



Paying for sustainability

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Outline

- Sustainability and regulation
- Sustainable planning and pricing
- Sustainable policies

Sustainability and regulation



- Ofwat duty in 2003 Water Bill
 - Followed EFRA select committee report
- Broader than existing regulatory duties
 - *“development that meets the needs of the current generation without compromising the ability of future generations to meet their own needs”* (Brundtland report)
- A token gesture or real bite?

Sustainable planning and pricing



Sustainable plans and objectives – AMP times four

Plans: 20-30 years

Efficient delivery – AMP plus two

Investment costs and outputs: 7-9 years

Efficient prices - AMP

Revenue: 5-7 years

Sustainable policies



| | | |
|-------------------------|--------------------------------|---------------------------------------|
| New policies | Product subsidies | Bio-fuels from sludge |
| | WST Scarcity tariffs R&D | Social tariffs Mains coolers |
| Current policies | SCaMP WFD | Landfill tax Vuln Cust Regs CCL |
| | UWWTD | ROCs |
| | Water-related | Beyond water |