An Coimisiún um Rialáil Fóntais
Commission for Regulation of Utilities

Irish Water Capital Investment Plan 2020 to 2024

Monitoring Report No. 1

Information Paper

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CRU Draft Strategic Plan 2022-24

Our Mission

- Protecting the public interest in water, energy and energy safety.

Our Vision

- Safe, secure and sustainable supplies of energy and water, for the benefit of customer now and in the future

Our Strategic Priorities

- Ensure Security of Supply
- Drive a Low Carbon Future
- Empower and Protect Customers
- Enable our People and Organisational Capacity

Executive Summary

Irish Water provides public water and wastewater services in Ireland. As part of its role as economic regulator, the CRU sets the outputs and outcomes that Irish Water should deliver over a set period of time, as well as the revenue Irish Water needs to deliver these services. This set 5-year period is known as a 'revenue control period'. The revenue approved for Irish Water includes the money that Irish Water needs to abstract, treat, and distribute drinking water to homes and businesses and to collect and treat wastewater before returning it safely to the environment. It also includes the money Irish Water needs to deliver its Investment Plans.

Irish Water's Investment Plans set out the capital projects and programmes that it plans to progress and deliver during each revenue control period. The plans include proposed costs and timelines and the outputs and outcomes that will be delivered for the investment. The Investment Plans allow Irish Water to maintain, upgrade and build new treatment plants, sewers, pipes, and other network infrastructure. This allows Irish Water to improve the quality of water and wastewater treatment, to provide better service to homes and businesses, and, to help facilitate social and economic growth.

In August 2020, the CRU approved Irish Water's capital Investment Plan for the years 2020 – 2024 inclusive[1]. This information paper represents the first monitoring report of Revenue Control

[1] CRU20085 Update to Irish Water's Revenue Control 3 (RC3.5) – Irish Water's Updated Capital Investment Plan

3 (RC3) detailing Irish Water's capital expenditure during 2020. In its RC3 decision, the CRU allowed Irish Water a capital expenditure of €4,523m for the full RC3 period with a capital investment allowance for 2020 totalling €760m. In June 2021, Irish Water submitted a detailed update on the progress of its Investment Plan during the first year of RC3 (i.e., 2020) to the CRU. This monitoring report shows that Irish Water invested €787m during 2020, to progress and deliver on its expected RC3 outputs and outcomes.

To allow for comparison between the CRU's allowed spend (as set out in the CRU's RC3 decision paper[2]) and actual spend, the CRU monitors annual capital expenditure in 2017 monies. However, Irish Water did not provide data in line with this. On that basis, the CRU carried out a re-calculation to adjust the provided figures into 2017 monies for comparison purposes. This calculation may also impact on the figures presented in the next report.

Contrary to what was requested, Irish water provided the CRU with investment data for 2020 split between:

1 Actual out-turn capital expenditure data (January to June 2020) and

2 Forecast capital expenditure data (July 2020 to December 2020).

As such, the forecast data for 2020 will require updating in the next Investment Plan (IP) Monitoring Report. The CRU will require Irish Water to submit full year 2020 and full year 2021 out-turn data when providing its next capital expenditure submission. Therefore, some of the data presented in section 2.1 and Table 1 might be further updated in the Irish Water Capital Investment Plan 2020 to 2024 Monitoring Report No. 2, due to be published in Q3 2022.

Some of the outputs Irish Water delivered in the first year (2020) of RC3 are outlined below:

- The number of water supplies on the EPA's Remedial Action List was reduced from 52 at the end of 2019 to 46 at the end of 2020. The population served by supplies on the Remedial Action List has fallen to 1,004,997 (down 11% year-on-year).
    - In its RC3 submission Irish Water committed to removing 48 water supplies from the EPA's RAL by 2024.
- During 2020, Irish Water replaced 1,597 'backyard' shared lead service pipes and 1,385 individual lead service pipes. Irish Water is planning to replace 13,231 lead services during RC3.

[2] CRU20085 Update to Irish Water's Revenue Control 3 (RC3.5) – Irish Water's Updated Capital Investment Plan

- Irish Water continued to invest in drinking water programmes for the protection of human health during 2020.
    - Irish Water upgraded the Coagulation, Flocculation and Clarification (CFC) and Filtration processes at 14 sites. These processes help to remove suspended solids, some heavy metals and organics and produces clearer water.
    - Irish Water upgraded the disinfection processes at 53 sites, helping to make the water safe from bacteria and parasites including Cryptosporidium.
- Irish Water replaced or rehabilitated 131km of pre-existing watermains and laid 47km of new watermains during 2020.
- Irish Water provided two new and upgraded five wastewater treatment plants during 2020. At the end of 2020 there were 34 agglomerations continuing to discharge untreated wastewater into the environment compared to 35 at the end of 2019.

