



Anglian Water's strategic solutions:

An explanation of our RAPID gate one reports

July 2021

Introduction

Anglian Water is exploring the possible development of two new reservoirs to help provide resilience to future droughts and climate change. We are also working in partnership with Affinity Water to explore a possible new piece of infrastructure to transfer water to its supply area.

On the 5 July 2021, Anglian Water (and in collaboration with Affinity Water and Cambridge Water, where appropriate) submitted gate one reports for these three potential water infrastructure schemes to the Regulators' Alliance for Progressing Infrastructure Development (RAPID).

These reports are publicly available and can be accessed through our website, although their content and style is technical given their requirement and purpose. This short note explains the context behind the submission of these reports and the process of further exploring these schemes.



Planning for resilience

Anglian Water is the largest water company in England by geographic area. We serve almost seven million customers in one of the UK's fastest growing regions, projected to grow by 175,000 homes by 2025. In terms of water, our region can be characterised by low rainfall and being home to a significant proportion of wetland sites of conservation interest. We are committed to making the east of England resilient to the risks of drought and flooding while working with others to achieve significant improvement in ecological quality.

Every five years, Anglian Water is required to produce a Water Resources Management Plan (WRMP) setting out how we will manage water supplies over a minimum of the next 25 years. The current WRMP was published in 2019. This plan considers the key challenges we face, such as climate change, environmental protection, population growth and the risk of drought, in ensuring a resilient future supply of water for our customers.

Our 2019 WRMP adopted a twin track approach of managing demand and recognising the need for new supply options, with a focus on managing demand through rolling out smart meters, further reducing leakage and promoting water efficiency. WRMP19 also recognised that at some point significant new infrastructure may be required to ensure we continue to supply enough water to meet the needs of all users including agriculture, energy, the environment, and our customers.

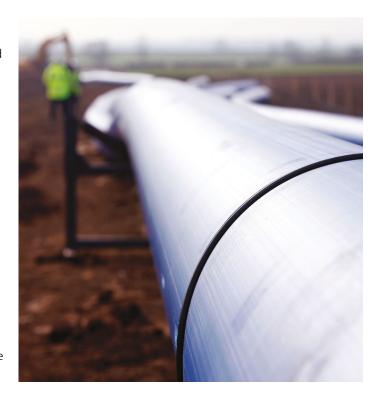
The scale and complexity of this potential new infrastructure means that long lead-in times would be required before it could be built. We have to be planning for these solutions ahead of time, for them to be 'construction ready' should they be needed. This forward-looking approach to uncertain requirements is referred to as adaptive planning. We are now planning for schemes that may be required for delivery between 2025 and 2035.

Strategic solutions

As part of this adaptive planning process, our 2019 WRMP identified a number of strategic solutions that could significantly increase future supply. These solutions include:

- The South Lincolnshire Reservoir: a proposed new reservoir expected to be located in Lincolnshire, which could provide benefit both to customers of Anglian Water and Affinity Water. When river flows allow, water would be sourced from the River Witham supported by a transfer from the River Trent. Water could be transferred to the reservoir either by a pipeline or an open water transfer. Local flows from the South Forty Foot Drain will also be incorporated into the design where possible.
- The Fens Reservoir: a proposed new reservoir in the Fens either to the east or west of the Ouse Washes which could benefit customers of Anglian Water and Cambridge Water. When river flows allow, water would be sourced from the River Ely-Ouse at Denver, with potential additional water sources from the River Bedford-Ouse at Earith, Middle Level Drain at St Germans, and the Ouse Washes being assessed. It is expected that water would be transferred to the reservoir via pipelines, although open water transfers will also be considered.
- The Anglian to Affinity Transfer: a proposed new piece of infrastructure that would transfer water from the Anglian Water region to supply Affinity Water customers. The transfer would source water from a new supply to be developed in the Anglian Water region, which could be the South Lincolnshire Reservoir, the Fens Reservoir or a new source from the River Trent.

Both proposed reservoirs would also include adjacent works to treat water before it is piped to existing service reservoirs. Designs for the reservoirs will explore opportunities for them to support wider multisector benefits in addition to providing water supply resilience for water companies, farmers and the food industry.



RAPID

To support the progression of strategic options, the Regulators' Alliance for Progressing Infrastructure Development (RAPID) has been established to help accelerate the development of new water infrastructure. It seeks to improve regulation and remove barriers to help the water sector respond to long-term water resources challenges. RAPID is comprised of representatives from Ofwat, the Environment Agency and the Drinking Water Inspectorate.

Development funding is available to water companies progressing strategic solutions through RAPID. A gated process has been designed to ensure the funds are spent on time and to quality standards. Water companies exploring agreed strategic solutions need to submit deliverables at each gate to demonstrate their progress. This is in addition to any planning consents.

Gate one reports

The South Lincolnshire Reservoir and the Anglian to Affinity Transfer are existing RAPID schemes that are now being taken through the gate one process, but for the Fens Reservoir, we are proposing to RAPID that it enter the RAPID process.

The first stage of the RAPID gated process is gate one. At this stage, we must demonstrate each strategic solution's progress and viability. This involves setting out plans for delivering the proposed solution, including early conceptual outline designs alongside strategies for

engaging stakeholders, gaining planning permission and for procuring and operating the new infrastructure.

It is important to note that all our strategic solutions are in their early stages, with key details such as site selection and early concept designs still being progressed. Details included within the gate one reports are conceptual for the purposes of demonstrating the options are viable rather than for confirming designs and locations for development.

Next steps for exploring these solutions

The next milestone in the RAPID gated process is gate two in October 2022. Before then, we will be working to develop more detail on each option, which will include confirming the location of each reservoir.

The site selection process involves engaging with key regional stakeholders, such as the South Lincolnshire Water Partnership (SLWP) and Fens Water Partnership. These partnerships bring together a wide range of water-management stakeholders who are working to build integrated approaches to water management in the region.

Once more detail is available, we will share information on our emerging proposals and identified locations with local communities, inviting feedback through a period of consultation. For the two reservoir schemes, this is likely to be in spring 2022.

The regional plan, a draft of which will be published for consultation by Water Resources East in 2022, will provide more details on whether and when these strategic options are expected to be required.

Given the volume of water stored and deployable output of the schemes, we expect these projects to meet the thresholds to be Nationally Significant Infrastructure Projects (NSIPs). As a result, we would seek permission to develop them through a Development Consent Order (DCO). Following gate two, we will develop our proposals by commencing a programme of pre-planning activities, including comprehensive community and stakeholder engagement, and assessing the potential environmental impacts of each scheme.

We look forward to further exploring these strategic solutions to support a continued resilient supply of water in our region. We expect to be able to share more information on our progress in spring 2022.

