

Changes in our charges¹

2026-27 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	25-26 Water	Waste ²	Total	26-27 Water	Waste ²	Total	Incr %	£ per month
<i>Unmetered</i>								
Low	£227	£297	£524	£257	£395	£652	24.3%	+£10.50
Average	£286	£377	£663	£316	£497	£813	22.6%	+£12.50
High	£354	£470	£823	£384	£616	£1,000	21.4%	+£14.75
<i>Metered</i>								
V.Small (60m ³)	£135	£309	£443	£142	£340	£483	8.9%	+£3.25
Small (120m ³)	£370	£552	£922	£393	£595	£988	7.1%	+£5.50
1,000m ³	£2,255	£2,759	£5,013	£2,393	£2,932	£5,325	6.2%	+£26.00
5,000m ³	£11,247	£14,713	£25,960	£11,936	£15,714	£27,649	6.5%	+£140.75
25,000m ³	£53,040	£61,122	£114,162	£57,732	£64,346	£122,078	6.9%	+£660
75,000m ³	£144,908	£193,663	£338,571	£159,861	£207,006	£366,867	8.4%	+£2,358
<i>Trade effluent</i>								
Small (120m ³)	£370	£598	£968	£393	£643	£1,035	7.0%	+£5.50
1,000m ³	£2,255	£11,496	£13,751	£2,393	£12,072	£14,465	5.2%	+£59.50
5,000m ³	£11,247	£11,496	£22,743	£11,936	£12,072	£24,008	5.6%	+£105.50
25,000m ³	£53,040	£56,532	£109,571	£57,732	£59,302	£117,034	6.8%	+£622

- 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 10.3%. We provide wastewater services for around 1 in 6 of our non-household customers. For these customers, combined charges are rising more slowly because our wastewater charges are not rising as quickly this year.

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	25-26 Water	Waste ¹	Total	26-27 Water	Waste ¹	Total	Incr %	£ per month
<i>Unmetered</i>								
Low	£256	£377	£633	£274	£401	£674	6.6%	+£3.50
Average	£426	£450	£875	£444	£478	£922	5.3%	+£4.00
High	£539	£525	£1,064	£557	£558	£1,116	4.9%	+£4.25
<i>Metered</i>								
V.Small (60m ³)	£140	£543	£683	£151	£577	£728	6.6%	+£3.75
Small (120m ³)	£356	£757	£1,112	£383	£805	£1,188	6.8%	+£6.25
1,000m ³	£2,165	£2,555	£4,720	£2,335	£2,718	£5,054	7.1%	+£27.75
5,000m ³	£10,798	£11,555	£22,353	£11,648	£12,294	£23,942	7.1%	+£132.50
25,000m ³	£53,878	£54,369	£108,247	£58,124	£57,846	£115,970	7.1%	+£644
75,000m ³	£144,908	£174,728	£319,636	£159,861	£185,903	£345,765	8.2%	+£2,177

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 2026-27 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.

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.

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

- **Inflation** added **+3.6%** to wholesale bills.
- **Ofwat revenue controls** allowed for an effective real increase of **+9.1%**
- **Revenue Corrections** reduced bills by **-5.7%**
- **Performance adjustments** (ODIs) reduced charges by **-0.3%**.
- **Volume** changes reduced wholesale water bills by **-2.2%**.

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 **+3.6%** to combined wholesale bills.
- **Ofwat revenue controls** allowed for an effective real increase of **+8.7%**
- **Revenue corrections** reduced wholesale charges by **-4.7%**
- **Performance adjustments** reduced bills by **less than 0.1%**
- **Volume** and other changes increased combined wholesale bills by **+3.7%**.

This overall increase funds a huge increase in [investment over the next five years](#). We will be making significant improvements in 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.

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 the Consumer Council for Water ([CCW](#)), who represent the views of water customers. Given the level of change in bills for most customers, CCW was concerned about the level of increases for customers who might struggle to pay. We discussed the increase in charges this year and the profile of future bills in light of our investment proposals for the years after 2025 (you can read more about this in our [Business Plan](#)). CCW believe that customers prefer a more stable bill profile without sharp increases from one year to the next, and this was supported by our own customer research. We have therefore deferred some revenue that we could have included within charges this year; this reduced wastewater bills by around 26% and a combined bill by 14.2%.

Our retail account managers engage with retailers directly and we also engage with retailers at a national level through the RWG². In recent years we have implemented a number of RWG recommendations to harmonise and simplify tariff structures:

- We have applied the common 95% “return to sewer” assumption;

² Retailer Wholesaler Group

- We have reduced the number of meter-based standing charges from 11 to 4 broad size bands;
- We have organised our volumetric charges into five broad thresholds and aim to simplify this further in future.

Our industry regulator [Ofwat](#) has been fully involved in all RWG discussions.

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 customers do not see sudden increases in charges wherever possible. As noted in the previous section we've deferred some wastewater revenue, which has reduced charges for combined customers by 14.2%.

Unmetered customers

We are gradually reducing the proportion of the unmetered customers bill that is linked to the [Rateable Value](#) (RV) of their property and replacing this with fixed charges. There are few non-household customers that are still charged on the basis of RV and the wholesale unit rate is the same as for residential properties. Non-households charged in this way can ask for a metered charge and where it is not practical to install a meter they can opt for an assessed charge.

Volumetric charges

We are gradually harmonising the volumetric rates paid by non-household customers at different levels of consumption. This will better reflect the increasing scarcity of water resources and will reduce the complexity of our charges in future, in line with RWG recommendations. However, we expect this transition to take a significant period of time and the pace of change will depend on other factors influencing customer bills such as inflation and future investment.

There are no changes to the structure of charges that apply to eligible customers.