Irish Water has not provided appropriate or correct leakage data to the CRU in the required format, and therefore the CRU cannot comment on 2020 leakage performance against Revenue Control 3 targets in this report. The CRU is continuing to engage with Irish Water in order to satisfy itself that the leakage data it does receive is correct and all leakage components are accounted for.

It is clear from the above that during 2020 Irish Water made a satisfactory start towards achieving its RC3 agreed outputs and outcomes. As RC3 is Irish Waters first five-year revenue control, it should be noted that some projects and programmes will invariably progress at a faster rate than others, whilst other projects and programmes may be planned for the latter part of the RC3 period.

During 2020, the Irish government imposed a number of restrictions and set out guidelines to minimise the spread of COVID-19. While Irish Water was ultimately deemed to be an essential service, therefore having the minimum amount of restrictions imposed when compared to other workplaces, the CRU acknowledges that 2020 was an atypical year and COVID-19 disrupted many workstreams and workplans.

Public Impact Statement

This monitoring report provides an overview of some of the investments completed by Irish Water in 2020. Monitoring and reporting help to ensure that Irish Water performs in an open and transparent manner and keeps the public, and other key stakeholders, informed of Irish Water's performance. It also provides Irish Water with a reputational incentive to deliver its expected outputs and outcomes on time and in budget. Monitoring also supports the CRU in making evidence-based decisions.

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1. Introduction

The CRU's primary objective as the economic regulator of Irish Water is to protect the interests of Irish Water's customers. One of the ways the CRU delivers on this objective is by periodically reviewing, and ultimately approving, the outputs and outcomes that Irish Water will deliver over a revenue control period. In addition, the CRU also reviews the proposed costs for delivery of those outcomes and outputs and sets customer service levels.

In that context, Irish Water makes submissions to the CRU outlining its view of what it intends to deliver and what it needs to spend during a revenue control period. The CRU reviews these submissions and determines the amount of money that Irish Water can recover in each period. This allows Irish Water to fund necessary costs and is the basis for non-domestic and connection charges. The revenue includes the money Irish Water needs to deliver its Investment Plans (referred to as capital expenditure).

Irish Water's Investment Plans set out the capital projects and programmes that it plans to progress and deliver during the period. They set out the clearly defined outputs and outcomes to be delivered for the investment and are integral to maintaining and upgrading water and wastewater assets, to improving quality and compliance, to providing enhanced service levels to customers and to facilitating economic and social growth.

Irish Water's Investment Plans contain a mix of:

- Projects - These deliver new and upgraded assets at specific locations e.g., a new treatment plant.
- National programmes - These address known issues across the entire asset base e.g., the Disinfection Programme.
- Capital maintenance programmes - These are planned and reactive e.g., like-for-like replacements of assets such as repairs on a burst main.

The nature of project and programme planning, and the time required to deliver projects from start to finish means that Investment Plans are a mix of:

1. projects and programmes that have already started, and
2. new projects that will start during the period of the Investment Plan.

Some projects and programmes will finish during the period while others will carry over into the next Investment Plan cycle.

Irish Water originally submitted its capital Investment Plan (IP) for 2020-2024 to the CRU in November 2018 as part of its business plans. Irish Water then made a revised submission in October 2019 in response to the CRU's Revenue Control 3 (RC3) consultation. The revised IP included a reduction in planned outputs and outcomes, as well as updated investment priorities and costs. Due to a lack of information provided at the time, €788m capital funding was withheld pending an additional submission in 2020. This final submission was made by Irish Water in April 2020 and while the costs remained identical to those in the October 2019 submission, the outputs and outcomes were updated.

Following on from the April 2020 submission, the CRU in August 2020, published its decision[3] on the amount of money Irish Water could spend in the years 2020 to 2024 inclusive and the outputs and outcomes that it must achieve for that expenditure. This included funds to progress and deliver the projects and programmes in Irish Water's 2020 to 2024 Investment Plan (i.e., RC3), The capital expenditure allocated to Irish Water over the RC3 period amounts to €4,523m.

Irish Water's delivery is monitored during each revenue control period against the Investment Plans that are approved by the CRU. Previously published monitoring reports, published as part of prior revenue control periods, can be found here.

This report provides an overview of Irish Water's progression and delivery of the first year of its RC3 Investment Plan up to the end of 2020, which follows on from Irish Water's prior Investment Plans. Projects and programmes are delivered over multiple years that span different Revenue Control and Investment Plan periods. As such, Investment Plans are rolling plans that continue into new periods. Projects that have been completed by 2019 fall away and new projects that begin in 2020 or later are included. However, given the multi-year nature of many infrastructure projects, this plan contains many of the same projects and programmes.

