue (to end of September 2022) Amount recovered in respect of Allowed Revenue (to end of September 2021) Applicable Change in Revenue RPI Years of NPV adjustment Amounts in respect of prior Charging Years not yet reconciled (unadjusted) Reconciliation amounts - Charging Year T-2 (unadjusted) Reconciliation amounts - Charging Year T-2 (unadjusted) A.8. Reconciliation adjustment Reconciliation adjustment Reconciliation adjustment Reconciliation adjustment Reconciliation and Justment Reconciliation and Revenue (as at October 2022) Allowed Revenue (as at October 2022)	E. current prices (March of Chamings / War T-2) E. current prices (March of Chamings / War T-2) E. current prices (March of Chamings / War T-2) E. current prices (March of Chamings / War T-2) E. current prices (March of Chamings / War T-3) E. current prices (March of Chamings / War T-3) E. current prices (March of Chamings / War T-3) E. current prices (March of Chamings / War T-3) E. current prices (March of Chamings / War T-3) E. E. E.	RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Learnes (1.148) RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 Net Debt at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then current prices As defined in Project Licence Appendix 1, 1.47 As defined in Project Licence Appendix 1, 1.48 In line with the Project Licence. 200 as the IP is not required to pay corporation tax or any other income-based law See Project Licence Appendix 1, Part A 1.4 In line with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based law See Project Licence Appendix 1, Part A 1.4 Sun Carter Appendix 1, Part A 1.4 As Unclaim the Project Licence Appendix 1, Part A 1.4 As Unclaim the RCOVERIST REPORTED TO SHEET AS RECOVED SEPTANTEY 1, AS JUNCENCY PROJECT REPORTED REPORTED TO SHEET AS RECOVED SEPTANTEY 1, AS JUNCENCY PROJECT REPORTED REPORTED TO SHEET AS RECOVED SEPTANTEY 1, AS JUNCENCY PROJECT REPORTED REPORTED TO SHEET AS RECOVED SEPTANTEY 1, AS JUNCENCY PROJECT REPORTED REPORTED TO SHEET AS RECOVED SEPTANTEY 1, AS JUNCENCY PROJECT REPORTED REPORTED TO SHEET AS RECOVED SEPTANTEY 1, AS JUNCENCY PROJECT REPORTED REPORTED TO SHEET AS RECOVED SEPTANTEY 1, AS JUNCENCY PROJECT REPORTED REPORTED TO SHEET AS RECOVED SEPTANTEY 1, AS JUNCENCY PROJECT REPORTED REPORTED TO SHEET AS RECOVED SEPTANTEY 1, AS JUNCENCY PROJECT REPORTED REPORTED TO SHEET AS RECOVED SEPTANTEY 1, AS JUNCENCY PROJECT REPORTED REPORTED TO SHEET AS RECOVED SEPTANTEY 1, AS JUNCENCY PROJECT REPORTED TO SHEET AS RECOVED SEPTANTEY 1, AS JUNCENCY PROJECT REPORTED TO SHEET AS RECOVED REPORTED TO SHEET AS RECOVED TO SHEET AS RECOVED REPORTED TO SHEET AS RECOVED TO SHEET AS RECOV			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	0
Net Debt in Charging Year Y1-3 Water Services Replation Authority Adjusted RCV (Current Prices) in Charging Year Y1-3 Notional Debt to RCV Ratio Notional Pet Debt in Charging Year Y1-3 Applicable Change in Revenue RPI for Charging Year Y1 Applicable Change in Revenue RPI for Charging Year Y1-2 Adjustment agreed with Offwat to correct for net debt error within the regulatory accounts A.1.4. Tax A.7. Under/Over Recovered Revenue Adjustment Allowed Revenue Amount recovered in respect of Allowed Revenue (to end of September 2022) Amount recovered in respect of Allowed Revenue (to end of September 2022) Applicable Change in Revenue RPI Years of NPV adjustment Aenounts in respect of prior Charging Years not yet reconciled (unadjusted) Reconciliation amounts (NPV-adjusted) Reconciliation amounts (NPV-adjusted) A.8. Reconciliation adjustment Reconcile this year? Time since original calculation Allowed Revenue (as at October 2022)	E. current prices (March of Charling's Year T-2) E. current prices (March of Charling's Year T-2) E. current prices (March of Charling's Year T-2) E. current prices (March of Charling's Year T-3) E. current prices (March of Charling'	RCV at the end of Charging Year T-3 in then curred prices As defined in Prolifect Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in Selfried in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then curred prices As defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then curred prices As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In time with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence Appendix 1, Part A 1.4 In time with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence Appendix 1, Part A 1.4 See Project Licence Appendix 1, Part A 1.4 See REMOVED PROH THE RECONCILIED ATTON THE APPENDIX The Province Appendix 1 Part A 6.9 REMOVED PROH THE RECONCILIED REVENUE IN RELATION TO ALL APPL CABLE CHARGING VERSE IS RECONCILED TO ACCULATION VISIA The revenue adjustment building block 1s to reconcile by undertwice the Visia Accused Revenue in previous Advoiced Revenue is previous advoiced by Tribeney in respect of 201617, 201718, 201619, 201620, 202017 Advoiced Revenue, prior to the end of September 2020 The Cache of the Beate may be active and received by Tribeney in respect of 201617, 201718, 201619, 201619, 201620, 202017 Advoiced Revenue, prior to the end of September 2020 The Cache of the Beate may be active advoiced by Tribeney in respect of 201617, 201718, 201619, 201619, 201619, 201			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	0
