Water & Sewerage Services
Price Control 2015-21

Final Determination – Annex E
Overall Performance Assessment
December 2014



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1.0 Overall Performance Assessment

1.1. Purpose of the Overall Performance Assessment (OPA)

1.1.1 The OPA is a system of assessment that takes raw data on water services, sewerage services, customer service and environmental compliance, and scores the company on a scale of 0-50 points based on their performance.[1]

1.1.2 This score out of 50 is then 'weighted' using information on consumers' views, to give a final OPA score. Achievement is published annually in the Utility Regulator's (UR) Cost and Performance Report. NI Water's performance is compared with relative England and Wales scores as well as their historic achievement.

1.1.3 The latest OPA score for NI Water is based on 2012-13 data where the company scored 198 out of a possible 304 points. This score compares with a target of 181 for NI Water and the England and Wales average of 290[2] for the same eleven measures.

1.1.4 NI Water has made considerable improvements to its service performance levels in recent years with its OPA score more than doubling since 2007-08.

1.2. Localised OPA

1.2.1 The UR uses a conventional OPA model – i.e. one which closely mirrors the Ofwat OPA. The weights, ranges and calculations are exactly the same as the model used by Ofwat to assess water and sewerage companies in England and Wales.

1.2.2 By retaining the conventional OPA model the UR ensures that NI Water can be benchmarked against the performance of companies in England and Wales. A consistent bank of local past scores is also maintained and can be used to analyse NI Water's improvement from baseline.

1.2.3 Whilst the methodology is the same, amendments have been made to reflect local circumstances.

1.2.4 The Ofwat OPA includes 17 elements across a range of measures. The current UR OPA only comprises 11 of these. Some measures were initially excluded due to absent, unavailable or poor quality base data.

1.2.5 Current measures included and excluded consist of the following:

[1] Further details can be found in the UR's OPA Methodology document.

[2] Ofwat discontinued their OPA scoring exercise of the E&W industry after 2009-10. We use the 2009-10 year, "frozen in time" as the benchmark for comparing with NI Water. At the present, given the continued existence of a disparity of scores between NI Water across the rest of the industry we retain the OPA for benchmark comparison.

Table 1.1 – Components of the current localised OPA model

Measure assessed in England and Wales	Used by NIAUR	Reason for initial exclusion
Properties at risk of low pressure	✓	N/A
Properties subject to unplanned interruptions	✓	N/A
Population with hosepipe restrictions	✓	N/A
Drinking water quality	✓	N/A
Sewer flooding (hydraulic incapacity)	×	Data not complete / robust
Sewer flooding (other causes)	×	Data not complete / robust
Properties at risk of sewer flooding	×	DG5 register not complete/ robust
Customer service (combined contact score)	✓	N/A
Customer service (assessed score)	×	Data not requested
Category 1 & 2 pollution incidents (sewerage)	✓	N/A
Category 3 pollution incidents (sewerage)	✓	N/A
Category 1 pollution incidents (water)	✓	N/A
Wastewater treatment works in breach of consents	✓	N/A
Sewage sludge disposal	✓	N/A
Leakage assessment	✓	N/A
Security of supply - performance against target	×	Data not complete / robust
Security of supply - absolute performance	×	Data not complete / robust

1.2.6 It was envisaged that the OPA would expand as data quality in the additional measures improved. During the period since 2007-08 NI Water has enhanced data quality.

1.2.7 However, in order to ensure continuity with the previously published OPA figures, the UR has applied targets solely to the 11 measure OPA for PC15.

1.3. Limitations of the analysis

1.3.1 NI Water has raised a number of concerns about using the OPA as a relative benchmarking tool. The company cites lack of comparability as the main problem. In particular, the following issues have been highlighted in PC15:

a) Drinking Water Quality – The company argues that they are not funded to target the same level of compliance as England and Wales.

b) Unplanned Interruptions – NI Water has a comparable level of bursts as other water companies. The issue is that their long mains length per property results in more unplanned interruptions and unfair comparisons.

c) Customer Contact – The absence of domestic billing results in NI Water customer scores being based on a much more pro-active non-domestic consumer base.