1.1 Related Documents

- Update to Irish Water's Revenue Control 3 (RC3.5) – Irish Water's Updated Capital Investment Plan
- Irish Water Capital Investment Plan 2017 to 2021 Monitoring Report No. 3
- Irish Water Revenue Control 3 (2020 – 2024) – Scottish Water International Review

[3] CRU20085 Update to Irish Water's Revenue Control 3 (RC3.5) – Irish Water's Updated Capital Investment Plan

- Irish Water Performance Assessment Framework 2020 to 2024 Metric Review and Target Setting

Information on the CRU's role and relevant legislation can be found on the CRU's website at **www.cru.ie**.

2. Capital Investment 2020

2.1 Overview

In it's 2020 decision, the CRU had allowed Irish Water €4,523m across the five years of RC3. This section shows that during 2020 Irish Water invested €787m in capital expansion and upgrade across various asset classes. Figure 1, below, shows the differences in where that money has been spent.

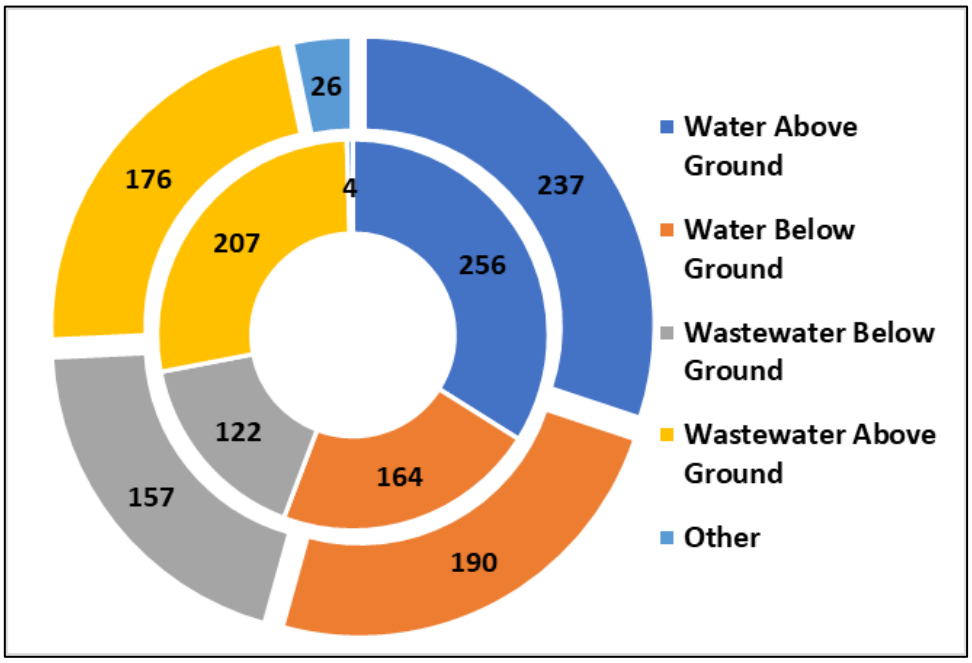

Figure 1 RC3 (2020) Capital Expenditure – planned vs actual. The outer circle represents actual spend, while the inner circle represents planned spend.

Figure 1 provides a high-level breakdown of how Irish Water had planned to invest across the various asset categories versus actual investment. The chart shows that Irish Water deviated from its planned investment by overspending on 'Below Ground'[4] infrastructure (both water and wastewater) and 'Other' categories while it underspent on 'Above Ground' infrastructure (both water and wastewater). As stated above, the 2020 investment figures are split between actual

[4] Examples of Above Ground infrastructure include surface treatment plants (water and wastewater - either new or upgraded), reservoirs and pumping stations. Examples of Below Ground infrastructure include mains rehabilitation, installation of culverts, rising mains and trunk mains.

2020 spend and forecast 2020 spend. Therefore, these may be updated in the Irish Water Capital Investment Plan 2020 to 2024 Monitoring Report No. 2, due to be published in Q3'2022.

In addition, to allow for comparison between the CRU's allowed spend (as set out in the CRU's RC3 decision paper[5]) and actual spend, the CRU monitors annual capital expenditure in 2017 monies. However, Irish Water did not provide data in line with this. On that basis, the CRU carried out a re-calculation to adjust the provided figures into 2017 monies for comparison purposes. This calculation may also impact on the figures presented in the next report.

