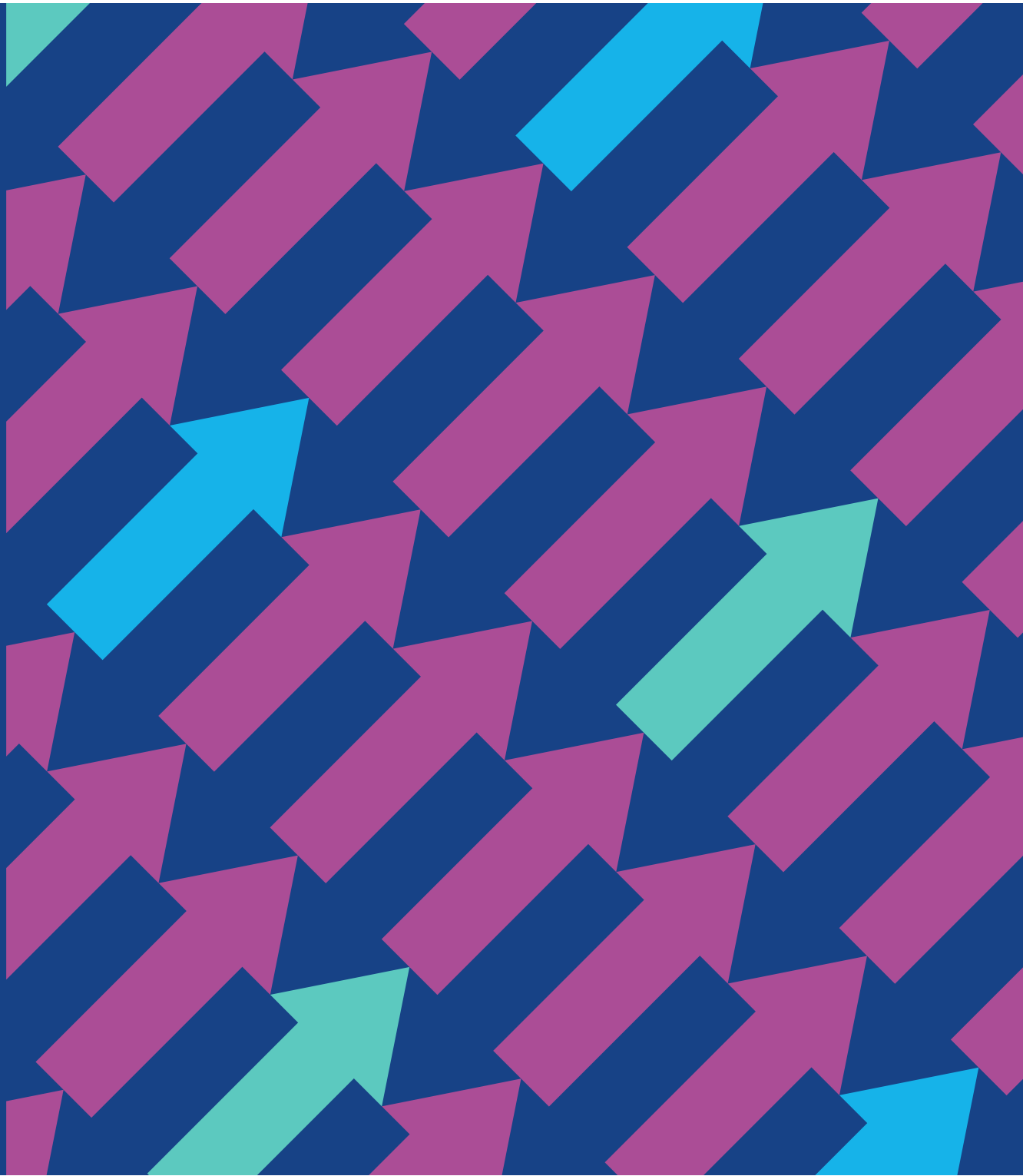


Return to Sewer Allowances

Good Practice Guide



Guide Summary

To provide standardisation and guidance for Retailers, Wholesalers, Customers and Third Parties on the process for assessing Return to Sewer (RTS) Allowances.

