



An Coimisiún
um Rialáil Fóntais
**Commission for
Regulation of Utilities**

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Commission for Regulation of Utilities

Irish Water's Water and Wastewater Disconnection and Reconnection Policy

Decision Paper

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CRU Strategic Plan 2022-24

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| Our Mission <ul style="list-style-type: none">Protecting the public interest in water, energy and energy safety. | Our Strategic Priorities <ul style="list-style-type: none">Ensure Security of SupplyDrive a Low Carbon FutureEmpower and Protect CustomersEnable our People and Organisational Capacity |
| Our Vision <ul style="list-style-type: none">Safe, secure and sustainable supplies of energy and water, for the benefit of customer now and in the future | |

Executive Summary

Under the Water Services (No. 2) Act 2013¹, Irish Water is responsible for charging for the cost of connecting to the public water and wastewater network. In 2018, the Commission for Regulation of Utilities (CRU) published its decision on a Connection Charging Policy² for Irish Water and its customers. In that decision, the CRU required Irish Water to develop a policy proposal on charging for disconnection from, and reconnection to, the public water and wastewater network.

The CRU consulted on the proposals submitted by Irish Water earlier this year and presented the proposals to the CRU's Non-Domestic Water User Group. The CRU received one response to the consultation and would like to thank the respondent, An Fóram Uisce (The Water Forum) for its constructive feedback.

The purpose of this paper is to outline the CRU's decision on enduring, standardised charges and arrangements for customers disconnecting and reconnecting to the Irish Water network. The paper summarises the An Fóram Uisce comments and the CRU's responses to these comments and its final decision.

¹ [Water Services \(No. 2\) Act 2013, Section 21 \(irishstatutebook.ie\)](http://irishstatutebook.ie)

² [CRU18262-CRU-Decision-on-Irish-Waters-Connection-Policy.pdf \(kinstacdn.com\)](https://www.kinstacdn.com/CRU18262-CRU-Decision-on-Irish-Waters-Connection-Policy.pdf)

The CRU's decisions herein maintain the approach to harmonising charges within a national framework for all Irish Water customers, in line with previous connections and non-domestic tariffs decisions, thus ensuring equity and fairness for all. This decision applies the same charging principles that underpin the decision on 2018 connection charges. These are:

- Cost Reflectivity
- Efficient Use of Assets
- Equity and Non-Discrimination
- Stability
- Simplicity
- Cost Recovery

Disconnection Types

The CRU's decision applies to both water and wastewater services and covers the circumstances under which domestic and non-domestic customers can be temporarily or permanently disconnected from the network, as set out in the table below:

| Disconnection Type | Domestic properties | Non-domestic properties |
|---------------------------|---|--|
| Temporary | Upon request of the customer. The customer must be able to demonstrate an alternative source of water supply (i.e., a private well or an alternative water source), prior to disconnection. | Upon request of the customer. |
| | | No registered customer at the premises has been established. |
| | | Failure to pay a bill relating to the supply of water/wastewater services. |
| | | Failure to honour a payment plan. |
| Permanent | Where the premises is to be demolished and the customer requests the disconnection. | Upon request of the customer. |
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| | Disconnection of an unoccupied premises which either has an unauthorised connection, and/or there is a risk to health and safety from possible contamination. | For an unauthorised connection. |
| | | Continuation of the use of the connection would pose a risk to health and safety. |

Table 1: Summary of criteria for temporary and permanent disconnections at domestic and non-domestic properties

The CRU notes that in order to ensure that customers are protected, a permanent disconnection of a domestic property is only permitted in exceptional circumstances. These exceptions are limited to the following circumstances:

1. Where the premises is to be demolished and the customer requests the disconnection.
2. At a proven unoccupied property where there is an unauthorised Connection or where a risk of contamination is posed to the public network.

Disconnection/Reconnection Charges

The CRU has decided that permanent disconnections will be free of charge for both domestic and non-domestic properties.

For temporary disconnections, the rates will be dependent on the reason for the temporary disconnection, i.e., if the request was made by the customer or if it was due to non-payment (in the case of non-domestic customers). The decision also covers out-of-hours rates and reconnection charges. The rates for both domestic and non-domestic disconnections are shown in Table 2 on the next page:

| Service | In/Out Standard hours | For Customer Requested | Due to non-payment (non-domestic) | Aborted Site Visit (per visit) |
|--------------------------------|------------------------------|-------------------------------|--|---------------------------------------|
| Temporary Disconnection | In | €140 | N/A | €140 |
| | Out | €210 | N/A | €210 |
| Reconnection | In | €140 | €500 | €140 |
| | Out | €210 | N/A | €210 |

Table 2: Rates for temporary disconnections and reconnections for domestic and non-domestic properties. Charges listed are inclusive of VAT.

Further to this decision:

- Irish Water will update its Water Charges Plan (WCP) to reflect the CRU’s decision on the new charges and submit same to the CRU. The CRU will review the updated WCP and approve it for publication on 1st October, i.e., on the date that the new charges go live.
- Irish Water will implement this policy and associated charges, including the process through which Irish Water engages with customers under this policy, by 1st October 2022.
- Irish Water will update its Non-Domestic Code of Practice on Disconnections by this date to include all circumstances in which a customer may be disconnected and the process for disconnections.
- Irish Water will provide annual disconnections data to the CRU and will provide a post-implementation report on the implementation of charging processes by the end of 2022.

