Water Utility Business Plan

Vistula District Water | Warsaw | Feasibility proposal

DOCUMENT GUIDE

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Vistula District Water | Version 1.0 | 3 October 2026

This plan evaluates a prospective district water-distribution service. Launch is conditional on lawful operating rights, viable tariff recovery and committed funding. It includes a ten-year operating forecast and openly reports funding deficits. No concession, customer or lender agreement is secured.

01 / OVERVIEW

Executive summary

Vistula District Water is a prospective distribution operator for a defined residential development area in Warsaw. It would purchase treated potable water at a bulk boundary, manage district mains, pumps and meters, and bill authorised customer accounts. It would not extract raw water, treat sewage, or replace MPWiK citywide. The plan is a feasibility proposal, with no network rights, operating permit, tariff, bulk agreement, customers or finance secured.

The base model uses 6,000 mature occupied meter accounts and 8 m3 per account per month. Funding, tariff recovery and physical access are the decisive gates. The sponsor should authorise only a limited diligence phase until an engineering survey, developer cohort and lawful service arrangement support the scope.

The Base case needs PLN 42,421,500 including a PLN 3 million opening reserve, against proposed sources of PLN 41 million. First-year revenue is PLN 3,443,294, EBITDA PLN (168,096) and net loss PLN (2,441,430). Signed liquidity reaches PLN (15,050,398) across ten years. Do not launch under these assumptions. At least PLN 15,050,398 incremental funding would be needed merely to avoid negative liquidity, before any lender reserve. Additional capital alone does not repair tariff recovery or investment viability.

02 / BUSINESS

Business details

The working name is Vistula District Water. A Polish limited liability company is the proposed operating vehicle, subject to counsel confirming the structure. The registered office, shareholders, beneficial ownership and management identities remain unfilled. January 2028 is an illustrative commissioning date after a separate development phase.

The geographic hypothesis is one contiguous new residential district in the Warsaw metropolitan service context. No specific street, parcel or development is selected. A master-meter and apartment-submeter billing boundary must be agreed before the account assumptions can become contractual forecasts.

03 / STRATEGY

Business concept and objectives

The offer is reliable potable-water distribution with meter transparency, rapid leak investigation and clear emergency notices. The system relies on a purchased treated-water connection, district storage and pumping, telemetry and metering. Bulk quality does not remove responsibility for maintaining potable quality within the distribution network.

Year one priorities are lawful authority to operate, acceptance testing, complete meter records and uninterrupted incident response. Proposed operational targets are 99.9% network availability, investigation of high-priority alarms within one hour and non-revenue water below 12%. These are management targets without measured baseline evidence. Expansion waits for twelve months of operating evidence and positive funded cash capacity.

04 / STRATEGY

Business model canvas

The business model connects a lawful geographic customer base with network operation and cost recovery. Access rights and tariff approval precede sales. The model excludes connection fees and grants because neither has a documented basis.

The key dependency is that a dedicated district network can earn sufficient approved revenue while purchasing bulk water at sustainable cost. The sponsor must obtain a draft service agreement and an independent tariff-cost review before constructing infrastructure.

Partners Bulk supplier; developer; laboratory; emergency contractor. All pending.	**Activities** Safe network operation; metering; billing; emergency response.	**Resources** Lawful network rights; trained staff; mains; pumps; telemetry.
Value Reliable supply, transparent readings and accountable incident response.	**Relationships** Association liaison; complaints; accessible notices.	**Channels** Authorised district agreements and verified meter onboarding.
Segments Defined residential service cohort; master-account mapping required.	**Costs** Bulk water; dedicated staff; maintenance; capital and debt.	**Revenue** Approved volumetric water tariff plus lawful fixed charge. No sewage.

Proposed business model; operating arrangements and tariff rights remain conditional.

05 / STRATEGY

SWOT and longer term goals

S1: a defined district could enable telemetry and meter completeness from commissioning. S2: an integrated operations and billing record could reduce leakage response time. These are planned capabilities. W1: the proposal has no operating rights or contracted customer base. W2: infrastructure is capital intensive and bulk purchase terms are unknown.

O1: new developments may need coordinated network delivery and management. O2: developer and housing-association engagement could establish a documented connection cohort. T1: a public operator may be the preferred or only lawful route. T2: tariff lag, leakage and construction overruns can overwhelm thin margins. Years three to five focus on renewal adequacy and a verified funding path. No acquisition or second district is assumed.

Strengths S1 S2	Weaknesses W1 W2
Planned telemetry completeness and integrated operations/billing records.	No operating rights or contracted cohort; heavy capital and unquoted bulk price.
Opportunities O1 O2	**Threats T1 T2**
New development network delivery and documented association handovers.	Public delivery may prevail; tariff lag leakage and capital overrun.

Planning strengths and weaknesses; opportunities and threats require external evidence.

06 / STRATEGY

TOWS strategy matrix

SO uses S1 and O2: the operations director prepares a telemetry and handover specification within the initial diligence phase. WO uses W1 and O2: the sponsor requests written legal and customer-boundary evidence before any build commitment. ST uses S2 and T2: the engineer sets leak detection and failure escalation protocols before acceptance. WT uses W2 and T1: suspend the private-operator route if public delivery is more viable or approval is unavailable.

The proposed initial feasibility budget is part of the PLN 1 million startup expense allowance. Legal clearance, independent technical work and tariff review receive priority. No marketing action can compensate for missing rights. The board reviews each gate monthly and releases capital in stages only after binding evidence.

SO S1 O2 Engineer specifies telemetry and documented handover before build.	**WO W1 O2** Sponsor obtains lawful route and account cohort before capex.
ST S2 T2 Operations director adopts alarms and leak response protocol.	**WT W2 T1** Board stops private route if public delivery is more viable.

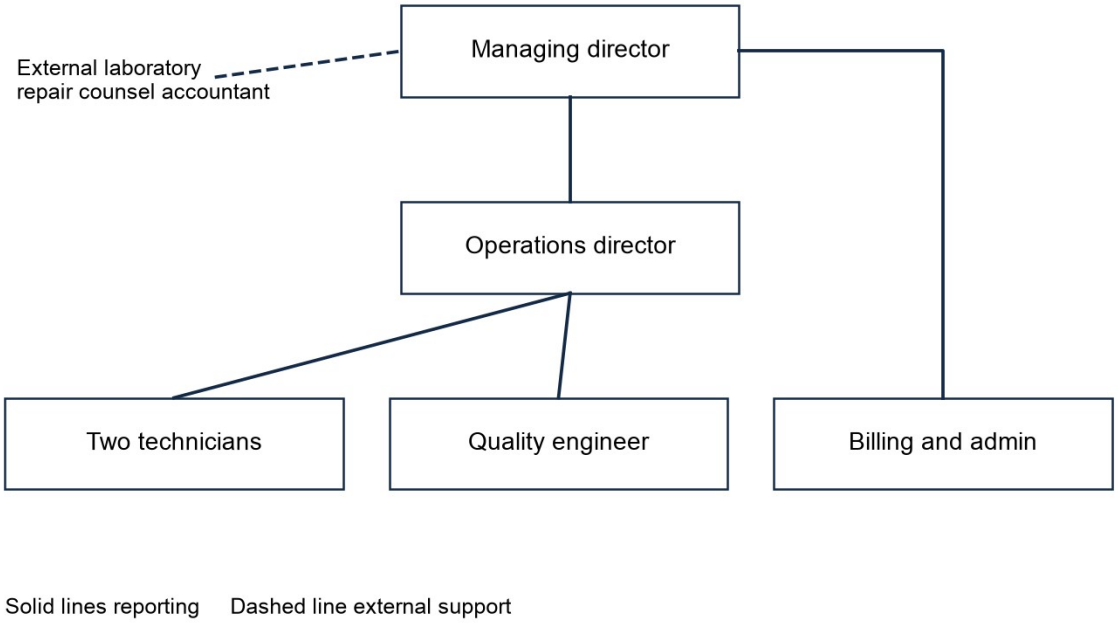
Proposed actions derived from the SWOT; owners must resolve the stated gates.