1.3.2 The UR recognises that, like any benchmarking, comparisons will not be perfect. A particular issue to note is that of scoring. As OPA scoring only occurs within a specified range, this can result in misinterpreted results.

1.3.3 For instance, scoring for drinking water compliance occurs between the 100% to 98.4% range. If Company A scores 50 for drinking water compliance and Company B scores 25, this does not mean Company B has 50% less compliance. It simply reflects performance against the range. This should be remembered when considering performance.

1.3.4 Similarly, if Company C evidences 99.1% drinking water compliance it will score OPA points between a minimum and maximum range. Company D by comparison might only achieve 98.3% compliance and hence will score at the minimum of the OPA range for this measure.

1.3.5 With respect to the comparability issues raised, the UR agrees that some differences exist. However, this does not invalidate the entire analysis. Merit is still seen in making comparisons with other companies.

1.3.6 Addressing the individual points:

a) Drinking Water Quality - Whilst drinking water funding is an issue, comparison of the level of service achieved is still valid. The UR does not expect NI Water at the present time to have the same OPA score as others. It is however important to know the scale of the existing gap.

b) Unplanned Interruptions - There is acceptance that unplanned interruption OPA scores are likely to be lower for NI Water due to their network length. Further work may be required to establish what the relative performance should be given NI Water's circumstances.

c) Customer Contact - The profile of customer contacts will be different in Northern Ireland. The UR does not consider this a reason to invalidate comparisons. Levels of service provided should be the same, whether domestic or non-domestic. Customer contact scores ought not to be subject to adverse impact by NI Water issuing bills to non-domestic consumers only.

1.3.7 The OPA is recognised as an imperfect tool. However, the UR still considers the OPA a valuable method of simplifying and comparing levels of service between companies. This is especially the case when regulating a monopoly supplier to incentivise competitive style behaviours in the interests of consumers. The OPA has proved a valuable method of assessing and documenting NI Water's overall service improvement over time, with real improvements for consumers from application of this strong reputational incentive on NI Water.

1.4. Consultation Responses

1.4.1 It is clear from the responses to our draft determination that consumers and their representative bodies are stressing the importance of good service delivery in addition to the efficiencies the company will make during PC15.

1.4.2 The Consumer Council, in their response to the draft determination, stated that they agree with the continued use of the OPA for PC15. They also made a more general point that consumer views had been a consideration for both NI Water and the UR in reaching its draft determination.

1.4.3 While the Federation of Small Businesses (FSB) did not refer explicitly to the OPA within their consultation response, they did stress that they expected *"continually improving services"* alongside efficiencies. They also emphasised that issues such as water pressure and customer service (amongst other issues) were extremely important to many of their members as they seek to sustain and grow their businesses.

1.4.4 The Ulster Farmers Union (UFU) responded to our consultation by stating that they *"very much welcome[d] the inclusion of 'improvements in levels of service' as a key benefit of the Price Control and the new consumer satisfaction survey to provide 'actionable data' to improve services."*

1.4.5 NI Water welcomed that the UR recognises the OPA is an imperfect tool and that some differences exist with England and Wales. The company stated that whilst OPA scores provide a useful indication of NI Water's year-on-year improved levels of service, direct comparisons with England and Wales are misleading. NI Water also made some specific comments relating to individual measures included within the OPA calculation and these are considered further as part of Chapter 3.0 below.

1.4.6 The UR is grateful for all the responses received during the consultation exercise and have carefully considered all the points raised in setting our final determination of the OPA targets for the six-year PC15 period.

2.0 Company Proposals

2.1. Historic company performance

2.1.1 Since inception, NI Water has been on an improving trajectory of service level performance. The company faced a significant gap it has endeavoured to reduce through subsequent price control periods.

2.1.2 Historic improvements are illustrated in the table below:

Table 2.1 – Historic OPA performance of NI Water

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
NI Water Historic OPA Scores	98	103	121	131	184	198

2.1.3 The company has improved significantly across a variety of service areas. The main areas of improvement include low pressure, drinking water quality and customer contacts.