There were two specific aspects of Irish Water’s disconnections proposals which merited further development and consideration, and were highlighted in the consultation paper, as follows:

1. The proposal to permanently disconnect a non-domestic property where a risk of contamination to the water supply is identified.
2. The proposal to permanently disconnect any temporary disconnection, for both domestic and non-domestic properties, which exceeds two years in duration.

The CRU has decided that Irish Water must adopt a standardised process that should be followed in advance of disconnecting any customers that fall into these categories by 1st October 2022 (consistent with what is in place for disconnection of non-domestic properties due to non-payment). This process must include appropriate notice periods to customers for disconnection.

If a disconnection is required because a risk of contamination is identified, Irish Water must inform all relevant parties (e.g., Environmental Protection Agency, the Local Authority) and respond to the incident in compliance with relevant regulations. For other instances of disconnection, where urgency from a health and safety perspective is not an issue, the process should give customers the opportunity to engage with Irish Water to seek an alternative course of action to a disconnection.

Irish Water's process for engaging with customers must be ready to go live alongside the new charges on 1st October 2022.

Public / Customer Impact Statement

This decision follows the CRU's 2018 decision on connection charging and non-domestic tariffs and maintains the approach to harmonising charges for all Irish Water customers ensuring equity and fairness in the utility's approach to charging for its services.

It harmonises public water and wastewater disconnection and reconnection charges in Ireland. Disconnection and reconnection charges are currently set by Local Authorities and the charging methodology and cost can vary from €100 to €1,300 for the same service, depending on where you live.

This decision will ensure that Irish Water's disconnection and reconnection policy and charges are:

- Cost reflective
- Clear and transparent
- Easy to understand
- Equitable – all customers will be charged the same regardless of location

This policy, once in effect, will impact:

- Domestic customers requesting to disconnect/reconnect from the Irish Water network.
- Non-domestic customers requesting to disconnect/reconnect from the Irish Water network.
- Non-domestic customers who have not paid their bills.
- People who have connected to the network without authorisation.

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1 Introduction

1.1 Background

Under Section 21 of the Water Services (No. 2) Act 2013 (the Act)³, Irish Water has the power to charge for the provision of water services. Irish Water is required to outline these charges, which may include charges in respect of service connection, in its Water Charges Plan in line with Section 22 (5) of the Act, which is approved by the CRU.

In December 2018, the CRU published a decision⁴ on Irish Water's new national connection charging policy, for both water and wastewater connections. This decision facilitated anyone wishing to connect (or modify a connection) to the Irish Water network, introducing a new connection charging policy which was standardised across the country. Previously, customers were charged differing rates as directed by the Local Authorities. Irish Water's new national connection charging policy came into effect on 1st April 2019. In that decision, the CRU required Irish Water to submit a proposal on a Disconnections Policy for review and public consultation.

In the interim, Irish Water continued to carry out customer requested permanent disconnections as outlined in its Connection Charging Policy as per the below:

“Permanent Disconnection: Where a customer wishes to have a Connection to its Premises permanently disconnected, the Customer should notify Irish Water. Irish Water will assess if, in its opinion, a Permanent Disconnection is permissible. If a Permanent Disconnection is permissible, the Customer will be charged the costs incurred by Irish Water in carrying out works and safely rendering the supply disconnected. Irish Water will submit an enduring disconnection policy to the CRU in 2019 for review and in the interim, the process set out above will apply.”

Current disconnection and reconnection charging arrangements in Ireland are set by each Local Authority and as a result are varied, with charges differing greatly across the country.

The CRU is of the view that an enduring Disconnection and Reconnection Policy should reflect the costs Irish Water faces in providing the service and should be fair to all customers regardless of location.

³ <https://www.irishstatutebook.ie/eli/2013/act/50/enacted/en/pdf>

⁴ [CRU18262-CRU-Decision-on-Irish-Waters-Connection-Policy.pdf \(kinstacdn.com\)](#)

Before making its decision on the enduring Disconnections and Reconnections policy, the CRU reviewed Irish Water's proposals on the disconnection and reconnection processes and charges, consulted on its proposals and presented the proposals to the CRU's Non-Domestic Water User Group. These proposals are in line with the legislation⁵ in place prohibiting domestic disconnections. This protects the domestic customer by ensuring a supply of water and wastewater services at a domestic premises. In Ireland, the different treatment of customer categories also acknowledges that non-domestic properties are charged for their water supply whereas domestic customers currently are not.

Once implemented, this policy will also harmonise the disconnection policy and charges and remove anomalies. For example, Dublin City Council does not charge for either disconnection or reconnection, however neighbouring Fingal Co. Council charges €1,300 for reconnection (it has no charge for disconnection). These varying disconnection charging arrangements are overseen by the 31 different Local Authorities.

This paper outlines the CRU's decision on a Disconnection and Reconnection Policy and associated charges and summarises and responds to comments that the CRU received to the consultation.

