

Changes in our charges¹

2025-26 Wholesale Non-Household Scheme of Charges

There will be some significant increases in wholesale charges this year. You can read more about [why bills are changing](#) and the steps we have taken to reduce the impact on customers this year ([mitigation](#)) further on in this document.

Illustrative bills – wholesale non-household

Typical customers will see different bill changes depending on whether they are metered or unmetered and the amount of water they use. Illustrative bill changes for a range of customers are set out below.

Table 1 - Wholesale non-household bills for typical customers in Powys and Monmouthshire

Wholesale ¹	24-25 Water	Waste ²	Total	25-26 Water	Waste ²	Total	Incr %	£ per month
<i>Unmetered</i>								
Low	£178	£190	£368	£227	£297	£524	42.4%	+£13.00
Average	£225	£238	£463	£286	£377	£663	43.1%	+£16.75
High	£280	£293	£573	£354	£470	£823	43.7%	+£20.75
<i>Metered</i>								
V.Small (60m ³)	£117	£239	£355	£135	£309	£443	24.7%	+£7.25
Small (120m ³)	£319	£386	£705	£370	£552	£922	30.9%	+£18.25
1,000m ³	£1,936	£1,806	£3,742	£2,255	£2,759	£5,013	34.0%	+£106.00
5,000m ³	£9,651	£9,926	£19,577	£11,247	£14,713	£25,960	32.6%	+£532
25,000m ³	£45,354	£37,999	£83,353	£53,040	£61,122	£114,162	37.0%	+£2,568
75,000m ³	£119,036	£126,162	£245,198	£144,908	£193,663	£338,571	38.1%	+£7,781
<i>Trade effluent</i>								
Small (120m ³)	£319	£426	£745	£370	£598	£968	29.9%	+£18.50
1,000m ³	£1,936	£6,793	£8,728	£2,255	£11,496	£13,751	57.5%	+£419
5,000m ³	£9,651	£6,793	£16,444	£11,247	£11,496	£22,743	38.3%	+£525
25,000m ³	£45,354	£33,100	£78,454	£53,040	£56,532	£109,571	39.7%	+£2,593

- Note that these are all **wholesale bills** for retailers. Final bills for customers will depend on retailer charges.
- Only water services for customers using more than 50,000m³ per year are eligible for competition in Wales. No wastewater charges are included within the market. This is represented by the grey shading.

Wholesale water charges for customers that are eligible for the market are increasing by around 21.7%. We provide wastewater services for around 1 in 6 of our non-household customers. For these customers, wastewater charges are rising more significantly, primarily to pay for improvements in the environment such as reducing sewer spills into rivers.

We also provide water services in the Wrexham area. We don't provide sewerage services there, so the wastewater charges for these customers will usually be set by Dŵr Cymru Welsh Water (DCWW). We've estimated overall bills in Wrexham including DCWW wastewater bills.

¹ Statement of Significant Changes in wholesale non-household charges

Table 2 - Wholesale non-household bills for typical customers in the Wrexham area

Wholesale ¹	24-25 Water	Waste ¹	Total	25-26 Water	Waste ¹	Total	Incr %	£ per month
<i>Unmetered</i>								
Low	£231	£290	£521	£256	£361	£617	18.4%	+£8.00
Average	£379	£345	£724	£426	£433	£858	18.5%	+£11.25
High	£478	£403	£880	£539	£507	£1,046	18.8%	+£13.75
<i>Metered</i>								
V.Small (60m ³)	£109	£247	£357	£140	£294	£434	21.7%	+£6.50
Small (120m ³)	£274	£461	£735	£356	£564	£919	25.1%	+£15.25
1,000m ³	£1,655	£2,463	£4,118	£2,165	£3,085	£5,250	27.5%	+£94.25
5,000m ³	£8,247	£11,366	£19,612	£10,798	£14,289	£25,087	27.9%	+£456
25,000m ³	£41,125	£54,180	£95,304	£53,878	£68,270	£122,148	28.2%	+£2,237
75,000m ³	£119,036	£162,233	£281,269	£144,908	£202,300	£347,208	23.4%	+£5,495

1. Estimate based on information shared by Dŵr Cymru with an adjustment for the actual value of inflation.
2. Only water services for customers using more than 50,000m³ per year are eligible for competition in Wales. No wastewater charges are included within the market. This is represented by the grey shading.

