

Ofwat - Cost of capital study in the UK water and sanitation sector

Date: 2003 – 2004

Client: Office of Water Services (Ofwat), UK

Country / Region: United Kingdom

CEPA worked with Ofwat on an evaluation of the cost of capital in the UK water sector and associated financial issues for the 2004 review of price controls. As well as reviewing the latest market evidence and academic thinking, CEPA undertook an extensive consultation exercise with leading corporate and institutional investors in the water sector. The work was carried out in partnership with Europe Economics.

This evidence was used to inform judgements on the extent to which different determinations of the cost of capital are consistent with the financing of the major capital investment programmes of the UK water and sewerage companies.

Links:

- [Office of Water Services](#)