07 / PEOPLE

Owner and management

The sponsor is unspecified. The model includes a full-time managing director at PLN 18,000 monthly gross, with employer burden. The director owns capital discipline, authority liaison, emergency accountability and customer redress. Technical authority belongs to an experienced operations director; both appointments and supporting credentials remain pending.

The six employee roles are operations director, two network technicians, water quality engineer, billing and customer officer, and administration officer. External accredited laboratory, emergency repair contractor, accountant and counsel supplement this team. A contracted round-the-clock response rota is required; seven internal people cannot provide continuous staffed control-room shifts.



Proposed reporting structure; external support requires separate contracts.

08 / PEOPLE

Owner and key personnel profiles

Recruitment requires documented utility operating experience, potable-water quality competence, network maintenance knowledge and emergency leadership. The managing director must demonstrate regulated-service governance and financing capacity. The operations director must demonstrate relevant engineering responsibility and safe-work competence. No appointments or qualifications are represented as secured.

The water quality engineer owns sampling plans, incident notification and corrective release decisions. Two technicians inspect the network and verify meter integrity. The billing officer resolves complaints and monitors arrears. The administration officer maintains procurement, records and training. The board should review conflicts, delegated authority and background evidence before appointment.

09 / MARKET

Target customers

The primary customer cohort is occupied residential meter accounts inside a legally defined development service boundary. Housing associations and developers are important contracting and handover stakeholders, but apartment counts cannot be substituted for billable accounts without a meter and contract mapping.

Secondary institutional premises are deferred until the engineer confirms hydraulic headroom and a tariff group. There is no open retail catchment or discretionary customer acquisition assumption. Essential service obligations and consumer protections apply even where residents cannot choose another network.

10 / CUSTOMER STRATEGY

Segmentation targeting and positioning

Segment one is new occupied dwellings with verified metering, targeted at launch. Segment two is housing-association master accounts requiring billing-boundary reconciliation, subject to contract design. Segment three is commercial or high-volume use, deferred until demand and capacity are tested.

For the authorised residential district, Vistula District Water proposes metered potable-water distribution with understandable bills and prompt incident notices. Proof must come from acceptance tests, sampling results, meter records and service response logs. The model's 6,000 accounts is a maturity hypothesis, not a claim that 6,000 customers have agreed.

Segment	Target	Position
New occupied dwellings; association master accounts; commercial users.	Verified residential meter cohort in one authorised boundary.	District accountability, transparent bills and incident communication.

Proposed customer segmentation and district positioning; the account cohort is unverified.

11 / CUSTOMER STRATEGY

Value proposition canvas

The selected customer is a housing association overseeing occupied dwellings. Its jobs are reliable supply, understandable allocation of costs, leak resolution and defensible records. Pains include unexplained differences between master and submeter readings, interrupted supply and slow complaint handling. Desired gains are transparent reconciliation and a named accountable operator.

The offer pairs meter records and consumption alerts with monthly billing explanations and emergency escalation. Before capital commitment, interview at least ten relevant association or developer representatives and obtain three documented service-boundary proposals. These are proposed tests, with no completed interviews or demand validation claimed.

Customer jobs Association: reliable service and defensible meter allocations.	**Products and services** Potable distribution, reading records, billing and incident notices.
Pains Unexplained meter differences, outages and complaint delays.	**Pain relievers** Reconciliation report, alarms and accountable escalation.
Gains Visible readings, clear responsibility and dependable evidence.	**Gain creators** Validated records, quality sampling and service reporting.

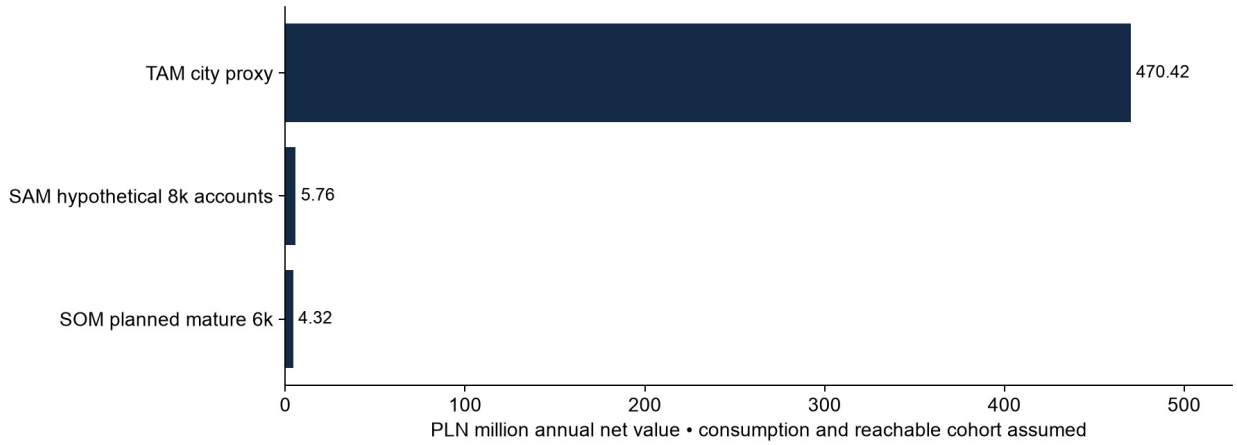
Hypothesised association needs and proposed responses; validate through interviews.

12 / MARKET

Market size and trends

Warsaw had 1,866,729 residents at 31 December 2025 according to the Statistical Office in Warsaw [S1]. This establishes urban scale but does not establish an addressable private concession. The physical and legal service boundary determines the opportunity. New development permissions, network ownership and incumbent coverage must be mapped parcel by parcel.

For a comparable 12-month mature-year scope, the illustrative citywide residential water-value proxy is population × 3.5 m3 per person monthly × 12 × PLN 6 net, about PLN 470 million. Consumption is an assumption. A hypothetical 8,000-account eligible development cohort at 8 m3 and PLN 12 fixed monthly has PLN 5.76 million annual net service value. Planned mature 6,000 accounts has PLN 4.32 million before escalation. SAM and SOM are conditional planning scopes, not validated market shares or transferable citywide rights.



Annual net value proxies: sourced city population with assumed consumption, tariff and account cohorts.

13 / MARKET CONTEXT

PESTLE analysis

Political: public-service accountability and incumbent network planning constrain entry. Economic: bulk tariffs, wage escalation and interest determine funding. Social: residents need understandable bills and essential service continuity. Technological: remote meters and telemetry improve diagnosis but introduce cyber and communications failures. Legal: operating permission and tariff approval require documented process. Environmental: leakage and power intensity affect cost and resource use.

The board must validate legal scope first, bulk terms second and engineering demand third. The downside case holds tariff escalation at zero while cost escalation is 4.5%, leakage 20% and capital cost 20% higher. These combined stresses test resilience and do not assign probabilities.

Political

Public accountability and incumbent planning constrain entry.

Economic

Bulk price, interest and tariff lag shape liquidity.

Social

Essential continuity, readable bills and vulnerable residents.

Technological

Telemetry improves response but requires cyber resilience.

Legal

Permit, tariff, title and construction clearance precede billing.

Environmental

Leakage and pumping intensity drive resource and cost use.