Objectives

Allowances

Guide Principles

Conditions

Responsibilities

Disputed Allowance Requests

It is important to note that Wholesaler or Retailer policies and practices change from time to time and whilst every effort is made to maintain the accuracy of this document if there is any doubt the current policy or practice should be checked with the relevant Wholesaler or Retailer.



Contents

1.0	Objectives	04
2.0	Guide Principles	05
3.0	Responsibilities	05
	3.1 Sewerage Wholesaler	05
	3.2 Customer Responsibility	05
	3.3 Retailer Responsibility	06
4.0	Type of allowance & volumetric assessment	06
5.0	Start Date for new RTS allowances	07
6.0	How long is the allowance granted for?	07
7.0	Calculating the allowance	07
8.0	Conditions	07
9.0	Disputed allowance requests	07
10.0	Addendum Table	08

Appendices

Appendix 1	Links to Operational Terms and Process Diagrams	08
Appendix 2	Example of a Simple Water Balance	09
Appendix 3	Questions a Retailer may wish to ask to assess an RTS Allowance	10
Appendix 4	Work Around to Insert a Fixed Return to Sewer Allowance	10
Appendix 5	Addendum Table Summarising each Wholesalers Alignment with Good Practise in relation to RTS Allowances	11

1.0 Objectives

- 1** Provide an industry good practice guide.
- 2** Encourage a consistent and collaborative market approach.
- 3** Reduce market complexity for Retailers, Non-Household Customers (Customers), their representatives and third-party intermediaries.
- 4** Aid correct charging for the sewerage services that Customers utilise.
- 5** Provide clear guidance on the information a Wholesaler requires to grant a Return to Sewer (RTS) allowance.
- 6** Ensure any RTS allowances for water supplied but not returned to sewer are appropriate, fairly assessed and comply with the Wholesale Retail Codes & Market Codes Part 3: Operational Terms, Part H allowances.

2.0 Guide Principles

2.1 A Wholesaler may grant an RTS allowance for water which is metered on to a premise but does not return to sewer. The majority of Wholesaler's apply a default RTS allowance, against volumetric sewerage charges. These default allowance may be built into the wholesale tariff or offset against the chargeable sewerage volume. It is up to the Customer/ Retailer to advise the Wholesaler of and apply for any RTS allowance above the default allowance.

2.2 Following consultation, the Retailer Wholesaler Group (RWG), has concluded that the most appropriate approach is via the 'direct' method (which reduces the volume of wastewater billed rather than the wastewater volumetric rate) and the RTS allowance should be 95% of the volume of water supplied. This is their recommended best practice and those Wholesalers that are currently not applying this best practice approach and allowance are encouraged to adopt it.

3.0 Responsibilities

3.1 Sewerage Wholesaler

3.1.1 The Wholesaler will publish their RTS allowance policy and/ or provide details of the default allowance in their Wholesale Tariff/ Charges Scheme.

3.1.2 The Wholesaler will process and assess any additional RTS allowance in line with their policy, within the timescales specified in Process H0/1 Part A.

3.1.3 The Wholesaler will verify the RTS allowance and may seek further information from the Retailer or may arrange a site visit to the Customer's premise, if required.

3.1.4 The Wholesaler may require the Customer to install private sub-meters in order that the RTS allowance can be calculated. The Wholesaler will advise where the meter needs to be located and what information it requires from the sub meter e.g. meter make, model, serial number, number of digits, date of installation, initial reading, location and X&Y co-ordinates.

3.1.5 The Wholesaler will confirm what information is required from the Customer in order to verify and quantify the allowance. This may involve one-off static data or data that is required on an ongoing basis. (e.g. staff numbers, private sub-meter readings, installation of a private sub-meter and associated meter reads, provision of production figures etc.).

3.1.6 The Wholesaler will inform the Retailer of the RTS allowance and the date this will be applied, within 20 working days and will update the market (CMOS) accordingly.

3.1.7 Wholesaler can instigate a review of an existing RTS allowance, but it must follow Process H, Part B of the Operational Terms (links to this document and the process diagrams can be found in Appendix 1).

