

Annual environmental performance report for Dŵr Cymru Welsh Water 2020

Prepared by the Water, Land, Biodiversity & Marine Regulatory Approaches team

Introduction

Natural Resources Wales' purpose is to pursue the sustainable management of natural resources in all our work. This means looking after the air, land, water, wildlife, plants and soil to improve Wales' well-being, and provide a better future for everyone.

We monitor the activities of water companies to minimise the impact their assets and activities have on the environment. We do this by checking their environmental performance throughout the year in areas such as reducing pollution incidents, complying with permits and licences and delivering environmental improvement schemes.

Natural Resources Wales regulate Dŵr Cymru's operations in Wales and the Environment Agency regulate Dŵr Cymru's operations in England; therefore, the Environment Agency have contributed to the performance assessment process and this report. All data reported in this report is for Dŵr Cymru's performance as a whole company so is combined for England and Wales. We also assess Hafren Dyfrdwy's performance which you can find on our [website](#).

Report contents

We publish this annual environmental performance report to set out Dŵr Cymru Welsh Water¹'s ("Dŵr Cymru") performance; the report is in two parts. The first is where we assess the company's performance against the six metrics in the Environmental Performance Assessment (EPA). The EPA is standardised across England and Wales, so the performance of the ten largest water and sewerage companies are monitored and assessed in a consistent way by the environmental regulators, Natural Resources Wales and the Environment Agency. The second part is where we monitor and assess the performance of other key work areas that are not covered by the EPA metrics. This report does not attempt to cover every aspect of water company regulation.

- Part 1: Dŵr Cymru's Environmental Performance Assessment Page 2-10
- Part 2: Dŵr Cymru's wider environmental performance Page 11-15
- Performance expectations for 2021 Page 16
- Annexes Page 17-18

¹ Companies House information: DWR CYMRU CYFYNGEDIG, Company number 02366777, registered office address: Linea, Fortran Road, St Mellons, Cardiff, CF3 0LT.

Part 1: Dŵr Cymru's 2020 Environmental Performance Assessment (EPA)

In 2020 Dŵr Cymru successfully achieved green status across all six EPA metrics for the first time, which also means that the company achieved the highest 'industry leading' status (4-star) for the first time.

The EPA metric thresholds for 2020 were set in 2015; the thresholds are reviewed every five years to continually drive improvements. As 2020 was the last year of the 5-year EPA period (2015-20) it's positive to see DCWW were able to reach 'industry leading' status across all metrics. Here is a summary of Dŵr Cymru's performance:

EPA metric	2020 result	Comparison to previous performance
Metric 1: Pollution incidents (sewerage)	21.3 (Green)	Green for first time
Metric 2: Serious pollution incidents (sewerage)	0.3 (Green)	Remained green
Metric 3: Discharge permit compliance (STWs & WTWs)	99.7% (Green)	Green for first time since 2016
Metric 4: Self-reporting of pollution incidents	80% (Green)	Moved back to green after dropping to amber for a year
Metric 5: AMP National Environment Programme Delivery	100% (Green)	Remained green
Metric 6: Security of Supply Index	100 (Green)	Remained green
Overall company star status	4-star	4-star for first time

Key: Metric status

Green	Performance better than target
Amber	Performance close to or slightly below the target
Red	Performance significantly below target

Key: Overall company star rating

4-star	Industry leading company
3-star	Good company
2-star	Company requires improvement
1-star	Poor performing company

Headline performance messages

2020 was a particularly challenging year due to the Coronavirus pandemic with the restrictions that were brought in significantly changing the way we live and work. However, the company and the regulators maintained the ability to monitor assets and respond to pollution incidents. 2020 saw the driest start to spring in Wales (April and May) since records began in 1910, which coincided with the beginning of lockdown restrictions, significantly increasing demand for domestic water use. We maintained good liaison with water companies as the pandemic restrictions were updated to ensure that the short- and longer-term effects of the pandemic didn't impact on the workforce and work programmes.

As already summarised on page 2 Dŵr Cymru achieved performance better than the target (green) across all six metrics in 2020:

- Metric 1: The total number of sewerage pollution incidents (category 1-3) were the lowest to date, so remained green
- Metric 2: There was 1 serious sewerage pollution incident, so this metric remained green
- Metric 3: Compliance with numeric water quality permit conditions also saw its best performance to date, moving from amber to green (the first time since 2016)
- Metric 4: Self-reporting performance was the best to date, which moved the metric from amber to green
- Metric 5: They delivered 100% of their Asset Management Plan (AMP) improvement schemes, so remained green
- Metric 6: They achieved a Security of Supply Index score of 100, so remained green.

Over the next few pages there is more detailed information on the six EPA metrics.

Reference information on EPA

For more detail on the EPA methodology and a table of previous years' performance, please refer to these annexes:

- **Annex 1** – page 17 – explains the methodology we use to assess the company's performance
- **Annex 2** – page 18 – shows how Dŵr Cymru has performed against the EPA metrics since 2011

Pollution incidents

As regulators we respond to a wide variety of pollution incidents, some of which are from water company assets and networks. We report on how many incidents each water company is responsible for. This is to drive continued reduction in the number of pollution incidents, aiming to reduce incidents to zero longer-term.