1.2 Charging Principles

In reviewing the proposed charging arrangements, the CRU adopted the same charging principles which framed its decision on the Connection Charging Policy in 2018. These are:

- 1. Cost reflectivity:** Charges should be reflective of the costs associated with providing a connection service to a customer or a developer. Our view is that the same principle holds for disconnections.
- 2. Efficient use of assets:** The policy should promote efficient use of existing assets and minimise the risk of stranding assets.
- 3. Equity and non-discrimination:** Charges should be equitable and not unduly discriminate between customers.
- 4. Stability:** Charges should be designed to ensure charge level volatility is kept to a minimum.

⁵ [Water Services \(No. 2\) Act 2013, Section 21 \(irishstatutebook.ie\)](http://www.irishstatutebook.ie/eli/2013/act/21)

5. Simplicity: Connection charges and the charging policy should be clear transparent and easy to understand.

6. Cost recovery: The Policy should ensure that the utility can recover the efficiently incurred costs in providing disconnections and reconnections.

1.3 Purpose of Paper

The purpose of this paper is to set out the CRU's decision on Irish Water's Disconnection and Reconnection policy and associated charges. This paper also summarises the comments received and outlines the CRU's responses to the comments⁶.

1.4 Responses Received

The CRU received one response to its consultation on Irish Water's Disconnections and Reconnections Policy (CRU202201), from An Fóram Uisce (The Water Forum). The CRU would like to thank An Fóram Uisce for its response, which we have considered in reaching this decision. The summary of An Fóram Uisce's submission and the CRU's response are in Section 3 and 4 of this paper. The CRU also presented the proposals and charges to its Non-Domestic Water User Group during the consultation phase.

1.5 Related Documents

The following documents provide context to this paper:

- CRU Consultation on Irish Water and Wastewater Disconnection and Reconnection Policy ([CRU202201](#))
- Irish Water Disconnection Policy ([CRU202201a](#))
- Irish Water Disconnection Policy Supporting Document ([CRU202201b](#))
- CRU Decision – Irish Water Connection Charging Policy ([CRU18262](#))
- Irish Water Connection Charging Policy ([CRU18231](#))

⁶ Consultation on Irish Water's Water and Wastewater Disconnection and Reconnection Policy (CRU202201) - [CRU202201-Consultation-on-Irish-Waters-Water-and-Wastewater-Disconnection-and-Reconnection-Policy.pdf](#)

2 Disconnection Types

This section provides information on what is involved in a water services disconnection and the different types of disconnections (and reconnections) which customers may avail of.

2.1 Domestic and Non-Domestic Disconnections

Irish Water's policy approach to domestic and non-domestic customers differs.

- A Domestic Disconnection is defined as the physical disconnection of a domestic premises to the public water and / or wastewater network.
- Non-Domestic Disconnection is defined as the physical disconnection of a non-domestic premises to the public water and / or wastewater network.

For clarity, a domestic premises, or dwelling, means a premises (or part (s) of a premises) occupied by a person as their place of private residence (whether or not as their principal private residence). These categories are set out in Section 21(9) of the Water Services (No.2) Act 2013. In relation to domestic properties, the Water Services Act (No.2) 2013⁷, Section 21 (8) states:

'Irish Water shall not, by reason of a charge in respect of a dwelling being wholly or partly unpaid, discontinue the supply of water to that dwelling either temporarily or permanently.'

The CRU interprets this as Irish Water cannot disconnect a domestic property while it is inhabited or used as a place which is periodically inhabited. There are very specific criteria which allow Irish Water to disconnect a domestic property which are listed, in Section 3.1.

For the purpose of this proposed policy, mixed use properties will be treated in the same respect as domestic properties, unless there is a separate dedicated connection for each property type.

⁷ [Water Services \(No. 2\) Act 2013, Section 21 \(irishstatutebook.ie\)](http://www.irishstatutebook.ie/eli/2013/act/2/section/21)

2.2 Disconnection Types

Irish Water has identified three different types of disconnection, which are outlined in 2.2.1 – 2.2.3. These disconnection types are the same as those offered by Local Authorities in the existing regime.

2.2.1 Permanent Disconnections

A Permanent Disconnection means the permanent disconnection of a premises from the water and wastewater network to the extent that it will not be possible to restore water services through the pipework in the future. In some cases, this may extend to complete removal of the pipework between the water main and the stopcock, as well as the stopcock and meter assembly. On occasion this may involve excavation work in the vicinity of the connection assets.

Permanent disconnections cannot be reversed. If, following a permanent disconnection, a customer wants a new connection, they will have to apply and pay for this in line with the current connection charging policy.

2.2.2 Temporary Disconnections

A temporary disconnection is one which can be easily reversed by Irish Water, for example, closing a valve to suspend the flow of water to a property. A Temporary Disconnection will typically not involve the removal of Connection Assets.

Typically, each temporary disconnections entails the same set piece of work i.e., they are a standard procedure common to the majority of properties where Irish Water temporarily disconnects. However, in limited circumstances, additional works may be required to facilitate the temporary disconnection. Where additional works are required, the temporary disconnection will be classified as non-standard. These works may include, but are not limited to:

- Meter removal
- Excavation works to access the meter or external stop valve

2.2.3 Reconnection

Reconnections can only be carried out after a customer has had a temporary disconnection. If a customer has been permanently disconnected from the network, they must apply for a new connection in line with the Connection Charging Policy.