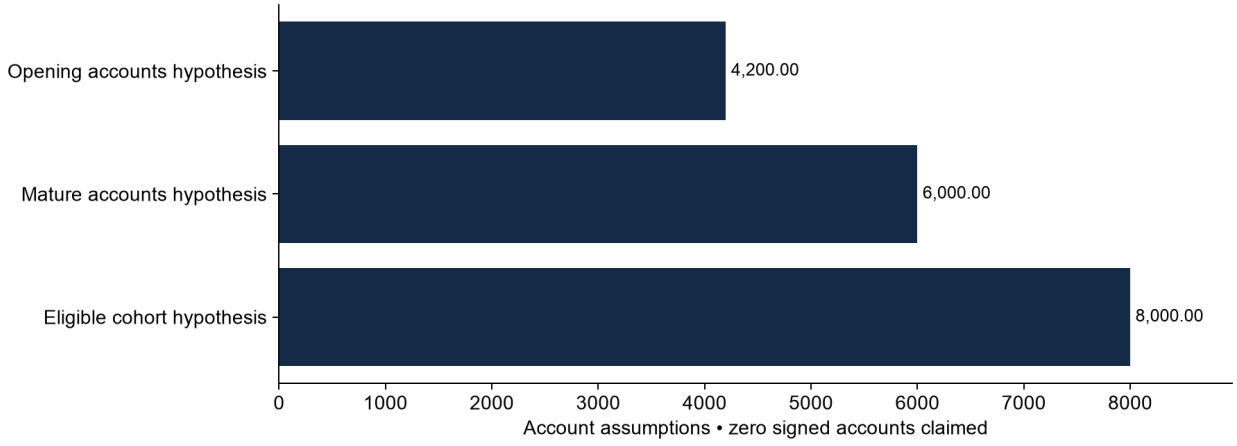
Qualitative planning factors; legal and engineering requirements require professional confirmation.

14 / MARKET

Local demand and evidence

There are no site-specific demand observations, signed customer schedules or developer quotes. The population evidence is contextual. Modelled accounts rise from 70% opening occupancy to full maturity over 18 months; this is not observed demand. The independent engineer must review occupancy phasing, household equivalents and expected per-account consumption.

The diligence pack must include parcel plans, occupied units, master meter counts, title and easement evidence, pressure and fire-flow requirements, and at least twelve months of comparable metered data where available. A service cohort is accepted only if its account mapping, payment obligations and connection timing agree with the model.



Opening, mature and eligible account hypotheses; no signed customers are claimed.

15 / MARKET

Competitors and positioning

MPWiK is the established municipal water operator and a potential bulk-supply counterparty. It may instead provide direct service, which could be the preferred route. Developer-owned networks and public handover are alternative delivery arrangements, with no observed comparative service ratings available.

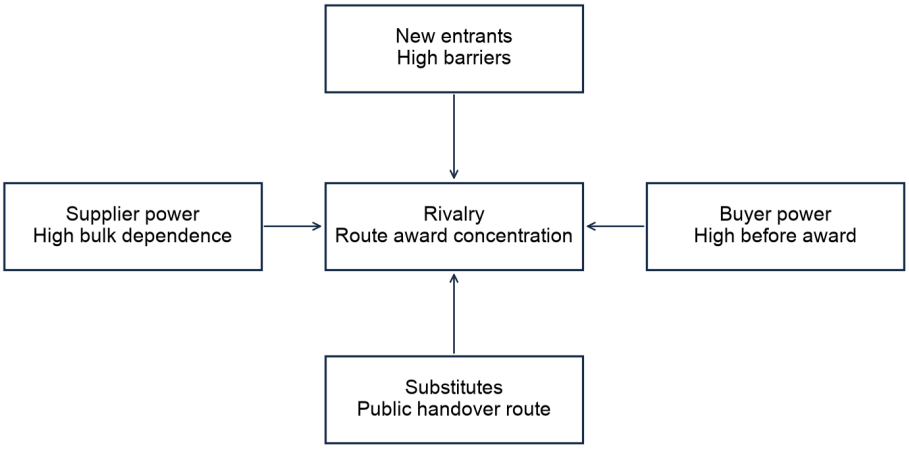
Vistula's proposed advantage is focused district accountability and transparent meter reconciliation. It cannot claim better water quality or cheaper lawful tariffs without evidence. Direct municipal operation may avoid duplicated financing and customer administration. The feasibility comparison should evaluate total lifecycle cost and public-service outcomes.

16 / COMPETITIVE STRATEGY

Porter five forces

Rivalry is concentrated in the delivery-route decision rather than daily switching. Buyer power is high for the developer or authority before award, while residents' practical switching options may be limited. Supplier power is high because bulk water and specialist engineering have few replaceable sources. New entry barriers are high because rights, capital and permits are required. Substitution is moderate at route selection through public service or asset handover.

The strongest commercial pressure is bulk-supplier and authority dependence. Obtain supply reliability, price revision and liability terms, retain a municipal-service alternative and avoid construction before route approval. The force ratings are qualitative judgments and do not become demand forecasts.



Qualitative entry-route analysis; supplier dependence and award concentration require validation.

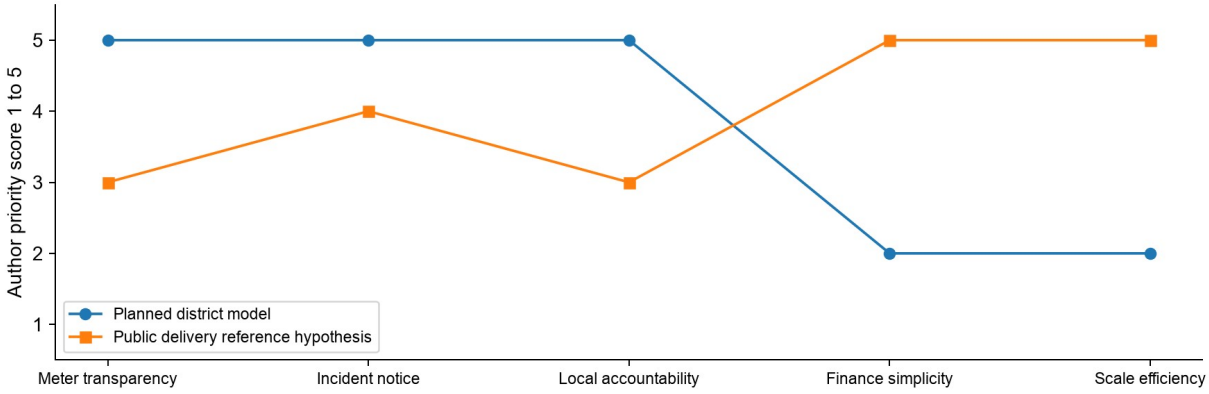
Force	Evidence or current status	Response
Rivalry	Municipal tariff benchmark [S2]; district route remains unawarded.	Compare public handover and district lifecycle cost before commitment.
New entrants	Municipal permit and tariff approvals required [S3, S4].	Secure the written legal route and approvals before construction.
Supplier power	Design depends on purchased bulk water; access and pricing are unagreed.	Negotiate capacity, outage and price revision; retain public delivery alternative.
Buyer power	Authority or developer selects delivery route; account contracts pending.	Confirm boundary, billing authority and redress terms before capex.
Substitutes	Direct municipal service or asset handover is an alternative.	Stop the private route if public delivery achieves better cost and service.

17 / COMPETITIVE STRATEGY

Strategy canvas

The canvas compares planned priorities with a reference delivery specification, not measured competitor performance. Factors are meter transparency, incident notice, local accountability, financing simplicity and scale efficiency. Scores run from one low emphasis to five high emphasis and are author judgments.

The proposed district model emphasizes local accountability and reconciliation. Direct public operation is expected to have scale and funding advantages, but this is a hypothesis for diligence. The cost of a dedicated team and telemetry is explicit in payroll and startup equipment; customer interviews must establish whether the proposed benefits justify the structure.



Author priority scores, not observed competitor performance or customer research.

