



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

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Commission for Regulation of Utilities

Irish Water Compliance Audit

Q4 2021, Revised Customer Handbooks

Information Paper

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CRU Draft 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 Supply• Drive a Low Carbon Future• Empower and Protect Customers• Enable 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

This Information Paper details the Commission for Regulation of Utilities' (CRU) audit on Irish Water's compliance with the updated requirements within the Domestic Customer Handbook ([CRU/20/116a](#)) and Non-Domestic Customer Handbook ([CRU/20/117b](#)) (the Handbooks).

This audit was conducted between November 2021 and March 2022 and aimed to ensure that Irish Water is meeting its customer service and customer protection obligations for both Domestic and Non-Domestic customers.

This audit considered the updated requirements in the Handbooks and focused on the following areas:

| Domestic Customer Handbook | Non-Domestic Customer Handbook |
|--|--|
| <ul style="list-style-type: none">• Customer Charter• Metering• Vulnerable customers | <ul style="list-style-type: none">• Customer communication• Metering• Billing• Disconnection• Network operations |

The audit involved a detailed request for information from Irish Water to demonstrate compliance with the updated requirements in the aforementioned areas.

Based on the responses provided by Irish Water to the Q4 2021 Audit, the CRU found Irish Water to be compliant with the majority of requirements assessed and identified one finding of non-compliance in relation to Non-Domestic customer communications.

The CRU acknowledges that this is reassuring to the CRU and to the broader stakeholder community that Irish Water is meeting its obligations, as audited.

The CRU agreed an appropriate remedial action with Irish Water to address the finding of non-compliance. Prior to publication of this Information Paper, Irish Water has confirmed to the CRU that the remedial action has been completed.

The CRU will continue to monitor Irish Water's compliance with its obligations.

Public / Customer Impact Statement

It is a function of the CRU to ensure that there is a high standard of protection for customers of Irish Water. To this end, the CRU has developed two separate Customer Handbooks for Domestic and Non-Domestic customers of Irish Water. The Handbooks provide guidelines on how Irish Water should develop 'Codes of Practice' (CoPs), which are the documents that Irish Water is required by legislation to prepare and submit to the CRU for approval. The CoPs detail the required levels of customer service and customer protection measures to be implemented in Irish Water's business operations.

In line with its Compliance and Enforcement Policy Statement ([CRU/19134](#)), the CRU conducts compliance monitoring to provide reassurance to the CRU and to the broader stakeholder community that Irish Water is meeting its obligations.

This Information Paper details the CRU's Q4 2021 Audit on Irish Water in relation to the updated requirements within the updated Handbooks. The audit was undertaken to ensure that appropriate procedures, as detailed within the Handbooks, are in place to ensure that Irish Water is meeting its customer service and customer protection obligations in this regard.

The CRU found Irish Water to be compliant with the majority of requirements assessed and identified one finding of non-compliance in relation to Non-Domestic customer communications.

The CRU will continue to conduct audits on Irish Water to ensure a high standard of protection for all customers of Irish Water.

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Glossary of Terms and Abbreviations

| Abbreviation or Term | Definition or Meaning |
|----------------------|---|
| the Act | Water Services (No. 2) Act 2013 |
| CoP | Code of Practice |
| CRU | Commission for Regulation of Utilities |
| the Handbooks | Domestic Customer Handbook (CRU/20/116a) and Non-Domestic Customer Handbook (CRU/20/117b) |

1 Introduction

1.1 The CRU

The CRU is Ireland's independent energy and water regulator. The CRU was established in 1999 and has responsibility for the economic regulation of energy and water, energy safety and customer protection.

One of the CRU's strategic priorities in 2022-24 is to empower and protect customers. In order to deliver on this priority, a key strategic objective is to implement compliance frameworks for the benefit of customers to drive outcomes of improved performance and compliance levels of regulated entities. The CRU is monitoring compliance of Irish Water through this audit as part of a broader compliance framework.

In line with Section 39 of the Water Services (No. 2) Act 2013 (the Act), the CRU must protect the interests of customers of Irish Water. One of the primary ways that the CRU does this is by establishing standards that Irish Water must meet in its dealing with customers. To this end, the CRU has developed two Handbooks for Domestic and Non-Domestic customers of Irish Water.