2.2. NI Water proposals

2.2.1 The company does not set overall OPA scores; rather, the scores are built up from the forecasts for individual KPI components. Targeted scores for the six years of PC15 are set out below and represent the aggregation of normalised and weighted targets for the individual OPA component measures.

Table 2.2 – NI Water proposed OPA scores for PC15

	PC13 Targets[3]		PC15 Forecasts					
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
NI Water PC15 Business Plan Forecasts	202	215	211	215	217	227	230	231

2.2.2 Indications are that the company is ahead of schedule so far for PC13, having achieved an OPA score of 216 in 2013-14, and has therefore exceeded the UR's annual target of 202. Based on *targeted* 2014-15 performance, NI Water is proposing a further 16 point rise in the OPA across PC15.

2.2.3 It is clear that these forecasts represent a less dramatic improvement than what NI Water has achieved historically. However, NI Water point to structural reasons why improvements in the overall OPA score would flatten out and plateau.

[3] The PC13 targets as set by the UR. According to preliminary NI Water analysis of recent outturn data, the 2013-14 OPA target is likely to be out-performed by the company.

2.2.4 Broken down by its components, score projections for PC15 as set out in NI Water's Business Plan are shown in the table below:

Table 2.3 – NI Water proposed OPA improvements by individual measure

Measure	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Max score
Risk of low pressure	29	30	31	33	34	35	*38*
Unplanned interruptions	26	27	27	27	28	28	*38*
Hosepipe restrictions	13	13	13	13	13	13	*13*
Customer contact *	34	34	35	35	35	35	*38*
Drinking water quality	29	29	29	29	29	29	*50*
Sewage sludge disposal	13	13	13	13	13	13	*13*
Leakage assessment	13	13	13	13	13	13	*13*
Water pollution incidents (H&M)	13	13	13	13	13	13	*13*
Sewerage pollution incidents (H&M)	3	3	3	3	3	3	*25*
Sewerage pollution incidents (Low) *	6	6	6	6	7	7	*13*
Sewage treatment works consent compliance	32	34	34	42	42	42	*50*
Total	**211**	**215**	**217**	**227**	**230**	**231**	***304***

*In response to our draft determination, NI Water submitted revised proposed improvements for these measures

2.2.5 As can be seen from the table, sewage treatment works consent compliance is the area where NI Water are forecasting to gain the largest individual improvement in OPA score. There are also expected improvements in the OPA scores for unplanned interruptions and risk of low pressure over the six years of PC15.

2.2.6 According to NI Water projections, at the end of PC15 NI Water will be either close to, or at, the maximum scoring range for a number of OPA measures - including risk of low pressure, customer contacts, hosepipe restrictions, sewage sludge disposal, leakage assessment and high & medium water pollution incidents.

2.2.7 Despite some improvement, NI Water are still forecasting a material gap on a number of OPA measures by 2020-21 to what was achieved by their comparator companies in England and Wales. Scope for further improvements remain for risk of low pressure, unplanned interruptions, customer contact, drinking water quality, low pollution incidents and high & medium pollution incidents.

3.0 Utility Regulator Views

3.1. Opinions on proposals

3.1.1 NI Water has significantly improved its service performance over the last number of years. This improvement in service is reflected in the OPA score more than doubling from 98 in 2007-08 to 216 in 2013-14.

3.1.2 Going forward, the key concern of the UR is that NI Water continues to deliver service improvements. The company must also ensure that it operates within the limitations of allowed public expenditure.

3.1.3 Based on NI Water's performance so far, and on the performance of Scottish Water, it is our strong expectation that NI Water's OPA score can and will improve over the PC15 period, even where we have proposed a robust and reasonable efficiency challenge.

3.1.4 NI Water's projected OPA scores, as set out in its business plan, are considered by the UR to be a reasonable estimate of NI Water's improvement capability. However, on a few specific service areas, the UR considers that NI Water have been overly conservative in their projections.