3.1.8 If a wholesaler wishes to review a significant number of RTS allowances, it should take a phased approach and collaborate with the retailers with customers who may be affected and accommodate any reasonable retailer request to allow them to manage their workload.

3.2 Customer Responsibility

3.2.1 If a Customer believes that the amount of water not returning to sewer is greater than the Wholesaler's default allowance then they should contact their Retailer who can advise them and apply for the appropriate allowance on their behalf.

3.2.2 The Customer should provide information to the Retailer to demonstrate how and where water is used and whether it returns to sewer, or if not (e.g. is evaporated; disposed of / tankered off-site; goes into the product; used for irrigation etc.).

3.2.3 The Customer should provide a simple water balance (see Appendix 2) to demonstrate how and where water is used and whether or not it returns to sewer.

3.2.4 The Customer should provide a drainage plan for their site, if requested to do so.

3.2.5 The Customer should consider how the quantity of water can be accurately assessed e.g. by installing sub-meters. If this is not practical, then other supporting information should be provided.

3.2.6 If requested to do so, the Customer should install private sub meters, regularly read them and provide the readings to their Retailer or agree with their Retailer an acceptable alternative method of providing meter read information. The meter must meet the requirements of the Measuring Instrument Regulations 2016 and the customer may be asked to provide evidence of this.

3.2.7 The Customer should inform their Retailer of any significant change in business activities which may affect the RTS allowance (increase or reduction).

3.3 Retailer Responsibility

The Retailer should:

3.3.1 Make their Customers aware of the Wholesaler's RTS policy.

3.3.2 Assess if any RTS allowances are due as part of its Customer 'on-boarding' process. A list of useful questions is summarised in Appendix 3.

3.3.3 Advise the Customer of the Wholesalers default RTS allowance, to determine if any further allowance is applicable.

3.3.4 Advise and assist the Customer to collate the relevant information the Wholesaler requires in order to assess/grant an RTS allowance.

3.3.5 Submit an H/01 form for any RTS allowances they believe to be due, in excess of the default allowance the Wholesaler applies.

3.3.6 Provide any further information the Wholesaler may require in order to validate the RTS allowance and re-submit the H/01 form as appropriate.

3.3.7 Work with the Wholesaler and Customer to review any existing RTS allowance as a result of a wholesaler instigated review and supply the information required within the 20 working days timescale.

3.3.8 If a private meter is fitted the Retailer will agree a reading schedule with the Customer, upload the private meter reading to CMOS in-line with market meter reading and use these readings to issue an accurate invoice to the Customer.

3.3.9 Be proactive if the Customer does not provide their private meter readings.

3.3.10 Review the RTS allowance on any change of occupier and advise the Wholesaler accordingly.

4.0 Type of allowance & volumetric assessment

4.1 There are a number of reasons why water may not be returned to sewer. These include:

- Evaporation (e.g. from boilers, cooling towers, heated swimming pools, launderettes etc);
- Irrigation (e.g. by garden centres, golf clubs, football clubs etc);
- Removed off site (e.g. swimming pool bathing costumes & towels, tropical fish shop, disposal off site due to interceptor or tank cleaning);
- Added to product (e.g. cement works, bakery, food manufacturer);
- Drinking water for livestock or used in agriculture where sewerage charges are against the meter

4.2 Where a Customer is charged Trade Effluent Charges the Wholesaler's Trade Effluent Team will normally apply any non-return to sewer allowances when they calculate the trade effluent volume or trade effluent basis of charge.

4.3 Where Trade Effluent Charges are not applied, Wholesalers can agree a % RTS for the metered water which returns i.e. if a RTS of 70% is applied this means that 70% of the water consumed returns to sewer and an allowance of 30% is given for the water that does not return to sewer. CMOS does not currently allow a fixed volume reduction to be applied. Please see Appendix 4 for details for a work around.

4.4 In addition, a Wholesaler may apply charges for discharges which a Customer makes where water is supplied from alternative sources e.g. borehole, or rainwater harvesting.

5.0 Start Date for new RTS allowances

Please refer to the relevant Wholesaler's policy as summarised in Appendix 5 of this document.

6.0 How long is the allowance granted for?

6.1 The RTS allowance is granted until such time as there is a change in the Customer's circumstances (change of process, change of occupier, change of occupancy status etc.), or the wholesaler instigates a review.

