

Information Note on the proposed increases to Water Charges

February 2024

Background

On the 1st October 2021, Uisce Éireann introduced charges for non-domestic customers in line with the Non-Domestic Tariff Framework (NDTF) as approved by the Commission for Regulation of Utilities (CRU). The NDTF harmonised charging arrangements nationally for the supply of water to non-domestic premises and for removing wastewater from those premises.

Within the decision on the Framework, the CRU stated that it would consult on the need for further transitional arrangements for connections after the 3-year transitional period is completed, with a view to minimising the risk of a large step change in tariff levels for these connections. The 3-year transition period concludes on 30th September 2024.

Uisce Éireann has submitted proposals to CRU to update to the current framework. **The CRU opened a public consultation on the 21st December, which will close on the 22nd February 2024.** Following the consultation, the CRU will make a final decision on the non-domestic tariffs to apply from 1st October 2024 until 30th September 2025.

Proposed increases to water charges

The proposed increases reflect the investment and operational costs being incurred by Uisce Éireann to improve water and wastewater service provision.

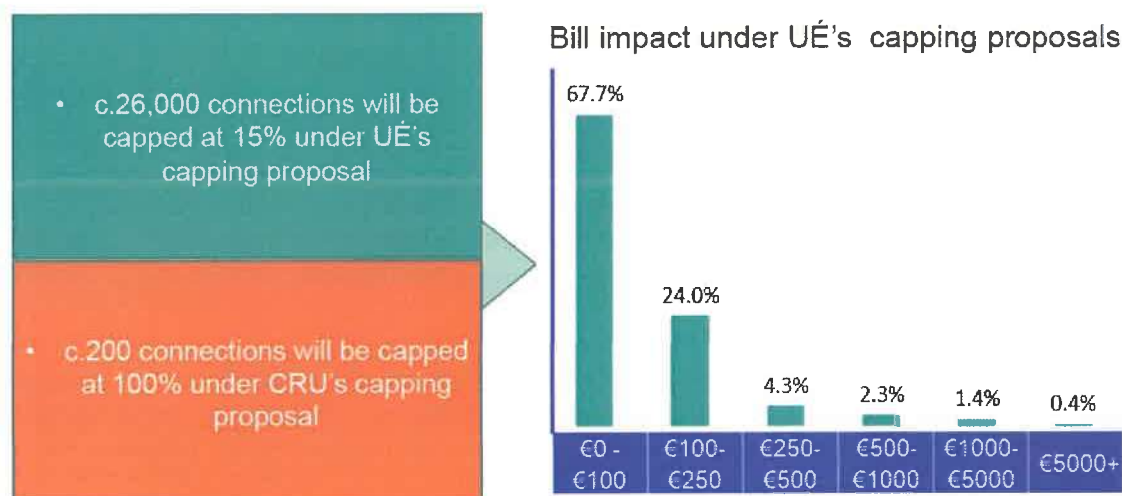
Metered Tariffs	Current Water Service Charges		Proposed Water Service Charges	
	Standing Charge (€/yr)	Volumetric Charge (€/m ³)	Standing Charge (€/yr)	Volumetric Charge (€/m ³)
Band 1 class ($<1,000\text{m}^3$)	43.76	1.87	83.02	2.19
Band 2 class ($1,000\text{m}^3 - 19,999\text{m}^3$)	113.31	1.30	218.11	1.68
Band 3 class ($20,000\text{m}^3 - 249,999\text{m}^3$)	1,872.98	1.21	3,708.61	1.56
Band 4 class ($250,000\text{m}^3 - 2,299,999\text{m}^3$)	21,771.46	1.05	41,332.17	1.38
Band 5 class ($250,000\text{m}^3 - 2,299,999\text{m}^3$)	-	-	295,967.72	1.27

Table 1. Current and proposed new water service charges

Uisce Éireann bill capping proposal

Uisce Éireann proposes to apply a 15% cap on the maximum annual bill increase for all connections facing an annual bill increase of €250 or more (based on their previous year's consumption) when the new water and wastewater tariffs are applied to customer's bills on 1st October 2024. According to their analysis 92% (172,837) of connections will see bill increases less than €250 (see chart below). It is estimated that approximately 25,900

connections will be eligible to receive a 15% cap to their bill increase and thus will not be charged cost-reflective tariffs.



CRU bill capping proposal

The CRU is opposed to Uisce Éireann bill capping proposal. As an alternative the CRU proposes that a 100% cap on the maximum annual bill increase for all connections facing an annual bill increase of €750 or more (based on previous year's consumption) on 1st October 2024 and the bill capping arrangement would be unwound by 1st October 2026. Under CRU's proposed criteria 209 connections would avail of a bill cap compared to 25,876 connections under Uisce Éireann's proposals.

It states that under Uisce Éireann's proposal of applying a 15% bill cap it would take over 20 years for the outlier connections to reach their cost-reflective 2024 tariff levels.

Case Studies

Example 1: One connection, 2,560m³ usage per year.

Metered Tariffs	2023 Water Service Charges		Proposed Water Service Charges	
	Standing Charge (€/yr)	Volumetric Charge (€/m ³)	Standing Charge (€/yr)	Volumetric Charge (€/m ³)
Band 2 class (1,000m ³ – 19,999m ³)	113.31	1.30	218.11	1.68
1 connection 2,560m ³ usage per year	113.31	3,328	218.11	4300.8
Water service charge (without capping)	€3,441.31		€4,518.91	
Charge increase (2023 v's new tariff)			↑ €1,077.60 (qualifies for cap)	
Water service charge (with 15% capping)			€3,957.51	
Charge increase (2023 v's new tariff with capping)			€516.20	

Example 2: Two connections, 954m³ usage per year

Metered Tariffs	2023 Water Service Charges		Proposed Water Service Charges	
	Standing Charge (€/yr)	Volumetric Charge (€/m ³)	Standing Charge (€/yr)	Volumetric Charge (€/m ³)
Band 1 class (<1,000m ³)	43.76	1.87	83.02	2.19
2 connections 954m ³ usage per year	87.52	1,783.98	166.04	2,089.26
Water service charge (without capping)	€1,871.50		€2,255.30	
Charge increase (2023 v's new tariff)			↑ €383.80 (qualifies for cap)	
Water service charge (with 15% capping)			€2,152.23	
Charge increase (2023 v's new tariff with capping)			€280.73	

Public Consultation

The CRU public consultation on the proposed changes to the water service charges will close on the 22nd February 2024. For more information click [here](#).

Ends.