Dŵr Cymru sewerage bills for 2025-26 are estimates because we didn't have their final charges at the time of publication. We've based these values on information they have shared with us, adjusting for known differences such as the final value of inflation and [Ofwat's](#) final determination.

Why bills are changing

Each year the revenue controls set by [Ofwat](#) (our regulator) allow us to recover a fixed amount of revenue from our customers. This covers the cost of treating water, running and maintaining our network and cleaning wastewater before it is discharged to the environment (you can read more about what your bill pays for [here](#)). For most of our charges this is modified by inflation, adjustments for performance and any past over or under-recovery in previous years.

The level of charges is also influenced by volume. When we set our charges, we divide our allowed revenue over the properties we serve and the volume we expect them to use. When the volume increases, this lowers our average charges and if it falls then we need to increase charges to raise the same level of revenue. The impact on non-households depends on the volume of water they consume and the services they receive.

For the **majority of our customers**, the factors affecting wholesale non-household **water bills** for a typical customer are:

- **Inflation** added **+3.5%** to wholesale bills.
- Ofwat **revenue controls** allowed for an effective real increase of **+16.0%**.
- **Volume** changes reduced wholesale water bills by **-3.4%**.

Around 1 in 6 of our non-household customers receive wastewater service from Hafren Dyfrdwy. The factors increasing **combined** wholesale non-household bills for a typical customer are:

- **Inflation** added **+3.5%** to combined wholesale bills.
- Ofwat **revenue controls** allowed for an effective real increase of **+23.3%**.
- **Volume** and other changes increased combined wholesale bills by **+4.0%**.

This overall increase funds a huge increase in [investment over the next five years](#). It is heavily weighted towards improving rivers and the environment, which means that it is heavily weighted towards the wastewater service. As a result, wastewater bills are going up more quickly than water.

If business demand falls, this leads to a lower contribution to the cost of running the services we provide and upward pressure on bills for all customers. We also expect some household and business customers to move to lower tariffs, which reduces their contribution. This will inevitably lead to increases for customers that continue to be billed in the same way as they were last year.

Stakeholder views

As part of our “customer tracker”, we survey a group of customers to understand the level of increase that might have a significant impact on their household finances. Around 60% of household customers thought that an increase of £5 per month would have some impact on their household finances and that this would have a big effect on around 20% of households. This would equate to an increase of about 13% on the average household bill. There is no average non-household customer, but the largest group are small businesses with usage similar to metered households.

Our illustrative bills above show that increase for small business customers will be significant next year. This is necessary in order to deliver on [customer priorities for improvement](#) to service and the environment. We talked to households and business customers across our region when we were putting together our plans. When we explained what our plan would deliver, customers generally thought that our [plan was acceptable](#) and focussed on the right things.

As we don’t provide sewerage services in the Wrexham area, we’ve estimated the overall bill impact with indicative figures for Dŵr Cymru Welsh Water bills. Our assessment of the impact on bills is [here](#).

We showed a draft view of our charges to [CCW](#), who represent the views of water customers. Our final charges are different to the early view which we showed to CCW in September. This is mainly due to the difference between [Ofwat’s](#) draft and final determinations for future prices; there is also a small difference due to the level of inflation. CCW have been fully involved in Ofwat’s periodic review and were aware that final charges were likely to be different from the early view.

Our retail account managers also engage with retailers directly, particularly regarding the way our charges are structured in CMOS² and we are simplifying our tariff structure within the system. Note that only wholesale water charges that could apply to non-households using more than 50,000m³ of water per year are included within CMOS for Hafren Dyfrdwy.

Managing changes in wholesale bills

In the future, we will need to make significant investment in our services, as we’ve set out in our [plan for the next five years](#). Engaging with [CCW](#), we’ve used the levers available to us to smooth out price rises so that

² Central Market Operating System

customers do not see sudden increases in charges wherever possible. This has helped to reduce the change in water charges this year but for wastewater there is a very large increase in the rate of investment that we need to make in order to improve the state of rivers and the environment more generally.

Next year we will continue to encourage more of our intermediate customers (using between 10,000 and 50,000 cubic metres of water) to move to the most advantageous wholesale tariff for them, which should help mitigate the effect of price rises this year. These customers are not eligible for the non-household retail market. There are no changes to the structure of charges that apply to eligible customers.