6.2 The Customer, Retailer or Wholesaler can instigate a review of the RTS, however the customer must do this via its Retailer.

6.3 For clarity, Wholesaler's may review an RTS allowance, either after it has received the required information from the retailer, or after a wholesale site visit.

7.0 Calculating the allowance

7.1 In some cases the allowance may be quantified by the installation of private sub meters to enable charges to be based on accurately measured data (e.g. sub metering the supply to a large irrigation tank to quantify the volume of irrigation water used).

7.2 If direct measurement is not practical then the volume can be calculated using other data (e.g. manufacturer's specifications, product data, industry guidelines) as considered relevant by the Wholesaler.

8.0 Conditions

8.1 The Wholesaler will comply with its RTS allowances policy/ procedure in place at the time the Retailer submits a valid allowance application H/01 form.

8.2 The RTS allowance will be granted to the Retailers not directly to the Customer. The Retailer will credit the Customer as per their internal policies.

9.0 Disputed allowance requests

9.1 The Retailer can challenge the Wholesalers RTS allowance decision within 10 business days of receiving the Wholesalers notification (as per Process H, Part B Step 6).

9.2 The Wholesaler shall consider the Retailers challenge as per Step 7 and notify the Retailer of any further change is required within 8 business days.

9.3 If a Retailer disputes a given allowance, they should refer to the issuing Wholesaler's internal dispute/escalation process.

9.4 If the Customer or Retailer does not agree with the Wholesaler's escalation findings, they can submit a complaint, using the Market Code F5 complaint form/process.

10.0 Addendum Table

10.1 Whilst the main aim is to bring consistency across the market for RTS allowances. There may be some circumstances where Wholesaler's may differ from this guide. Please see the Addendum Table in Appendix 5 for more details.

Appendices

Appendix 1 - Links to Operational Terms and Process Diagrams

Please see links below to:

