“”Water for the future” – 9th November 2009

Water resources planning

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Water resources planning

- Many companies just publishing their latest Water Resources Management Plan (WRMP)
- Consistent with Final Business Plans submitted to Ofwat
- These WRMPs are the first to be subject to public consultation
- We have sought stakeholder input to the plans
- In reality, regulatory view is strongest influence because:
  - EA support essential to ensure Defra approval
  - Ofwat must be willing to fund the plan
- UK approach to water resources planning is world class, however:
  - Can EA really act as both environmental pressure group and auditor?
  - Many uncertainties we have not been able to take into account

Water resources planning – the challenges ahead

- Climate change
  - Too uncertain so Ofwat didn't fund substantial investment
  - UKCP09 not likely to reduce the uncertainty
  - Will there ever be enough certainty or do we wait for the next big drought?

- Political and regulatory uncertainty
  - Habitats Directive & Water Framework Directive
  - Walker review on water charging
  - Cave review on competition
  - Pitt review on flooding
  - New Floods and Water Bill

Water resources planning – the challenges ahead

- Population and increasing demands
  - Population growth is strongest in areas of highest water stress
  - How do we reduce domestic water demand?
  - Metering is critical in areas of high water stress but what about elsewhere?
  - Pressure on companies to use optimistic demand forecasts

- Focused on Water Resources but uncertainties & challenges also affect other areas:
  - Wastewater treatment – returning treated wastewater to the environment
  - Drainage – overloaded sewers and “slow water” approach
  - Reservoir safety – ageing assets and higher storm flows
  - Water quality – faster run-off increasing sediments and warmer climate

Thank you