

Economic Regulation of Irish Water

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The Commission for Energy Regulation

“Regulating Water, Energy and Energy Safety in the Public Interest”

- Ireland’s independent Energy and Water Regulator
- Economic, Safety and Customer Protection functions
- Regulating in the public interest
- *Commission for Regulation of Utilities (CRU) – October 2017*



Network Regulation Experience

- Economic Regulator of Electricity Industry since 1999 – ESB Networks and EirGrid
- Economic Regulator of Gas industry since 2002 – Gas Networks Ireland
- Energy Safety Regulator since 2006
- Economic Regulator of Water since 2013



Economic Regulation of Gas and Electricity

- 1 Stable network prices despite capital investment of €7 billion in last decade
- 2 Despite investment, customer energy prices are at or below European averages
- 3 Improved quality/ performance for electricity and gas customers



Water – Legal Functions of the CER

- Advisory role to Minister
- Approval of Irish Water's Costs
- Approval of Irish Water's Water Charges Plan
 - Non-Domestic Tariffs
 - Connection Charges
 - Outputs and Outcomes
- Approval of Irish Water's Codes of Practice
- Customer Dispute Resolution Service
- Stakeholder engagement - Public Water Forum / non-domestic user group / Department / EPA



A Single Public Utility Model

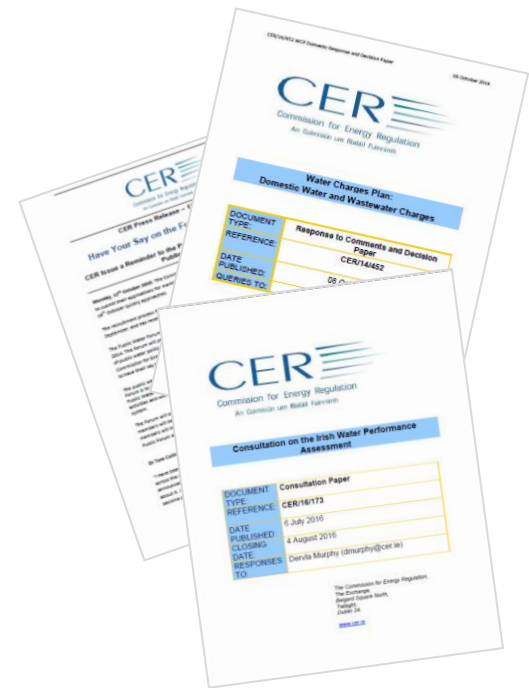
Potential to benefit customers through:

- Single Vision
- National approach to infrastructure delivery
- Improved Cost efficiency
- Improved Transparency
- Improved Customer Service levels



Delivering for Customers – to date

- Two Irish Water revenue reviews completed by CER
- Customer Handbook in place with Codes of Practice
- Complaints resolution in place
- Irish Water Performance Assessment in place
- Proactive customer engagement continuing – stakeholder groups and publications



Delivering for Customers - future

- Key projects to be progressed (connections / non-domestic tariffs)
 - Transparency, equity and standardisation benefiting customers
- Improving Irish Water performance metrics over time
- Monitoring efficient delivery of Irish Water outcomes and outputs for customers
- Continuing customer focus



Challenges but Opportunity

Potential Challenges

- Sustainable funding model
- Scale of investment required
- Irish Water's capacity to deliver
- Flexibility of plans to change
- Data requirements – evidence is key to good decisions

Opportunity presented

- Legislative framework in place
- Governance and roles clear
- Committed stakeholders
- Clear targets
- Drive to best practice
- Key objective is continued delivery for customers
- CER will play its part

Thank You

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Comhshaol, Pobal agus Rialtas Áitiúil
Environment, Community and Local Government