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Net Debt in Charging Year Y1-3 Water Services Replation Authority Adjusted RCV (Current Prices) in Charging Year Y1-3 Notional Debt to RCV Ratio Notional Net Debt in Charging Year Y1-3 Applicable Change in Revenue RPI for Charging Year Y1 Applicable Change in Revenue RPI for Charging Year Y1-3 Adjustment agreed with Offivat to correct for net debt error within the regulationy accounts A.1.4. Tax A.7. Under/Over Recovered Revenue Adjustment Allowed Revenue Aenount recovered in respect of Allowed Revenue (to end of September 2022) Amount recovered in respect of Allowed Revenue (to end of September 2022) Applicable Change in Revenue RPI Years of NPV adjustment Aenounts in respect of prior Charging Years not yet reconciled (unadjusted) Reconciliation amounts - Charging Year T-2 (unadjusted) Reconciliation amounts - Charging Year T-2 (unadjusted) A.8. Reconciliation adjustment Reconciliation and justment Reconciliation and pustment Allowed Revenue (as at October 2022) Reconciliation amounts (unadjusted) Reconciliation amounts (unadjusted)	E. currer prices (March of Charling's Year T-2) E. currer prices (March of Charling's Year T-3) E. E	RCV at the end of Charging Year T-3 in then curred prices As defined in Prolifect Licence Appendix 1, 14-8 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1, 144 RCV at the end of Charging Year T-3 in then curred prices As defined in Project Licence, Papendix 1, 144 RCV at the end of Charging Year T-3 in then curred prices As defined in Project Licence Appendix 1, 144 RCV at the end of Charging Year T-3 in then curred prices As defined in Project Licence, Papendix 1, 148 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In time with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence Appendix 1, 19-14 REV at the REV			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	
Net Debt in Charging Year Yh-3 Water Services Replation Authority Adjusted RCV (Current Prices) in Charging Year Yh-3 Notional Debt to RCV Ratio Notional Pet Debt in Charging Year Yh-3 Applicable Change in Revenue RPI for Charging Year Yh Apilicable Change in Revenue RPI for Charging Year Yh Apilicable Change in Revenue RPI for Charging Year Yh Apilicable Change in Revenue RPI for Charging Year Yh A1.4. Tax A.7. Under/Over Recovered Revenue Adjustment Allowed Revenue Amount recovered in respect of Allowed Revenue (to end of September 2022) Amount recovered in respect of Allowed Revenue (to end of September 2022) Applicable Change in Revenue RPI Years of NPV adjustment Amounts in respect of prior Charging Years not yet reconciled (unadjusted) Reconciliation amounts - Charging Year T-2 (unadjusted) Reconciliation amounts (NPV-adjusted) A.8. Reconciliation adjustment Reconciliation amounts (NPV-adjusted) Allowed Revenue (as at October 2022) Allowed Revenue (as at October 2022) Allowed Revenue (as at October 2022) Replicable Change in Revenue RPI (current year) Reconciliation amounts (unadjusted)	E. current prices (March of Chamings Year T-2) E. current prices (March of Chamings Year T-3) E. E	RCV at the end of Charging Year 7-3 in then curred prices As defined in Prolice Licence Appendix 1, 1-45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1, 1-44 RCV at the end of Charging Year 7-3 in then curred prices As defined in Project Licence Appendix 1, 1-44 RCV at the end of Charging Year 7-3 in then curred prices As defined in Project Licence Appendix 1, 1-44 RCV at the end of Charging Year 7-3 in then curred prices As defined in Project Licence Appendix 1, 1-45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In line with the Project Licence, zero as the P1 in not required to pay corporation tax or any other income-based tax Gen Project Licence. Appendix 1, Part A 1-4 See Project Licence Appendix 1, Part A 1-4 See Project Licence Appendix 1, Part A 1-4 SEMDEROVER PROHITS RECONCLED REVENUE IN RELATION TO ALL APPLICABLE CHARGING YEARS IS PECCONCLED TO ALL CLAINTON SOLD The revenue adjustment Charging Years. See Project Licence, Appendix 1, Part A 1-4 SEMDEROVER PROHITS RECONCLED REVENUE IN RELATION TO ALL APPLICABLE CHARGING YEARS IS PECCONCLED TO ALL CLAINTON SOLD The revenue adjustment Charging Years. See Project Licence, Appendix 1, Part A 1-4 SEMDEROVER PROHITS PROHITS AND ALL CHARGING YEARS IN PROHITS AND ALL CHARGING YEARS AND ALL C			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	