3.1.5 For this final determination, the UR has undertaken its own assessment of an appropriate OPA target. Like NI Water, this approach has been cautious, recognising that as NI Water closes their gap with what was achieved by companies in England and Wales, the scope for further rapid improvement diminishes somewhat.

3.1.6 The UR has also been mindful that it is difficult to forecast with complete certainty the magnitude of individual service improvements, especially given year-on-year variability on some measures. As a company it seeks to continually improve its service levels. However, while there may be some natural fluctuation in the data, the general overall trend should be one of service improvement.

3.1.7 It is for these reasons, that the UR has taken a cautious approach to estimating the degree to which NI Water can improve its OPA score over the six years of PC15.

3.2. Areas of divergence

3.2.1 Given that NI Water has been set a PC13 OPA target of 215 for 2014-15, the proposals by NI Water seem quite modest given that they encompass a slight fall in the OPA score over the start of PC15 and then an increase to 231 at the end of PC15.

3.2.2 However, since NI Water are neither at nor set to approach the maximum scoring range on a number of OPA measures, any substantial increase in the OPA score can only come from areas such as drinking water quality and sewage pollution incidents where scores remain relatively low.

3.2.3 Forecasting with certainty how much the company can realistically improve on these measures in each of the six years of PC15 is difficult to pinpoint. The UR has therefore taken a cautious view of what can be achieved. The onus is on the company to outperform

these targets and more substantively close a greater proportion of the service gap with companies in England and Wales than that assumed in their business plan.

3.2.4 For the final determination the UR has kept its forecast for 9 of the 11 measures the same as NI Water submitted in its business plan. For the remaining 2 of the 11 measures the UR has identified some scope for more rapid progress on closing the service gap than NI Water. These estimates include some additional progress on customer contact and low sewage pollution incidents compared to NI Water's forecast in their PC15 business plan.

3.2.5 It is important to note that these assumptions on OPA performance do not necessarily mean the UR is setting a specific OPA target for each respective OPA measure, rather it represents our expectation of what is achievable in the total OPA score.

3.2.6 If the company has a challenging year on customer contact for example, the company can still reach their overall OPA target by performing better than originally forecast in the remaining 10 OPA measures.

Customer contact

3.2.7 The UR notes the significant progress made by NI Water on the customer contact measure. This resulted in the company increasing their OPA score on customer contact from 23 in 2009-10 to 33 points in 2012-13.

3.2.8 NI Water predicted in their PC15 business plan that they would increase their customer contact score from 34 points at the start of PC15, to 35 points by 2017-18 and then maintain this level to 2020-21.

3.2.9 At draft determination, the UR considered this forecast as somewhat conservative. Given that the methodology on customer contact does not require the company to be at the maximum scoring range for all of the four areas assessed to achieve the highest score, achieving the optimum score of 38 by 2020-21 would be a reasonable expectation.[4]

3.2.10 In a hypothetical example, if NI Water were to maintain its 2012-13 customer contact metrics constant throughout PC15, but improve the proportion of bills based on a meter reading element from its forecast 99.0% to around 99.5% it would achieve maximum points on the overall measure. It was the case that England and Wales companies were able to achieve performance around this level for metered bills, averaging 99.61% during the 2000-05 price control and 99.79% in the 2009-10 year.[5] It should also be stressed that this is only a hypothetical example of what NI Water could achieve and the company could achieve the maximum score by improving all aspects of customer service.

3.2.11 By way of contrast, in 2009-10 six out of the ten water and sewerage companies scored the maximum 38 points for customer contact, with three others only marginally behind on 37 points.

3.2.12 After taking all the above factors into consideration, the UR at draft determination stated than an OPA score of 38 should be achievable by NI Water on this measure by 2020-21.

[4] Company only need a combined score of 180 out of 200 to score maximum points on the customer service individual measure.
[5] Taken from "Service and delivery – performance of the water and sewerage companies in England and Wales 2009-10" by Ofwat. http://www.ofwat.gov.uk/regulating/reporting/rpt_los_2009-10.pdf

3.2.13 In their draft determination consultation response, NI Water stated that they accepted this expectation and are, *"content with the Customer Contact score of 38 by 2020-21."*

3.2.14 For the purposes of calculating an appropriate OPA score at final determination, the UR will therefore leave our draft determination assumption of achieving 38 points on this measure by 2020-21 unchanged.