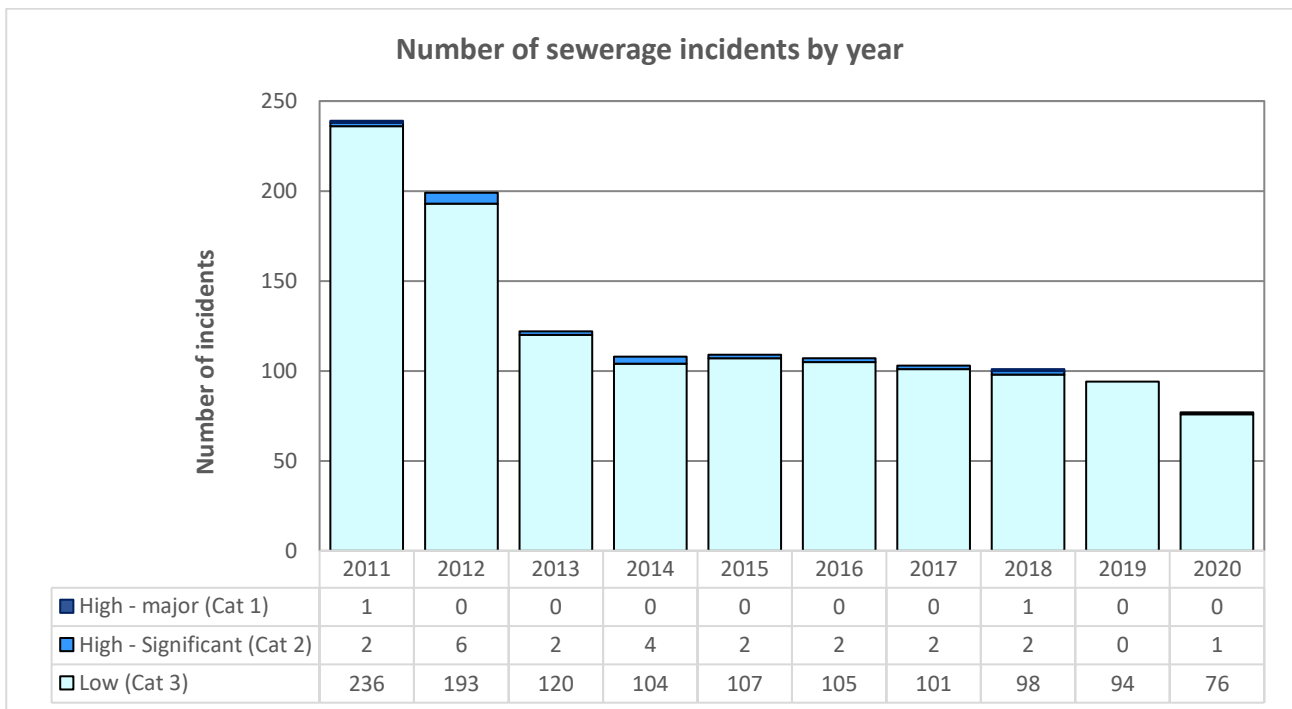
EPA metric 1: Pollution incidents (sewerage)

In 2020 Dŵr Cymru had the lowest number of High-Low (Category 1-3) sewerage pollution incidents to date, with 77. Of those, 76 had a Low (Category 3) environmental impact and one had a High (Category 2) environmental impact.

The EPA normalises incident numbers by the total sewer length the company is responsible for (36,119km), therefore in 2020 the company achieved green for this metric:

EPA metric	Unit of measurement	What this metric means	2020 result (metric status)
Pollution incidents (sewerage)	Category 1-3 incidents per 10,000 km of sewer	How many sewerage pollution incidents occurred, of Category 1-3, by sewer length	21 (Green)

As the graph below shows between 2011 and 2014 there was a steady year-on-year decrease in pollution numbers. Then between 2014 and 2019 there was only a marginal decrease of 14 incidents over 6 years. So, it was reassuring to see a significant decrease of 17 incidents in 2020 (from 94 in 2019 to 77 in 2020), to achieve green status for the first time.



Dŵr Cymru have previously committed to reduce sewerage incidents to 72 by 2025 and with incident numbers already as low as 77, this puts Dŵr Cymru in a good position to focus efforts on reducing incident numbers to zero longer-term. We expect the company to use good practice from across the sector to continually drive down pollution.

EPA metric 2: Serious pollution incidents (sewerage)

This metric looks at the number of serious pollution incidents. As shown in the graph above there was one serious sewerage incident in 2020 that had a High (Category 2) environmental impact.

EPA metric	Unit of measurement	What this metric means	2020 result (metric status)
Serious pollution incidents (sewerage)	Category 1-2 incidents per 10,000 km of sewer	How many serious sewerage pollution incidents occurred, of Category 1-2, normalised by sewer length	0.3 (Green)

Although the metric is green, it is disappointing that the company had one serious sewerage pollution incident in 2020 after having 0 in 2019. We expect Dŵr Cymru to push for improvement to ensure there are no serious sewerage incidents in 2021, using best practice, such as post incident reviews, to ensure any improvements are implemented following any serious incident.