3 Disconnections Process – CRU Response to Comments and Decision

3.1 Disconnections and Reconnections Process

Domestic Disconnections

A– Domestic Temporary Disconnection

Irish Water proposed that to avail of a temporary disconnection at the request of the customer, from the public water main, the premises must have an alternative source of water supply i.e., private group water scheme, a private well or an alternative water source.

In its submission, Irish Water also proposed that temporary disconnections may have a limited duration, agreed with the customer (e.g., to facilitate renovation works). Reconnection will take place after the agreed time.

Irish Water proposed that where a temporary disconnection has exceeded two years in duration, it will be deemed to be a permanent disconnection. In such instances, the customer will have to apply for a new connection if they wish to have the connection reinstated. Irish Water will need to assess the condition of the connection assets and may need to carry out works to safely reconnect the premises and/or provide capacity to meet the customers load requirements. A connection charge will apply as per the rates set out in the Connection Charging Policy decision⁸.

B- Domestic Permanent Disconnection

There are two scenarios where Irish Water proposed that a permanent disconnection of a domestic customer's premises could be carried out, outlined below.

1. Where the premises is to be demolished and the customer requests the disconnection

Irish Water proposed to require proof of planning permission for demolition before a disconnection will be scheduled. The owner of the premises must provide authorisation for a permanent disconnection. If the person applying for a permanent disconnection is not the owner, written authorisation from the owner must be included with the application form.

⁸ [CRU18262-CRU-Decision-on-Irish-Waters-Connection-Policy.pdf](#)

2. Disconnection of an unoccupied premises

Irish Water proposed that it may only disconnect a domestic customer where:

- the Premises is Unoccupied; and
- the Connection is deemed to be an Unauthorised Connection; and/or
- in the view of Irish Water, a continuation of the use of the Connection would pose a risk to health and safety. This may include circumstances where a Connection is causing a release of pathogens into the Network.

Non-Domestic Disconnections

As specified in the Non-Domestic Customer Handbook⁹ (Section 8), Irish Water may disconnect a non-domestic customer's premises in any of the following instances:

1. Upon request of the customer.
2. No registered customer at the premises has been established after attempts to determine occupancy /ownership.
3. Failure to pay a bill relating to the supply of water/wastewater services.
4. Failure to pay a bill relating to the supply of water/wastewater services by a non-domestic customer who shares their supply with another non-domestic customer who has also failed to pay their water/wastewater bill.
5. Where the customer has entered a payment plan and that customer fails to honour that plan.

In addition to those listed in Non-Domestic Customer Handbook, Irish Water, in its policy proposal, included disconnection for the following reasons:

- For an Unauthorised Connection:

Irish Water proposed to disconnect a non-domestic customer premises where the connection is deemed to be an unauthorised connection.

- For health and safety reasons:

⁹ [Irish Water Non-Domestic Customer Handbook - Commission for Regulation of Utilities \(cru.ie\)](#)

Irish Water proposed to carry out permanent disconnections at non-domestic customer premises if, in the view of Irish Water, continuation of the use of the connection would pose a risk to health and safety. This may include circumstances where a connection is causing the release of pathogens into the network.

Irish Water proposed that where there is a domestic element to a non-domestic customers premises, i.e., a mixed-use customer (e.g., an apartment above a shop), then a disconnection will not be carried out except in limited circumstances).

Irish Water proposed that where a temporary disconnection has exceeded two years in duration, it will be deemed to be a permanent disconnection. In such instances, the customer will have to apply for a new connection if they wish to have the connection reinstated. Irish Water would need to assess the condition of the connection assets and may need to carry out works to safely reconnect the premises and/or provide capacity to meet the customers load requirements. A connection charge would apply as per the rates set out in the Connection Charging Policy decision.

Reconnections

Irish Water proposed criteria for reconnection as follows:

- Where Irish Water has carried out a temporary disconnection for reasons of non-payment by non-domestic customer, the customer may reconnect to the network by making all outstanding payments and paying any applicable reconnection fee.
- Where a customer that has previously requested a temporary disconnection wishes to reconnect to the network, they may apply for reconnection by contacting Irish Water and will have to pay a reconnection fee.
- If a temporary disconnection is in place for over two years, it will be deemed to be a permanent disconnection. The customer will have to apply to Irish Water for a new connection should they wish to reconnect to the network.
- Where a permanent disconnection has taken place, the customer will need to apply for a new connection if they wish to have the connection reinstated.

3.2 Comments Received on Disconnections Process

This section summarises the response from An Fóram Uisce in relation to the proposals on disconnection and reconnection processes. These are consultation questions which guided An Fóram Uisce response:

1. Please state if you agree with the differing approach proposed by Irish Water for permanent and temporary disconnections.
2. What is your view of Irish Water's proposal to carry out the permanent disconnection of a non-domestic property if it perceives there to be a contamination risk?
3. Please state if you agree with Irish Water's proposal to carry out a permanent disconnection of a property previously temporarily disconnected, where the temporary disconnection has been in place for more than two years?
4. Please state if you agree with Irish Water's proposed criteria and approach to reconnections.
5. Please state if you agree with the CRU's proposal that Irish Water should establish a customer engagement process prior to permanently disconnecting: (1). a non-domestic property if a risk of contamination to the water supply is identified, and (2). a temporary disconnection which exceeds 2 years in duration?

