

Connection Charging Policy: Worked examples of Connection Charges.



1. INTRODUCTION

Irish Water (IW) applies charges for connection to the water and wastewater networks. These charges are to be applied in accordance with Irish Water's Connection Charging Policy, as approved by the Commission for Regulation of Utilities (CRU) on 18th December 2018. Under the Connection Charging Policy, a connecting party must contribute to the cost of providing their connection, including a contribution to the cost of providing network infrastructure to facilitate the connection. The Connection Charging Policy is based on establishing standard connection parameters (e.g. pipe size) and standard connection charges for the majority of connections. Some connections may inevitably have additional quotable charge elements, dependent on customer specific load or volume requirements, site specific factors and distance from the network. The Standard Connection Charge will consist of two elements providing for a contribution to:

- the cost of Service Connection Infrastructure required for a water Connection and/or wastewater Connection within defined Standard Connection Parameters; and
- the cost of Network Infrastructure planned to facilitate growth.

The purpose of this document is to provide customers with practical worked examples of how connection charges are calculated for typical connections.

This document should be read in conjunction with the Irish Water Connection Charging Policy¹ and the Water Charges Plan². The examples set out in this document have been calculated based on the standard connection charges approved by the CRU on 18th December 2018 and published in the Water Charges Plan.

In addition to the Connection Charge, developers are required to put in place financial security arrangements in respect of assets installed by the developer that are to be vested in IW. IW will release financial security back to a developer as specified in the Connection Agreement. Please see the 'Self-Lay Financial Security Arrangements for Vesting Assets³' document for further information. All financial security requirements will be specified in the Connection Agreement and must be provided in accordance with the IW Financial Security Policy.

The examples set out in this document are indicative and for information purposes only. As the examples are based on specific case studies, the connection charge may not be reflective of all connections in that particular customer category. The connection charge applicable for your connection will be based on the specific details contained in your connection application and the charge will be set out in your connection offer.

³ <u>https://www.water.ie/connections/information/connection-charges/Self-Lay-Financial-Security-Arrangements-for-Vesting-Assets.pdf</u>

¹ https://www.water.ie/connections/Connection-Charging-Policy-CRU-approved-18.12.2018.pdf

² https://www.water.ie/docs/IW-Water-Charges-Plan-1-April-2019.pdf

2. DOMESTIC CONNECTIONS: WORKED EXAMPLES

Case Study 1 – one off new build (water and wastewater)

| Case Study | Services Required | No. of units (houses/ apartments) | Service connection length (m) |
|------------|--------------------|--------------------------------------|----------------------------------|
| 1 | Water + Wastewater | 1 | 8 |

This case study is of a one off new build house requiring a water and wastewater connection. The boundary of the property is located 8m from the existing mains/sewer. As the property requires Service Connection Infrastructure of less than 10m in length, there is no additional incremental charge for Service Connection Infrastructure. The customer will therefore be charged the Standard Connection Charge [Single Domestic (1 unit)] for water and wastewater.

| Connection Charge | No. of units | Standard Charge | Additional length (meters) | Unit charge | Total |
|---|-----------------|--------------------|----------------------------------|----------------|--------|
| Water | | | | | |
| Standard Connection Charge | 1 | €2,272 | - | - | €2,272 |
| Incremental Charge - Service Connection | - | - | - | - | - |
| Connection Charge (Water) | | | | | €2,272 |
| Wastewater | | | | | |
| Standard Connection Charge | 1 | €3,929 | - | - | €3,929 |
| Incremental Charge - Service Connection | - | - | - | - | - |
| Connection Charge (Wastewater) | | | | | €3,929 |
| Total Connection Charge | | | | | €6,201 |

Case Study 2 – one off new build (water only)

| Case Study | Services Required | No. of units (houses/ apartments) | Service connection length (m) |
|------------|-------------------|--------------------------------------|-------------------------------|
| 2 | Water | 1 | 5 |

This case study is of a one off new build house requiring a water connection only. The boundary of the property is located 5m from the existing mains. As the property requires Service Connection Infrastructure of less than 10m in length, there is no additional incremental charge for Service Connection Infrastructure. The customer will therefore be charged the Standard Connection Charge [Single Domestic (1 unit)] for water only.

| Connection Charge | No. of units | Standard Charge | Additional length (meters) | Unit charge | Total |
|---|-----------------|--------------------|----------------------------------|-------------|--------|
| Water | | | | | |
| Standard Connection Charge | 1 | €2,272 | - | - | €2,272 |
| Incremental Charge - Service Connection | - | - | - | - | - |
| Total Connection Charge | | | | | €2,272 |