18 / OPERATIONS

Location and premises

No site is contracted. The concept needs a bulk boundary, district mains corridors, pumping and storage sites, a secure small depot and rights of access. Land purchase is not in the model; the current capital estimates assume agreed rights and civil scope rather than acquisition of urban land. A material land payment requires a complete model revision.

The engineer must establish pressure, storage, peak flows, isolation zones and public-safety requirements. At mature base consumption, input volume is about 1,818 m3 per day using a 30-day month. A provisional 3,000 m3/day design envelope is a hypothesis, with peak-hour and fire-flow checks unresolved. No schematic here is a construction drawing.



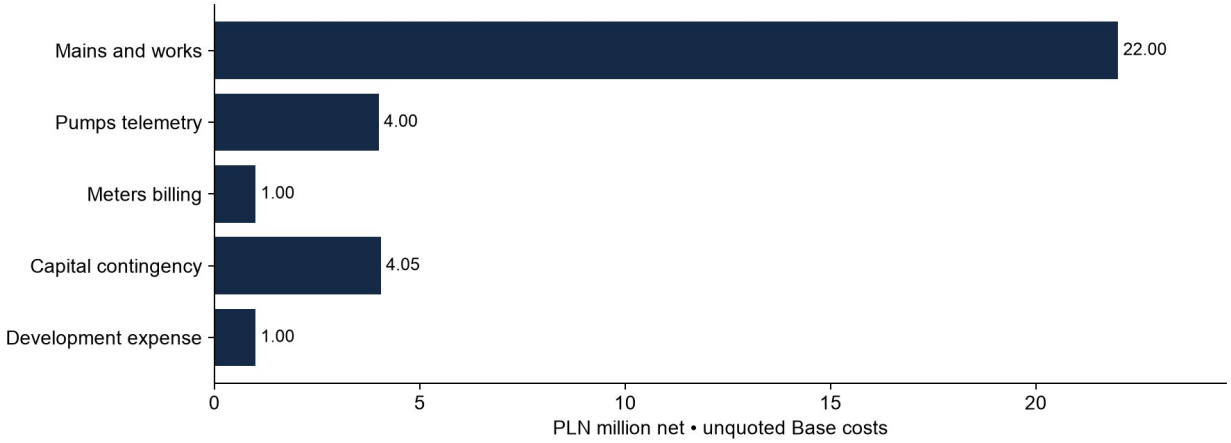
Proposed service boundaries; bulk access and lawful district rights remain pending.

19 / OPERATIONS

Equipment and resource plan

Net capital estimates are PLN 22 million distribution mains and civil works, PLN 4 million pumps, tanks and telemetry, and PLN 1 million meters and billing equipment. A 15% contingency on these costs is assumed spent and capitalised. No supplier quotations exist. Network accounting life is 30 years and equipment life 10 years, subject to engineer and accountant review.

Renewal capex is PLN 300,000 annually before escalation, spent each December, with five-year depreciation. Routine maintenance of PLN 25,000 monthly is separately expensed. Water-quality sampling, spare parts, backup communications and contractor availability must be specified at procurement. Capital cannot be approved until the quantity and cost schedule is independently reviewed.



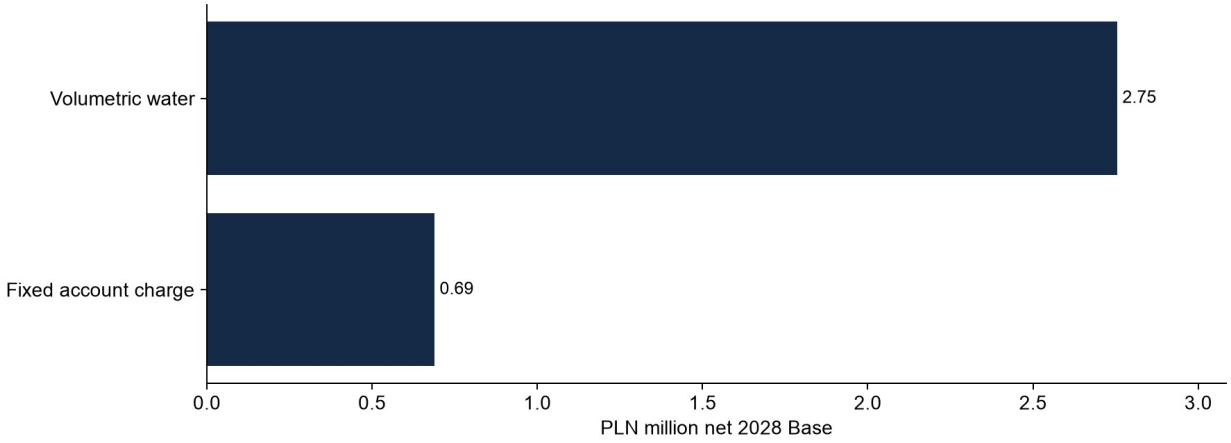
Unquoted Base capital and development costs, net of recoverable VAT.

20 / OPERATIONS

Water service and product strategy

The launch product is purchased potable-water distribution and account service. There is no wastewater tariff, private raw-water extraction, bottled-water operation or connection-fee income. The model uses volumetric and fixed charges to recover distribution service costs, subject to the operator's lawful tariff.

The boundary specification must establish ownership and responsibilities from bulk meter through distribution assets to customer meters. Any additional abstraction, treatment or sewage service changes licensing, cost, capex and environmental exposure and requires a different forecast.



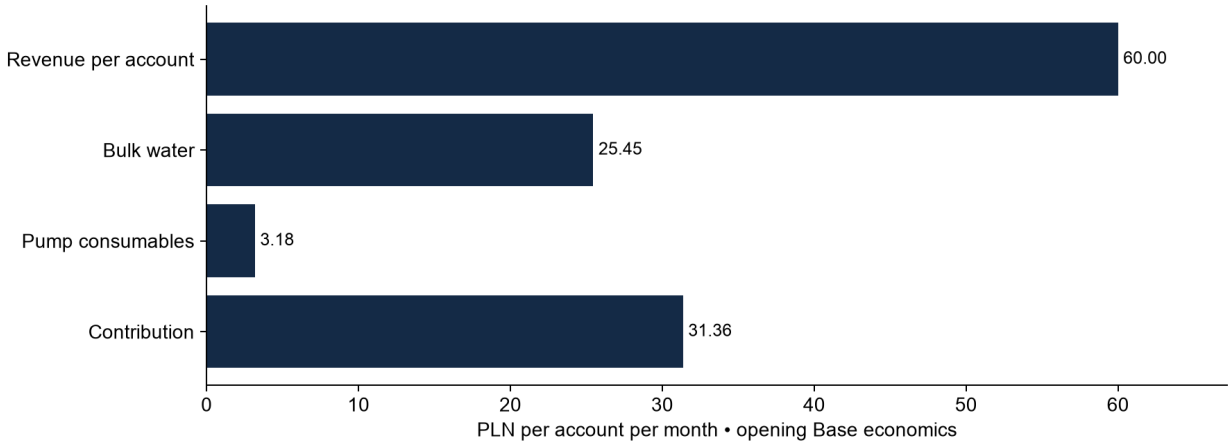
Base model 1.0 first-year net revenue by volumetric and fixed account charge.

21 / COMMERCIAL

Pricing and account economics

The city contact centre lists PLN 6.48 per m3 water from 11 July 2026 [S2]. Assuming 8% output VAT, PLN 6 net per m3 is the planning benchmark. A separate PLN 12 net monthly fixed charge is an unapproved hypothesis. Annual tariff escalation of 2.5% in Base depends on future approval, not an automatic right.