Question 1: Approaches for permanent and temporary disconnections:

- An Fóram Uisce agreed with Irish Water's proposals for disconnecting domestic customers. It noted that water utilities in other countries are also not permitted to disconnect domestic customers from their water supply. An Fóram Uisce agreed with Irish Water's proposal to allow permanent disconnection of domestic customers in cases where a property is being demolished. An Fóram Uisce considered that there is a benefit in carrying out permanent disconnections where it will prevent leakage and unaccounted for water. It recommended that Irish Water should make every effort to identify the owner of the property before carrying out the disconnections where the premises is unoccupied.

Question 2: Permanent Disconnection Due to Contamination Risk:

- An Fóram Uisce also agreed with Irish Water's proposal to disconnect customers where there is a contamination. It recommended that Irish Water should have a second party assess the contamination and decide on the need for the disconnection. An Fóram Uisce is of the view that this will provide for greater transparency and trust in Irish Water.
- An Fóram Uisce also noted that Irish Water should engage with customers prior to disconnection and recommended that Irish Water should establish a clear and simple appeal process, where the customer could appeal if it is of the view that they should not be disconnected.

Question 3: Permanent disconnection of a property previously temporarily disconnected:

- An Fóram Uisce noted its partial agreement with Irish Water's proposal to permanently disconnect customers that are temporarily disconnected for more than two years. An Fóram Uisce said that two years is relatively short considering that planning and carrying out renovations can take a long time. An Fóram Uisce said that Irish Water should engage with customers by phone and by writing and provide the customer with the choice to either disconnect permanently or extend the period of their temporary disconnection.

Question 4: Irish Water's proposed criteria and approach to reconnections:

- An Fóram Uisce agreed with the proposed approach to reconnecting customers but stated that the charges should be waived for vulnerable and low-income customers. Irish Water, it noted, should also make the fee waiver widely available.

Question 5: Establishing a customer engagement process prior to permanently disconnecting:

- An Fóram Uisce agreed with the CRU's proposal for Irish Water to introduce a process prior to carrying out a permanent or temporary disconnection. An Fóram Uisce is of the view that Irish Water should contact customers by phone and in writing about the disconnection. It also added that there should be adequate notice in writing and that each attempt to contact the customer should not be longer than three days apart. An Fóram Uisce is also of the view that Irish Water should keep a proof of confirmation of correspondence with the customer and make sure that the customer is aware of the implications of the permanent disconnection.

3.3 CRU Response to Comments

This section outlines the CRU's responses to comments received from An Fóram Uisce.

Question 1: Approaches for permanent and temporary disconnections:

- The CRU acknowledges An Fóram Uisce's support for the approach to permanent and temporary disconnections. To the comment regarding identifying the owner of a property before carrying out a disconnection, Irish Water must make every effort to identify the owner of the property before carrying out the disconnection for unoccupied premises. Its Code of Practice for disconnection of non-domestic customers will be updated to reflect the reasons for disconnection and associated processes.

Question 2: Permanent Disconnection due to Contamination Risk:

- The CRU notes An Fóram Uisce's recommendation that there should be another party assessing whether a disconnection due to contamination is required. The CRU understands that an event where a customer would have to be disconnected due to contamination is very rare. In cases where there would be a contamination, Irish Water would be informed by the Health Service Executive (HSE) or Environmental Protection Agency (EPA) about a potential contamination and Irish Water would engage with these authorities in reaching a decision to disconnect on public health grounds, that is, in those cases, another party is already involved. In circumstances where the HSE or EPA are not involved, the CRU is of the view that Irish Water would be able to carry out the assessment and make the appropriate decision.

Question 3: Permanent disconnection of a property previously temporarily disconnected:

- In relation to An Fóram Uisce's recommendation that customers should have the choice to extend the period of their temporary disconnection, the CRU notes that under Irish Water's proposed disconnection and reconnection policy, customers will get the opportunity to extend the period of their temporary disconnection on case-by-case basis.

Question 4: Irish Water's proposed criteria and approach to reconnections:

- The CRU notes An Fóram Uisce's comment regarding vulnerable and low-income customers. However, on this point, the CRU notes that it is a domestic customer's choice to opt for a temporary disconnection and any subsequent reconnection. Irish Water will never request that a customer temporarily disconnect. Unless a vulnerable or low-income customer requests a disconnection themselves, the customer will not be exposed to any

charges as a result of this Irish Water policy. The CRU notes that where non-domestic customers are in financial difficulties, they are currently provided with the opportunity to arrange a payment plan with Irish Water which reduces the risk of disconnection due to non-payment.

Question 5: Establishing a customer engagement process prior to permanently disconnecting:

- The CRU acknowledges An Fóram Uisce's comment regarding customer engagement. Irish Water has customer service requirements which it must follow regarding disconnection notifications for non-domestic customers. These requirements can be found in section 8.3 of the Non-Domestic Customer Handbook. Irish Water is currently developing a customer engagement process for the disconnection types in this policy and will submit this to the CRU before the charges go live. This will include consideration of the channels that Irish Water will use to communicate with customers regarding disconnections/reconnections and the associated timeframes.