According to Section 32 of the Act, Irish Water is required to prepare and submit its Codes of Practice (CoPs) in line with the Act and the Handbooks for approval by the CRU. The CRU may direct Irish Water to comply with an approved CoP, or a specific provision of an approved CoP. These CoPs detail the minimum levels of customer service and customer protection measures, to which Irish Water must adhere in regard to its customer service operations.

1.2 Irish Water Q4 2021 Audit

In 2019, the CRU introduced quarterly compliance audits for licensed suppliers of electricity and gas, where there is an equivalent Suppliers' Handbook setting out customer service obligations. Following this, the inaugural scheduled audit on Irish Water was conducted in Q1 2020. Information Papers regarding the previous audits are available on the [CRU website](#). The CRU also conducts investigations into particular compliance issues where appropriate. A previous investigation into Irish Water's compliance with its requirements in respect of Bailieborough Public Water Supply is available on the [CRU website](#).

This audit is the fifth check conducted by the CRU to ensure that Irish Water is meeting its customer service and customer protection obligations. The following sections of this paper describe the methodologies, the findings, and the next steps to be taken.

2 Methodology

2.1 Scope

In October 2020, the CRU published the revised *Irish Water Domestic Customer Handbook* ([CRU/20/116a](#)) and the *Irish Water Non-Domestic Customer Handbook* ([CRU/20/117b](#)). The Handbooks were revised to reflect legislative changes, general updates, and new requirements placed on Irish Water. All requirements contained in the revised Handbooks must be implemented by 13 October 2021.

The Q4 2021 Audit was conducted between November 2021 and March 2022. This audit focused on the new requirements within the Handbooks. The audit aimed to ensure that the requirements have been implemented by Irish Water following the deadline of 13 October 2021.

In total, this audit assessed seven sections in the Domestic Customer Handbook and twenty-two sections in the Non-Domestic Customer Handbook, which Irish Water is obliged to comply with. These requirements cover a number of areas in relation to customer protection, summarised below. Annex A provides a full list of these requirements.

| Domestic Customer Handbook | Non-Domestic Customer Handbook |
|--|--|
| <ul style="list-style-type: none">• Customer Charter• Metering• Vulnerable customers | <ul style="list-style-type: none">• Customer communication• Metering• Billing• Disconnection• Network operations |

2.2 Approach

On 30 November 2020, the CRU provided Irish Water with the audit scope and requested Irish Water to provide information to demonstrate compliance.

Irish Water submitted a response on 31 January 2022 and responded to the CRU's clarification request on 22 March 2022.

After reviewing the responses from Irish Water, the CRU detailed findings to Irish Water on 29 March 2022.

Irish Water was provided with an opportunity to review and make any objections or representations to the findings by 8 April 2022.

Irish Water was requested to take remedial action by 6 May 2022 and confirm completion to the CRU.

3 Findings

Irish Water has been found to be compliant with the majority of requirements assessed. The CRU acknowledges that this is reassuring to the CRU and to the broader stakeholder community that Irish Water is meeting its obligations, as audited.

The CRU identified just one finding of non-compliance, detailed below.

- **New Customer (Non-Domestic)**

Section 5.8.2 of the Non-Domestic Customer Handbook

When setting up a new Customer account Irish Water must:

- f. Direct the Customer as to where they will find a copy of Irish Water's Terms and Conditions of supply of water and wastewater services contract and the rates that apply to the service(s) that they are signing up to. In addition, if a Customer requests, Irish Water must provide a copy of these documents in writing (via post or email) which must highlight and explain key terms.*

Finding – While Irish Water has updated the Business Customer Codes of Practice to meet this requirement, Irish Water's internal documentation (e.g., training guide, customer agent information) was deficient. It lacked content on the provision of information to customers on rates that applied to the service and how a copy of documents were to be provided to the customer as underlined above. As a result, the CRU has concluded that Irish Water was not compliant with Section 5.8.2 (f) of the Non-Domestic Customer Handbook.

4 Remedial Actions & Next Steps

The CRU agreed an appropriate remedial action with Irish Water on 14 April 2022. Prior to publication of this Information Paper, Irish Water has confirmed to the CRU that the remedial action has been completed.

