



AS TALLINNA VESI OPERATIONS PERFORMANCE 2010

Water quality in Tallinn was at the all-time highest in 2010, while AS Tallinna Vesi's overall operating performance during the year was significantly impacted by the extreme weather conditions throughout the entire year. Overall performance has improved in all functions, with only a few exceptions in wastewater treatment, level of leakages and number of sewer blockages.

Operation Performance	2008	2009	2010
Water			
Water compliance at customers premises %	98,02	99,31	99,59
Total number of customer interruptions (unplanned)	761	732	355
Average unplanned interruption time per property hrs	3,88	3,44	4,28
Number of customer contacts regarding water pressure	1556	1223	1345
Loss of water in distribution system %	17,25	16,64	21,39
Wastewater			
Number of sewer blockings	1336	1089	1152
Number of sewer collapses	118	117	138
Share of recycled sludge %	100	100	100
Network Extension Program			
Network Extension Program completion per annual plan %	100	130	109
Number of properties given access to public sewerage network	1236	1441	1176

Water quality at its all time best and will improve even further

99,59 per cent of water samples taken from the taps of the customers of AS Tallinna Vesi were compliant with the requirements, allowing AS Tallinna Vesi to reach a near Western European level in water quality. Of the 2913 samples taken during the year, only 12 water samples failed to meet the requirements and remedial measures were implemented immediately to resolve the non-conformities. AS Tallinna Vesi laboratories received altogether 38 000 samples and performed 127 000 analyses during 2010 – additional sampling and analysis was conducted due to the plane crash in Lake Ülemiste in March.

To further improve water quality, during 2010, AS Tallinna Vesi conducted a successful pilot plant study of an ion exchange process. This process will reduce the organic content of treated water should it be required in the future.

Volume of leakages and blockages on the rise due to weather conditions

The unusual weather conditions during the year had a substantial impact on network performance, as water losses and pipe blockages increased due to the pipes freezing and bursting in the winter time and pipe blockages in the summertime due to dry weather. However the Company introduced an action plan in the second quarter of the year to improve network performance, thus exceeding the quality regulation

requirement of less than 26% of water losses in the network and keeping leakages at 21,39% and reducing the number of sewer blockages from the allowed 1955 to 1152.

There was one water service interruption, where the affected properties were without water services for longer than 12 hours. Overall the number of unplanned interruptions was reduced significantly when AS Tallinna Vesi started to inform its customers about emergency works by calling customers a day before the water interruption.

Nitrogen removal at the wastewater treatment plant a challenge

The wastewater treatment plant performance has been good with the exception of nitrogen concentration discharged into the sea.

The melting of snow in the springtime and the occasional torrential rainfall during the summertime saw the flows into the wastewater treatment plant increase to nearly half a billion litres per day, however the generally dry summer months resulted in the total nitrogen concentration in the wastewater entering the treatment plant being high. Even though the treatment plant was able to outperform regarding the percentage removal of nitrogen, the final effluent discharged into the sea exceeded 10mg/l. All other parameters complied with standards demonstrating our commitment to a greener environment.

To mitigate the increasing nitrogen loads into the wastewater treatment plant, AS Tallinna Vesi launched the construction of an additional treatment stage at Paljassaare – the biofilter. The construction is expected to be completed during 2011 and will be a part of a 12,8 million Euro investment program to upgrade the wastewater treatment plant.

The network extension program is complete

Although the late spring and early winter caused some minor delays in the construction of new pipes in Tallinn during 2010, the Company and its subcontractors were able to finish all pipe works within the network extension program in time. Altogether 61,9 kilometres of new pipe were laid in 2010, of which 40,7 kilometres was sewerage pipes; 6,6 kilometres new water pipes and 14,6 kilometres new stormwater pipes. Over 1 100 properties were given the opportunity to join the public water and wastewater network, increasing the overall number of properties given access to the system during 2001-2010 to 6 828 properties. Altogether 326 kilometres of new pipes have been built in Tallinn as part of the network extension program during 2001-2010.

Capital investment program saw more investments made than in 2009

AS Tallinna Vesi completed the 2010 capital expenditure program with 16,2 million euros invested into operations during the year. Two major projects being the biofilter treatment stage in Paljassaare and the network extension program in Tallinn.

Structural changes contributed to improved customer service

AS Tallinna Vesi has improved customer service during 2010 by being more proactive and informing customers of planned activities. As a result, the Company managed to respond to 82% of written customer contacts within 2 working days and reduced the number of complaints.

Awareness campaigns and events have also contributed to improved customer communication. AS Tallinna Vesi hosted over 500 people at the open door days in Ülemiste water treatment plant and Paljassaare wastewater treatment plant and also organized several customer information days in network extension program areas. The environmental aspects of wastewater collection and treatment were highlighted in the “Ära tee troppi” media campaign and the Tallinn mini-regatta in Tallinn, which lead to the Company being awarded the title of “Environmental Player of the Year” in the environmental management category by the Ministry of Environment.