Market Codes: Wholesale-Retail Code: Schedule 1 Part 3 Operational Terms

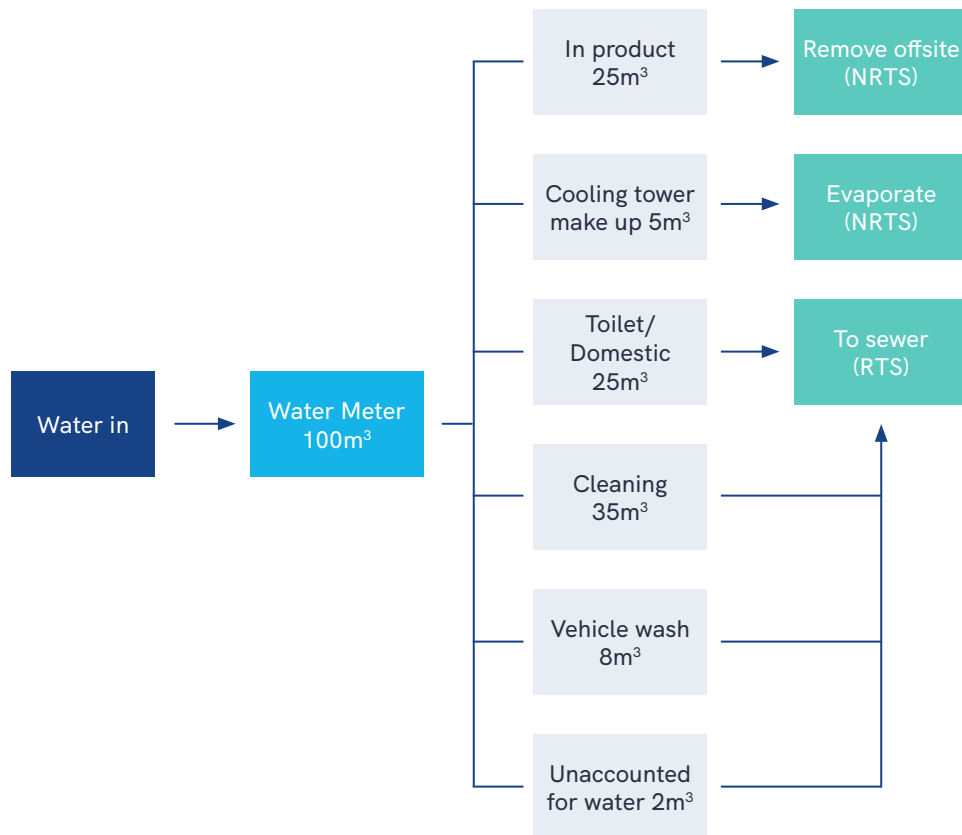
<https://mosl.co.uk/market-codes>

Market Codes: Forms: Form H/01

<https://mosl.co.uk/market-codes>

Appendix 2 – Example of a Simple Water Balance

A simple water balance is provided below. Some of the figures can be calculated, such as the toilet/ domestic and in product, where as it may be worth submetering others e.g. cooling tower make up, or the vehicle wash. Alternatively, it could be possible assessing the vehicle wash by calculation if there were a record of the number of washes etc.



Please see the example to the left. The wholesalers water meter records 100m³ per annum, however not all of the water consumed returns to sewer, so a return to sewer allowance is due as follows:

RTS Allowance	Volume
Toilet/Domestic	25m ³
Cleaning	35m ³
Vehicle Wash	8m ³
Unaccounted for water	2m ³
TOTAL	70m³

Therefore, the RTS is $70/100 * 100 = 70\%$ i.e. 70% of the water returns to sewer and 30% does not.

For further information on preparing a water balance please paste the following into your web browser:

[www.wrap.org.uk>content>water-balance-template](http://www.wrap.org.uk/content/water-balance-template)

If you would like to target water efficiency to reduce your consumption and generation of wastewater to save money a great starting point is WRAP's Tracking Water Use to Cut Cost which is a free publication and full of practical advice:

http://www.wrap.org.uk/sites/files/wrap/WRAP_Tracking_Water_Use_to_Cut_Costs.pdf

Appendix 3 – Questions a Retailer may wish to ask to assess an RTS Allowance

Customer to answer:

1. Do you have any significant processes where water is used but is not returned to sewer? (e.g. irrigation, evaporation, use in product, taken off-site etc.) Yes/No
2. Detail the processes?
3. What happens to the water that doesn't return to the sewer?
4. Can you measure or assess the volume that doesn't return to the sewer?

Retailer to answer:

5. Does the volume of water not returned to sewer exceed the Wholesalers default RTS?
6. If no = no action
7. If yes = please see Retailer action

Retailer action:

8. If the allowance claimed is greater than the default RTS allowance the Retailer should complete and submit an H/01 form to request an allowance and submit the relevant supporting information.

Appendix 4 – Work Around to Insert a Fixed Return to Sewer Allowance

Wholesalers can use a work-around to apply a fixed RTS using the current CMOS scope. For those customers that need to have a fixed Return to Sewer the Service component can be changed to 'Assessed Sewage'. The Water, Highway and Surface Water drainage Service components can all remain as metered. With the Sewerage Component changing to Assessed a fixed amount can be entered which is to be charged. Please see below screenshot.

Service Component Data

Service Component Type	Assessed Sewerage Services	T143 Update SC						
Effective From Date	2016-04-01	TCORR143 Update SC						
<table border="1"> <tr> <td>Special Agreement Flag</td> <td>No Special Agreement exists</td> </tr> <tr> <td>Special Agreement Factor</td> <td></td> </tr> <tr> <td>Special Agreement Reference</td> <td>T129 TCORR129</td> </tr> </table>		Special Agreement Flag	No Special Agreement exists	Special Agreement Factor		Special Agreement Reference	T129 TCORR129	T138 Update Volumetric Adjustment
Special Agreement Flag	No Special Agreement exists							
Special Agreement Factor								
Special Agreement Reference	T129 TCORR129							
		TCORR138 Update Volumetric Adjustment						
Tariff Code	NHH_AS_VAR							
Volumetric Adjustment:								
Volumetric Adjustment Type	Volumetric Adjustment Unique Reference	Adjustment Volume						
		Effective From Date						
		Effective To Date						
No Volumetric Adjustments found								
Assessed Volumetric Rate	2526	T145 Submit Assessed SC Data						
Assessed Chargeable Meter Size								
Tariff Band		TCORR145 Submit Assessed SC Data						