3.2.15 Of note is the fact that we have based our estimate on the scope for improvement assuming the current methodology for the customer service OPA measure remains. If any new consumer satisfaction survey is introduced during PC15, it may be prudent for the UR to re-examine the relevance of the ease of telephone contact element for example, along with the formula for weighting and scoring in this particular OPA measure. See Annex F for additional detail on the new consumer service outputs for PC15 and the likely approach to incorporating these through PC15.

3.2.16 In relation to this, the UR will be mindful of the need to ensure continuity of the OPA, especially as the measure has proved to be a useful metric for comparing the improvement in overall service levels over time, helping incentivise the company.

Pollution incidents

3.2.17 As NI Water are at the maximum of the scoring range for high & medium water pollution incidents, there is no scope for the company to improve on this measure. However, on both high & medium and low sewage pollution incidents, there is substantial scope for improvement, with potential to increase the OPA by 28 points from its 2012-13 levels on these two measures alone.

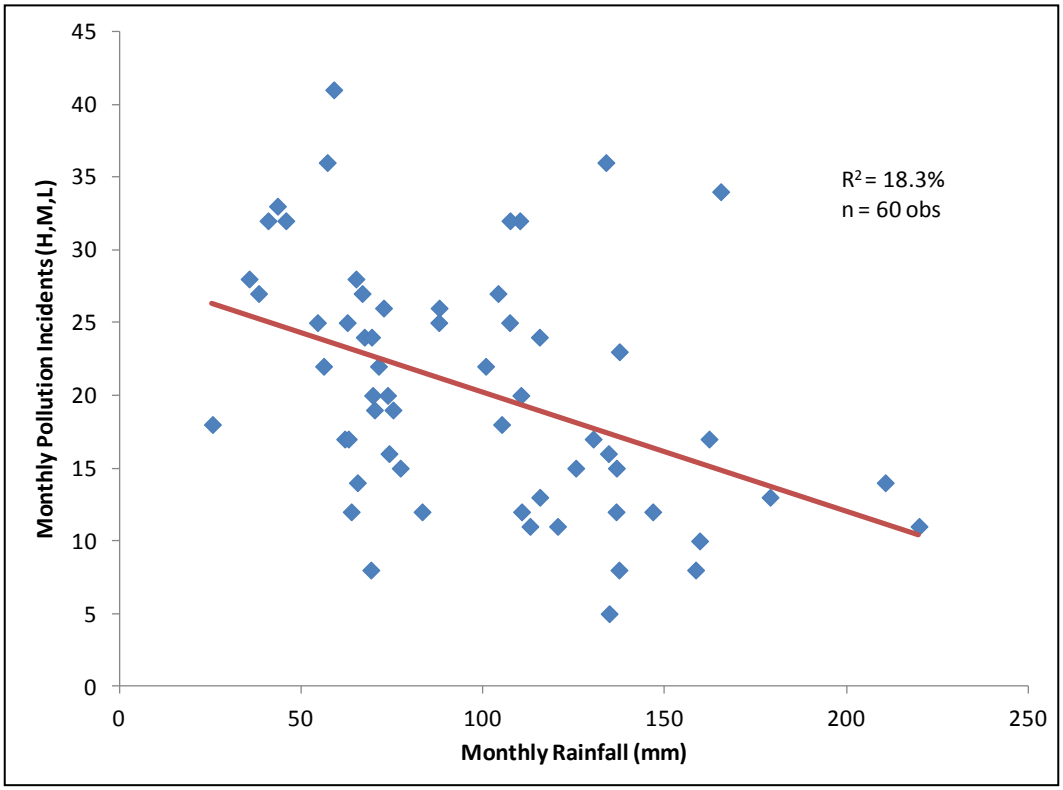
3.2.18 By 2020-21, NI Water's business plan forecast to stay around the same level as is currently the case in terms of OPA score for sewerage pollution incidents. The company also cautioned against expecting continual year-on-year improvement given a natural annual variability, stating that a degree of improvement on these measures partly depends on factors outside their control – namely rainfall levels.

