

3 November 2022

Gate 2: Detailed feasibility, concept design and multi-solution decision making

The board of United Utilities Water (the Board) is satisfied that the data and approaches used to develop the concept design and decision-making information included within the gate two submission:

- meet the requirements set out in Ofwat's Final Determination, and subsequent additional feedback from Ofwat;
- have been subject to sufficient processes and internal systems of control to ensure that the information on design, costs and benefits contained in this submission are reliable;
- have been appropriately assured to give our stakeholders, including customers, trust and confidence in this gate two submission; and
- have appropriately considered the feedback and opinion of independent external assurance partners.

The Board confirms that:

- it supports the recommendation for the solution progression made in this submission and the recommendations on which options within the solution should be progressed;
- it is satisfied that progress on solution is commensurate with the solution being "construction-ready" for 2025-2030;
- it is satisfied that the work carried out to date is of sufficient scope, detail and quality as would be expected of a large infrastructure scheme of this nature at this stage; and
- is satisfied that expenditure has been incurred on activities that are both appropriate for gate two and is efficient.

The company will continue to support a programme to take work forward towards the next approval gateway, Gate 3. In parallel with this work, further steps will need to be taken by both companies and regulators to significantly develop the economic, legal and regulatory frameworks that will underpin the delivery and operation of the infrastructure to support the proposed trade. The Board expects that the maturity and suitability of these frameworks will be a material factor when it considers future recommendations in relation to further gateways, both for this SRO and for other SROs involving United Utilities Water.

Signed on behalf of UU Water



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Chief Executive Officer

Board Assurance

The following table provides details of the main factors the Board have taken into account in support of this Board Assurance Statement.

Statements	Considerations
<ul style="list-style-type: none"> It supports the recommendation for the solution progression made in this submission and the recommendations on which options within the solution should be progressed 	<ul style="list-style-type: none"> The recommendations and methodology regarding scheme progress for the solution have been agreed and discussed with RAPID The Programme Board and Board reviewed and discussed the conclusions and approved the recommendations for the solution Independent external assurance was completed on behalf of the SRO with findings reported to the Board
<ul style="list-style-type: none"> It is satisfied that progress on solution is commensurate with the solution being "construction-ready" for 2025-2030 	<ul style="list-style-type: none"> The Programme Board reviewed the project plan and the sources of data used to carry out the assessment The project plan showing when the solution will be construction ready is in place and has been reported to the Board Corporate audit review of the Assurance Approach for the Programme Independent external assurance was completed on behalf of the SRO with findings reported to the Board
<ul style="list-style-type: none"> It is satisfied that the work carried out to date is of sufficient scope, detail and quality as would be expected of a large infrastructure scheme of this nature at this stage 	<ul style="list-style-type: none"> Engineering teams drafted Concept Design Reports and the key findings which were reviewed and approved by the Programme Board Peer review of documents focused on scope, detail and quality was completed with findings reported to the Programme Board Independent external assurance was completed on behalf of the SRO with findings reported to the Board
<ul style="list-style-type: none"> It is satisfied that expenditure has been incurred on activities that are both appropriate for gate two and is efficient. 	<ul style="list-style-type: none"> A review on activity expenditure has been shared and reviewed at Programme Board with key findings reported to the Board Independent external assurance was completed on behalf of the SRO with findings reported to the Board