Net Debt in Charging Year Y1-3 Water Services Replation Authority Adjusted RCV (Current Prices) in Charging Year Y1-3 Notional Debt to RCV Ratio Notional Net Debt in Charging Year Y1-3 Applicable Change in Revenue RPI for Charging Year Y1 Applicable Change in Revenue RPI for Charging Year Y1-3 Adjustment agreed with Offivat to correct for net debt error within the regulationy accounts A.1.4. Tax A.7. Under/Over Recovered Revenue Adjustment Allowed Revenue Aenount recovered in respect of Allowed Revenue (to end of September 2022) Amount recovered in respect of Allowed Revenue (to end of September 2022) Applicable Change in Revenue RPI Years of NPV adjustment Aenounts in respect of prior Charging Years not yet reconciled (unadjusted) Reconciliation amounts - Charging Year T-2 (unadjusted) Reconciliation amounts - Charging Year T-2 (unadjusted) A.8. Reconciliation adjustment Reconciliation and justment Reconciliation and pustment Allowed Revenue (as at October 2022) Reconciliation amounts (unadjusted) Reconciliation amounts (unadjusted)	E. currer prices (March of Charling's Year T-2) E. currer prices (March of Charling's Year T-3) E. E	RCV at the end of Charging Year T-3 in then curred prices As defined in Prolice Licence Appendix 1, 14-8 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1, 14-4 RCV at the end of Charging Year T-3 in then curred prices As defined in Project Licence Appendix 1, 14-4 RCV at the end of Charging Year T-3 in then curred prices As defined in Project Licence Appendix 1, 14-8 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1, 14-8 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9 In line with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax See Project Licence, Appendix 1, Part A 1-4 REMOVED PROM THIS RECONCLAITON SHEET AS RECONCLED SEPARATELY, AS UNDERFOVER RECOVERED REVENUE IN RELATION TO ALL APPLICABLE CHARGING YEARS IS PROSONELED IN ACCULATION 2014. The revenue adjustment Charging Years. See Project Licence, Appendix 1, Part A 1-8 SINDERFOVER RECOVERED REVENUE IN RELATION TO ALL APPLICABLE CHARGING YEARS IS PROSONELED IN ACCULATION 2014. The revenue adjustment Charging Years. See Project Licence, Appendix 1, Part A 1-8 REMOVED ROM 1, Part A 1-8 REMOVE			62.5% 0 0 0 62.5%	62.5% 0 0	62.5% 94,569,072 0 0 62.5%	62.5% 313,804,661 -130,376,913 151,310,515 62.5%	62,5% 652,141,221 -315,869,558 502,087,458 62,5%	62.5% 1,034,647,326 -72,091,186 1,043,425,953 62.5%	62.5% 1,442,447,327 543,155,000 1,655,435,722 62.5% 1,034,647,326	2,889,052,612 62.5% 1,805,657,883 1,156,967,223 2,307,915,724 62.5% 1,442,447,327	

	Unit	Source/notes
Year starts Year ends Year 1-2 Year 1-1 Year 1-1 Year 1-1 Year 1-2 Year 1-2		
1.1 2014/15 RPI Adjustment Factor		
Forecast RPI Adjustment Factor for the calendar year in which Charging Year commences	%	Source: Average independent new forecasts for RPI, Table M3, "Forecasts for the UK economy: a comparison of independent forecasts", HM Treasury, 21 August 2024
Forecast RPI Adjustment Factor for the calendar year in which Charging Year ends	%	Required by Project Licence Appendix 1, 1.1 (i), (ii), (iii) Source: Average independent new forecasts for RPI, Table M3, "Forecasts for the UK economy: a comparison of independent forecasts", HM Treasury, 27 August 2024 Required by Project Licence Appendix 1, 1.1 (ii), (iii), (iii)
RPI, September of Charging Year		Source: RPI All Items index, Consumer Price Inflation time series (MM23), 16 October 2024, Office for National Statistics.
RPI, March of Charging Year		Required by Project Licence Appendix 1, 1, 1(iii) Source: RPI All Brens Index, Consumer Price Inflation time series (MM23), 16 October 2024, Office for National Statistics. Required by Project Licence Appendix 1, 1, 1 (iii)
Applicable Change in Revenue RPI		Source: RPI All Items index, Consumer Price Inflation time series (MM23), 18 December 2024. Office for National
RPIt (RPI for November in Charging Year Yt-1)		Source: Remailing locat, Conspiring make imade areas (winds), 16 December 2024, Citize for regional Statistics. Required by Project Licence Appendix 1, Part A 3, 4 and 6 Note: for both First and Second Charging years, stated RPI is for November 2015, as Allowed Revenue for both these years is being calculated together.
Year average RPI		Source: Calculated from RPI AI Items index, Consumer Price Inflation time series (MM23), 16 October 2024, Office for National Statistics. Required by Project Licence Appendix 1, Part A 3, 4 and 6 and Appendix 1, 1.1 (iv)
A.3. Return on Capital and A.4 Liquidity		
Water Services Regulation Authority Stated RCV (2014/15 Prices) at 31 March	2014/15 prices, £	Source: Ofwat publication: Ofwat Regulatory Capital Values - Bazalgette Tunnel Limited (Tideway): https://www.ofwats.gov.uk/publication/regulatory-capital-values-bazalgette-tunnel-limited-tideway-22072020/ Zero prior to icence award Required by Project Licence Appendix 1, Part A 3
Allowable Project Spend (actual and forecast) - as at October 2024		Source: "TTA Verification No. 85" - received 16/10/2024 from Paul Horton. Verification to June 2024.