3.2.19 During the six years of PC15 the company are not forecasting to enter into the scoring range for high and medium sewage pollution incidents. This means that the company are expecting to score the minimum 3 points for that particular measure (out of a possible 25).

3.2.20 While the company is around the middle of the scoring range for low sewage pollution incidents, NI Water do not project increases above their score of 7 (out of a possible 13), achieved in 2012-13. The company has stated that as this score occurred during a wet year, it is not representative of their true underlying performance.

3.2.21 The UR performed its own examination of the relationship between rainfall levels and pollution incidents in Northern Ireland, undertaking a statistical analysis of the data provided by NI Water. Although the data only goes back five years, it seems apparent that there is an inverse relationship between rainfall and pollution incidents.

Figure 3.1 – Relationship between rainfall and pollution incidents



3.2.22 Whilst both the model and its coefficient are significant, it is apparent from the low R^2 value there will likely be a number of other variables which account for the levels of pollution incidents. Some of these would be within company control.

3.2.23 The UR examined the correlation between pollution incidents and a lag of monthly rainfall. However, this only improved the model slightly.

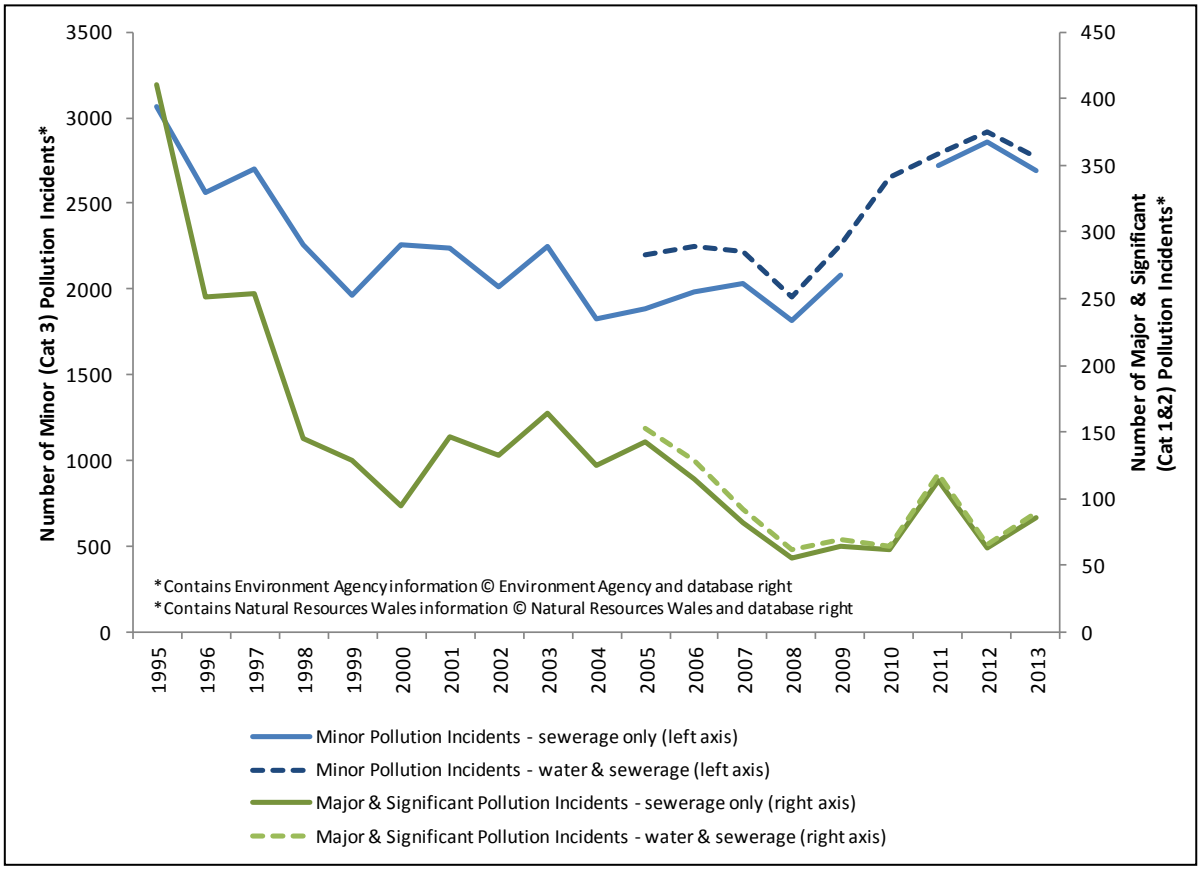
3.2.24 It is also the case that certain circumstances would dictate the impact of rainfall, which may not be included within the model's predictions. For example, recent very heavy rain in England and Wales has been blamed for some pollution incidents over the last one or two years.