Appendix 5 – Addendum Table Summarising each Wholesalers Alignment with Good Practise in relation to RTS Allowances

Company	Default RTS % (please comment if allowance is applied to volume or tariff?)	Back dated to	Borehole	Grey water	Rainwater harvesting	Preferred RTS measurement	When is the allowance reviewed?
RTS Good Practice	Wholesalers must apply their standard RTS allowance which may be reflected as a percentage of the bill or built into their tariffs, where it is the latter this should be clearly stated. The most appropriate approach is a direct method as a percentage and this should be 95% of the volume of water supplied.	Most recent date or 1st April of the tariff year in which the Form was received by the Wholesaler, or the date the customer moved in - whichever is the most recent.	Private meter installed on borehole supply which returns to sewer. The Wholesaler may bill a Retailer for the volume of borehole water returning to sewer, in addition to any potable water returning to sewer.	If the grey water is sourced from an alternative source (i.e. is not sourced from a potable supply) a private meter may be required on the grey water supply which returns to sewer. The Wholesaler may bill a Retailer for the volume of grey water returning to sewer, in addition to any potable water returning to sewer.	Private water meter installed on rainwater harvesting supply which returns to sewer. The Wholesaler may bill a Retailer for the volume of harvested rainwater returning to sewer, in addition to any potable water returning to sewer. A Wholesaler should consider if an allowance is required against surface water charges where it raises a charge for rain water harvesting.	All parties should take a pragmatic view. Installation of a private water meter may be appropriate if only one or two meters are required and the RTS allowance is significant. If the RTS allowance is reasonably minor or difficult to meter then a calculated or estimated volume is appropriate.	The Retailer will review if an RTS allowance is due as part of their on boarding process, or upon a change of occupier/ occupancy. Note a wholesaler can instigate a review of any RTS allowance agreed if it suspect something may have changed or as part of a periodic review as per Process H Part B of the Operational terms.
Anglian Water	95%	Applied going forwards (next billing period) once evidence has been received and validated. E.g. sub meter installed and meter reads taken.	AWS requires where practical all significant NRTS are metered (this would include boreholes, water in product, water disposed of off site, evaporation etc.). This would work in both ways to prove a non RTS or additional RTS due to own supply.	Ask for meter and charge for the additional volume RTS.	Ask for meter and charge for the additional volume RTS.	Sub meters or physical evidence such as tanker receipts.	We would reset/ remove the allowance at a change of occupancy or when the allowance expires. We tend to suggest a maximum review period of 2 years but review annually as BAU.
Northumbrian Water	95% (note we charge 100% volume but at 95% of the tariff i.e. there is a 5% non return to sewer allowance built into the tariff).	Most recent date 1st April of the tariff year the form was received in or date the customer moved in - whichever is the most recent.	NWL requires where practical all significant NRTS are metered (this would include boreholes, water in product, water disposed of off site, evaporation etc.)	We would ask they are metered and charge them an additional volumetric sewerage charge for the quantity of 'non potable' water returned to sewer.	Depends if it the surface water is discharged as trade effluent. If it is we would adjust the site 'connected surface area' to excluded the area which is drained, measured and charged for as trade effluent.	We use both. It depends on the how variable the sites water consumption as well as the variability of the NRTS. We would like to use both moving forward.	We would reset/ remove the allowance at a change of occupancy or when the allowance expires. We tend to suggest a maximum review period of 5 years.
Severn Trent Water	95%	Most recent date 1st April of the tariff year the form was received in or date the customer moved in - whichever is the most recent.	Meter on Borehole required.	Request for private sub meter be installed if grey water is NRTS.	Request for a private sub meter be installed and charge for the additional volume RTS. Reduction in SWD possible if overflow isn't connected to STW main.	Whilst a sub meter which measures the return to sewer, or losses, is preferable Severn Trent will accept other data which can be corroborated to calculate the volume returning to sewer, or not returning to sewer as the case may be.	We would typically review the RTS allowance on a change of occupancy (retailer lead).
South West Water	95%	Most recent date 1st April of the tariff year the form was received in or date the customer moved in - whichever is the most recent.	Require the alternative supply to be installed in such a way so that the water which is used and discharged can be measured by means of a meter installed on the alternative supply system, sub-meter. Billing specification meter on the borehole supply, linked to Sew SPID as PRIVATEWATER.	Measured by means of a meter installed on the alternative supply system, sub-meter. Meter on Grey water plumbing prior to reuse. Usage is deducted from main meter. 100% RTS charged. Linked to Sew SPID as PRIVATEWATER.	Sewerage charges are payable on the water discharged. Meter on pipework from tank to toilets etc. 100% RTS charged. Linked to Sew SPID as PRIVATEWATER.	Usage not returning to sewer should be measured. Metered evidence based calculation considered at SWW discretion. Anything non-standard (not metered) can be discussed and would be at SWW discretion if given.	We would typically review the RTS allowance on a change of occupancy (retailer lead).
Southern Water	95%	Previous actual last read.	Meter on borehole supply preferred.	No adjustment.	No adjustment.	Will allow subs but often use calculations to work out percentage.	Change of occupancy but reserves the right to periodically review.