Water discharge permit compliance

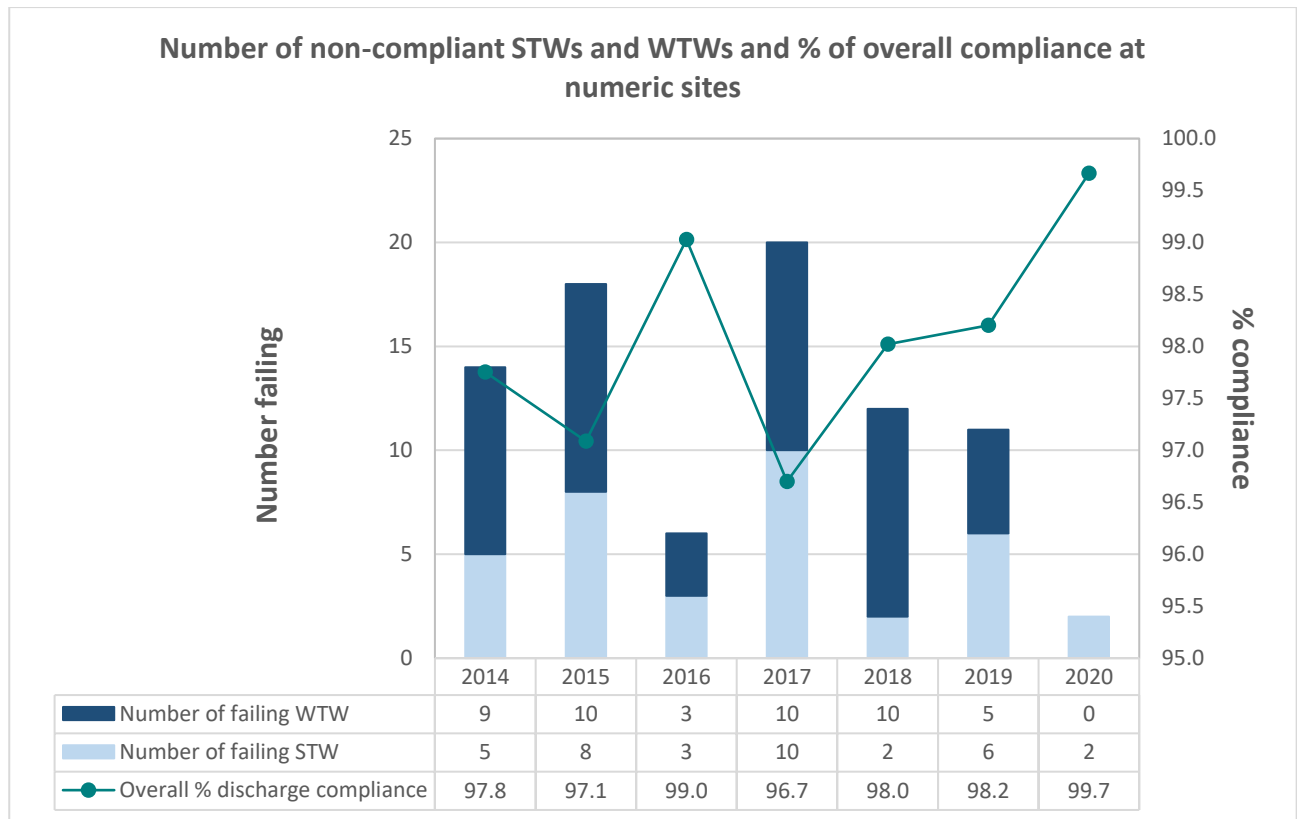
Natural Resources Wales and the Environment Agency issue permits for water discharges, including treated discharges from water company sewage treatment works (STWs) and water treatment works (WTWs). The permits require the discharge to meet specific criteria to make sure there's no deterioration to the water environment. Water companies self-monitor their discharges and regularly provide data to us which we assess for compliance. We expect all permit conditions to be complied with.

EPA metric 3: Discharge Permit Compliance (STWs & WTWs)

In 2020, Dŵr Cymru achieved green for this metric as they were 99.7% compliant with the water quality limits on their numeric permits for STWs and WTWs. This is a noticeable improvement compared to previous years and is the first time the metric has been green since 2016. There were two non-compliant STWs out of 562 that Dŵr Cymru operate and all the company's 35 large WTWs were compliant.

EPA metric	Unit of measurement	What this metric means	2020 result (metric status)
Discharge permit compliance (STWs & WTWs)	%	Percentage compliance of Sewage Treatment Works and Water Treatment Works with water quality limits on their discharge	99.7 (Green)

As the graph below shows, the company’s performance on this metric has fluctuated for several years, so it is positive to see Dŵr Cymru achieving green status for the first time since 2016. It is particularly positive to see all water treatment works complying with the numeric limits in their permits.



We want Dŵr Cymru to be able to maintain this level of performance and expect the company to continue to seek opportunities to monitor and proactively identify STWs and WTWs which may be dropping in performance in-year, with the aim of achieving 100% compliance with this metric as soon as possible. Whilst Dŵr Cymru have never achieved 100%, this target has been achieved by other companies in the sector.

Closely related to numeric compliance is descriptive condition compliance, where we do have significant concerns following poor 2020 performance. It is important that high levels of numeric performance are maintained in 2021, following the resolution of the programming, monitoring and notification descriptive condition issues in 2020. See pages 9-10 for more detail on descriptive condition compliance.