2.1.1 Stimulus Funding:

Separate to the above RC3 funded capital investment as set out in the RC3 decision, two additional stimulus packages[6] were made available to Irish Water during 2020 totaling €87m. In July 2020, a €43m stimulus package was provided by the Department of Housing, Local Government and Heritage (DHLGH) (€30m of which was directed towards accelerated leakage reduction). An additional €44m was provided by the (DHLGH) in October 2020 and was invested in a cross section of shovel-ready capital projects including water and wastewater treatment plant upgrades, leakage reduction and non-network capital upgrades. The CRU understands that this stimulus funding represents funds brought forward from later years of RC3 rather than additional funding (i.e. it falls within its overall Strategic Funding Plan (SFP) allowance).

2.1.2 Change Control:

As part of its RC3 decision made in August 2020, the CRU required Irish Water to implement a 'change control' mechanism. The decision required Irish Water to develop a change control process to provide more clarity to the CRU and its environmental regulator, the Environmental Protection Agency (EPA), on changes it plans to make to the IP. These changes represent the re-prioritised projects and programmes that Irish Water invested in across each year, although the overall RC3 outputs and outcomes for the five-year revenue control period remain the same as set out in the RC3 decision. At the time of the RC3 decision in August 2020, it was envisaged

[5] CRU20085 Update to Irish Water's Revenue Control 3 (RC3.5) – Irish Water's Updated Capital Investment Plan
[6] Extra funding for Irish Water in 2020 delivers 400 jobs and benefits for customers across the country

by the CRU that any such changes would be exceptional in nature and arise from external circumstances that could not have been foreseen by Irish Water, being beyond its control.

While Irish Water did provide a proposed change control submission, it related to changes to the IP which had already been actioned by Irish Water. The CRU did not consider that it would be appropriate to approve changes that Irish Water has already made to the IP outside of the normal revenue control process. To do so would pre-empt and prejudice the CRU's ability to make fully informed decisions in the next revenue control (RC4) in the context of the totality of the information on IP delivery and efficiency over the RC3 period.

As such, the CRU wrote[7] to Irish Water in July 2021 setting out how the existing economic regulatory framework and RC3 decision could be leveraged to support the key aim of the change control process, i.e., to provide greater visibility of Irish Water's changes to the IP and Irish Water's reasons for said changes. The CRU proposed an enhanced CRU IP monitoring regime taking account of the Irish Water IP prioritisation process previously approved by the CRU in the RC3 decision. The annual IP monitoring reports would be modified to take account of any updates by Irish Water including the rationale for change. These reports would continue to be published[8] and available for all stakeholders, including the Delivery Monitoring Group.

While the approach for the change control mechanism was set out in detail in a letter to Irish Water, the utility has not made a submission under this new process for the 2020 period. As a result the CRU is not able to provide context around Irish Waters captial investment during 2020, including the reaons for any project reprioritisaton or the drivers behind any deviation between actual and planned investment. The CRU considers that Irish Water's failure to make a submission is a missed opportunity to set out the reasons for the changes in its capital investment plan for 2020 for the benefit of stakeholders.

2.2 Outputs and Outcomes

Most of the funds Irish Water invested in 2020 were to begin and progress projects and programmes that won't be completed until after 2020. Nonetheless, Irish Water has launched work at hundreds of sites across the country to deliver ongoing improvements in service, and

[7] CRU202231a CRU Letter to Irish Water Re RC3 Decision Implementation Investment Plan Change Control Process

[8] Irish Water Capital Investment Monitoring

compliance, to protect the environment and to facilitate population and economic growth. Some of the headline areas of delivery are elaborated further below.

2.2.1 Irish Water's 2020 Nominated Outputs and Outcomes

As part of the RC3 Investment Planning, Irish Water provided a comprehensive list of capital projects and programmes that it intends to deliver across the RC3 period. These projects and programmes are designed to achieve a range of outputs and outcomes while some will deliver on more than one output and/or outcome. A summary of the high-level outputs and outcomes that Irish Water has committed to deliver over the RC3 period and their progress in 2020 are shown in the Table 1 below. This table represents the final decision as per the CRU's August 2020 RC3 decision. As the CRU will request the data in Table 1 from Irish Water for publication in future monitoring reports, the targets marked 'Not yet available' will be provided in due course.

