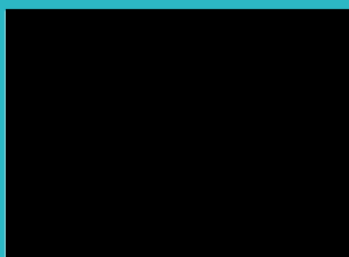


# Criteria for selecting specified infrastructure projects – Ofwat Guidance (May 2015) – a consultation on proposed updates

## South East Water response

30 April 2024

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## 1. Introduction

We do not have any current projects that are likely to fall within the scope of a special infrastructure project (SIP). The largest project that we currently have on our long-term horizon is the construction of the Broad Oak reservoir. Although this project is large enough to meet the DPC threshold and possibly also the RAPID threshold, we do not expect it will meet the threshold for a SIP.

However, we recognise that major investment is required in the industry in coming decades and that SIPs may play an important role in delivering that investment. As such we are supportive of the general direction of this proposal to make it easier to facilitate this kind of project.

## 2. Specific responses to consultation questions

Q1. Do you have any comments on our updates to the 'About this document' section or Part 1 of the guidance? If yes, please explain.

No, these seem to be sensible updates.

Q2. Please provide any comments on our proposed approach to new section 4 (explaining the test for specifying a project as an infrastructure project), and new section 4.1 'Threat to services provided by the water company', in particular how we propose considering alternative delivery models.

We are happy with these proposals. In particular, it makes sense that DPC should be considered as an alternative delivery model.

Q3. Please provide any views on the additional evidence factors we propose adding to sections 4.1.1 and 4.1.2?

No objections.

Q4. Please provide details of any other factors you consider Ofwat might include in sections 4.1.1 and 4.1.2. Please note, the lists in the guidance are not exhaustive.

None to add.

Q5. Please provide any comments on the clarification made to section 4.2 (value for money) and the modified / additional evidence factors we propose to include. Please note, the lists in the guidance are not exhaustive.

No additional comments. The evidence factors make sense.