At 8 m3, one mature Base account yields PLN 60 monthly net revenue. Input water costs PLN 25.45 and pumping/consumables PLN 3.18 at 12% losses, leaving PLN 31.36 before fixed staffing, maintenance, administration, capex, tax and finance. Billing terms and meter class must be agreed. Charging a fixed fee per dwelling where only one master account is billable would materially overstate revenue. At mature opening Base volume, the approximate tariff required to cover fixed costs, current depreciation and interest is PLN 9.43 per m3 net while retaining the PLN 12 fixed charge. The PLN 6 benchmark cannot support that full-cost recovery. This approximation is not an approved tariff or a financing solution.



Opening Base revenue less bulk-water and pumping costs per account; fixed costs excluded.

22 / COMMERCIAL

Competitor price comparison

The reviewed city benchmark is PLN 6.48 per m3 water and PLN 9.87 per m3 sewage, totaling PLN 16.35 [S2]. This plan uses only the water benchmark. The sewage charge is excluded from revenue because sewerage is outside scope. Subscription charges and meter categories need direct tariff review before customer comparisons.

The proposed PLN 12 net fixed charge cannot be represented as an approved MPWiK fee or a cheaper offer. Its legal basis, eligible accounts and service cost justification remain open. Obtain a written pricing opinion and verify current tariff decisions at the actual investment date.

23 / COMMERCIAL

Brand and customer experience

The working brand should communicate accountability, water-quality evidence and plain-language bills. Register and name clearance are pending. Service notices need accessible Polish wording and channels suited to residents, associations and people without digital access.

Customers receive meter identifiers, billing periods, usage, applicable tariffs and a complaint route. Emergency notices identify affected zones, actions and expected updates. No claim of uninterrupted supply should bypass emergency planning or evidence. Quarterly service reporting should publish leakage, sampled quality and response statistics after commissioning.

24 / COMMERCIAL

Sales channels and process

Sales begin with lawful district authority and development agreements, then customer onboarding and meter registration. The operating workflow is account verification, consumption reading, invoice issue, payment collection and complaint resolution. No marketplace or retail-sales funnel is assumed.

Receivables are modelled at 35 gross billing days and supplier payables at 30 days. Credit assumptions are unagreed. The billing officer investigates exceptions before collection escalation and counsel establishes lawful treatment of vulnerable households. There is no assumed bad-debt write-off in Base; a separate arrears stress must precede lender approval.

25 / COMMERCIAL

Launch marketing

The launch budget is resident communication and stakeholder engagement. PLN 4,000 monthly funds onboarding materials, notices, account help and association meetings. Communication channels need accessibility testing before launch. Campaign reach and conversion evidence are not yet available.

Before operation, send approved service-boundary and tariff information through contracted associations and obtain receipt records. Success is complete account mapping and informed handover, not advertising impressions. Communication cannot start customer billing before rights and approvals are effective.

Retention and ongoing sales

Retention is continuity and trust in an essential service. Monitor unresolved complaints, meter exceptions, disputed bills, arrears and interruption duration. Customer satisfaction sampling should be established after launch and reported with sample size.

Volume growth beyond the maturity cohort is excluded from Base. Additional accounts require lawful boundary extension and hydraulic capacity. The board should not forecast growth to conceal weak unit economics. Annual renewal and tariff review must precede any district expansion.

27 / OPERATIONS

Daily operations and suppliers

The operations director reviews telemetry and bulk-versus-billed balance daily. Technicians inspect leaks, pressure and meters, with permits, isolation procedures and traffic management for works. The engineer controls sampling, disinfection and incident escalation. Billing reconciles readings before invoice release.

The bulk agreement must define delivery capacity, quality, outage notice, metering, price revision and liability. Laboratory and repair contracts require accredited capability, response times and evidence of insurance. Secure spare pumps and backup communication. A documented emergency plan covers contamination, pressure loss, power loss and cyber compromise.

Sustainability practices

The initial non-revenue water target is 12% of input volume. Monitor both m3 and percentage so volume growth does not hide losses. Report energy per input m3 and distinguish pumping efficiency from reduced service pressure. The engineer must verify water safety before operational efficiency changes.

Priorities are leak detection, durable network procurement, meter maintenance and staged renewal. No carbon credits, green grants or avoided-emissions claims are included. Environmental duties depend on actual works and permits; excluding abstraction does not eliminate construction and distribution compliance.

29 / PEOPLE

Staffing and training

The payroll assumption is PLN 113,000 monthly including owner and 22% employer-cost allowance. Gross monthly pay is owner director 18,000, operations director 18,000, two technicians 12,000 each, water quality engineer 15,000, billing officer 9,000 and administration officer 8,000. Total gross PLN 92,000 × 1.22 is PLN 112,240, rounded upward to PLN 113,000 for cover.

Annual costs escalate 3% in Base. External response capacity is essential because this staffing cannot maintain 24-hour internal shifts. Training covers water hygiene, confined spaces, electrical and excavation safety, incident command, meter handling, privacy and billing. Hiring evidence and rota costs must be validated before the payroll budget is accepted.

30 / PEOPLE

Staff skills and fair work

Use written job responsibilities, lawful employment terms, documented overtime and sufficient rest. The 22% burden is a planning allowance rather than a payroll determination. The accountant must verify social contribution categories and owner employment status. Warsaw enterprise-sector average pay provides context but does not establish utility recruitment quotes [S1].

The operations director maintains competency records and contractor induction. No employee should work outside certified capability. Technicians require safe isolation procedures and appropriate supervision. The board reviews workload and reports near misses without attaching commercial performance rewards to suppressed incidents.

31 / GOVERNANCE

Legal and insurance requirements

The public-service permit route is described by ePUAP as a decision by the competent mayor or municipal authority [S3]. Wody Polskie publishes the tariff application process [S4]. Counsel must confirm the current legal regime, service boundary and procurement route before investment. No concession award or automatic right to operate is asserted.

The requirements register also covers network title and easements, construction permissions, acceptance and sanitary obligations, data protection, customer contracts and complaint rules. Public and product liability, pollution cover, employers liability, equipment breakdown and cyber cover require quotations. The PLN 4,000 monthly insurance allowance is unquoted and may be inadequate.

32 / DELIVERY

Opening roadmap

Gate one is six months of technical and legal feasibility with a stop decision if rights or bulk access fail. Gate two is a defined service boundary, verified account cohort and engineering design. Gate three is an approved tariff-cost case, committed finance, construction permissions and procurement. Gate four is commissioning, sanitary clearance, emergency rehearsal and account acceptance.

January 2028 is illustrative and is not a promised opening. Downside startup expense is PLN 1.8 million and capex 20% above Base to represent delay and overruns; it does not pretend the date is secured. Construction schedule, finance draw timing and interest must be rebuilt from EPC and lender terms before financial close.

33 / GOVERNANCE

Risks and management actions

The highest risk is inability to secure a lawful operating route. Sponsor and counsel must resolve it before capital orders. Bulk price or access failure is next; the director needs a written supply agreement with outage and revision terms. Tariff lag, low occupancy and high losses combine in the Downside model and cannot be solved with unsupported growth assumptions.

Capital overruns trigger a board reforecast and renewed funding approval. Water-quality failure triggers isolation, sanitary notification and controlled restoration. Cyber or power incidents trigger manual monitoring and repair escalation. Maintain a risk owner, trigger, funded response and review date for each. No insurance or contingency is represented as eliminating service obligations.

34 / EVIDENCE

Research and evidence

S1 Statistical Office in Warsaw: population 1,866,729 at 31 December 2025 and local economic indicators. S2 Warsaw 19115 tariff page updated 8 July 2026: water PLN 6.48 and sewage PLN 9.87 per m3 from 11 July 2026. S3 ePUAP public-service permit catalogue: competent municipal decision. S4 Wody Polskie tariff application and instruction page. S5 Polish tax portal: standard CIT 19% and 9% conditional relief. Retrieved 3 October 2026.