Case Study 3 – one off new build (water and wastewater)

| Case Study | Services Required | No. of units (houses/ apartments) | Service connection length (m) |
|------------|--------------------|--------------------------------------|----------------------------------|
| 3 | Water + Wastewater | 1 | 12 |

This case study is of a one off new build house requiring a water and wastewater connection. The boundary of the property is located 12m from the existing mains/sewers. As the property requires Service Connection Infrastructure of greater than 10m in length, there will be an additional incremental charge for Service Connection Infrastructure. The customer will therefore be charged the Standard Connection Charge [Single Domestic (1 unit)] for water and wastewater and an incremental charge for additional Service Connection Infrastructure.

| Connection Charge | No. of units | Standard Charge | Additional length (meters) | Unit charge | Total |
|---|-----------------|--------------------|----------------------------------|----------------|--------|
| Water | | | | | |
| Standard Connection Charge | 1 | €2,272 | - | - | €2,272 |
| Incremental Charge - Service Connection | - | - | 2 | €358 | €716 |
| Connection Charge (Water) | | | | | €2,988 |
| Wastewater | 4 | 62.020 | | | 62.020 |
| Standard Connection Charge | 1 | €3,929 | - | - | €3,929 |
| Incremental Charge - Service Connection | - | - | 2 | €442 | €884 |
| Connection Charge (Wastewater) | | | | | €4,813 |
| Total Connection Charge | | | | | €7,801 |

Case Study 4 – Developer with a new apartment block of 14 units.

| Case Study | Services Required | No. of units (houses/ apartments) | Service connection length (m) |
|------------|--------------------|--------------------------------------|-------------------------------|
| 4 | Water + Wastewater | 14 | 8 |

This case study is of a new development of 14 apartments requiring a water and wastewater connection. The boundary of the property is located 8m from the existing mains/sewers. As the property requires Service Connection Infrastructure of less than 10m in length, there is no additional incremental charge for Service Connection Infrastructure. The customer will therefore be charged the Standard Connection Charge [Domestic Development (6 - 100 Units)] for water and wastewater in respect of each of the 14 units in the development. The developer will also be required to put in place refundable self lay financial security. This is in respect of 'self lay' infrastructure that will be installed by the developer and vested in Irish Water⁴.

| Connection Charge | No. of units | Standard Charge | Additional length (meters) | Unit charge | Total |
|---|-----------------|--------------------|----------------------------------|----------------|---------|
| Water | | | | | |
| Standard Connection Charge | 14 | €1,848 | - | - | €25,872 |
| Incremental Charge - Service Connection | - | - | - | - | - |
| Connection Charge (Water) | | | | | €25,872 |
| | | | | | |
| Wastewater | | | | | |
| Standard Connection Charge | 14 | €3,499 | - | - | €48,986 |
| Incremental Charge - Service Connection | _ | - | - | - | - |
| Connection Charge (Wastewater) | | | | | €48,986 |
| | | · | | | |
| Total Connection Charge | | | | | €74,858 |
| | | | · | | |

| Self Lay Security Requirement | No. of units | Surety Amount | Total |
|-------------------------------------|-----------------|---------------|---------|
| Water | 14 | €375 | €5,250 |
| Wastewater | 14 | €375 | €5,250 |
| Total Self Lay Security Requirement | | | €10,500 |
| | | _ | |

⁴ See the 'Self-Lay Financial Security Arrangements for Vesting Assets' document for further information: https://www.water.ie/connections/information/connection-charges/Self-Lay-Financial-Security-Arrangements-for-Vesting-Assets.pdf

Case Study 5 – Developer with a new development of 120 houses.

| Case Study | Services Required | No. of units (houses/ apartments) | Service connection length (m) |
|------------|--------------------|--------------------------------------|----------------------------------|
| 5 | Water + Wastewater | 120 | 8 |

This case study is of a new development of 120 houses requiring a water and wastewater connection. The boundary of the property will be 8m from the existing mains/sewers. As the property requires Service Connection Infrastructure of less than 10m in length, there is no additional incremental charge for Service Connection Infrastructure. The customer will therefore be charged the Standard Connection Charge [Domestic Development (>100 Units)] for water and wastewater in respect of each of the 120 units in the development. The developer will also be required to put in place refundable self lay financial security. This is in respect of 'self lay' infrastructure that will be installed by the developer and vested in Irish Water⁵.