Allowable Project Spend	Outturn prices, £	Required by Project Licence Appendix 1, Part A 3 Source: "Regulation Reporting Sep 24", tab Regulatory Cost Metrics, sum of cells G48:148 (equal to July, August
Estimated Allowable Project Spend Forecast Allowable Project Spend	Outturn prices, £ Outturn prices, £	and September 2024 allowable spending not yet verified by ITA), rounded to nearest £1 Required by Project Licence Appendix 1, Part A 3 Source: "P6 2024-25 Expenditure Forecast Basease v1" - from Rob Oliver, 14/10/24 for full-year 2024/25, 2025/26 and 2026/27 forecast.
		The 2024/25 figure is net of expenditure already realised (April to Sep) - sum of rows 29 and 30 Required by Project Licence Appendix 1, Part A 3, 4
Excluded Project Spend Alliance Agreement receipts - expenditure funded by these receipts is treated as Excluded Project		Data removed as not required for reconcilation purposes. See "Inputs 2024".
Spend and therefore is excluded from the Allowable spend metrics set out above	Outturn prices, £	Data removed as not required for reconcillation purposes. See "Inputs 2024".
BWACC	%	Source: Project Licence, Appendix 1, 1.18 Required by Project Licence Appendix 1, Part A 3, 4, 6, 7, 8
A.5. Opex		Note: In line with the Project Licence, zero as all expenditure treated as capex.
Opex forecast as at September 2024	Outturn prices, £	Required by Project Licence Appendix 1, Part 4.5 Source: Financial Control - Consol Model September 2024 (for 24/25), Financial Model (for 25/26)
A.6. Financing Cost Adjustment		
Financing Cost Adjustment Index Yield - 12 months trailing average at 31 March	%	Source: "FCA yield calculator 2020.21.xls." Calculated with reference to iBoxx BBB data and spot implied inflation rates for 10 year maturity from Bank of England Required by Project Licence Appendix 1, Part A 6
Water Services Regulation Authority Adjusted RCV (Current Prices) at 31 March	Current prices at 31 March of Charging Year	Source: https://www.ofwat.gov.uk/publication/regulatory-capital-values-bazalgette-tunnel-limited-tideway-22072020/ for the current year. Prior year values are the value recorded in that charging year. Required by Project Leane According 1. Part A 3.
Net Debt at 31 March	March of Charging	Source: Tideway financial statements as at 31 March 2022 (checked against republished Regulatory Accounts tables October 2022)
Notional Debt to RCV ratio	Year %	Required by Project Licence Appendix 1, Part A 6 Source: Project Licence Appendix 1, 1.45 Required by Project Licence Appendix 1, Part A 6
Adjustment agreed with Ofwat to correct for net debt error within the accounts		Source: Letter from Ofwat dated 26/10/2021 Adjustment agreed with Ofwat to correct for identified error in prior year Net Debt used in the FCA. This is added to the Financing Cost Adjustment for Yi in the 2021 revenue statement only so that the FCA is in a position that it should have been if the error had never occurred.
A 1.4. Tax		
Tax forecast as at September 2024	Outturn prices, £	Tax forecast is in line with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax. NOTE: Only relates to BTL Tax. See Project Licence Appendix 1, Part A 1.4 Source: Financial Control - Consol Model September 2024 (for 24/25), Financial Model (for 25/26)
A.7. Under/Over Recovered Revenue Adjustment - as at October 2024		See Project Licence, Appendix 1, Part A.7
Allowed Revenue (including building block reconciliation) Amount recovered in respect of 2016/17, 2017/18, 2018/19, 2018/20, 2020/21,2021/22, 2022/23 and 2023/24 Allowed Revenue (to end of Spettember 2023/4) Amount recovered in respect of 2016/17, 2017/18, 2018/19, 2019/20, 2020/21, 2021/22 and 2022/23 Allowed Revenue (to end of September 2023)		Data removed as not required for reconciliation purposes. See "Inputs 2024". Data removed as not required for reconciliation purposes. See "Inputs 2024". Data removed as not required for reconciliation purposes. See "Inputs 2024".
Allowed Revenue (to end of September 2023) Years of NPV adjustment		Data removed as not required for reconciliation purposes. See "Inputs 2024".
Amounts received from TWUL in Charging Year (all years of Allowed Revenue)		
	Outturn prices, £	Data removed as not required for reconciliation purposes. See "Inputs 2024".
Tax as at September 2023 Time since original calculation Reconcile this year? Allowed Revenue as per most recently submitted Revenue Statement (excluding building block reconciliation and under/over recovered revenue adjustment)	Outturn prices, £ Years	Data removed as not required for reconciliation purposes. See "Inputs 2024". See Project Licence, Appendix 1, Part A 8 Data removed as not required for reconciliation purposes. See "Inputs 2024". Data removed as not required for reconciliation purposes. See "Inputs 2024". Data removed as not required for reconciliation purposes. See "Inputs 2024".
Time since original calculation Reconcile this year: Allowed Revenue as per most recently submitted Revenue Statement (excluding building block	Years	See Project Licence, Appendix 1, Part A 8 Data removed as not required for reconciliation purposes. See "Inputs 2024". Data removed as not required for reconciliation purposes. See "Inputs 2024".