Irish Water's Outputs & Outcomes - RC3			
Outputs	**Unit**	**RC3 2024 Goal**	**2020 Achieved**
Number of new Treatment Plants (water and wastewater)	No.	29	4
Number of Existing Treatment Plants Upgraded	No.	89	8
Water Treatment Plant Capacity (Total ML/day) (i.e. total capacity from new/existing plants which have added capacity during RC3)	ML/day	625	77
Wastewater Treatment Plant Capacity (Total Population equivalent)	PE	3,070,158	34,970
Number of Reservoirs Upgraded	No.	132	2
New Watermains (km)	km	496	47
Rehabilitated or lined mains (km)	km	511	131
Meters installed	No.	50,815	10,715
New Sewers (km)	km	241	32
Rehabilitated Sewer (km)	km	342	10
	Unit		
Outcomes			
Number of Water Treatment Plants with Ortho-phosphate Dosing	No.	27	0
Number of Water Supplies removed from the EPA's RAL	No.	48	11
Reduction in the number of properties with risk of Microbiological Non Compliance	No.	563,093	0
Reduction in the Number of properties with risk of THM Non Compliance	No.	133,465	31,049
Number of Lead Services replaced	No.	13,231	2982
Leakage Reduction (ML/day)	ML/day	176	Not yet available
Additional Water Supply Capacity (ML/day) (i.e. additional capacity added during RC3)	ML/day	46	Not yet available
Number of agglomerations removed from EPA's Priority Urban Area Action List	No.	75	11
Wastewater treatment works compliant with Urban Waste Water Treatment Directive (Population Equivalent)	PE	314,656	Not yet available
Number of Wastewater Treatment Plants overloaded serving >2000 population	No.	1	Not yet available
Number of Wastewater Treatment Plants overloaded serving <2000 population	No.	1	Not yet available
Number of Agglomerations in the ECJ Urban Waste Water Treatment Directives	No.	13	26
Additional Wastewater Treatment Capacity (Population Equivalent)	PE	770,751	Not yet available
Number of Wastewater Treatment Plants compliant - EPA discharge increase ELVs	No.	8	Not yet available

Table 1 - Irish Water's Nominated Outputs and Outcomes, including RC3 targets and 2020 progress.

2.2.2 Water Treatment Upgrades

Irish Water has been addressing known deficiencies across its water treatment sites to help ensure that the water it produces is safe to drink. This has included upgrading and standardising treatment processes at hundreds of sites across the country to remove contaminants and disinfect the water. During RC3, Irish Water has committed a total water treatment plant capacity increase of 625 ML/D from new capacity and added capacity from existing plants, by the end of 2024.

During 2020 Irish Water upgraded the CFC and Filtration process at 14 sites through its CFC and Filtration national programme, building on the work carried out across previous Interim Revenue Control phases 1 and 2[9]. These processes help to remove suspended solids, some heavy metals and organics and ultimately produce clearer water. Additionally, Irish Water's disinfection programme has addressed deficits at 53 separate sites throughout 2020. Disinfecting the water makes it safe from bacteria and parasites including *Cryptosporidium*.

2.2.3 The EPA's Remedial Action List

The EPA's Remedial Action List (RAL) includes public water supplies where water quality issues have arisen because of the performance of a water treatment plant. Supplies are added to the RAL when the EPA deems there to be a treatment deficiency, or operational/management issues that may result in persistent failures of key water quality parameters, for example, *E. coli*, trihalomethanes (THMs) and *Cryptosporidium*. Supplies may be added to the RAL as a result of audits from the EPA, notifications of exceedances, or information gathered from Irish Water or the Health Service Executive (HSE). The RAL is a dynamic list of public water supplies requiring action to improve performance.

During 2020, the EPA added 5 supplies to the RAL while 11 supplies were removed[10]. At the end of 2020, there were 46 supplies remaining on the RAL (Figure 2). Irish Water has committed to removing 48 supplies from the RAL by the end of RC3. The downward trend in the number of supplies on the RAL continues with the population equivalent on the RAL decreasing 11% to 1,004,997.

[9] The CRU previously carried out two Interim Revenue Controls (IRC) prior to RC3. IRC1 ran from Q4 2014 to end 2016, while IRC 2 covered beginning 2017 to end 2019. RC3 began in January 2020.
[10] For more information, please see the EPAs website here.

