

DEE VALLEY WATER

DRAFT STATUTORY DROUGHT PLAN

STATEMENT OF RESPONSE TO REPRESENTATIONS RECEIVED

1. STATUTORY DROUGHT PLANS

In accordance with Section 63 of the Water Act 2003 Dee Valley Water has published its draft Statutory Drought Plan for consultation. The drought plan was provided to statutory consultees and also published on the Company's web-site on 19 June 2006. A hard copy was also made available at the Company's head office. Appendix A contains the list of consultees.

2. PUBLIC CONSULTATION

Following publication there was a 6-week period (ending on 28 July 2006) for representations to be sent to both the Welsh Assembly Government and the Department for Environment, Food and Rural Affairs. In accordance with the Act, this Statement of Response is being published on 1 September 2006, 15 weeks after the publication of the draft plan.

The following organisations submitted representations:-

- Consumer Council for Water (CCWater)
- Environment Agency (EA)
- Ofwat
- United Utilities
- Countryside Agency
- Welsh Consumer Council

Representations were received from the Countryside Council for Wales (CCW) after the deadline.

3. REPRESENTATIONS

All of the respondents were supportive of Drought Plans and most provided helpful advice on where the Company's draft plan could be improved.

A summary of the representations, together with the Company's responses, is included as Appendix B to this statement.

The representations received have been grouped into five main categories:

- Environment
- Customer care
- Drought management
- Communication
- Drought triggers and scenario testing

One general observation on the representations received is that they generally imply an expectation of drought measures being implemented more frequently than is the Company's expectation. This is probably the consequence of recent events elsewhere. This difference of perception has influenced the Company's responses to some of the representations received.

Environment

The EA is concerned that the Talwrn borehole may have been subject to groundwater contamination which could make it unsuitable for use to provide augmentation to the River Dee under Stage 1 and 2 of the Dee General Directions. The Company is in discussion with the EA on this issue and further investigation will be required. If it is established that the borehole cannot be used, alternative measures will be investigated and the Drought Plan and the Drought General Directions for the Dee System will be amended accordingly. If necessary, alternative measures will be implemented.

CCW's comments relate to implications of the plan for certain protected sites. The named protective sites are all currently subject to assessment by the EA for the Habitats Directive. If any of the Company's abstractions are determined as having any adverse effect, options for resolving the issues raised will then have to be considered. Following this process, the Drought Plan will be amended if necessary.

In addition, the Company proposes to meet EA and CCW to determine what other issues should be taken into consideration in the final Drought Plan.

Customers

The customer-related representations generally focussed on the measures the Company would take to inform customers of drought restrictions and how they would be affected by supply restrictions. Whilst the Company proposes to update its Plan to provide further clarity in some areas, there is an issue about the level of detail that it is appropriate to, or possible to, include in the Drought Plan. The Company will consult with CCWater to discuss its expectations in more detail and amend the Drought Plan accordingly.

Drought management

The Company received several representations that the Plan did not clearly define the roles and responsibilities of the drought management team. Whilst again there is an issue about the appropriate level of detail, this area will be improved.

Other drought management related representations identified that more information should be included on the how the Company proposes to review the drought management process and build on the lessons learnt from managing the supply/demand balance during a drought. This will be addressed in outline but to address it in detail, as requested, is not practicable.

Ofwat suggested that the Plan should define the levels of service customers can expect to receive, eg a hosepipe ban 1 in 40 years. To provide this information would require an over-simplification that could be misleading. The Company's Water Resources Plan is based on criterion which is survival of the 1995 drought without demand restrictions. EA's guidance on assessing yields is based on use of the historic period of record, which for DVW's sources was 71 years when the assessment was last done. A slightly longer period of record was used by EA for their assessment of the yield of the Dee, on which DVW is heavily dependent.

For DVW's sources, a hosepipe ban would only have been required once, in 1933, and then only briefly. No further restrictions would have been necessary. For the Dee, according to the EA assessment, restrictions such as a hosepipe ban would occur with a frequency of around 1 in every 40 years. More stringent restrictions would not have occurred in any of the historic drought sequences modelled (understood to be from 1912). Without statistical extrapolation, simplified return period statistics in the form suggested by Ofwat cannot be produced.

Ofwat and EA, which has raised a related issue, will be consulted on how best to represent probability in a form that is both sensible and informative.

Ofwat also suggested that the Plan should include information to customers on the level of compensation that they may be entitled to as a result of implementing demand restrictions. This will be considered, however, the Company does not feel that the Drought Plan is the appropriate document to contain this information.

Communication

Some respondents stated that the communications plan should be developed further to identify when liaison with the relevant stakeholders would begin. The Company believes this is already included in the drought management tables but it will be reviewed and further clarity provided where necessary.