3.4 CRU Decision on Disconnections Process

Having considered An Fóram Uisce's response (published alongside this paper – CRU202234a), the CRU approves the Irish Water proposals. The CRU notes that the proposals are in line with the Water Services Act (no. 2) 2013 legislation which prohibits domestic disconnections. This protects the domestic customer by ensuring a supply of water and wastewater services at a domestic premises. In Ireland, the different treatment of customer categories also acknowledges that non-domestic properties are charged for their water supply whereas domestic customers currently are not.

As set out in the consultation, there are two aspects of Irish Water's disconnections proposals which, in the opinion of the CRU, merited further development as follows:

1. Permanent disconnection of a non-domestic property if a risk of contamination to the water supply is identified.
2. Proposal to permanently disconnect any temporary disconnection, for both domestic and non-domestic properties, which exceeds two years in duration.

Once permanently disconnected, the customer can only reconnect via the new connection which is more expensive than the reconnection charge following a temporary disconnection. The CRU requires Irish Water to adopt a process which should be followed in advance of permanently

disconnecting customers that fall into these categories, similar to what is already in place for disconnection of non-domestic properties due to non-payment. This process should include appropriate customer engagement as regards notice periods for disconnection. If a disconnection is required because a risk of contamination is identified, Irish Water must inform all relevant parties (e.g., Environmental Protection Agency, the Local Authority) and respond to the incident in compliance with relevant regulations. For other instances of disconnection, where urgency from a health and safety perspective is not an issue, the process should give customers the opportunity to engage with Irish Water to seek an alternative course of action to a disconnection.

The CRU’s view is that the process should mimic that already in place for disconnections due to non-payment, i.e., the customer should receive adequate notice in writing and by telephone in advance of a disconnection.

The process must be established and ready to go live alongside the charges implementation on 1st October 2022.

The table below provides a summary of criteria for temporary and permanent disconnections of domestic and non-domestic premises.

| Disconnection Type | Domestic properties | Non-domestic properties |
|---------------------------|---|---|
| Temporary | Upon request of the customer. The customer must be able to demonstrate an alternative source of water supply prior to disconnection | Upon request of the customer |
| | | No registered customer at the premises has been established |
| | | Failure to pay a bill relating to the supply of water/wastewater services |
| | | Failure to honour a payment plan |
| Permanent | Where the premises is to be demolished and the customer requests the disconnection | Upon request of the customer |
| | | |

| | | |
|--|--|--|
| | Disconnection of an unoccupied premises which either has an unauthorised connection, and/or there is a risk of contamination | For an unauthorised connection |
| | | Continuation of the use of the connection would pose a risk to health and safety |

Table 3: Summary of criteria for temporary and permanent disconnections at domestic and non-domestic properties

CRU Decisions in Summary

- Irish Water will separate disconnections by property type: domestic and non-domestic.
- Irish Water will have two categories for disconnections: temporary and permanent
- Permanent disconnections can occur at domestic properties only after specific conditions are met, i.e., where the premises is to be demolished and the customer requests the disconnection, and disconnection of an unoccupied premises where the connection is unauthorised, and/or where there is risk to water quality.
- Temporary disconnections at both domestic and non-domestic properties can be requested. However, if the length of disconnection exceeds two years, then Irish Water deems this a permanent disconnection.
- There will be two new criteria for permanent disconnection of a non-domestic property, in addition to those set out in the Non-domestic Customer Handbook and Codes of Practice on Disconnections. These are criteria regarding unauthorised connections and connections associated with health and safety risk.
- Where a disconnection is to take place, Irish Water must develop a process for how it will notify and engage with customers in advance of the disconnection. This process should be similar to what is already in place in the Non-Domestic Customer Handbook regarding disconnection for reason of non-payment. This process must be ready to go live alongside the implementation of the charges on 1st October 2022.

4 Disconnections Charges – CRU Response to Comments and Decision

This section outlines Irish Water’s policy proposals on disconnection and reconnection charges, An Fóram Uisce’s comments on the charges, the CRU’s responses to the comments and the CRU’s decision on the proposed charges.

4.1 Charges for Permanent Disconnections

As discussed in the consultation paper¹⁰ current charges and arrangements for disconnection and reconnection services vary greatly across the Local Authorities in Ireland.

Irish Water has submitted its proposed standard charges to the CRU, for disconnection and reconnection, as set out below.

Irish Water Proposed Charges

Irish Water proposed the same charges for disconnections for domestic and non-domestic properties. The following proposals were for both property types, except for disconnection due to non-payment, which can only be carried out at non-domestic properties.

Permanent Disconnection

Irish Water proposed that the customer should not be charged for a permanent disconnection for both domestic and non-domestic properties. Where a permanent disconnection has taken place, the customer will need to apply for a new connection in accordance with the Connection Charging Policy.

4.2 Comments Received on Permanent Disconnection Charges

This section summarises the response from An Fóram Uisce in relation to the proposals on permanent disconnection charges. This question was asked in the consultation on permanent disconnections:

¹⁰ [CRU/202201 – Irish Water’s Water and Wastewater Disconnection and Reconnection Policy – Consultation](#)

6. Please state if you think that domestic / non-domestic customers should be charged for a permanent disconnection from the water supply network? Please set out your rationale for why you think this.

