

Dear [REDACTED]

Thank you for your request for environmental information. We appreciate your interest, and we want to let you know that your request has been carefully considered in accordance with the Environmental Information Regulations (EIR).

Your request:

You recently stated to me that *"none of the costs or fines attributable to an offence are borne by the customer. As per the Regulatory Accounting Guidelines (RAGs), fines and penalties fall within the 'disallowable cost' category. This means they are borne by the Company, i.e. shareholders and not customers."*

Please can you provide the evidence which demonstrates that fines and penalties have been paid by United Utilities shareholders?

Our response:

'Disallowable costs', as per [Ofwat RAGs guidance](#), include any fines, penalties, investigation costs and compensation claims. We report 'Disallowable costs' within [APR table 4C](#) on line 4C.4 (split by price control and totalling £9.351m in 2024/25 & £26.219m across 2020-25) and this is subject to financial audit review to ensure this information is accurately presented.

These disallowable costs then form a subset of 'Actual totex – not subject to cost sharing' (where 'totex' is an abbreviation of total expenditure', reported on 4C.23 (totalling £45.964m in 2024/25 and £191.598m across 2020-25). This then ultimately pulls through to Ofwat's 2020-25 cost reconciliation model which ensures that none of the reported disallowable costs, including fines, are paid for by customers.

We hope that this response answers your request. However, if you're not satisfied with how we've handled it, you can request an internal review. To do this, please write to us at Environmental Information Office, Haweswater House, Lingley Mere, Warrington, WA5 3LP or email us at EIRRequests@uuplc.co.uk, addressing your request to [REDACTED], and explaining why you're unhappy with our response. We'll be very happy to review your request and ensure we've done everything we can to assist you.

Any request for an internal review should be made within 40 working days of receipt of this response, and we will reply within 40 working days from receipt of the request for internal review.

Many thanks
[REDACTED]

We'd love to hear your feedback on how we handled your request! If you have a moment, please complete our short survey [here](#) – your input helps us improve our service.