The model uses 19% CIT, excluding any assumed preferential rate or tax-loss relief. VAT 8% on water and 23% on capital/services is a planning classification to confirm from actual invoices and service scope. No borrower-specific finance rate, developer quote, customer observation or approved private tariff exists.

S1 https://warszawa.stat.gov.pl/warszawa

S2 https://warszawa19115.pl/-/taryfa-za-wod%C4%99-i-%C5%9Bcieki-dla-mieszka%C5%84c%C3%B3w-warszawy

S3 https://epuap.gov.pl/wps/portal/strefa-urzednika/katalog-spraw/opis-uslugi/zbiorowe-zaopatrzenie-w-wode-i-odprowadzanie-sciekow

S4 https://www.gov.pl/web/wody-polskie/wzor-wniosku-taryfowego-i-instrukcja

S5 https://podatki.gov.pl/podatki-firmowe/cit/cit-klasyczny/stawki-i-limity

35 / EVIDENCE

Quotes and assumptions

All construction quantities, costs, bulk prices, account volumes, payroll offers, insurance, finance and customer payment terms are assumptions. Obtain independent engineer quantities and a minimum of two viable procurement quotations where competition exists. Quotes must identify VAT, service scope, contingencies, exclusions and validity.

The board must approve a dated evidence register before financial close. Unresolved items include account mapping, network title, construction scope, tariff application, bulk supply and reserve requirements. Update the cost case when written terms or verified quantities become available.

Model guide and completion

The supporting workbook contains Dashboard, Assumptions, Startup, Operations, CapitalDebt, Statements, Annual and Cases. Select 1 Base, 2 Downside or 3 Upside in Assumptions F5. Blue inputs in columns E to G are editable. Live statements use the active case. The forecast covers January 2028 to December 2037, with the first 36 months also summarised as three annual periods.

Cases is a captured comparison from 3 October 2026. It flags stale inputs after edits; changing the selector alone uses the same assumptions and does not invalidate snapshots. Negative signed cash measures funding required and is not an approved overdraft. Principal extends beyond the horizon. The lender must replace this pre-feasibility model with a full construction and concession-life model before underwriting. Snapshot refresh requires copying saved workbook input edits back into retained builder assumptions before rebuilding; the builder does not import edited Excel files.

37 / FINANCIAL

Startup costs and funding

The proposed sources are PLN 29 million equity and PLN 12 million debt. No funding is secured. Sources must cover infrastructure, development expense, recoverable VAT and an opening liquidity reserve. Initial VAT recovery is not assumed to produce a refund, so the gross construction funding remains necessary.

No balancing loan, subsidy or shareholder top-up is inserted. The board should size capital from peak funding need and lender liquidity covenants rather than only the initial invoice total. Negative values remain visible in all cases.

Funding bridge	PLN
Gross initial cash use	39,421,500
Opening reserve target	3,000,000
Funding required	42,421,500
Proposed equity	29,000,000
Proposed debt	12,000,000
Signed reserve headroom	(1,421,500)

Itemized startup costs

The startup schedule separately records PLN 22 million network works, PLN 4 million pumping and telemetry, PLN 1 million meters/billing and PLN 4.05 million capital contingency. The PLN 1 million development expense is expensed at opening. Recoverable capital VAT stays on the balance sheet until offset against operating VAT.

The reserve target is cash, not an expense. Physical scope, easements, backup provision and construction timing are unresolved. Contingency is not a funding source. If urban land purchase or multi-year construction becomes necessary, these estimates require complete revision.

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Owner personal survival budget

An illustrative owner household budget is PLN 12,000 net monthly: housing/utilities 5,000, household/food 2,000, transport 1,000, insurance/health 1,000 and personal/contingency 3,000. There is no declared actual personal budget or other income.

At PLN 18,000 gross monthly and an assumed 70% net retention, modelled net remuneration is PLN 12,600 and budget surplus PLN 600. This retention is not a payroll calculation. Owner pay is included within the corporate payroll and cannot be added again. Confirm personal commitments and employment status with the accountant.

Financing terms and security

The unapproved PLN 12 million debt hypothesis carries 7.5% annual interest, twelve operating months principal grace and 180 months of equal principal repayment thereafter. Interest is charged on opening monthly debt. Proposed security could include owned assets and contracted cashflows only where title and law permit; guarantees and concession assignability are unknown.

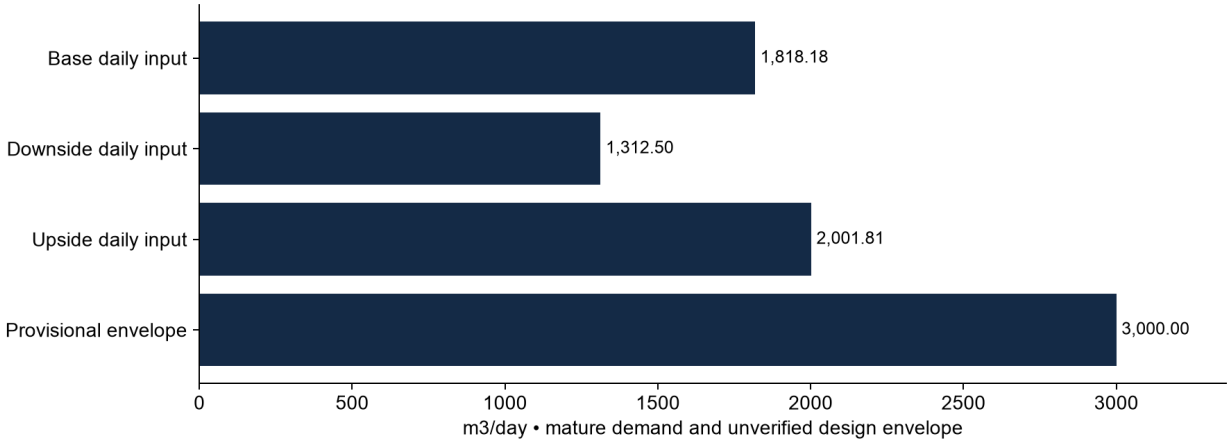
There are no dividends, automatic cash sweeps or refinancing proceeds. Debt at year ten remains outstanding. Lenders may require reserves, covenants and security beyond this model. Coverage below 1.20x is a discussion trigger, not a claimed signed covenant.

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Revenue forecast and capacity

Revenue comes from billed accounts × consumption × net volumetric tariff plus billed accounts × net fixed monthly fee. Water input is billed volume divided by one minus non-revenue water. Occupancy ramps over 18 months in Base. No account growth beyond maturity, wastewater revenue or connection fees are included.

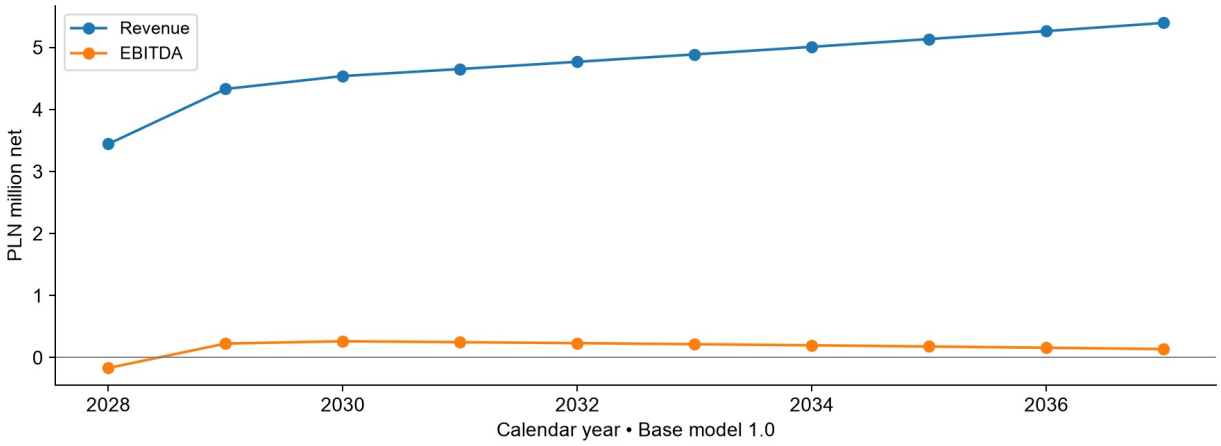
The design envelope must support maximum monthly and peak demand in all scenarios. The 3,000 m3/day provisional envelope is an engineering hypothesis, with fire flow and peak-hour provision unverified. It cannot be used to claim constructed capacity. Accounts, occupancy and per-account volume need independent evidence.