Question 6: Charges for permanent disconnections:

- An Fóram Uisce agrees that there should be no charge for permanent disconnection of customers. It noted that Irish Water should have a comprehensive engagement process in place prior to carrying out the permanent disconnection. For a non-domestic customer, An Fóram Uisce noted that a permanent disconnection needs to be the last resort i.e., Irish Water should make every effort to engage with customer to help the customer avoid the disconnection, as it could result in health and hygiene issues. Other measures should be considered such as periods of reduced pressures and/or dialogue strategies before the disconnection, according to An Fóram Uisce. The customer should also be made aware of the implications of a permanent disconnection, as stated earlier.

4.3 CRU Response to Comments

The CRU acknowledges An Fóram Uisce's view that permanent disconnections should be free of charge.

The CRU also acknowledge An Fóram Uisce's support for a customer engagement process around disconnections. The CRU already has in place obligations regarding notifying non-domestic customers about disconnections due to non-payment, which can be found in the Non-Domestic Customer Handbook. These will be expanded to cover the final decisions in this policy.

4.4 CRU Decision – No Charge for Permanent Disconnections

The CRU approves Irish Water's proposal not to charge customers for permanent disconnection, recognising that the utility is safeguarding its water and/or wastewater network by absorbing these costs.

The CRU reviewed the disconnection policies of several water companies in other jurisdictions, all of whom do not charge customers for a permanent disconnection. These include Thames Water, United Utilities, Anglian Water, Severn Trent Water, Northern Ireland Water, and Scottish

Water. In Ireland, ESB Networks (ESBN) charges for disconnection from its services whereas Gas Networks Ireland (GNI) does not charge for permanent disconnection (unless requested by the customer).

CRU Decision Summary

- Irish Water will not charge for permanent disconnection for both domestic and non-domestic properties.
- Where a permanent disconnection has taken place, the customer will need to apply for a new connection in accordance with the Connection Charging Policy.

4.5 Charges for Temporary Disconnections

Table 5 below shows Irish Water’s proposed rates for standard temporary disconnections and reconnections. The table splits the rates into two categories: standard hours and outside of standard hours. Irish Water also proposed different rates depending on if the disconnection was customer requested or due to non-payment – note, this only applies to Non-Domestic customers. Irish Water also proposed that a fee should be charged in the instance where a scheduled visit has been aborted due to customer related circumstances e.g., access issues at a property. The table below presents Irish Water’s proposed standard rates for temporary disconnections and reconnections.

| Service | In/Out Standard hours | For Customer Requested | Due to non- payment (non- domestic) | Aborted Site Visit (per visit) |
|----------------------------|-----------------------------|---------------------------|---|--------------------------------------|
| Temporary Disconnection | In | €140 | N/A | €140 |
| | Out | €210 | N/A | €210 |
| Reconnection | In | €140 | €500 | €140 |
| | Out | €210 | N/A | €210 |

Table 4: Irish Water Proposed standard rates for temporary disconnections and reconnections. Charges listed are inclusive of VAT.

Irish Water explained that standard charges will be applied where the disconnection or reconnection can be facilitated without works to connection assets and/or requiring pipework. For non-standard disconnections and reconnections, Irish Water proposed that these will be charged in accordance with reasonable costs incurred. Irish Water also proposed that any disconnection of an unauthorised connection is charged in accordance with reasonable costs incurred.

Irish Water Proposal for customer-requested temporary disconnection

In proposing its charges for requested temporary disconnection Irish Water has:

- Calculated that it takes on average two hours to carry out a temporary disconnection which includes travel time to and from site.
- Estimated that the average hourly costs as charged by Local Authorities and their contractors to carry out this work is €51.50. This equates to €103 for the 2 hours in standard hours (€126 after VAT).
- Calculated other costs for activities to support Disconnections (administration and business support for example) to be €14 for requested temporary disconnection.

This results in a charge of €140 for a temporary requested disconnection/reconnection in hours and €210 for a temporary requested disconnection/reconnection out of hours.

Irish Water considerations for Disconnection due to non-payment

Temporary disconnection due to non-payment is slightly different in that Irish Water must follow the procedure as set out in Section 8 of the Irish Water Non-Domestic Customer Handbook¹¹. Irish Water has calculated the payment based on three visits to the property:

- Visit 1 – Site visit
- Visit 2 – Disconnection
- Visit 3 – Reconnection

This equates to €378 (3 times €126). The administration and business support charges are higher due to the credit and collections processes, equalling €125.

This means that the total payment for customers who have been disconnected due to non-payment would be €503, which Irish Water has rounded down to €500.

¹¹ [CRU20117b-Irish-Water-Non-Domestic-Customer-Handbook-October-2020.pdf](#)

Benchmarking with UK utilities

Irish Water carried out some benchmarking on temporary disconnection charges in the UK.

While the charging arrangements for various water utilities vary in how they are applied, charges are reflective of the time associated with the visits and the level of work undertaken. The CRU is satisfied that the charges proposed are in line with UK rates. This is discussed in detail in Section 2.6 of the Disconnections Policy Consultation Paper.

Benchmarking with other Irish Utilities

1. Gas Networks Ireland

GNI does not charge its customers to disconnect due to non-payment. However, customers will be charged for reconnection which varies dependent on the customer type, and or reconnection type.