FINAL Tideway 2024 24 December Submission

A 1.6.4. Net Present Value Adjustment End of first charging year Licence Award

BBRA Inputs 2021

2012/13	2013/14	2014/15	First Charging Year 2015/16 01/04/2015 31/03/2016 2013/14 2014/15 2015/16 2016/17 2017/18	Second Charging Year 2016/17 01/04/2016 31/03/2017 2014/15 2016/17 2016/17 2018/19	Third Charging Year 2017/18 01/04/2017 31/03/2018 2015/16 2016/17 2017/18 2018/19 2019/20	Fourth Charging Year 2018/19 01/04/2018 31/03/2019 2016/17 2017/18 2018/19 2019/20 2020/21	Fifth Charging Year 2019/20 01/04/2019 31/03/2020 2017/18 2018/19 2019/20 2020/21 2021/22	Sixth Charging Year 2020/21 01/04/2020 31/03/2021 2018/19 2019/20 2020/21 2021/22 2022/23	Seventh Charging Year 2021/22 01/04/2021 31/03/2022 2019/20 2020/21 2021/22 2022/23 2023/24	Eighth Charging Year 2022/23 01/04/2022 31/03/2023 2020/21 2021/22 2022/23 2023/24 2024/25	Ninth Charging Year 2023/24 01/04/2023 31/03/2024 2021/22 2022/23 2023/24 2024/25 2025/26	Tenth Charging Year 2024/25 01/04/2024 31/03/2025 2022/23 2023/24 2024/25 2025/26 2026/27	Eleventh Charging Year 2025/26 01/04/2025 31/03/2026 2023/24 2024/25 2025/26 2026/27 2027/28
											0.0%	3.5%	2.9%
										0.0%	3.5%	2.9%	2.8%
		257.6	259.6	264.9	275.1	284.1	291.0	294.3	308.6	347.6	378.4		
	254.8	257.1	261.1	269.3	278.3	285.1	292.6	296.9	323.5	367.2			
											l		
	245.6	252.1	259.8	259.8	265.5	275.8	284.6	291.0	293.5	314.3			
		256.7	259.4	265.0	274.9	283.3	290.6	294.2	311.2	351.2	377.5		
	-	-	148,741,346	478,533,658	962,316,426	1,490,337,315	2,024,487,477	2,497,553,061					
		-	150,344,662	340,489,147	518,165,900	582,828,772	604,855,688	542,182,309	530,822,453	509,695,109	351,787,175		
		-	-	-	-	-	-	-	-	-	-		
		-	-	-	-	-	-	-	-	-	-		

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			-	-	-	-	-	-	-	
		1.3%	1.4%	0.4%	0.0%	0.2%	-0.5%	-0.9%		
-	-	-	151,310,515	502,087,458	1,043,425,953	1,655,435,722	2,307,915,724	2,889,052,612		
-	-	-	- 130,376,913	- 315,869,558	- 72,091,186	543,155,000	1,156,967,223	1,689,497,869		
		62.5%								

218,424

-	-	-	-	-	-	-	-

BBRA Calculation 2021

			BBRA Calcula	ition 2021	Flores	0	Think	Founds	F1641-	Obath	0	Florido
Building Block	Unit	Notes/description			First Charging Year	Second Charging Year	Third Charging Year	Fourth Charging Year	Fifth Charging Year	Sixth Charging Year	Seventh Charging Year	Eighth Charging Year
Year starts Year ends				2013/14 2014/15	2015/16 01/04/2015 31/03/2016	2016/17 01/04/2016 31/03/2017	2017/18 01/04/2017 31/03/2018	2018/19 01/04/2018 31/03/2019	2019/20 01/04/2019 31/03/2020	2020/21 01/04/2020 31/03/2021	2021/22 01/04/2021 31/03/2022	2022/23 01/04/2022 31/03/2023
Year t-2 Year t-1 Year t+1					2013/14 2014/15 2015/16 2016/17	2014/15 2015/16 2016/17 2017/18	2015/16 2016/17 2017/18 2018/19	2016/17 2017/18 2018/19 2019/20	2017/18 2018/19 2019/20 2020/21	2018/19 2019/20 2020/21 2021/22	2019/20 2020/21 2021/22 2022/23	2020/21 2021/22 2022/23 2023/24
Year t-2 1.1 2014/15 RPI Adjustment Factor		A factor calculated for each Charging Year to express costs associated with that year			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
(a) for the purposes of calculating Forecast Allowable Project Spend for Charging Year Yt+1, estimated Allowable Project Spend for the said Charging Year shall be deflated from a price base in Charging Year Yt+1 to the Base RPI Index year ([2014/15]), using an	n	in a 2014/15 price base. See Project Licence, Appendix 1, 1.1										
adjustment factor derived from multiplying the factors set out in (i), (ii), (iii) and (iv) below Forecast RPI Adjustment Factor for the calendar year in which Charging Year Yt+1 commences Forecast RPI Adjustment Factor for the calendar year in which Charging Year Yt+1 ends	% % %	NOT USED FOR RECONCILIATION Forecast RPI - see input sheet for description of so NOT USED FOR RECONCILIATION Forecast RPI - see input sheet for description of so	urce									
Forecast RPI Adjustment Factor for the calendar year in which Charging Year Yt commences Forecast RPI Adjustment Factor for the calendar year in which Charging Year Yt ends	% %	NOT USED FOR RECONCILIATION Forecast RPI - see input sheet for description of so NOT USED FOR RECONCILIATION Forecast RPI - see input sheet for description of so NOT USED FOR RECONCILIATION Calculated with reference to the index values for	ource									
Percentage movement in the RPI (All Items) index as published by Office for National Statistics for the period April to September in the calendar year in which Charging Year Y-1 commenced Percentage movement in the RPI (All Items) index as published by Office for National Statistics for the		NOT USED FOR RECONDULIATION Calculated with reference to the index values for March and September to capture April to September inflation (see detailed modelling assumptions in "Statement of calculation 2024") NOT USED FOR RECONCILIATION Calculated with reference to the index values for										