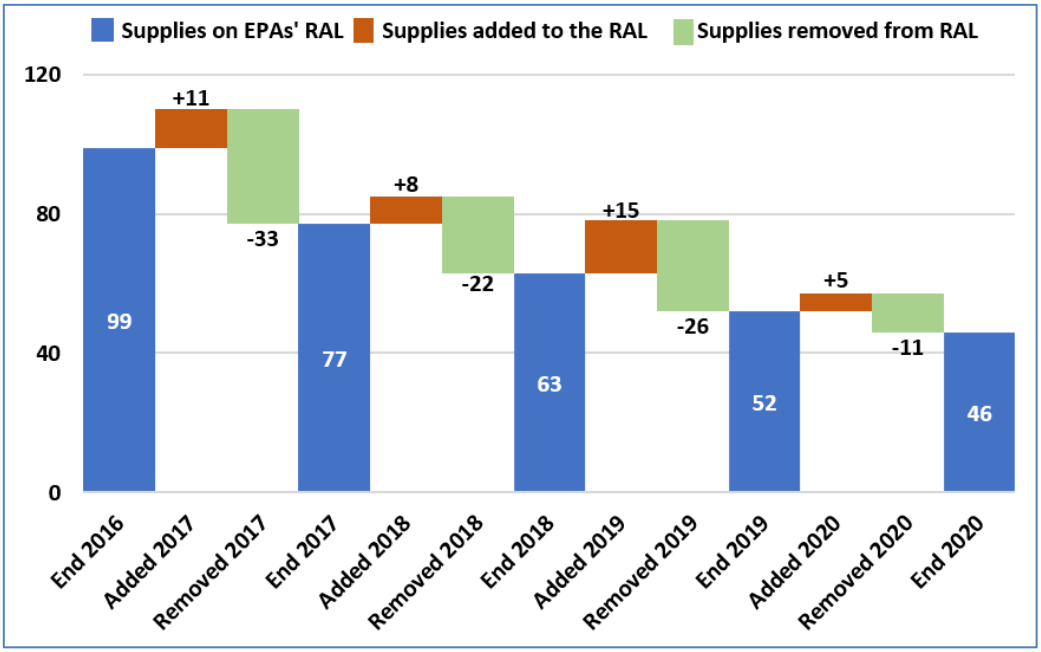

Figure 2 - Supplies on the EPA's RAL

2.2.4 Lead Mitigation Programme

In 2014, Irish Water estimated that there were 40,000 shared 'backyard' lead service connections which loop off the mains and serve two or more properties. In its RC3 Investment Plan, Irish Water had targeted replacing 13,231 lead service connections (both individual and shared) by the end of 2024. During 2020 Irish Water replaced 1,597 backyard lead services compared to 3,921 in 2019. Irish Water has cited the impact of COVID-19 on its business operations as the reason behind the reduced repairs. By the end of 2020, Irish Water had cumulatively replaced 9,132 shared lead service connections since commencing work in 2015 (Figure 3).

Irish Water has estimated that there are 140,000 individual lead service connections on the public network. In 2020 Irish Water replaced 1,385 individual lead services compared with a figure of 11,853 in the previous year. This decrease in lead service replacement rate, was attributed by Irish Water to the impact of the COVID-19 pandemic. As of the end of 2020, Irish Water has replaced 26,473 individual lead connections since efforts began in 2015. Clearly, a significant amount of work remains to address the outstanding 100,000 individual lead service connections.

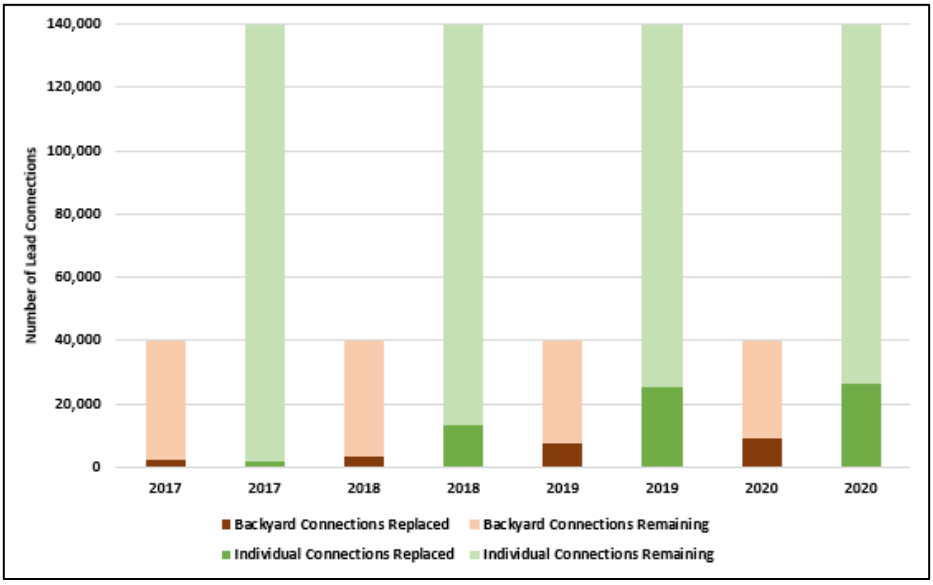

Figure 3 – Progress on replacing lead connections

2.2.5 Mains Replacement

Irish Water replaced or rehabilitated 131 km of watermains during 2020. The RC3 2024 goal for mains replacement (either rehabilitated or lined) is 511 km. In total Irish Water has replaced or rehabilitated 1,695 km of watermains between 2016 and 2020 (2.7% of the total network).

