



<b>Breakeven point</b>			
Nr 0dp	Choice	100	Choice.BP
Nr 0dp	Outturn	100	Outturn.BP
<b>Efficiency incentive</b>			
% 0dp	Company's value at menu baseline of 100	55%	Company.Baseline
% 1dp	Slope	(0.2%)	Company.Slope
<b>Interpolation</b>			
Nr 2dp	Ofwat baseline	0.75	OfwatBaseline.Int
Nr 2dp	Company forecast	0.25	CompanyForecast.Int

#### 4.2 Menu matrix

<b>Menu coefficients</b>			
Nr	Reward / (penalty) revenue adjustment at PR19	0.75	Eff.Inc.Constant
Nr	Efficiency incentive (slope)	(0.2%)	Eff.Inc.Slope
Nr	Allowed expenditure:baseline (constant)	75	Allowed.Exp.Constant
Nr	Allowed expenditure:baseline (slope)	0.25	Allowed.Exp.Slope
Nr	Additional income:baseline (constant)	8.75	Add.Income.Constant
Nr	Additional income:baseline (first order parameter)	-0.0375	Add.Income.1stOrder
Nr	Additional income:baseline (second order parameter)	-0.0005	Add.Income.2ndOrder

#### 5 PAYG

% 3dp	Water: PAYG ratio	69.11%	67.44%	74.74%	81.94%	87.67%	PAYG.Water
% 3dp	Sewerage: PAYG ratio	-	-	-	-	-	PAYG.Sewerage

#### 6 Business rates IDoK

%	Company specific water business rate sharing rate						
Nr	Menu Cost Sharing Rate	0.5606					
%	Menu Choice Expenditure Factor	99%					
Nr 3dp	Water business rate constant 2017, 2018, 2019	12/13 price base					
Nr 3dp	Water business rate constant 2017, 2018, 2019	Outturn					
Nr 3dp	Applicable Water Business Rate Costs	Outturn					
Nr 3dp	<b>IDoK business rates</b>						
Nr 3dp	Water: IDoK Business rates adjustment	Outturn					BR.IDoK.Water

#### 7 TTT Control - items subject to logging up at 75:25 (customer:company) cost share

%	Customer cost sharing rate	75%					
Nr 3dp	Thames expenditure that qualifies for logging up	Outturn					
Nr 3dp	Sewerage: Applicable cost adjustment	Outturn					IP.logging.Adj.TTT

#### 8 TTT Control - FD costs excluded from menu (that is, land costs under 100:0 sharing)

Nr 3dp	TTT FD costs excluded from menu (that is, land costs under 100:0 sharing)	12/13 price base					
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END