Self-reporting incidents

As a regulator we want water companies to self-report² as many of the pollution incidents as possible. This means we can be more confident that the water company:

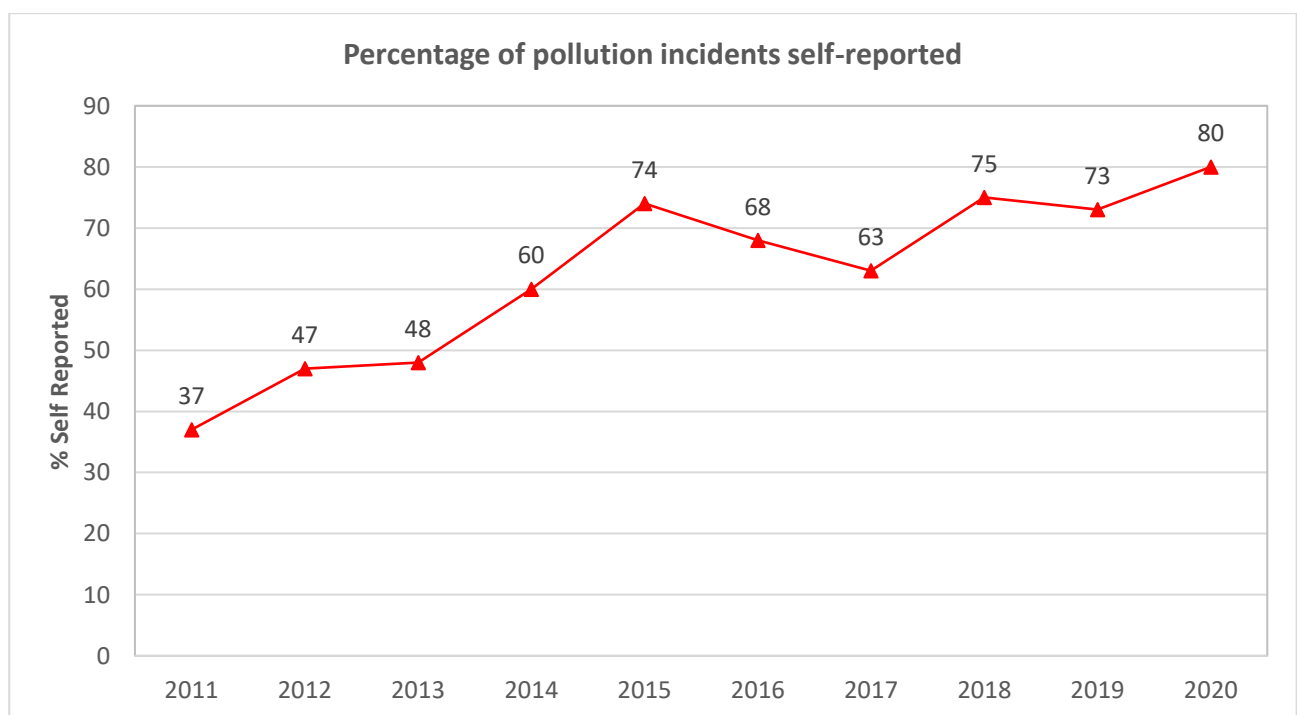
- understands their assets and networks better;
- continually looks for ways to improve how they predict pollution incidents, including using their own telemetry data to improve levels of self-reporting;
- use their data to identify hot spots and target high risk locations and specific asset types;
- attends and reacts to incidents quickly to stop any impact as soon as possible.

EPA metric 4: Self-reporting of pollution incidents

In previous reports we have pushed the company to aim to self-report at least 80% of their pollution incidents; in 2020 the company successfully reached 80%:

EPA metric	Unit of measurement	What this metric means	2020 result (metric status)
Self-reporting of pollution incidents	%	Percentage of pollution incidents the company self-reported	80 (Green)

As the graph below shows, the company's performance in this metric had been unstable in recent years so it is positive to see the company have their highest rate of self-reporting to date, achieving 80% in 2020 (after dropping to amber in 2019). We expect the company to maintain green status and we encourage the company to consider other initiatives used across the industry to keep improving their rate of self-reporting.



² To report an incident to us, call our Incident Hotline on 03000 65 3000

EPA metric 5: AMP National Environment Programme delivery

This metric looks at how Dŵr Cymru have delivered against their 5-year Asset Management Programme (AMP) period, April 2020-March 2021. It looks at the percentage of schemes delivered compared to planned from 2020-2025.

EPA metric	Unit of measurement	What this metric means	2020 result (metric status)
AMP National Environment Programme Delivery	% of planned delivery	Whether the Asset Management Plan National Environment Programme is being delivered to plan	100 (Green)

In 2020/21 Dŵr Cymru delivered all 23 schemes as planned – 1 in England, 22 in Wales. The improvements delivered by the programme will mean assets achieve higher standards and deliver water quality improvements. We expect Dŵr Cymru to maintain green status for 2021.