Proactive and programmed replacement and rehabilitation of watermains is crucial in reducing and controlling leakage levels, along with investment in finding and fixing leaks, pressure management and quickly responding to bursts.

2.2.6 Leakage

This metric is designed to monitor the amount of water lost on the public network and the amount of water lost on customer supply pipes, separately.

As per the Irish Water Performance Assessment 2020 to 2024 Metric Review and Target Setting[11] and Irish Water Revenue Control 3 – Financial Incentives (Non-Domestic Billing and Leakage)[12] decision papers, Irish Water is required to submit detailed information on leakage at both the public and private (customer supply pipe) side for the purposes of Investment Plan

[11] CRU21101 Irish Water Performance Assessment Framework 2020 to 2024 Metric Review and Target Setting
[12] CRU21108 Irish Water Revenue Control 3 – Financial Incentives (Non-Domestic Billing and Leakage)

monitoring, the Performance Assessment Framework monitoring and the calculation of the RC3 Financial Incentives allowance. To date, despite extensive engagement on this issue, Irish Water has not provided the required information on public side and customer supply pipe leakage in the correct format or in sufficient detail to enable the CRU to report against it. The CRU has written[13] to Irish Water to request this data be provided under Section 43 of the Water Services (No. 2) Act 2013. Once the data has been received and reviewed, the CRU will publish an addendum to this Investment Plan Monitoring report and the Performance Assessment Framework monitoring reports for 2020.

2.2.7 Agglomerations with no Wastewater Treatment

In 2013 there were 50 agglomerations in Ireland that were discharging untreated wastewater into the environment. This number has declined steadily such that by the end of 2019 Irish Water had completed work in 15 agglomerations to bring the number to 35 (Figure 4). In 2020 Irish Water reduced this figure by one agglomeration to bring the number of remaining agglomerations with no wastewater treatment to 34.

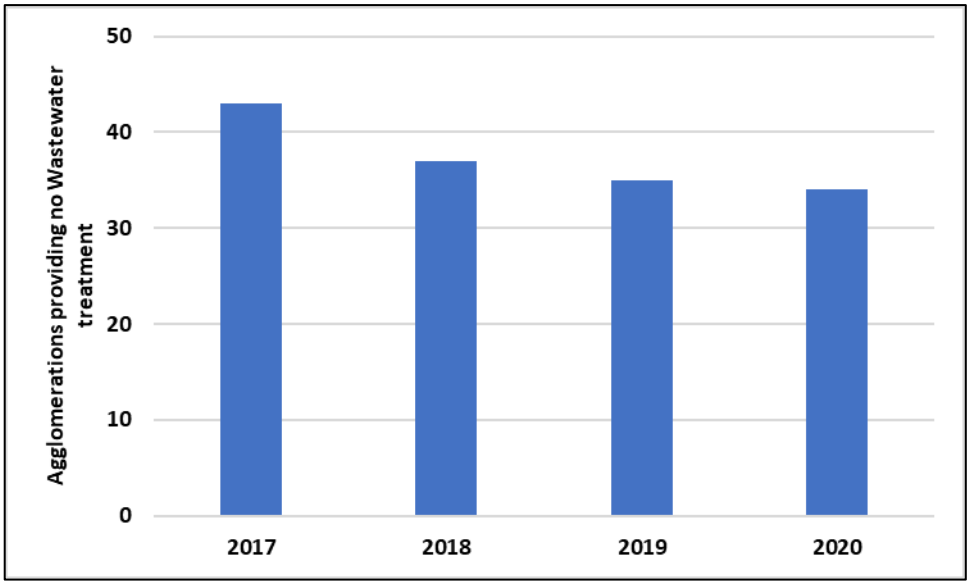

Figure 4 - Agglomerations with No Wastewater Treatment

[13] CRU202229 CRU Letter to Irish Water Leakage Request for Information

2.2.8 UWWTD Infringement Case

The Urban Wastewater Treatment Directive (UWWTD) sets requirements for the collection, treatment and discharge of wastewater from large urban areas. In 2019 the Court of Justice of the European Union found that Ireland was not in compliance with the Directive in respect of 28 agglomerations. During 2020, two further agglomerations were removed from the UWWTD list. The numbers of agglomerations on the list continue to decline since 2018 (Figure 5). Irish Water is required to remove a total of 13 agglomerations from this list by the end of RC3.