| Connection Charge | No. of units | Standard Charge | Additional length (meters) | Unit charge | Total |
|--|--------------|--------------------|----------------------------------|----------------|---------------|
| Water | | | | | |
| Standard Connection Charge Incremental Charge - Service Connection | 120 - | €1,708 - | - | - | €204,960 - |
| Connection Charge (Water) | | | | | €204,960 |
| Wastewater | | | | | |
| Standard Connection Charge | 120 | €3,381 | - | - | €405,720 |
| Incremental Charge - Service Connection | - | - | - | - | - |
| Connection Charge (Wastewater) | | | | | €405,720 |
| | | | | | |
| Total Connection Charge | | | | | €610,680 |

| Self Lay Security Requirement | No. of units | Surety Amount | Total |
|-------------------------------------|--------------|---------------|----------|
| Water | 120 | €562 | €67,440 |
| Wastewater | 120 | €562 | €67,440 |
| Total Self Lay Security Requirement | | | €134,880 |

⁵ See the 'Self-Lay Financial Security Arrangements for Vesting Assets' document for further information: https://www.water.ie/connections/information/connection-charges/Self-Lay-Financial-Security-Arrangements-for-Vesting-Assets.pdf

5. NON-DOMESTIC CONNECTIONS: WORKED EXAMPLES

Case Study 1 – hairdresser premises (water and wastewater)

| Case Study | Services Required | No. of units (premises) | Service connection length (m) | Water pipe size (diameter) | WW pipe size (diameter) |
|---------------|-----------------------|----------------------------|-------------------------------------|-------------------------------|----------------------------|
| 1 | Water + Wastewater | 1 | 7 | 25mm | 100mm |

This case study is of hairdressers premises requiring a water and wastewater connection. The boundary of the property is located 7m from the existing mains/sewers. As the property requires Service Connection Infrastructure of less than 10m in length, there is no additional incremental charge for Service Connection Infrastructure. The customer will therefore be charged the Standard Connection Charge [Non-Domestic Small] for water and wastewater.

| Connection Charge | No. of units | Standard Charge | Additional length (meters) | Unit charge | Total |
|--|-----------------|--------------------|----------------------------------|----------------|-------------|
| Water | | | | | |
| Standard Connection Charge Incremental Charge - Service | 1 | €2,272 - | - | - | €2,272 - |
| Connection | | | | | |
| Connection Charge (Water) | | | | | €2,272 |
| Wastewater | | | | | |
| Standard Connection Charge Incremental Charge - Service | 1 | €3,929 | - | - | €3,929 |
| Connection | _ | - | - | - | - |
| Connection Charge (Wastewater) | | | | | €3,929 |
| | | | | | |
| Total Connection Charge | | | | | €6,201 |

Case Study 2 -convenience shop (water and wastewater)

| Case Study | Services Required | No. of units (premises) | Service connection length (m) | Water pipe size (diameter) | WW pipe size (diameter) |
|---------------|-----------------------|----------------------------|-------------------------------------|-------------------------------|----------------------------|
| 2 | Water + Wastewater | 1 | 15 | 25mm | 100mm |

This case study is of a convenience shop requiring a water and wastewater connection. The boundary of the property is located 15m from the existing mains/sewers. As the property requires Service Connection Infrastructure of greater than 10m in length, there will be an additional incremental charge for Service Connection Infrastructure. The customer will therefore be charged the Standard Connection Charge [Non-Domestic Small] for water and wastewater and an incremental charge for additional Service Connection Infrastructure.

| Connection Charge | No. of units | Standard Charge | Additional length (meters) | Unit charge | Total |
|--|-----------------|--------------------|----------------------------------|----------------|---------|
| Water | | | | | |
| Standard Connection Charge | 1 | €2,272 | - | - | €2,272 |
| Incremental Charge - Service Connection | _ | - | 5 | €358 | €1,790 |
| Connection Charge (Water) | | | | | €4,062 |
| Wastewater | | | | | |
| Standard Connection Charge | 1 | €3,929 | - | - | €3,929 |
| Incremental Charge - Service Connection | _ | - | 5 | €442 | €2,210 |
| Connection Charge (Wastewater) | | | | | €6,139 |
| Total Connection Charge | | | | | €10,201 |

Case Study 3 – new large supermarket (water and wastewater)

| Case Study | Services Required | No. of units (premises) | Service connection length (m) | Water pipe size (diameter) | WW pipe size (diameter) |
|---------------|-----------------------|----------------------------|-------------------------------------|-------------------------------|----------------------------|
| 3 | Water + Wastewater | 1 | 9 | 100mm | 225mm |

A new large supermarket located in a retail park where the boundary of the premises is 9m from the public mains/sewer. As the property requires Service Connection Infrastructure of less than 10m in length, there will be no additional incremental charge for Service Connection Infrastructure. The customer will therefore be charged the Standard Connection Charge [Non-Domestic Medium 3] for water and [Non-Domestic Medium 2] for wastewater.