The CRU will continue to monitor Irish Water's compliance with its obligations.

Annex A Requirements assessed in Q4 2021 Audit

| # | Section | Requirement |
|---------------------------------------|---------|---|
| Domestic Customer Handbook | | |
| 1 | 4.1.3 | A Charter payment of €30 shall apply per commitment. This payment to the Customer is in relation to the guarantee; the Customer may still also pursue a complaint with Irish Water in relation to further costs associated with the impact of the failure to meet the commitment. |
| 2 | 6.2.1 | Irish Water, when intending to install a meter, will give at least two working days' notification and meter installation information to a Customer in advance of the meter installation date. This notification can be waived at the customer's request. |
| 3 | 6.2.5 | An unmetered Customer can request Irish Water to fit a meter at its premises. Irish Water will check if a meter can be installed at the premises. Irish Water will endeavour to complete checks and reply to the Customer within three weeks of the date of the Customer's request. If a meter can be fitted, this will be completed within a further four weeks subject to constraints outside the control of Irish Water. |
| 4 | 6.3.4 | If a Customer has difficulty locating a meter, Irish Water shall engage and work with the Customer to help identify the location of the meter. If the meter cannot be found, Irish Water must install a new meter free of charge within four weeks subject to constraints outside the control of Irish Water. |
| 5 | 8.2.3 | Irish Water shall offer vulnerable Customers the opportunity to avail of alternative means of communication. |
| 6 | 8.2.4 | Irish Water shall provide vulnerable Customers with the opportunity to nominate a third party as a point of contact. |
| 7 | 8.5.4 | Irish Water Customer Care staff must be able to communicate with customers through a range of different methods that Irish Water developed under requirement 8.5.2 and 8.5.3. |
| Non-Domestic Customer Handbook | | |
| 1 | 5.1.5 | Irish Water will provide through a range of communication channels detail of: h) Billing details such as sample of bills, charges details, charging methodologies and explanations of terms used. i) Payment methods and arrears handling. |

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| 2 | 5.2.4 | Irish Water shall ensure regular up-to-date information is available to Customers understood by Irish Water to be affected by an unplanned interruption to their water supply, the likely duration of the unplanned interruption and the estimated time of restoration of supply. |
| 3 | 5.2.5 | In an event of an unplanned interruption, Irish Water will publish information on the issue as soon as possible but no later than two hours after Irish Water becomes aware of the interruption via relevant communication channels and information shall be made available to Customers through telephone helplines. |
| 4 | 5.2.6 | Where the unplanned interruption is caused by an extreme or severe weather event, Irish Water will publish information on the issue as soon as possible but no later than five hours after Irish Water becomes aware of the interruption. The information will be made available to Customers via relevant communication channels and through telephone helplines. |
| 5 | 5.2.8 | Updated information on the notice duration shall be regularly publicised through social media, Customer emails, regularly updated website information and local broadcasts, and shall be made available to Customers through telephone helplines. |
| 6 | 5.8.2 | When setting up a new Customer account Irish Water must: <ul style="list-style-type: none"> c. Clearly explain how the Customer will be billed, including billing frequency. d. Explain how the Customer can make payment against the bill and any budgeting options available. e. Direct the Customer as to where they will find water conservation information on the Irish Water website. f. Direct the Customer as to where they will find a copy of Irish Water's Terms and Conditions of supply of water and wastewater services contract and the rates that apply to the service(s) that they are signing up to. In addition, if a Customer requests, Irish Water must provide a copy of these documents in writing (via post or email) which must highlight and explain key terms. |
| 7 | 6.1.1 | Irish Water will give at least two working days notification with meter installation information to a Customer in advance of the meter installation date. |
| 8 | 6.1.5 | An unmetered Customer can request Irish Water to fit a meter at its premises. Irish Water will check if a meter can be installed at the premises. Irish Water will endeavour to complete checks and reply to the Customer within three weeks of the date of the Customer's request. If a meter can be fitted, this will be completed within a further four weeks subject to constraints outside the control of Irish Water. |