EPA metric 6: Security of Supply index

The Security of Supply index (SoSI) metric measures the extent to which the company can guarantee provision of its levels of service for restrictions of water supply (e.g. Temporary Use Bans) if the previous year had been dry. The SoSI score for 2020 is 100, therefore the EPA metric is green:

EPA metric	Unit of measurement	What this metric means	2020 result (metric status)
Security of Supply Index	SoSI index score, max. 100	How well they would have met their provision on levels of service for restrictions on water supply, if 2020 had been dry	100 (Green)

Metric – in development: water quality descriptive permit condition compliance

Following consultation, Natural Resources Wales has started work to introduce an additional performance metric for Welsh companies only – descriptive permit condition compliance. Descriptive conditions relate to non-numeric aspects such as maintenance, management and reporting.

The metric is currently in development so we can ensure the metric is robust and reported accurately. We will continue to report on Dŵr Cymru's performance against this 'metric – in development' annually and expect to see improving performance year-on-year. We will aim to introduce red/amber/green performance thresholds from the start of the next EPA reporting period (2026-2030).

With descriptive condition performance noticeably lower than numeric we wanted more scrutiny on descriptive conditions.

In 2019 only 93% of sites were compliant with their descriptive conditions which gave us cause for concern.

Disappointingly, in 2020, Dŵr Cymru's performance had a significant step-change deterioration, with overall descriptive condition compliance at STWs and WTWs dropping to only 63%. Out of 858 STWs and WTWs (numeric and descriptive permitted sites), 317 were non-compliant.

The majority of the 317 sites were non-compliant due to breaches related to monitoring, reporting and notification of Operator Self Monitoring, Urban Wastewater and UV monitoring programmes that we identified during our compliance assessment. They were either non-compliance category 3 or 4³. We are investigating the root cause/s and circumstances which led to this large number of descriptive non-compliances; once this investigation has concluded we will be able to proceed with the most appropriate enforcement response.

A smaller number of non-compliances were identified during site inspections and audits we carried out at the company's STWs and WTWs. However, six of these non-compliances were categorised as category 2, as there was potential for significant impact on the environment, people and/or property, highlighting an area which needs improvement.

For descriptive condition compliance overall, we expect the company to:

³ Non-compliance categories are the way we categorise breaches with permit or licence conditions. They are on a scale between 1-4:

- CCS1 – Major: potential to have a major, serious, persistent and/or extensive impact or effect on the environment, people and/or property
- CCS2 – Significant: potential to have a significant impact or effect on the environment, people and/or property
- CCS3 – Minor: Potential to have a minor or minimal impact or effect on the environment, people and/or property
- CCS4 – No impact: non-compliance at a regulated site that cannot foreseeably have any impact on the environment, people and/or property

- take swift and positive action to ensure that the root cause of the non-compliances seen in 2020 are rectified as soon as possible;
- push for improvement in their descriptive condition performance to align with levels of numeric condition compliance
- improve their overall 2021 descriptive condition performance year-on-year (compared to 2019 performance), aiming for 100% compliance as soon as possible
- focus on stopping all Category 1 and 2 descriptive condition non-compliances as soon as possible, as these have the most potential for serious environmental impact.

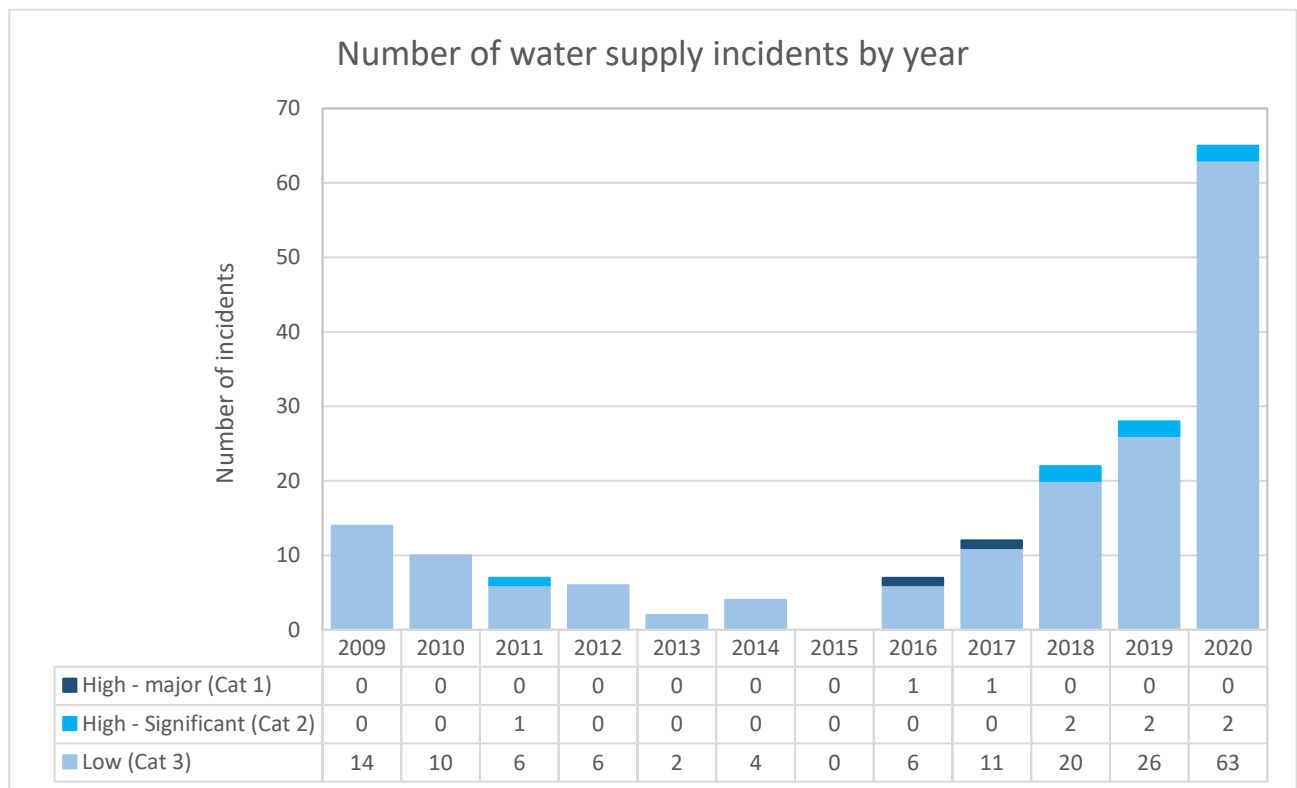
Part 2: Dŵr Cymru’s wider environmental performance

