

Our statement of continued support

Sustainability and corporate social responsibility have become embedded within all parts of our business, from our day to day operations, to longer term business planning. Having set a strong foundation, we are now looking at how we can continue to improve the sustainability of our activities.

Wessex Water remains committed to high standards of corporate governance and believe it is essential to act ethically and responsibly. We are a signatory and firm supporter of UN Global Compact, a voluntary initiative covering the areas of human rights, labour standards, anti-corruption and the environment.

Dr Julian Dennis, Director of Compliance and Sustainability

Sustainability programme

Five year horizon: The future holds many challenges for the water industry and its customers. During 2008-09 we finalised our business plan for the five years starting in April 2010, setting out how we will meet these challenges.

Published in April 2009, the plan takes into account research on what customers and stakeholders want; willingness to pay and cost-benefit; new obligations we have to meet and the changing economic climate. <http://www.wessexwater.co.uk/about/threecol.aspx?id=2984>

Long term view: While looking at a five-year horizon, the final business plan is aligned with:

- 1) Our twenty-five year vision, *Water – the way ahead*, published in December 2007. This strategic direction statement outlines our plan for the future, set around the three key objectives of; i) delivering top-class service; ii) keeping bills affordable and iii) coping with climate change.
- 2) Our *Sustainability vision*; which sets out what a sustainable Wessex Water would look like and what is needed to help achieve this. The *Vision* was first published in 2004 and is reviewed annually.

Managing our greenhouse gas emissions

We have set an ambitious target of carbon neutrality by 2020 and have a carbon management strategy based on the hierarchy of emissions avoidance, energy efficiency and renewables. Over the last year we have continued to improve within these areas, for example:

Avoidance: Advanced sludge digestion at our Bristol sewage treatment works is helping reduce methane emissions from the digestion process. Our business plan for 2010-15 includes plans to replicate this at a number of other sites.

Energy efficiency: We have redoubled efforts on energy efficiency and have been making further energy savings on sites by improving our operational practices. We have been paying particular attention to sewage treatment works with the highest power use where the focus has been on more innovative approaches, such as aeration and ammonia control. This work has subsequently delivered 2GWh of energy savings, with further savings planned over the next few years.

Renewables: As well as helping reduce methane emissions (noted above); advanced digestion at our Bristol sewage treatment works is generating more of our power from sludge digestion; and we are actively looking at the potential to digest food waste for power production via a new business, GENeco. We are also continuing to look at the potential to use wind power to generate renewable energy and this year obtained planning permission for four turbines.

Management measures: We have been continuing to carry out work to help control leakage, encourage water efficiency in the home and manage water supply catchments to reduce pesticides and fertilisers entering groundwater supplies; all of which are helping us to manage the carbon footprint of water supply. We have also continued to improve our ability to measure and manage our use of energy and fuels within our operations and calculate the carbon footprint of our construction projects.

Wessex Water was pleased to win the South West C+ Carbon Positive Footprint Award in 2008 for the work we have been doing to manage our carbon footprint.

Ensuring good quality water supply

Over the last year we have continued work to protect and improve our water supplies, including:

- the completion of a £25 million project to rebuild our largest and most strategic works at Maundown in the West of our region
- ongoing catchment management work, aimed at addressing resource contamination in a more sustainable way, by working with farmers to look at efficient application of fertilisers and pesticides
- completion and consultation on our draft *Water resources plan*, which covers 2010 to 2035.

Our draft *Water resources plan* considers future water demand and availability, identifying options to deal with any imbalance between the two. It aims to look at water supply issues holistically, rather than just focusing on the resource perspective. For example, it includes proposals for the development of a more integrated water supply grid (by connecting areas where we have surplus water to areas with less water); the protection of our groundwater resources from pollution; and ways to encourage and enable our customers to use water wisely.

These proposals will provide greater resilience to more extreme weather events, allow us to reduce groundwater abstraction near rivers prone to low flows and help us manage water sources where nitrate levels are rising.

Customer service

Wessex Water feels that customer experience as well as the service they receive is really important. We have continued to work hard to improve customer satisfaction and during 2008-09 scored 100% on three out of the four customer service standards set by our financial regulator Ofwat. We also topped its telephone satisfaction survey. Of those customers who contacted us, 96% rated our service as good or very good, with two thirds rating the services they receive as good value for money.

We were also pleased to be the first utility company to achieve the government standard Customer Service Excellence Award.

Working with others

We prefer to discuss issues openly with interested parties, from day to day matters to more strategic discussions. We work with a range of interests in a number of ways; from customers, regulators, environmental groups to suppliers.

For example, during the last year we have looked at different ways to identify and provide advice to customers on water efficiency. This involved the trial of our new home water audit service and introduction of a new Waterwatch education pack for school pupils to help promote water saving ideas in the home.

We have continued with our different partnership programmes, with areas of focus ranging from surface water management through to biodiversity.

Last year also saw the launch of our environmental newsletter, WildWatch!, aimed at helping raise awareness, in an engaging way, of the wide range of work we do for wildlife.

Reporting

This year we have produced our first online sustainability report, providing information on a wide range of our sustainability activities during 2008-09.

This online report is accompanied by our annual sustainability review, *Striking the balance* – a shorter publication this year which looks at the challenges we face and the work we are doing to tackle them.

We also produce a booklet of sustainability indicators, quantifying outcomes and explaining trends. These graphs are also available within the relevant sections of our online report.

<http://www.wessexwater.co.uk/sustainability>