Drought triggers and scenario testing

The Company currently has one Resource Zone, Pendinas, which is only capable of being supplied by its upland reservoirs. The Environment Agency suggested that the Drought Plan should demonstrate, by the use of scenarios, that the Pendinas Resource Zone could be managed through a drought. In effect this work has already been carried out in the derivation of the control curves and is not, therefore considered necessary (refer also to comments under Drought Management). This will be discussed with EA and if any further explanation is agreed necessary, it will be provided.

The Company does not believe that these triggers can be defined in advance in a form that will be helpful. It is noteworthy that the drought for which the Drought Plans are intended has not been defined. The Company's

interpretation is that it is a drought that is even more severe than the worst that has been designed for. In terms of the early warning triggers referred to by the EA, they will depend on too many factors (intensity, duration, preceding conditions, demand, etc.) to be defined. This issue will, however, be discussed with the EA.

Appendix A
List of Consultees

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The following organisations were consulted as part of the draft Drought Plan consultation stage:

Cadw
Campaign for the Protection of Rural Wales
Chester City Council
Cheshire County Council
Cheshire Wildlife Trust
Consumer Council for Water (Wales)
Countryside Agency
Countryside Council for Wales
Denbighshire County Council
Dwr Cymru / Welsh Water
English Heritage
English Nature
Environment Agency Wales
Flintshire County Council
Friends of the Earth (Cymru)
Friends of the Meadows
North Wales Wildlife Trust
Northwest Development Agency
OFWAT
RSPB
Severn Trent Water
United Utilities
Welsh Assembly Government
Welsh Development Agency
Wrexham County Borough Council

Appendix B
Summary of representations

Draft Drought Plan – Representations received from Welsh Assembly Government (2/8/06)

Ref No.	Representation / Comment / Suggestion	Who from	Response	
1	The Plan should include more detail about the infrastructure that would be used to keep consumers informed of drought restrictions.	CCWater	Accepted. Expectations to be clarified and the Final Plan to be amended accordingly.	
2	The Plan should show how consumers will be affected at various stages of supply restrictions – refer to special need customers and assistance available.	CCWater	The Company will consider how this could be included in the Final Plan.	
3	The Emergency Plan does not appear to be posted on the company web-site and it may that this is for security reasons. Subject to security considerations it might be possible for the Emergency Plan to be shown as an Appendix to the Drought Plan or alternatively for the specific information relating to essential services within the Emergency Plan to be included.	CCWater	The Company will consider, in its Final Plan, whether the Emergency Plan in its entirety should be included as an Appendix to the Drought Plan.	
4	It might be helpful if the Plan could spell out how, in case of standpipes or rota cuts, the impacts on consumers will be managed and minimised.	CCWater	Refer to section 3 of statement - Communication	
5	The Plan should define how the Company will deal with increased numbers of customer enquiries by Drought Management Team.	CCWater	The Company has the facility to call upon a remote call centre to manage increased customer enquiries if required. This will be clarified in the Final Plan.	
6	The Company should update their web-site to confirm where paper copies can be obtained.	CCWater	Accepted and will be updated in the Final Plan.	
7	The Drought Plan should make specific reference of other sources for obtaining the Drought Plan.	CCWater	Accepted and will be updated in the Final Plan.	

Draft Drought Plan – Representations received from Welsh Assembly Government (2/8/06)

Ref No.	Representation / Comment / Suggestion	Who from	Response	
8	The Drought Plan should outline at what stage of the drought which particular consumer representatives would be informed.	CCWater	To be reviewed. The Drought Management Tables will be updated to clarify the triggers for liaising with the relevant stakeholders, if necessary.	
9	The Company should make reference to the need to consult with UU regarding Vrynwy water.	UU	Accepted and will be included in the Final Plan.	
10	The reference to North West Water should be changed to United Utilities.	UU	Accepted and will be amended in the Final Plan.	
11	The Communications Strategy should mention the need to liaise with UU regarding the increase abstraction from Vyrnwy Aqueduct.	UU	Accepted and will be included in the Final Plan.	
12	The Drought Plan should, for the Pendinas RZ, demonstrate, through the use of scenarios, that the plan would allow the company to manage a range of droughts with current demands.	EA	Refer to Section 3 of statement – Drought triggers and scenario testing	
13	The Drought Plan should integrate the communications plan with the drought triggers (Refers also to item 8 above).	EA	Refer to section 3 of statement - Communication	
14	The Drought Plan should assess whether the potential for groundwater contamination prevents the use of Talwrn borehole for augmentation of the Dee in accordance with the Dee General Directions.	EA	Accepted and to be assessed prior to the completion of the Final Plan.	