| Connection Charge | No. of units | Standard Charge | Additional length (meters) | Unit charge | Total |
|--|-----------------|--------------------|----------------------------------|----------------|----------|
| Water | | | | | |
| Standard Connection Charge | 1 | €46,179 | - | - | €46,179 |
| Incremental Charge - Service Connection | _ | - | - | - | - |
| Connection Charge (Water) | | | | | €46,179 |
| Wastewater | | | | | |
| Standard Connection Charge | 1 | €226,571 | - | - | €226,571 |
| Incremental Charge - Service Connection | - | - | - | - | - |
| Connection Charge (Wastewater) | | | | | €226,571 |
| | | | | | |
| Total Connection Charge | | | | | €272,750 |

Case Study 4 – non-domestic premises that includes shop with a residential unit overhead (water and wastewater)

| Case Study | Services Required | No. of units (premises) | Service connection length (m) | Water pipe size (diameter) | WW pipe size (diameter) |
|---------------|-----------------------|----------------------------|-------------------------------------|-------------------------------|----------------------------|
| 4 | Water + Wastewater | 1 | 9 | 25mm | 100mm |

This case study is of a new non-domestic premises that includes a retail unit on the ground floor with a residential unit overhead. A water and wastewater connection is required to service this premises. Additional connections will not be required to facilitate the residential unit, single water and wastewater connections will serve the entire property.

The boundary of the properties is located 9m from the existing mains/sewers. As the property requires Service Connection Infrastructure less than 10m in length, there will be no additional incremental charge for Service Connection Infrastructure. The customer will therefore be charged the Standard Connection Charge [Single Domestic Small] for water and wastewater.

| Connection Charge | No. of units | Standard Charge | Additional length (meters) | Unit charge | Total |
|--|-----------------|--------------------|----------------------------------|----------------|-------------|
| Water | | | | | |
| Standard Connection Charge Incremental Charge - Service | 1 - | €2,272 - | - | - | €2,272 - |
| Connection | | | | | |
| Connection Charge (Water) Wastewater | | | | | €2,272 |
| Standard Connection Charge Incremental Charge - Service Connection | 1 | €3,929 - | - | - | €3,929 - |
| Connection Charge (Wastewater) | | | | | €3,929 |
| Total Connection Charge | | | | | €6,201 |

Case Study 5 – mixed use connection (e.g. a retail unit with multiple apartments above) (water and wastewater)

| Case Study | Services Required | No. of units (premises) | Unit type | Service connection length (m) | Water pipe size (diameter) | WW pipe size (diameter) |
|---------------|-----------------------|----------------------------|-------------|-------------------------------------|----------------------------------|----------------------------|
| 5 | Water + Wastewater | 1 retail | Retail unit | 4 | 25mm | 100mm |
| 5 | Water + Wastewater | 10 apartments | Apartment | 4 | 25mm | 100mm |

This case study is of a mixed-use development that includes a retail unit on the ground floor with ten apartments overhead. Water and wastewater connections are required to service these premises. In such cases, separate connections will be required for the individual domestic and non-domestic premises within the boundary of the development. The boundary of the premises is located 4m from the existing mains/sewers. As the property requires Service Connection Infrastructure less than 10m in length, there will be no additional incremental charge for Service Connection Infrastructure. The non-domestic customer will be charged the Standard Connection Charge [Non-Domestic Small] for water and wastewater. The domestic customers will be charged the Standard Connection Charge [Domestic Development (6 - 100 Units)] for water and wastewater in respect of each of the 10 units in the development.

| Connection Charge | No. of units | Unit Type | Standard Charge | Additional length (meters) | Unit charge | Total |
|---|-----------------|-----------|--------------------|----------------------------|----------------|---------|
| Water | | | | | | |
| Standard Connection Charge | 1 | Retail | €2,272 | - | - | €2,272 |
| Standard Connection Charge | 10 | Apartment | €1,848 | - | - | €18,480 |
| Incremental Charge - Service Connection | | | | | | |
| Connection Charge (Water) | | | | | | €20,752 |
| | | | | | | |
| Wastewater | | | | | | |
| Standard Connection Charge | 1 | Retail | €3,929 | - | - | €3,929 |
| Standard Connection Charge | 10 | Apartment | €3,499 | - | - | €34,990 |
| Incremental Charge - Service Connection | | | | | | |
| Connection Charge (Wastewater) | | | | | | €38,919 |
| | | | | | | |
| Total Connection Charge | | | | | | €59,671 |