period April to September in the calendar year in which Charging Year Yt commenced Percentage movement in the RPI (All Items) index as published by Office for National Statistics for the	%	March and September to capture April to September inflation (see detailed modelling assumptions in "Statement of calculation 2024") NEW ROW ADDED FOR RECONCILIATION Calculated with reference to the index values for March and September to capture April to September inflation (see										
period April to September in the calendar year in which Charging Year Yt+1 commenced Forecast RPI Adjustment Factor for the calendar year in which Charging Year Yt-1 commenced	%	"Statement of calculation 2024") NOT USED FOR RECONCILIATION Forecast RPI - see input sheet for description of so	ource									
Forecast RPI Adjustment Factor for the calendar year in which Charging Year Yt-1 ends Base RPI	7/6	NOT USED FOR RECONCILIATIONForecast RPI - see input sheet for description of sol Year average RPI for 2014/15, used as base year RPI	urce									256.7
Charging Year Yt-2, or where this is on or before Base RPI Index year, 2014/15 Charging Year Yt-1 Charging Year Yt Charging Year Yt+1		Year average RPI for Charging year T-2 (or 2014/15 where this is later) NEW ROW ADDED FOR RECONCILLATION Year average RPI for Charging Year t-1 NEW ROW ADDED FOR RECONCILLATION Year average RPI for Charging Year t NEW ROW ADDED FOR RECONCILLATION Year average RPI for Charging Year t+1										294.2 311.2 351.2 377.5
1.1 (i) 1.1 (ii) 1.1 (iii)		CALCULATION ALTERED FOR RECONCILIATION Factor used to adjust prices from CI CALCULATION ALTERED FOR RECONCILIATION Factor used to adjust prices from CI CALCULATION ALTERED FOR RECONCILIATION Factor used to adjust prices from CI	harging Year T to Charging	Year T-1								1.07 1.13
1.1 (w) 1.1 (iv)		Factor used to adjust prices from Charging Year T-2 to Base RPI Index year	narging real 1-1 to Chargin	ig rear 1-2								1.15
RPI Adjustment Factor Charging Year T+1		Combines factors (i), (ii), (iii) and (iv) above to calculate factor used to adjust prices from Charging Year T+1 to 2014/15 price base.										1.47
RPI Adjustment Factor Charging Year T		Combines factors (ii), (iii) and (iv) above to calculate factor used to adjust prices from Charging Year T to 2014/15 price base. Combines factors (iii) and (iv) above to calculate factor used to adjust prices from										1.37
RPI Adjustment Factor Charging Year T-1 RPI Adjustment Factor Charging Year T-2		Containers factors (iii) and (iv) advice to calculate factor used to adjust prices from Charging Year T-1 to 2014/15 price base. NOT USED FOR RECONCILIATION Equal to factor (iv) above - used to adjust prices from Charging Year T-2 to 2014/15 price base.										1.21
Applicable Change in Revenue RPI		RPI in November of previous Charging Year relative to 2014/15 base year RPI in November of Charging Year 7-1		0.96 0.98 245.6 252.1	1.01	1.01	1.03	1.07	1.11	1.13	1.14	1.22 314.3
RPibase (Base RPI Index)		Average RPI for 2014/15 Total Allowed Revenue calculated as the total of the building blocks below, in		256.7 256.7	256.7	256.7	256.7	256.7	256.7	256.7	256.7	256.7
A.1. Allowed Revenue	£	accordance with Project Licence, Appendix 1, 1.4. See Statement of calculation 2023 for further detail. The Return on Capital building block allows the IP to earn a return on capital in relation										86,435,439
A.3. Return on Capital	£	to the forecast average RCV in the Charging Year in question. See Project Licence, Appendix 1, Part A 3										95,450,561
Ofwat Stated RCV for Yt-2 OPRCV Yt-1	£, 2014/15 prices	RCV at the end of Charging Year T-2 as published by Ofwat by 1 September following the end of the Charging Year										2,497,553,061
2014/15 RPI Adjustment Factor Yt-1 Annual Actual Project Spend Yt-1 Estimated Allowable Project Spend Yt-1	£, 2014/15 prices £, 2014/15 prices £, 2014/15 prices	Opening RCV for Charging Year T-1. Scalar to adjust forecast costs for Charging Year T-1 to 2014/15 price base Allowable Project Spend (verified by the ITA) incurred in Charging Year T-1 Allowable Project Spend (not verified by the ITA) incurred in Charging Year T-1										2,497,553,061 1.21 437,862,063
Forecast Allowable Project Spend Yt-1 OPRCY Yt 2014/15 RPI Adjustment Factor Yt	£, 2014/15 prices £, 2014/15 prices	Allowable Project Spend forecast to be incurred in Charging Year T-1 Opening RCV for Charging Year T - the sum of opening RCV for Charging year T-1 and all Allowable Project Spend in that year Scalar to adjust forecast costs for Charging Year T to 2014/15 price base										2,935,415,123
Annual Actual Project Spend Yt Estimated Allowable Project Spend Yt Forecast Allowable Project Spend Yt	£, 2014/15 prices £, 2014/15 prices £, 2014/15 prices	Allowable Project Spend (verified by the ITA) incurred in Charging Year T Allowable Project Spend (not verified by the ITA) incurred in Charging Year T Allowable Project Spend forecast to be incurred in Charging Year T										372,481,596 0 0