As the six EPA metrics are a subset of environmental performance there are many other areas of monitoring, reporting and regulatory work that we carry out related to Dŵr Cymru’s activities, some of which we detail in Part 2 of this report. Some aspects are closely related to the EPA metrics, such as pollution incidents and compliance, whereas some are wider.

Pollution incidents from water supply assets

As well as sewerage incidents, we also monitor the number of incidents from assets related to the supply of drinking water. Although they are not included in an EPA metric, they are an important aspect of environmental performance. These incidents often involve the discharge of partially or fully treated drinking water from their water supply assets, such as water treatment works and water distribution systems (water mains). The discharges can contain chemicals such as chlorine, aluminium or iron; they can often discharge at high velocity, so can cause pollution incidents related to silt in the watercourse.

In 2020 there were a total of 65 clean water pollution – two of which were significant (High/Category 2) and 63 were Low/Category 3:



The overall performance for water supply incidents is disappointing. We are calling for urgent action from the company after 2020 saw the fifth consecutive year where the number of incidents from water supply assets increased and there have been two serious

incidents every year for the last three years from water supply assets. We welcome the inclusion of serious incidents from water supply assets in the EPA metric from 2021 to bring more focus on this area of performance.

A significant proportion of the incidents (41) were due to “Run to Waste” discharges. A run to waste discharge from Water Treatment Works occurs when water is not suitable for human consumption (i.e. will fail Drinking Water Inspectorate water quality standards) so is removed from the treatment process and discharged to a watercourse. A discharge can be a large volume of water in a short period of time (often at high velocity). They should be rare events and only in an emergency, not routine discharges. We expect the company to co-operate with us to apply for Environmental Permits to cover all relevant discharges as soon as possible and to work with us to gather evidence of environmental impact.

We expect the company to reduce the number of all incidents (sewerage and water supply) to zero in the long-term, with no serious incidents in the short-term.

Flow compliance at sewage treatment works

Dŵr Cymru provided Dry Weather Flow (DWF) data in accordance with their permit requirements. Six sewage treatment works in Wales and 4 in England were reported as exceeding their DWF permit limits in 2020, resulting in the sites discharging more treated sewage than permitted. Dŵr Cymru are required to carry out investigations and report the cause of exceedance to us and where appropriate complete remedial action within an agreed timescale.

Eleven sewage treatment works in Wales experienced data issues in 2020 which the company is working to resolve.

Eight works in Wales and two in England are also being investigated due to queries over their flow to full treatment (FFT) permitted limits, which means they may not be treating the flow required by their permits.

The company has made progress with their internal management system for MCERTS certification, a system which independently audits and certifies the suitability and accuracy of their flow monitoring equipment. There are currently no sites under investigation for failure of re-certification for 2020.

Storm overflows

We are assessing the data and are continuing to develop our regulatory approach towards storm overflows. This will include working with the water companies to reduce the number of spills from storm overflows with a risk-based approach, gathering evidence for environmental impact, ensuring robust regulatory permits and reporting requirements to help inform future investment plans.

Water resources licence compliance

We carried out 14 licence compliance assessments in 2020 using a risk-based approach and in response to self-reporting by the company. We identified breaches of licence

condition during 11 of the 14 assessments. This compares to 10 out of 35 assessments in 2019 being non-compliant. Due to some of our assessments being follow-ups, overall, eight water resources licensed sites were non-compliant in 2020 in England and Wales.

All 11 non-compliances identified were category CCS3 or CCS4⁴ and although these are lower categories of environmental risk, we still expect to see improvement to ensure full compliance in future and welcome the new EPA water resources compliance metric being introduced in 2021.