Scenario mature demand compared with an unverified engineering envelope; no built capacity is claimed.

Annual operating revenue and EBITDA

Maturity does not deliver full-cost recovery. Net revenue grows while Base costs escalate faster than the assumed tariff.



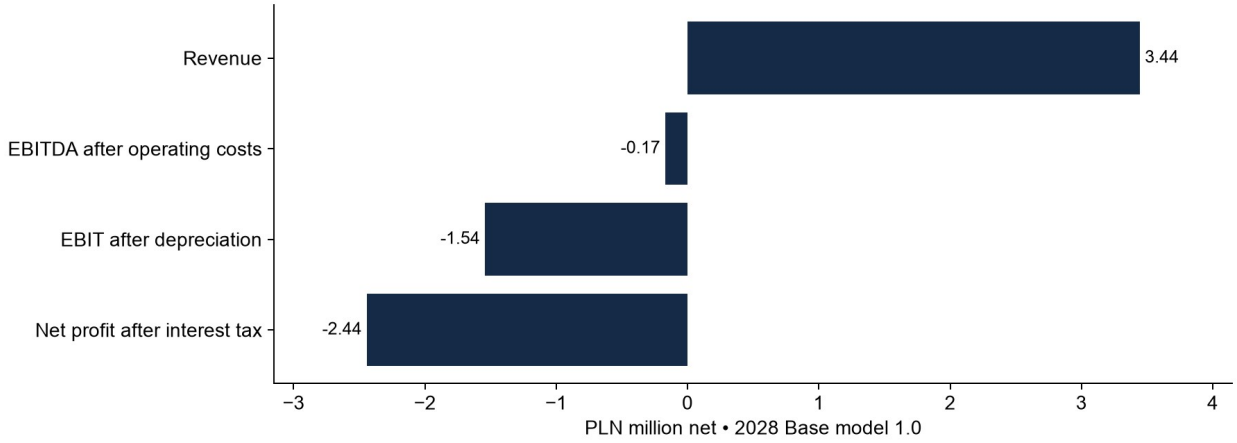
Base model 1.0 annual net revenue and EBITDA.

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Costs and projected profit

Purchased water and pumping/consumables vary with input volume. Payroll, maintenance, administration and communication remain fixed at opening and escalate annually. This makes slow occupancy costly. Depreciation is independent of demand and interest is independent of profitability.

The financial result includes owner pay, renewal capital and debt principal in their proper statements. Gross margin before dedicated staff is not free cash or a tariff return. A regulated asset base return is excluded because no valid price-control asset determination exists.



Base model 1.0 first-year net revenue and successive profit measures, PLN million.

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Profit and loss forecast

The annual income statement below uses the verified live Base model 1.0. PLN amounts are net of recoverable VAT. Positive monthly profit is taxed at a conservative 19% without loss carryforward relief; actual taxable profit requires accountant review.

Startup expense is recorded in opening retained earnings. Operating net profit includes depreciation and interest; debt principal is excluded from the profit and loss and enters financing cash flow.

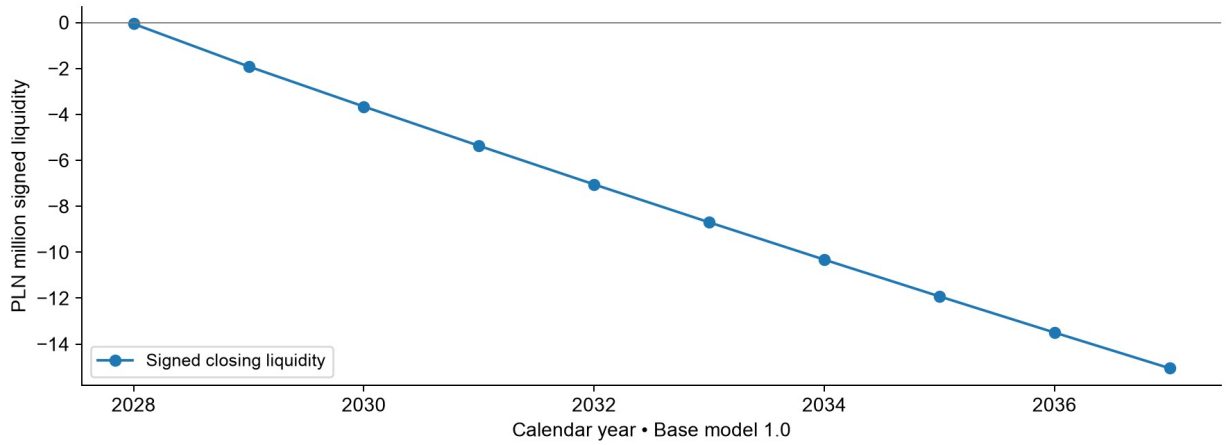
PLN net	2028	2029	2030
Revenue	3,443,294	4,330,324	4,538,700
Bulk water	1,460,791	1,846,068	1,944,340
Pump energy consumables	182,599	230,759	243,043
Payroll including owner	1,356,000	1,396,680	1,438,580
Maintenance	300,000	309,000	318,270
Other operating costs	264,000	271,920	280,078
Communications	48,000	49,440	50,923
Total operating costs	3,611,390	4,103,867	4,275,234
EBITDA	(168,096)	226,457	263,466
Depreciation	1,373,333	1,433,483	1,495,438
EBIT	(1,541,430)	(1,207,027)	(1,231,972)
Interest	900,000	872,500	812,500
Profit before tax	(2,441,430)	(2,079,527)	(2,044,472)
Tax	0	0	0
Net profit	(2,441,430)	(2,079,527)	(2,044,472)

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Cash flow and financial position

Customer receivables include output VAT and supplier payables include purchase VAT. Supplier credit excludes payroll. VAT credits carry forward with no cash refund. Operating cash flow adjusts gross working capital, VAT settlement, interest and taxes; investing cash includes renewal capex and VAT; financing cash includes debt principal. Closing receivables and supplier payables are capped at their opening balances plus current gross invoices or purchases, ensuring nonnegative collections and supplier payments during startup.

A signed cash figure can fall below zero to quantify funding need. A formal issued balance sheet would require actual funded cash and separately authorised finance. No overdraft or funding plug is assumed here. The arithmetic statements reconcile before any remedial funding.



Base model 1.0 year-end signed liquidity; negative values measure unfunded cash requirements.

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Cash flow forecast months one to six

The first-six-month forecast shows the immediate cost of occupancy ramp and collection lag. Opening capital is already spent before month one. Debt interest is paid during principal grace.

Review liquidity using monthly minima rather than only year-end cash. Receivable days and wholesale terms are critical evidence items before any commitment.

