

**Mr. Gerry Galvin,  
Chief Technical Officer, Irish Water**

**Reconciling Solidarity and Financial  
Sustainability of the Service  
Ireland's Approach**

**APE Seminar on Water Affordability – Bari, 10<sup>th</sup> October 2017**

- **Established July 2013**
- **Took responsibility for water services from 1<sup>st</sup> January 2014**
- **Serving 3.3 Million people & 220,000 businesses**
- **Water Supply output 1.6 billion litres per day**
- **856 water treatment plants**
- **63,000 km of watermains**
- **Wastewater – over 1,000 plants**
- **25,000 km of public sewers**



**IRISH WATER  
CUSTOMER**

## A National Utility with One Strategic Plan and One Budget

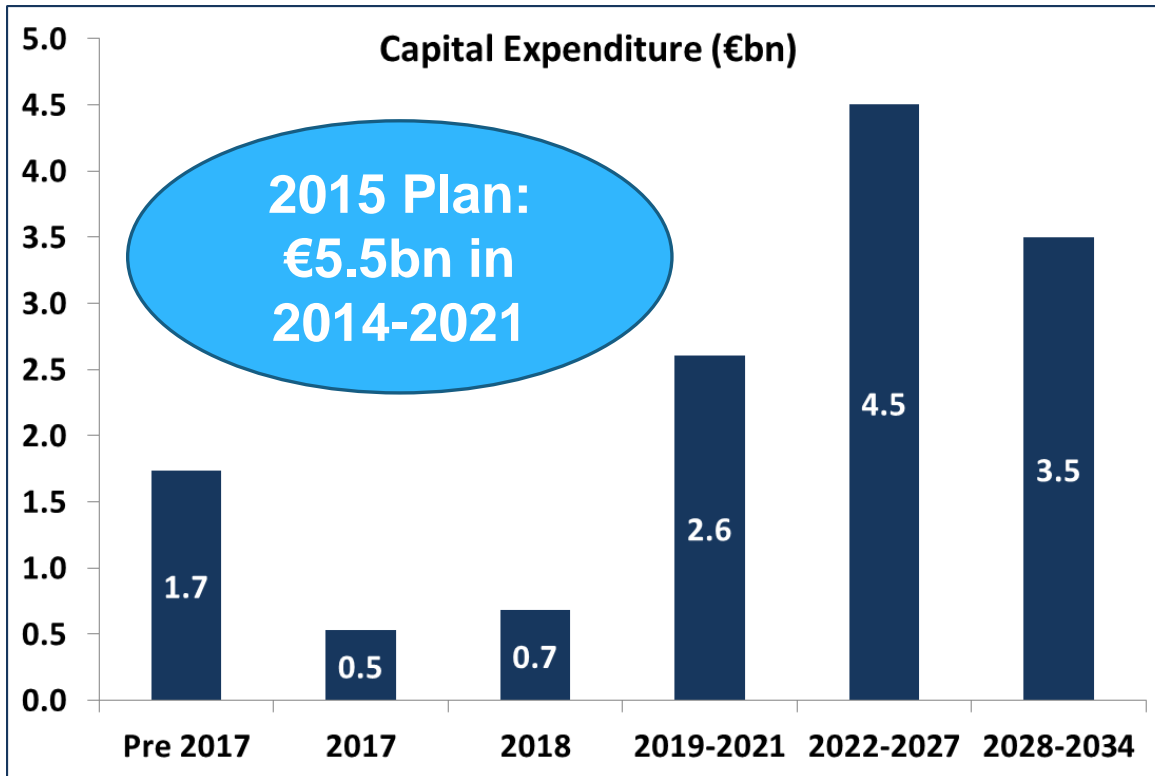
### Delivering

- Drinking Water Quality
- Wastewater Quality
- Service Continuity
- Supporting growth



***Ensuring the same standard of service for water/wastewater across the country is one of our key goals***

# We are investing heavily in Capex



1.7	2.2	2.9	5.5	10.0	13.5
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## Capital Investment split across 5 strategic aims:

- Ensure a Safe & Reliable Water Supply
- Provide Effective Management of Wastewater
- Protect and Enhance the Environment
- Support Local & Economic Growth
- Non Infrastructure Expenditure

# Our plan is to deliver substantial efficiencies




2015 Plan outlined €1.1bn of efficiencies by 2021. Striving to achieve this challenging target.

*Efficiencies can be delivered by many measures, including:*

- **Ways of Working**
- **Implementing the Single Public Utility**
- **Procurement & Economies of Scale**
- **Modern Infrastructure & Invest to save**

**Timely implementation of Single Public Utility to deliver more than €200m per year efficiencies by the end of the Plan**