Inline with GPG

Better than current GPG

Does not currently meet good

Gray Water – Typically, its not applicable to raise any additional charges in respect of grey water, as it returns to sewer anyway (e.g. bath water used to flush toilets), it's just slightly stronger than it would have been if it had not been re-used- but its still 'domestic sewerage'.

Rain Water incentives – Northumbrian Water - offers reduced charges in relation to surface water drainage for attenuation, and other sustainable urban drainage schemes. These are applied to the surface area banding charge, rather than non-return to sewer.

Reviewed by Trevor Hobb on 27/4/21.

Objectives

Principles and Responsibilities

Allowance

Appendices

Company	Default RTS % (please comment if allowance is applied to volume or tariff?)	Back dated to	Borehole	Grey water	Rainwater harvesting	Preferred RTS measurement	When is the allowance reviewed?
Thames Water	95%	Claims may be back dated up to 16 month from the date of application.	Meter on borehole supply preferred.	No adjustment.	No adjustment (Dealt under H01 - Surface water abatement).	Sub meter & calculation used to grant the abatement.	We would typically review the RTS allowance on a change of occupancy (retailer lead).
United Utilities	95%	1st of April of the current financial year.	Meter on borehole supply preferred.	Ask for meter and charge for the additional volume RTS.	Private meter installation preferred. Allowance against surface water charges applied where applicable.	Sub meter or calculation used some standard allowances applied.	Change of occupancy but reserve the right to periodically review.
Wessex Water	95%	1st of April of the current financial year.	Meter on borehole supply preferred.	No adjustment.	No adjustment.	Range of analysis including sub metering, water balance, standard allowances.	We would typically review RTS allowances as part of a periodic review.
Yorkshire Water	95%	1st of April of the current financial year.	Meter on borehole preferred.	Meter on grey water supply preferred.	Meter on rain water harvesting system preferred.	Standard allowances for cattle, swimming pool evaporation, bathers allowances and for domestic use based on number of residents or employees. We may request a meter to be fitted where possible.	We would typically review RTS allowances as part of a periodic review.
Dŵr Cymru Welsh Water ¹	95%	1st of April of that year.	Meter on borehole supply preferred.	No adjustment.	No adjustment.	% Reduction is the norm but depending on the circumstances we may install a sub meter.	Change of occupancy but reserve the right to periodically review.

Inline with GPG

Better than current GPG

Does not currently meet good

Gray Water - Typically, its not applicable to raise any additional charges in respect of grey water, as it returns to sewer anyway (e.g. bath water used to flush toilets), it's just slightly stronger than it would have been if it had not been re-used- but its still 'domestic sewerage'.

Rain Water incentives - Northumbrian Water - offers reduced charges in relation to surface water drainage for attenuation, and other sustainable urban drainage schemes. These are applied to the surface area banding charge, rather than non-return to sewer.

Reviewed by Trevor Hobb on 27/4/21.

¹ Please note that Sewerage services in Dŵr Cymru's statutory area are not in the Retail market.