CPRCV YI YARCV YI	£, 2014/15 prices £, 2014/15 prices	Closing RCV for Charging Year T - the sum of opening RCV for Charging Year T and all Allowable Project Spend in that year Year average RCV for Charging Year T										3,307,896,720
A.4. Liquidity	£	The Liquidity building block allows the IP a liquidity allowance (return on capital) in										9,351,584
OPRCV Yt+1	£, 2014/15 prices	relation to the incremental average RCV in the year following the Charging Year in question. See Project Licence, Appendix 1, Part A 4 Opening RCV for Charging Year T+1										3,307,896,720
2014/15 RPI Adjustment Factor Yt+1 Annual Actual Project Spend Yt+1 Estimated Allowable Project Spend Yt+1 Forecast Allowable Project Spend Yt+1 Forecast Allowable Project Spend for year t+1	£, 2014/15 prices £, 2014/15 prices £, 2014/15 prices £, 2014/15 prices	Scalar to adjust forecast costs for Charging Year T+1 to 2014/15 price base NEW ROW ADDED FOR RECONCILLATION Allowable Project Spand (verified by the IT NEW ROW ADDED FOR RECONCILLATION Allowable Project Spand (not verified by the Allowable Project Spand forecast to be incurred in Charging Year T+1										1.47 239,194,777 0 0
CPRCV YI+1 FYARCV YI+1	£, 2014/15 prices £, 2014/15 prices	Closing RCV for Charging Year T+1 Average RCV for Charging Year T+1										3,547,091,496 3,427,494,108
A.5. Opex		In line with the Project Licence, the Opex building block is zero as all costs are accounted for as capital expenditure. See Project Licence, Appendix 1, Part A 5										0
A.6. Financing Cost Adjustment building block		The Financing Cost Adjustment building block is intended to protect against movements in the market cost of debt, by comparing a measure of financing costs at an annual reference point to a base reference point of March 2015. See Project					0	461,614	-1,016,891	-3,201,092	-9,948,780	-18,366,706
Financing Cost Adjustment Yt Financing Cost Adjustment Index Yield	%	Licence, Appendix 1, Part A 6 See Project Licence Appendix 1, Part A 6.3		1.30%	1.43%	0.35%	0.01%	461,614 0.23%	-1,478,505 -0.47%	-2,184,201 -0.88%	-6,747,688	-8,417,925
Base Reference Point (BRP)	%	The historic 12 months' trailing average of the Financing Cost Adjustment Index Yield as at 31 March 2015			1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%
Annual Reference Point (ARP) BRP-ABP	% %	The historic 12 months' trailing average of the Financing Cost Adjustment Index Yield as at 31 March of Charging Year Vt-2 Difference between BRP and ARP			1.30%	1.30%	1.43%	0.35% 0.95%	0.01% 1.29%	0.23% 1.07%	-0.47% 1.76%	-0.88% 2.18%
Market Cost of Debt Adjustment Factor (absolute) Market Cost of Debt Adjustment Factor (corrected sign)	% % £, current prices (March of	See Project Licence Appendix 1 Part A 6.7 See Project Licence Appendix 1 Part A 6.7 Net Debt at the end of Charging Year T-2 as defined in Project Licence Appendix 1,			0.00%	0.00%	0.00% 0.00%	-315,869,558	0.54% -0.54% -72,091,186	0.32% -0.32%	1.01% -1.01% 1,156,967,223	1.43% -1.43% 1,689,497,869
Net Debt in Charging Year Yt-2 Water Services Regulation Authority Adjusted RCV (Current Prices) in Charging Year Yt-2 Notional Debt to RCV Ratio	Charging Year T-2) £, current prices (March of Charging Year T-2)	1.44 RCV at the end of Charging Year T-2 in then current prices As defined in Project Licence Appendix 1, 1.45			0 0 62.5%	0 62.5%	-130,376,913 151,310,515 62.5%	-315,869,558 502,087,458 62.5%	-72,091,186 1,043,425,953 62.5%	1,655,435,722 62.5%	2,307,915,724 62.5%	2,889,052,612 62.5%
Notional Net Debt in Charging Year Yt-2	£, current prices (March of Charging Year T-2)	RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9			0	0	94,569,072	313,804,661	652,141,221	1,034,647,326	1,442,447,327	1,805,657,883
Net Debt in Charging Year Yt-3 Water Services Regulation Authority Adjusted RCV (Current Prices) in Charging Year Yt-3	Charging Year T-3) £, current prices (March of Charging Year T-3)	Net Debt at the end of Charging Year T-3 as defined in Project Licence Appendix 1, 1.44 RCV at the end of Charging Year T-3 in then current prices			o o	o o	o o	-130,376,913 151,310,515	-315,869,558 502,087,458	-72,091,186 1,043,425,953	543,155,000 1,655,435,722	1,156,967,223 2,307,915,724
Notional Debt to RCV Ratio Notional Net Debt in Charging Year Yt-3	%	As defined in Project Licence Appendix 1, 1.45 RCV multiplied by Notional Debt to RCV ratio. See Project Licence Appendix 1 Part A 6.9			62.5%	62.5%	62.5%	94,569,072	62.5% 313,804,661	62.5% 652,141,221	1,034,647,326	1,442,447,327
Applicable Change in Revenue RPI for Charging Year Yt. Applicable Change in Revenue RPI for Charging Year Yt.2 Adjustment agreed with Ofwat to correct for net debt error within the regulatory accounts					1.01 0.96	1.01 0.98	1.03 1.01	1.07 1.01	1.11 1.03	1.13 1.07	1.14 1.11	1.22 1.13 218424