Drought planning & Water Resources Management Plans

Water companies have a duty to maintain water supplies in their area, without damaging the environment or affecting the needs of other water users. There is a statutory requirement for water companies to prepare, maintain and publish water resources management plans (WRMPs) and drought plans. The latest WRMP was published in 2019 with the latest Drought Plan was published in March 2021. These are published every five years. For the latest information on Dŵr Cymru's water resources management plans, please see their website:

- Water Resources Management Plan: <https://www.dwrcymru.com/en/My-Water/Water-Resources/Final-Water-Resources-Management-Plan-2019.aspx>
- Drought Plan 2020-2025: <https://www.dwrcymru.com/en/our-services/water/water-resources/final-drought-plan-2020>

Please also have a look at our webpages for more information:

- Water Resources Planning: naturalresources.wales/about-us/what-we-do/water/water-resource-management-planning
- Drought: naturalresources.wales/guidance-and-advice/environmental-topics/water-management-and-quality/drought
- Drought plan guidance: <https://cdn.naturalresources.wales/media/684414/final-wc-drought-plan-guidance-2017.pdf?mode=pad&rnd=13165671358000000>

Leakage and water use

Dŵr Cymru have provisionally reported for 2020/21 that the average per capita consumption (PCC), which is how much water each person uses, was 175.98 litres per person per day (l/h/d), this is an increase from the previous reported annual average of 160 l/h/d (which was the highest average in England and Wales for that year). The 2020/21 reporting year coincides with both the imposition of lockdown restrictions and a hot and dry spring; the water industry as a whole experienced an increase in domestic

⁴ CCS (Compliance Classification Scheme) categories are the way we categorise non-compliance breaches. They are on a scale between 1-4. CCS1 is most likely to have a serious impact on the environment to CCS4 which is likely to have little or no impact. CCS3 is likely to have minor impact to the environment.

water usage during this period. They have also reported a leakage rate of 163.2 megalitres per day (MI/d) for 2020/21, a reduction on the previous year (167.95 MI/d), showing a continued trend on reducing leakage rates.

We expect to receive the company's 5-year water efficiency strategy to reduce PCC soon which will include customer behavioural changes, physical interventions (such as pressure management and water efficiency devices) and collaborative working.

We work with Ofwat to publish a wide variety of water company data which includes leakage rates and water use and this will be available at discoverwater.co.uk

Sludge

Although the satisfactory sludge use/disposal metric is currently suspended from use in the Environmental Performance Assessment (EPA), we continue to ask the water companies to report the same information for data continuity. The current suspension does not reflect on Dŵr Cymru's previous or current performance in terms of sludge use; our previous reviews of the sludge use practices did not highlight any non-compliances with the data reported.

Dŵr Cymru has continued to store sludge in line with the S3 waste storage exemption and use the sludge in line with the Sludge Use in Agriculture Regulations and the Biosolids Assurance Scheme. In Wales, we are working with Dŵr Cymru on additional agreements to improve on the requirements within the existing regulations, such as improved notification.

2020 presented unique challenges to water companies with a pandemic disrupting supply networks to land and measures to protect the virus spreading impacting on logistics. In addition, there were some extreme weather events that presented isolated issues. These events have highlighted that a key focus for the future is on adequate contingency storage for sludge. This will also be driven by introduction of The Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021 from 1 April 2021 and the requirement for greater controls on permanent and temporary storage of sludge on agricultural land.

Enforcement (higher than a Warning)

In 2020 Dŵr Cymru accepted a formal caution for damage to a Site of Special Scientific Interest (SSSI) that occurred at Gwaen Gynfi, Mynydd Llandegai, Eryri SSSI in July 2019, where they committed offences under Section 28P(2)(A) Wildlife & Countryside Act 1981.

No enforcement action was completed in 2020 in England higher than a warning.

Reservoir Safety

At the end of 2020, Dŵr Cymru were managing 130 Large Raised Reservoirs (2 in England, 128 in Wales), with a raised capacity greater than 10,000m³, which we regulate under the Reservoirs Act 1975. This act ensures fundamental actions are implemented to prevent an uncontrolled release of water and subsequent flooding of downstream

communities. The actions include the appointment of specialist reservoir panel engineers and acting promptly on their recommendations.

Reservoirs which are designated as a High-Risk Reservoir must undergo statutory periodic inspection and implement the recommendations made by an independent Inspecting Engineer. Also, these reservoirs must always be supervised by a qualified civil engineer and records kept of principal information and monitoring activities.

Dŵr Cymru's compliance levels have remained high. From 2021, we will be reporting more detailed metrics on reservoir safety to illustrate the level of compliance with our Key Safety Indicators under the Reservoirs Act, which are:

- (a) Appointment of a Construction or Supervising Engineer
- (b) Appointment of an Inspecting Engineer
- (c) Completion of measures to be taken in the interests of safety within statutory timescales.

An independent review into reservoir safety was commissioned by Defra and has been published in two parts. The report is substantially written for England, following the major incident at Toddbrook reservoir in Whaley Bridge, however the Reservoirs Act is an England and Wales law and therefore consider the report to be pertinent for consideration in Wales. The recommendations arising from the report are wide ranging and complex. Dŵr Cymru is a member of NRW's working group which will establish implementation of the recommendations appropriate to Wales.

Flood Risk Management

Under the Flood and Water Management Act 2010, water and sewerage companies are defined as risk management authorities. They are required to act in a manner consistent with the National Strategy for Flood and Coastal Erosion Risk Management in Wales and the National Flood and Coastal Erosion Risk Management Strategy for England. They have a duty to cooperate with other risk management authorities in England and Wales.