2. ESB Networks

ESBN carries out de-energisations which are comparable to temporary disconnections. ESNB charges €70¹² to de-energise and energise a connection point, exclusive of VAT. Similar to what is proposed by Irish Water, ESNB also charges €70 if the visit has to be abandoned due to no fault of the DSO.

ESBN will charge €162 (excl. VAT) for a customer requested disconnection, which is comparable to a permanent disconnection.

Further detail on the GNI and ESNB approaches were discussed in Section 2.6 of the [consultation paper](#).

4.6 Comments Received on Temporary Disconnection and Reconnection Charges

This section summarises the response from An Fóram Uisce in relation to the proposals on temporary disconnection and reconnection charges. This was the consultation question on this:

¹² [ESB Networks Statement of Charges](#)

7. Please state if you think it is appropriate to charge customers for temporary disconnection and reconnection? If so, do you think the proposed approach and charges set by Irish Water are fair, adequate? Please state if you think that the charges are in line with the CRU's charging principles? If not, please give rationale and support your answer with evidence of an approach and charge that would be more appropriate in your view.

Question 7: Charges for Temporary Disconnections:

- An Fóram Uisce agrees with the proposed charges. It considers the charges reasonable as they are based on the average hourly rate charged by Local Authorities for two hours work which is required to carry out a standard disconnection. It notes that this approach is also benchmarked with other water providers and aligns with the CRU principles. An Fóram Uisce however states that Irish Water must make every effort to make customers aware of the option of temporary disconnections to avoid the risk of customers carrying out the disconnection themselves.

4.7 CRU Response to Comments

Below the CRU sets out its responses to An Fóram Uisce's comments on temporary disconnection and reconnection charges.

The CRU notes An Fóram Uisce's comment regarding making information about temporary disconnections widely available to customers. Irish Water must make information on disconnections, including temporary disconnections available on its website to ensure that as many customers as possible are aware of their entitlements.

4.8 CRU Decision – Temporary Disconnection and Reconnection Charges

The CRU approves Irish Water's proposals to charge customers for temporary disconnections and reconnections. Please see below, a table outlining the approved charges:

| Service | In/Out Standard hours | For Customer Requested | Due to non-payment (non-domestic) | Aborted Site Visit (per visit) |
|--------------------------------|------------------------------|-------------------------------|--|---------------------------------------|
| Temporary Disconnection | In | €140 | N/A | €140 |
| | Out | €210 | N/A | €210 |
| Reconnection | In | €140 | €500 | €140 |
| | Out | €210 | N/A | €210 |

Table 5: Irish Water Proposed standard rates for temporary disconnections and reconnections. Charges listed are inclusive of VAT.

CRU Decision Summary

- Irish Water will charge €140 for a temporary requested disconnection/reconnection in hours and €210 for a temporary requested disconnection/reconnection out of hours.
- The total payment for customers who have been disconnected due to non-payment is now €500.

5 Next Steps

This decision requires Irish Water to expand its existing customer engagement processes to customers that are disconnected for reasons other than non-payment i.e., a customer requesting a disconnection or where there are health and safety reasons.

The decision also requires Irish Water to implement new charges for disconnections and reconnections. In order to implement this, Irish Water will need to make changes to its IT systems, develop process maps and train its staff to apply the policy and detailed processes.

Below are the steps that Irish Water/the CRU will take to implement the Disconnections and Reconnections policy:

- Following the publication of this decision, Irish Water will update its Water Charges Plan to reflect the CRU's decision. The CRU will review the updated plan and publish it on 1st October 2022, i.e., on the date that the new charges go live.
- Irish Water will implement this policy and associated charges and all processes underpinning the new charging regime, including how Irish Water engages with customers under this policy by 1st October 2022.
- Irish Water will update its Non-Domestic Code of Practice on Disconnections by this date to include all circumstances in which a customer may be disconnected and the process for disconnections.
- Irish Water will provide annual disconnections data to the CRU and will provide a post-implementation report on implementation of charging processes by the end of 2022.

Appendix

CRU Consultation Questions – as published in [CRU202201](#)

1. Please state if you agree with the differing approach proposed by Irish Water for permanent and temporary disconnections.
2. What is your view of Irish Water's proposal to carry out the permanent disconnection of a non-domestic property if it perceives there to be a contamination risk?
3. Please state if you agree with Irish Water's proposal to carry out a permanent disconnection of a property previously temporarily disconnected, where the temporary disconnection has been in place for more than two years?
4. Please state if you agree with Irish Water's proposed criteria and approach to reconnections.
5. Please state if you agree with the CRU's proposal that Irish Water should establish a customer engagement process prior to permanently disconnecting: 1. a non-domestic property if a risk of contamination to the water supply is identified, and 2. a temporary disconnection which exceeds 2 years in duration?
6. Please state if you think that domestic / non-domestic customers should be charged for a permanent disconnection from the water supply network? Please set out your rationale for why you think this.
7. Please state if you think it is appropriate to charge customers for temporary disconnection and reconnection? If so, do you think the proposed approach and charges set by Irish Water are fair, adequate? Please state if you think that the charges are in line with the CRU's charging principles? If not please give rationale and support your answer with evidence of an approach and charge that would be more appropriate in your view.