3.2.25 Rainfall and other exogenous variables may explain some of the year-on-year variability of the data, but it is the case that companies in England and Wales have been successful in reducing the frequency of sewage pollution incidents (category 1 (major) & category 2 (significant) in particular). In recent years however, some companies have not performed as well with respect to the absolute number of minor category pollution incidents.[6]

3.2.26 Figure 3.2 below charts the historic experience of the industry in England and Wales with respect to category 3 (minor) and category 1 & 2 (major & significant) incidents.

[6] Both the Environment Agency and Natural Resources Wales categorise pollution incidents into major, significant and minor groupings. The Northern Ireland Environment Agency adopts high, medium and low.

Figure 3.2 – Performance of the England & Wales companies on pollution incidents[7]



3.2.27 While the graph above shows the historic performance of England and Wales, by way of context the Environment Agency has informed all companies in England and Wales that it expects they will be reporting zero category 1 or 2 pollution incidents by 2019-20.[8]

3.2.28 The Environment Agency has also set an expectation for at least a third reduction in category 1 to 3 incidents by 2020 from 2012 levels and Ofwat is to set company-specific targets for category 3 sewerage related incidents for PR14.[9]

3.2.29 At draft determination, based on our estimations of what was achievable on this measure in Northern Ireland, the UR took a less pessimistic view than NI Water had in their business plan and forecasted the achievement of 9 out of a possible 13 OPA points for low sewage pollution incidents by 2020-21. To achieve this would mean a reduction to around 120 low category pollution incidents by the end of PC15 from a level of 163 in 2012. This is equivalent to around a 25% reduction on 2012 levels.

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[7] Sewerage only figures for 1995 to 2009 taken from Ofwat's 2009-10 levels of service report. http://www.ofwat.gov.uk/regulating/casework/reporting/rpt_los_2009-10.pdf
Sewerage only figures from 2010 onwards from Environment Agency (EA) and from Natural Resources Wales (NRW). Data solely related to Category 3 sewerage pollution incidents in 2010 was not available. The 2005 to 2013 combined water & sewerage figures (dashed lines) are from EA, NRW and Dwr Cymru / Welsh Water. EA data does not include pollution incidents from adopted assets when private sewers transferred to water company responsibility. However, the EA advise that there are very few of these incidents annually.

[8] www.gov.uk/government/uploads/system/uploads/attachment_data/file/340652/LIT_9993.pdf

[9] http://www.ofwat.gov.uk/pricereview/pr14/det_pr1408draftappendixoutcomes.pdf

3.2.30 NI Water responded to our draft determination proposal by stating that they do not believe achieving 120 low severity pollution incidents to be realistic of what the company can deliver. They suggest a figure of 145 by the end of PC15 and use a three year historical average of 184 as its 2014 baseline.[10] A figure of 145 represents a 20% reduction on its new baseline figure and an approximate 10% reduction on its 2012 figure.

3.2.31 Subsequent to the consultation, NI Water also provided additional information on the possible root causes of specific pollution incidents. We welcomed this supplementary data and we have considered this carefully.