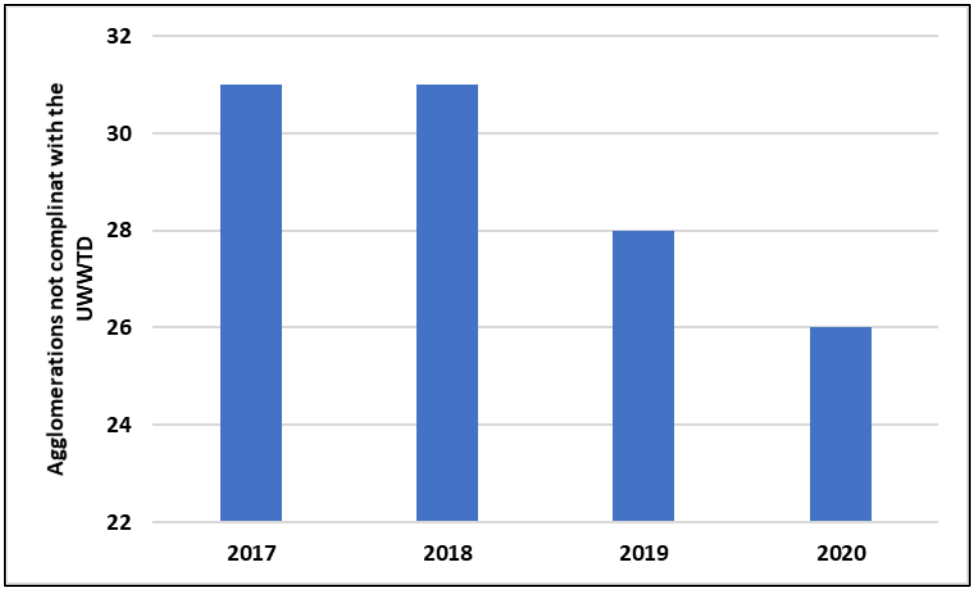

Figure 5 – Agglomerations not compliant with the UWWTD

2.3 Major Projects

In the 2020 decision on RC3, there were two projects within Irish Water's Investment Plan of significant spend and strategic importance that are delivered centrally, through Ervia's Major Projects function. These include the Water Supply Project – East and Midlands (WSP) and the Greater Dublin Drainage (GDD) scheme.

The CRU recognises that as the projects pass through various stages of project development, for example where planning decisions require refinements to the scope of a project, the cost forecasts may be refined accordingly. Consequently, these projects tend to be progressed and costed in phases.

The total forecast spend from 2020 to 2024 across both projects as set out in the RC3 decision was calculated to be €704m (specifically €410m was allocated for the GDD and €294m for the

WSP). The GDD, providing a new regional wastewater treatment facility and the associated infrastructure to serve the growing population of the Dublin area, had a spend of €4.4m during 2020. Subject to planning permission approval, a detailed GDD Project Brief and preliminary Business Case are due to be submitted by Irish Water for consideration by the CRU in H2 2022. This will be subject to the external assurance process under the Public Spending Code[14].

During 2020 Irish Water spent €8.8m on the WSP. Irish Water has completed consultation on the National Water Resources Plan Framework Plan, while the draft Regional Water Resources Plan (Eastern and Midlands) was published by Irish Water for consultation in December 2021, which will assess supply-demand balances across the Eastern and Midlands region. This will help to inform Irish Water's decision-making relating to the proposed WSP. Irish Water plans to adopt the Regional Water Resources Plan by June 2022 and will subsequently consult on the WSP in Q4 2022.

[14] For more information on the Public Spending Code, please see here.

3. Summary

Irish Water has made progress during the initial year of its first five-year revenue control despite barriers to progress outside of its control. Investment totalling €787m was made across the water and wastewater infrastructure portfolios including reprioritisation of investments away from the original RC3 plan. Irish Water is entitled to make changes to the RC3 Investment Plan as the competent authority. However, despite reprioritisation of the Investment Plan, the CRU continues to hold the utility to its agreed RC3 outputs and outcomes. Whilst progress across different metrics in 2020 was delayed relative to the RC3 2020 Outputs and Outcomes goals, Irish Water is expected to make up lost ground as it ramps up its capital investment programme beyond 2020.

4. Next Steps

The CRU will issue a Request for Information to Irish Water seeking outturn data for full year 2021 as per section 43 of Water Services (No. 2) Act 2013. As part of this Request for Information, Irish Water will also be required to provide full-year actual spend figures for 2020 which will be updated as part of the Irish Water Capital Investment Plan 2020 to 2024 Monitoring Report No. 2. The CRU will also require Irish Water to submit change control documents for both 2020 and 2021 and will publish these on the CRU website. The next Monitoring report examining Irish Water's 2021 capital investment will be published by the CRU in Q3 2022.

The CRU continues to actively engage with Irish Water regarding provision of accurate 2020 leakage data and this will be published following a review by the CRU.