

2025-26 wholesale price increases

Information for non-household customers

This document provides retail water suppliers and non-household customers with additional information about Portsmouth Water's bill increases for 2025-26, details our investment proposals and what this means for bills over the next five years. It also explains some of the support that is being made available to customers to help them reduce their demand and manage costs.

What is the price increase for 2025-26?

From 1 July 2025, Portsmouth Water's average water supply bill will increase by 25% between 2024-25 and 2025-26.

The 2025-26 charges increase reflects:

- the Ofwat Final Determination of our price limits, which was <u>published in December 2024</u>;
- CPIH inflation of 3.5%, based on the November 2023 published figure; and,
- deferral of 2% of the allowed price rise, to manage the profile of bill increases over time.

Full details of our charges can be found in our Wholesale Schedule of Charges www.portsmouthwater.co.uk/wp-content/uploads/2025/01/SCHEME-OF-CHARGES_WHOLESALE_-2025-2026.pdf

Further information about Ofwat's price limits can be found here: www.ofwat.gov.uk/wpcontent/uploads/2024/12/Overview-of-Portsmouth-Waters-PR24-final-determination.pdf

Key areas of expenditure and investment in the region

Over the next 5 years, we have committed to deliver our largest ever investment programme to secure a water resilient future for all. While bills will rise over the next five years to fund vital investments, we're committed to ensuring we continue to provide the most reliable service at excellent value.

Bob Taylor, our Chief Executive, recently discussed the details of our investment plans with local radio station, V2 Radio. The full interview is available to listen to online now.



2025 TO 2030 IN SUMMARY

How we're taking action to deliver safe, reliable water to our communities, support the environment and keep our services affordable for everyone.

Between 2025 and 2030, we will:

Maintain leading levels of

- in person and online

customer service and support



Maintain high quality drinking water



Maintain reliable supplies

by upgrading treatment works, pumps and pipes



O Reduce leaks by 15% and halve them by 2040



Go smart – install smart water meters for our customers, digitalise our network and help everyone to use water **more efficiently**



Remove lead pipes from schools and nurseries



Strengthen water security, keeping supplies safe from cyber threats and extreme weather



Deliver Havant Thicket Reservoir

securing resilient resources,
protecting world-renowned chalk
streams and providing community
leisure space



Investigate all our water sources to secure sustainable supplies for the future





What this means for your water supply bills over the next 5 years

In 2025-26, you will experience the largest charges increase during the five-year period of our business plan. Bills will then increase in smaller amounts until 2030. The graph below shows average bill increases over a six-year period¹. The figure shown is the average annual bill for our customers, including inflation. After 2025-26, the increases assume 2% inflation each year, but this remains subject to change based on the CPIH inflation figures. These are published annually by the Office for National Statistics (ONS).



Helping customers save more water and money with smart water meters

This year, we will begin to roll out new smart water meters to all our customers. Every drop of water we save through this programme will mean we need to take less out of our environment. Customers will also benefit from enhanced technology to identify leaks faster and the tools to better understand water usage.

As part of the smart water metering programme, we will be working with Retailers to agree how we can best support non-household customers to improve water efficiency. We will also be stepping up our communications and advice for all customers on steps they can take to save water. For our very largest users, who will be most impacted by tariff increases, we plan to provide water efficiency site visits to help reduce wastage and leakage.

For questions about anything within this document please contact us for help and support.



¹ The values shown in the graph are based on average household bills, but business customer charges should follow a similar pattern