- **Expert Commission on Domestic Water Services (July to Nov. 2016)**
- **Parliamentary Committee (Jan. to April 2017)**
- **General taxation to meet costs of normal household usage**
- **Household water charges be discontinued**
- **Householders who paid water charges to be refunded (€173m)**
- **New charge to address wastage, excess use or wilful abuse of water**
- **Government to provide funding certainty and long term stability for the water utility**
- **Government Decision**

-  **CRU** An Coimisiún  
um Rialáil Fónas  
Commission for  
Regulation of Utilities **CRU (Economic Regulator) to determine  
average household usage and ‘allowance amount’**
- **Excessive Usage Charge to apply where Threshold Amount is exceeded**
- **Threshold Amount = 1.7 x Average Usage (for 4 person household)**
- **For households with 5 or more – individual ‘allowance amount’ for each additional resident to be added to threshold amount**
- **Exemption for medical need of a resident that requires additional water above threshold amount subject to evidence being provided**
- **First Fix Free programme in place**

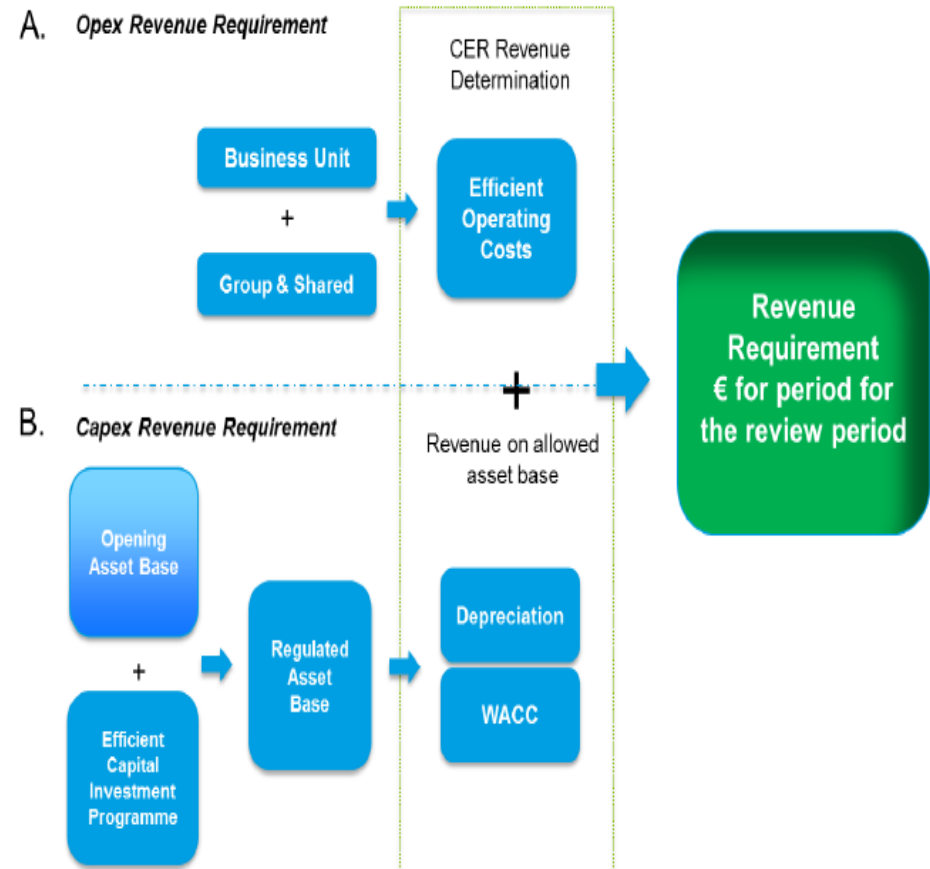
- **Irish Water to issue notice to customer that “Threshold Amount” has been exceeded over 12 month period**
- **Customer may advise Irish Water that 5 or more are resident at the property and produce information to support this**
- **Minister will prescribe procedures to apply, time limits, information to be provided and procedures where there is a change in number**
- **All apartment blocks to have bulk meters**
- **All new builds to be metered**



# What impact will new legislation have on funding?

## Key Outcomes

- **Public Utility is confirmed**
- **Regulatory model to continue**
- **Funding of domestic services via government funding**
- **Funding of non-domestic services via charges and debt**





**Very challenging targets, delivered to 2017**

**Dynamic environment – regular reviews required**

**Revised Plan confirms ambition  
and extends outlook**

**Single Public Utility important to  
delivery of targets**

**Investment Scale will challenge Irish Water  
and service providers**

**New Funding Model poses challenges for  
Government and Irish Water**



**THANK YOU**

**MÍLE BUÍOCHAS**

**MERCI BEAUCOUP**

**MILLE GRAZIE**