Draft Drought Plan – Representations received from Welsh Assembly Government (2/8/06)

Ref No.	Representation / Comment / Suggestion	Who from	Response
15	The Drought Plan should define the individual roles of drought management team.	EA	Accepted to some extent and to be updated in the Final Plan.
16	The final plan should clearly show how the trigger “lower than normal precipitation...” will be defined.	EA	Refer to section 3 of statement – Drought triggers and scenario testing.
17	The company has no triggers to show how it will remove its drought management measures. These should be included in the final plan so that people can see how long restrictions might be in force.	EA	The Company specified in the drought plan that drought management measures would be removed as and when reservoir storage levels recovered above the control curves. The Company will, however, review whether further clarity is required in its Final Plan.
18	The company should show how its drought measures would be effective using specific drought scenarios.	EA	Refer to section 3 of statement – Drought triggers and scenario testing.
19	The company should state whether demand management measures will be applied uniformly across its company area or only to those zones affected.	EA	Accepted although this will depend on the circumstances. It is likely the measures will be applied Company-wide. If necessary the amendments will be included in the Final Plan.
20	The company should make clear in its final plan, how it would implement non-essential use restriction.	EA	Accepted. The Company will seek to learn from the recent drought experiences in the South East. Amendments if possible in the time-scales will be included in the Final Plan.
21	The company should explicitly include the assessment of other supply options within its water resource zone drought management framework. These options may require permissions or authorisations such as drought orders or permits.	EA	Accepted. However, it is foreseeable that the supply options requiring drought orders or permits will not be feasible in the short term.

Draft Drought Plan – Representations received from Welsh Assembly Government (2/8/06)

Ref No.	Representation / Comment / Suggestion	Who from	Response	
22	The company could produce a summarised version of its drought plan for its customers.	OFWAT	The Company considers the Executive Summary provides a suitable summary of the Drought Plan for its customers but would agree to ask Ofwat in what respects the Executive Summary is not satisfactory.	
23	It is unclear the extent to which the consultation has been publicised.	OFWAT	Accepted. The Final Plan will be amended to include the list of consultees as an Appendix.	
24	Section 2 – include sentence “Actions to manage a drought are a balance between the impact on the environment (supply) and the needs of customers (demand)”.	OFWAT	Accepted and will be included in the Final Plan.	
25	Section 3 – Drought Management Triggers and Options. The Company should list the levels of service customers can expect to receive.	OFWAT	Refer to section 3 of statement – Drought management.	
26	Update figure 3 (Ty Mawr control curves) to similar style as figure 5.	OFWAT	Accepted and will be updated in Final Plan.	
27	Appendix B is missing from the copy received by OFWAT.	OFWAT	Appendix B is included as a separate document. The Appendix is available on the Company’s web-site if required.	
28	Appendix C1 – The chart should be updated to remove undefined line from the graph.	OFWAT	Accepted and will be updated in the Final Plan.	

Draft Drought Plan – Representations received from Welsh Assembly Government (2/8/06)

Ref No.	Representation / Comment / Suggestion	Who from	Response
29	Communications Strategy – The company does not have a well-developed communications plan. For instance, at what drought trigger stage would the company begin liaison with us?	OFWAT	The Company believes the communications plan to be sufficiently developed. The drought management tables (Tables 1.1 to 1.12) provide triggers to commence liaison with the relevant stakeholders. Further clarity will be provided in the Final Plan.
30	The Company should detail how it proposes to review the drought management process and build on the lessons learnt.	OFWAT	Refer to section 3 of statement – Drought management.
31	The Company should detail the compensation customers may be entitled to as a result of implementing the various drought management actions.	OFWAT	This will be considered but the Company’s initial reaction is that it would not be appropriate to include this in the Drought Plan. A brief reference to the Company’s Guaranteed Standards Scheme will be included.
32	Dee Valley Water’s Draft Statutory Drought Plan does consider issues regarding the Berwyn and South Clwyd Mountains Special Area of Conservation (SAC). However, it does not acknowledge the fact that the plan has implications for protected sites <i>in the Dee catchment</i> .	CCW	Refer to section 3 of statement – Environment.
33	As CCW considers that changes to abstraction levels or compensation flows in the Dee at times of drought are likely to have significant effects on European sites, it believes that Dee Valley Water’s drought plan should be subject to an Appropriate Assessment.	CCW	
34	Should it not prove possible to establish that the drought plan will not adversely affect the integrity of one or more SAC, the plan could be considered under Article 6.4 of the Directive to determine whether there were no alternative solutions to it and whether it was necessary for imperative reasons of over-riding public interest.	CCW	

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Ref No.	Representation / Comment / Suggestion	Who from	Response	
35	This drought management plan is likely to have a significant effect either individually or in combination with other plans, and will therefore need to be appropriately assessed as required by Article 6.3 of the Habitats Directive (92/43/EEC), it may also require the undertaking of Strategic Environmental Assessment, irrespective of whether it appears on the indicative list of plans or programmes given in ODPM guidance. Regulation 5(3) of the above Regulations provide for the undertaking of an SEA if the plan is found to require assessment under Article 6 or 7 of the Habitats Directive.	CCW		
36	Dee Valley Water should write to the consultation bodies listed in the Regulations seeking a formal screening opinion from those bodies (including CCW)	CCW		