A.1.4. Tax	£	In line with the Project Licence, zero as the IP is not required to pay corporation tax or any other income-based tax										0
		See Project Licence Appendix 1, Part A 1.4 REMOVED FROM THIS RECONCILIATION SHEET AS RECONCILED SEPARATELY, AS UNDER/OVER RECOVERED REVENUE IN RELATION TO ALL APPLICABLE										
A.7. Under/Over Recovered Revenue Adjustment	£	CHARGING YEARS IS RECONCILED IN CALCULATION 2024. The revenue adjustment building block is to reconcile for underiover recovered Allowed Revenue In previous Charging Years. See Project Licence, Appendix 1, Part 4.7 Allowed Revenue as submitted in 2015, 2016 and 2017 updated revised Revenue										0
Allowed Revenue Amount recovered in respect of Allowed Revenue (to end of September 2021)		Anowed revenue as summed in 2017, 2016 and 2017 updated revenue Statement Amount collected by Themes Water and received by Tideway in respect of 2016/17, 2017/18, 2018/19, 2019/20 and 2020/21 Allowed Revenue, prior to the end of September 2021.										
Amount recovered in respect of Allowed Revenue (to end of September 2020)	£	Amount collected by Thamas Water and received by Tideway in respect of 2015/16, 2016/17, 2017/18, 2018/19 and 2019/20 Allowed Revenue, prior to the end of September 2019. The cut-off is the same as that used for the 2020 Revenue										
Applicable Change in Revenue RPI		Statement ensuring that the amounts received are treated consistently between Revenue Statements. RPI in November of previous Charging Year relative to 2014/15 base year Represents the number of years of NPV adjustment required - two years for a Charging										
Years of NPV adjustment		Year being reconciled for the first time, and one year to reconcile further amounts received in respect of Charging Years already reconciled. See "Statement of Calculation 2024"										
Amounts in respect of prior Charging Years not yet reconciled (unadjusted) Reconciliation amounts - Charging Year T-2 (unadjusted)		Further amounts received in respect of Charging Years that have already been reconciled. Difference between Allowed Revenue for a Charging Year and the amount collected by										
Reconciliation amounts (NPV-adjusted)		Thames Water and received by Tideway in respect of that Allowed Revenue. Reconciliation amount as calculated above, NPV-adjusted for the delay between the original Charging Year and the year of reconciliation using the BWACC and Applicable										
		Change in Revenue RPI. REMOVED FROM THIS RECONCILIATION SHEET AS RECONCILED SEPARATELY										
A.8. Reconciliation adjustment	£	IN BBRA CALCULATION Reconciliation for updated expenditure and inflation data to reflect realised actuals and updated forecasts. See Project Licence, Appendix 1, Part A 8										0
Reconcile this year?	n/a	Revenue for a given Charging Year is subject to building block reconciliation adjustment where estimated or forecast expenditure or inflation inputs were used the last time that year's revenue was calculated. Defined as follows: 1 = yes, 0 = no Represents the number of years since revenue was first acticulated to feed into the										_
Time since original calculation	years	NPV adjustment of the reconciliation adjustment. Allowed Revenue recalculated using updated expenditure and inflation data. Excludes the under/over recovered revenue adjustment and the reconciliation adjustment										
Allowed Revenue (as at October 2021)	£	building blocks, as these building blocks are not subject to reconciliation. See BBRA Calculation 2018, BBRA Calculation 2019 and BBRA Calculation 2021.										
Allowed Revenue (as at October 2020)	£	Allowed Revenue as submitted in 2019 updated revised Revenue Statement. Excludes the underlover recovered revenue adjustment and the reconciliation adjustment building blocks, as these building blocks are not subject to reconciliation.										
Applicable Change in Revenue RPI (vær in which original calculation was made) Applicable Change in Revenue RPI (current year) Reconciliation amounts (unadjusted)	£	Adjustment calculated as difference between updated calculation and previous year's calculation, prior to NPV adjustment.										
Reconciliation amounts (NPV-adjusted)	£	Adjustment calculated as difference between updated calculation and previous year's calculation, post NPV-adjustment using BWACC and Applicable Change in Revenue RPI.										
A.11. Additional Return on Capital Building Block	£	Not applicable. To be added to calculation if building block becomes relevant (i.e. if Tideway makes an IAR Overrun Application to increase Allowable Project Spend above the Threshold Outturn). See Project Licence, Appendix 1, Parl A 11										
A.11. Additional Liquidity Building Block	£	Not applicable. To be added to calculation if building block becomes relevant (i.e. if Tideway makes an IAR Overrun Application to increase Allowable Project Spend above the Threshold Outturn). See Project Licence, Appe										