3.2.32 However, in reconsidering all the information on this measure, we do not believe our draft determination assumption of achieving 9 possible OPA points on low category sewerage pollution incidents to be unreasonable in itself, especially when we reconsider in the context of our overall approach.

3.2.33 It is important to stress that we have not set OPA targets for NI Water on individual measures, but adopted a 'bottom-up' approach in specific measures to see what can sensibly be achieved overall. The company can improve in other areas of service to reach our overall OPA target score. This is particularly of note when we consider our deliberately quite cautious approach to setting OPA targets for PC15. We have set 9 out of 11 measures unchanged from the company's business plan projections.

3.2.34 Turning to the high & medium pollution incidents measure, if NI Water was to significantly improve its performance to around 12 incidents a year, it would enter the scoring range. Subsequently its annual improvement on this level would significantly close their overall service gap with companies in England and Wales. In their consultation response to the draft determination, NI Water proposed a revised profile where they reduce high and medium severity incidents by one a year from a baseline assumption of 28 in 2015.

3.2.35 However, neither NI Water nor the UR's proposals for high & medium sewerage related pollution incidents during PC15 see the company reach the scoring range as set out in the OPA's methodology. Given the uncertainty associated with calculating the exact timing of when NI Water could enter the scoring range for this measure, the UR has not forecast improvements in the OPA score for the high & medium sewage pollution incidents measure for PC15.

3.2.36 Nonetheless, this specific measure remains an area where NI Water could potentially make substantial improvement in its OPA score if it were to get within scoring range during PC15 or beyond.

3.3. Proposed scores

3.3.1 For the final determination the UR has kept 9 of the 11 measures the same as NI Water submitted in its business plan. For the remaining 2 measures the UR has identified scope for more rapid progress on closing the service gap than NI Water has assumed in its business plan.

3.3.2 By adding an extra 3 OPA points for the customer contact measure and an extra 2 OPA points for the low sewage pollution incidents measure, the UR in this final determination

[10] NI Water had 202 sewerage related low severity pollution incidents in 2011, 163 in 2012 and 188 in 2013.

believes an end of PC15 OPA target of 236 is appropriate for the company, unchanged from our draft determination position.

3.3.3 Looking at the OPA targets generally, we believe stretching NI Water to a total five OPA point increase on their forecast 2020-21 levels is reasonable but quite challenging. It is also important to stress that we have not set OPA targets for NI Water on the individual measures that make up the OPA. The company can improve in other areas of service to reach our overall OPA target score.

3.3.4 In their draft determination consultation response, NI Water stated that they were content with our forecasted 2020-21 end-point of 38 points for the Customer Contact score. In addition, the company revised their projections for low sewerage related pollution incidents within their consultation response, meaning that the company believe an additional OPA point on this measure is achievable by 2020-21. We can infer that this means that the company now believe that a score of 235 is a suitable target for the final year of PC15.

3.3.5 As was the case in our draft determination we have set a more appropriate profile of annual OPA targets, removing the slight drop in projected overall service standards at the beginning of PC15.

3.3.6 The Consumer Council, in their consultation response to the draft determination have explicitly stated that they support the UR's increased OPA score of 236 along with the adjustment in the OPA profile to remove the company's negative step from 2014-15 to 2015-16.

3.3.7 For the final determination the UR has interpolated a high level and gradual, year-on-year linear increase in the OPA from its PC13 OPA target of 215 in 2014-15, to its end of PC15 OPA target of 236 in 2020-21. The company will therefore need to increase its OPA score by around 3 to 5 points per year to achieve the UR's target. These OPA targets are based on what the UR believes achievable within the operating cost allowance as set for PC15 within this final determination.

Table 3.1 – Final determination targeted OPA scores for PC15

	PC13 Targets		PC15 Targets					
	2013-14	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**
UR PC15 final determination	202	215	218	221	224	227	232	236

3.3.8 Our final annual OPA targets based on this high-level analysis are shown in the table above, while the graph below shows these targets in the context of what has historically been achieved by the company.

Figure 3.3 – Targeted improvements to NI Water's OPA scores in PC15