PLN	1	2	3	4	5	6
Opening liquidity	1,578,500	1,390,500	1,233,527	1,125,451	1,020,910	919,905
Customer collections	0	225,656	277,878	284,739	291,600	298,461
Supplier payments	0	(194,629)	(197,954)	(201,279)	(204,605)	(207,930)
Payroll including owner	(113,000)	(113,000)	(113,000)	(113,000)	(113,000)	(113,000)
Interest	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
Corporate tax	0	0	0	0	0	0
VAT paid	0	0	0	0	0	0
Operating cash	(188,000)	(156,973)	(108,077)	(104,541)	(101,005)	(97,469)
Investing cash	0	0	0	0	0	0
Financing cash	0	0	0	0	0	0
Closing liquidity	1,390,500	1,233,527	1,125,451	1,020,910	919,905	822,437

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Cash flow forecast months seven to twelve

The second half-year includes the first annual renewal capex. Principal grace remains through month twelve and repayments begin month thirteen. Renewal does not duplicate routine repair expense.

Annual capital provision is a planning allowance and does not establish an engineering lifecycle requirement. The asset survey may change both the amount and timing.

PLN	7	8	9	10	11	12
Opening liquidity	822,437	728,504	638,107	551,247	467,922	388,133
Customer collections	305,322	312,184	319,045	325,906	332,767	339,628
Supplier payments	(211,255)	(214,580)	(217,905)	(221,231)	(224,556)	(227,881)
Payroll including owner	(113,000)	(113,000)	(113,000)	(113,000)	(113,000)	(113,000)
Interest	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
Corporate tax	0	0	0	0	0	0
VAT paid	0	0	0	0	0	0
Operating cash	(93,933)	(90,397)	(86,861)	(83,325)	(79,789)	(76,253)
Investing cash	0	0	0	0	0	(369,000)
Financing cash	0	0	0	0	0	0
Closing liquidity	728,504	638,107	551,247	467,922	388,133	(57,119)

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Financial position summary

The financial position schedule links signed liquidity, customer receivables, VAT credit and net capital assets to supplier payables, debt, paid equity and retained earnings. The balance check is expected to remain within PLN 0.01 under floating-point rounding.

Positive arithmetic reconciliation does not establish financeability. Asset title, impairment, concession tenure and actual VAT recovery must be assessed before accounts or lender valuation are issued.

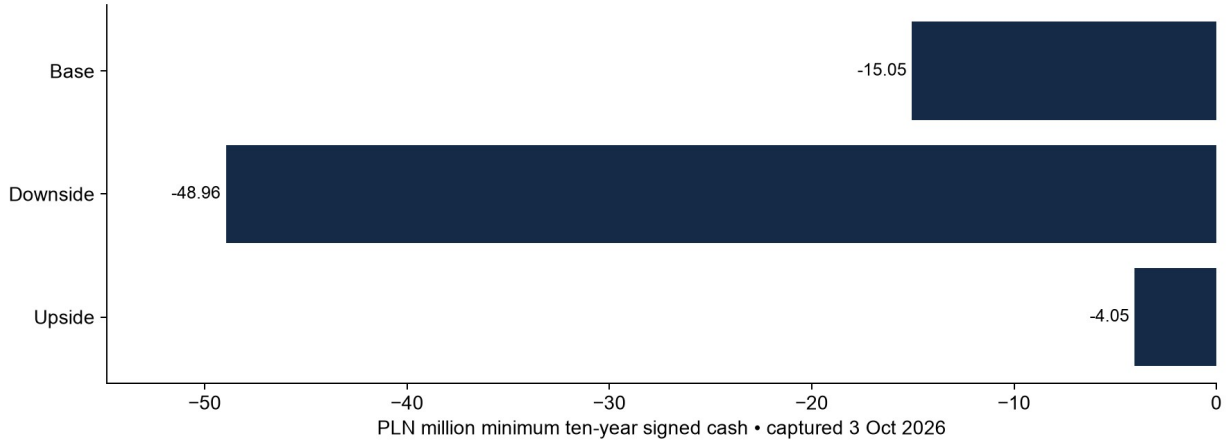
PLN at year end	2028	2029	2030
Signed cash liquidity	(57,119)	(1,914,432)	(3,656,484)
Receivables	405,572	464,940	476,563
VAT credit	7,464,658	7,535,044	7,605,930
Net property equipment	29,976,667	28,852,183	27,675,016
Total signed assets	37,789,777	34,937,736	32,101,024
Debt	12,000,000	11,200,000	10,400,000
Supplier payables	231,206	258,692	266,453
Paid equity	29,000,000	29,000,000	29,000,000
Retained earnings	(3,441,430)	(5,520,956)	(7,565,428)
Total liabilities equity	37,789,777	34,937,736	32,101,024
Reconciliation residual	0	0	0

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Break even and scenarios

At opening Base economics, account contribution before fixed operating costs is PLN 31.36 monthly. Fixed cash operating expense is PLN 164,000, giving approximately 5,229 mature equivalent accounts for EBITDA break even. Depreciation and debt interest increase the requirement materially. This is a fixed-tariff approximation, not a regulator-approved breakeven tariff.

Downside combines fewer accounts, lower opening occupancy, slower ramp, tariff freeze, increased leakage, higher bulk price, cost escalation and capex overrun. Upside uses faster occupancy, lower leakage and modestly better procurement. Captured comparisons below use model 1.0 and must be rebuilt after assumption edits. No probabilities or investment return are claimed.

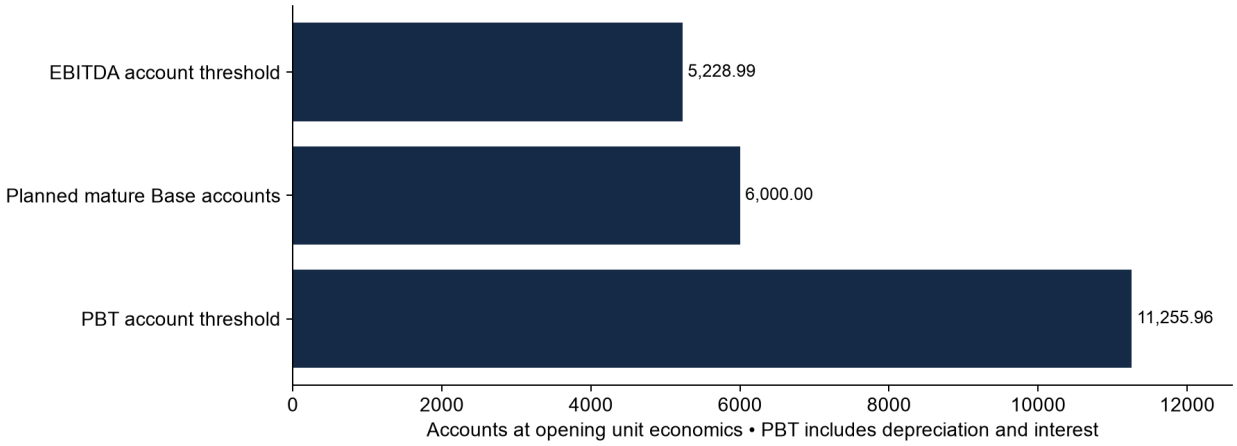


Captured model 1.0 scenario minimum monthly liquidity across ten years; all cases require more funding.

Captured model 1.0	Base	Downside	Upside
Year one revenue	3,443,294	1,734,517	4,422,600
Year one EBITDA	(168,096)	(1,383,443)	495,867
Year one net profit	(2,441,430)	(4,112,110)	(1,649,049)
Signed reserve headroom	(1,421,500)	(10,043,800)	488,075
Minimum signed cash	(15,050,398)	(48,958,369)	(4,047,582)

Account thresholds at opening prices

The operating threshold excludes depreciation and financing. The full profit threshold exceeds the planned mature customer cohort, reinforcing the no-launch conclusion at the assumed tariff.



Opening fixed-tariff equivalent accounts. No approved tariff recovery claimed.