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| 9 | 6.2.4 | If a Customer has difficulty locating a meter, Irish Water shall engage and work with the Customer to help identify the location of the meter. If the meter cannot be found, Irish Water must install a new meter free of charge within four weeks subject to constraints outside the control of Irish Water. |
| 10 | 7.1.3 | Irish Water must ensure that all relevant charges, discounts and allowances are calculated and applied accurately to a Customer's bill. |
| 11 | 7.1.14 | A significant increase in a Customer's metered consumption may indicate leakage on the Customer's pipes. If Irish Water finds that a meter reading shows an unusual and significant increase, Irish Water will alert the Customer to this via an appropriate communication channel. It is the Customer's responsibility to check for and repair leaks on the Customer's pipes. |
| 12 | 7.2.2 | Irish Water shall make available for both its existing and potential Customers the rules for how Irish Water determines a connection's Annual Quantity ('AQ') and how this can be appealed by the Customer. |
| 13 | 7.2.6 | Where a Customer is requesting to change the categorisation of a premises from a non-domestic premises to a domestic premises or a mixed-use premises, or vice versa, for the purposes of determining charging liability, the Customer must contact Irish Water and apply through the Irish Water process, and such an application will be subject to Irish Water's approval. |
| 14 | 7.2.7 | Where Irish Water is proposing to change the number of domestic allowances applied to a premises that is classified as mixed-use and/or the categorisation of a premises (that is, a domestic, non-domestic or a mixed-use premises) that impacts the charges and/or domestic allowances applied to that premises, Irish Water must provide advance notice of, and explain this change to the Customer and the resulting change to the charges and/or domestic allowances. |
| 15 | 7.2.9 | Where a Customer is requesting a leak allowance, they must contact Irish Water and apply through the Irish Water process, and such an application will be subject to Irish Water's approval. |
| 16 | 7.2.10 | When engaging with Customers in relation to the above, Irish Water shall, where relevant: <ul style="list-style-type: none"> b. Provide all Customers with all the required details (submission requirements, criteria etc.) necessary to make an application; c. Process applications and appeals in a reasonable timeframe; d. Inform Customers of Irish Water's decision in writing and set out the reasons for same; e. Shall notify Customers with at least 30 days' notice of any Irish Water proposed changes to the AQ for a connection, number of domestic |

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| | | <p>allowances applied to the premises or categorisation of the premises in advance of a change taking effect; and</p> <p>f. Allow sufficient time for a Customer to dispute Irish Water's decision or proposed change.</p> |
| 17 | 7.6.4 | Irish Water shall notify all Customers of upcoming changes to their charges with at least 30 days' notice in advance of any change to charges taking effect. |
| 18 | 8.1.2 | Irish Water must operate its business to ensure that water supply is disconnected only as a measure of last resort when all other methods of arrears repayment have been exhausted. |
| 19 | 8.2.1 | <p>Irish Water must specify instances in its Code of Practice which may lead to the disconnection or reduction in pressure of water supply which may include:</p> <ul style="list-style-type: none"> a. Failure to pay a bill relating to the supply of water/wastewater services. b. Upon request of the Customer. Irish Water should clarify that the person making the request is the Customer, or has the permission of the Customer to disconnect the water supply; c. No registered Customer at the premises has been established after attempts to determine occupancy /ownership; d. Where the Customer has entered into a payment plan and that Customer fails to honour that plan; e. Failure to pay a bill relating to the supply of water/wastewater services by a non-domestic Customer who also has a shared supply with another non-domestic Customer who has also failed to pay their water/wastewater bill to Irish Water in respect of their premises. |
| 20 | 8.3.1 | <p>Irish Water will set out in its Code of Practice situations where disconnection or reduction in pressure of a non-domestic account in arrears will not be initiated by Irish Water and must include as a minimum the following circumstances:</p> <ul style="list-style-type: none"> d. Where a Customer is pursuing a complaint and the complaint is related to the reason for Irish Water initiating disconnection. Irish Water may not initiate a disconnection in relation to the disputed amount until the appropriate complaint process has been exhausted; |
| 21 | 8.4.3 | In addition to requirement 8.4.2, Irish Water is required to contact by telephone (if known) the Customer and the occupier (if different and known to Irish Water) at least once at least five working days in advance of carrying out a disconnection. |
| 22 | 9.7.1 | Irish Water shall provide details through a range of communication channels of how Customers can report emergency situations. This must include a contact number that is available to Customers 24 hours a day. |