Every few years we produce a report for the Welsh Ministers about how flood risk and coastal erosion is managed across Wales and about the activities underway to raise awareness and increase resilience of those who are at risk. We do this on behalf of all Risk Management Authorities who operate in Wales and therefore include Dŵr Cymru. The next report is due in October 2022 (two years from the publication of the Welsh Government National Strategy for Flood and Coastal Erosion Risk Management in Wales) and every two years thereafter. Please see our [Flood and coastal erosion risk in Wales](#) webpage for more information.

Performance expectations for 2021

Challenges for EPA

As we enter the new EPA period 2021-2026, we expect the company to make positive progress across all six metrics. The new targets will prove challenging for the company and we expect them to implement measures to continue to achieve high company status, as we move into the new EPA period. Specifically:

- Keep reducing the total number of sewerage incidents – aiming for zero over the longer-term
- Stop all serious pollution incidents (both sewerage and water supply) in the short-term
- Keep improving numeric water quality compliance – aiming for 100%
- Stabilise and improve self-reporting of pollution incidents
- Maintain 100% of AMP NEP scheme delivery
- Maintain performance on the Security of Supply Index

Challenges for wider environmental performance

As set out in Part 2 of the report, there are several other areas of environmental performance which need improvement and attention focused, namely:

- Make significant improvements in descriptive condition compliance at STWs and WTWs (EPA metric – in development) as detailed on pages 9-10
- Reversing the worsening trend for water supply incidents, focusing on “run to waste” incidents
- Improving water resource licence compliance (EPA metric being introduced in 2021)
- Rising to meet the challenge of storm overflows.

Annex 1: Methodology

Performance assessment methodology we used

Water company performance reporting is carried out annually on a calendar year basis.

Since 2011, we have used the same Environmental Performance Assessment (EPA) metrics and methodology as the Environment Agency. This means we can consistently report and benchmark the performance of Dŵr Cymru against the other large water and sewerage companies in England and Wales.

We combine our performance data in Wales with data that the Environment Agency provide to us for the Dŵr Cymru area that lies in England. This report therefore reports on performance for Dŵr Cymru as a whole.

The EPA metrics measure performance associated with:

- reducing pollution incidents and increasing company reporting of incidents
- complying with discharge permits for sewage treatment and water treatment plants
- delivering environmental improvement schemes
- delivering secure supplies of water ('security of supply')

We will not be reporting on the performance of Dŵr Cymru's sludge disposal activities for 2020. We suspended reporting of the sludge metric in 2018 while we review how we assess and report performance consistently across the water companies on this activity in the future.

The EPA is set for the duration of the water companies' current asset management plan (AMP) period which runs from April 2015 to March 2020. The metrics are absolute rather than relative. All companies that are measured against EPA metrics should therefore be able to achieve good performance against these by 2020 or before.

Future reporting

We have been working with the Environment Agency to review the EPA metrics for 2021 onwards and consulting externally (including with all the water companies). We have agreed to adopt the same metrics in Wales as those in England to allow us to continue to benchmark Dŵr Cymru against the other large nine water and sewerage companies in England. We have decided to include a new EPA 'metric – in development' for Dŵr Cymru in 2020 (see pages 9-10) on descriptive condition compliance as we had concerns in Wales regarding performance in this area.

All other changes to how we assess Dŵr Cymru against the new EPA metrics will be reflected in 2022, when we report the company's performance for 2021.

Annex 2: Summary of Dŵr Cymru's EPA performance 2011-20

The table below shows how the company has performed against the metrics since 2011:

	2011	2012	2013	2014	2015	2015E ⁵	2016	2017	2018	2019	2020
Pollution incidents (sewerage) Category 1-3 incidents per 10,000 km of sewer	132	110	66	59	59	30	30	28	28	26	21
Serious pollution incidents (sewerage) Category 1-2 incidents per 10,000 km of sewer	2.2	3.3	1.1	2.2	1	0.6	0.6	0.3	0.8	0	0.3
Discharge Permit Compliance (STWs & WTWs) %	95.6	98.6	97.7	97.8	98.6	97.1	99.0	96.7	98.0	98.3	99.7
Satisfactory Sludge Use/Disposal %	100	100	100	100	100	100	100	100	N/A ⁶	N/A ⁶	N/A ⁶
Self-reporting pollution incidents %	37	47	48	60	74	74	68	63	75	73	80
AMP National Environment Programme delivery % of planned delivery	87	116	100	100	100	100	100	100	99	100	100
Security of Supply Index (SoSI)	N/A	N/A	N/A	N/A	N/A	100	100	98	100	100	100
Company star rating	1-star	3-star	3-star	3-star	3-star	3-star	3-star	2-star	3-star	3-star	4-star

Key: Company star rating

4-star	Industry leading company
3-star	Good company
2-star	Company requires improvement
1-star	Poor performing company

⁵ The column headed 2015E refers to the 2015 dataset which has been assessed using the new EPA criteria (2016-2020). This has been included for comparison purposes only. Every five years the Red/Amber/Green thresholds are reviewed.

⁶ We will not report on the performance of Dŵr Cymru's sludge disposal activities 2018-2020. We have suspended reporting of the sludge metric while we review how we assess and report performance consistently across the water companies on this activity in the future.