An Coimisiún um Rialáil Fóntas

Commission for Regulation of Utilities

Uisce Éireann’s Non-Domestic and Trade Effluent Tariff Framework

CRU Decision

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CRU Strategic Plan 2025-2027

Vision, Purpose, and Values

OUR VISION:

Resilient, efficient, sustainable, and safe energy and water services for Ireland.

OUR PURPOSE:

We actively serve the public interest by regulating the provision of energy and water to Irish homes and businesses, while supporting the transformation to net zero.

OUR VALUES:

- Integrity
- Professionalism
- Openness
- Accountability

Executive Summary

Uisce Éireann charges non-domestic customers for supplying water and removing wastewater from their premises. These charges are approved by the Commission for Regulation of Utilities (CRU) in the Water Charges Plan (WCP)[1], which outlines the manner and method by which Uisce Éireann charges its customers.

Trade effluent is a type of wastewater that can be more polluting than regular sanitary wastewater, which customers must have a licence to discharge into Uisce Éireann's wastewater network.

This paper sets out the CRU's Decision on transition arrangements and Tariff Application Rules (TARs) to accompany the implementation of trade effluent charging arrangements on **01 October 2026**.

Uisce Éireann's Non-Domestic & Trade Effluent Tariff Framework

The charges paid by non-domestic customers are determined under Uisce Éireann's Non-Domestic and Trade Effluent Tariff Framework – which is a nationally harmonised system of charges replacing the diverse arrangements set by Local Authorities and Town Councils before 31 December 2013. The Framework was established in 2019 and phased in for most non-domestic customers over a five-year period ending 30 September 2026. Rules for trade effluent customers were determined in CRU's 2024 Decision Paper (CRU202460) and will come into effect from 01 October 2026.

For most trade effluent customers (5,672[2]), the structure and level of charges will be identical to the Non-Domestic Framework tariff rates which they already face, but with the addition of a new €/annum *"Compliance and Licensing"* charge replacing the previous *"fats oils and greases charge"* and *"trade effluent licence monitoring fee"*.

Some trade effluent customers with high annual consumption (greater than or equal to 1,000 m^3) and whose business activity is defined as "industrial" (~400[2]) will see a more significant change in the structure of their charges – factoring in the strength of their discharge (commonly referred to as "Mogden" charging). Of these customers, some 67[2] are currently still on the same charging arrangements set by Local Authorities and Town Councils before 31 December 2013, so will face a large increase in their bills if they do not take action to reduce the strength or volume of their discharge.

The current situation, with some Trade Effluent customers on legacy pre-2014 charging arrangements is inequitable and gives customers on older (and cheaper) arrangements an unfair competitive advantage compared to the majority of trade effluent customers who are on cost reflective rates. Under these legacy arrangements, the full cost of processing their waste water is effectively subsided by the Exchequer.

[1] As per Section 22 of the Water Service Act 2013 No. 2.

[2] From Uisce Éireann's most recent updates to CRU following the recent consultation (2024 data set)

In light of the degree and materiality of changes associated with the new arrangements, the CRU approved a two-year 'grace period' between its 2024 decision and implementation in October 2026 and asked Uisce Éireann to consider the need for transition arrangements to mitigate the potential for business disruption associated with significant bill shocks; as well as any changes to Tariff Application Rules. The CRU issued a Proposed Decision on Uisce Éireann's proposals, and sought feedback through a public consultation. This paper constitutes the CRU's Final Decision.

The trade effluent charging arrangements embody the polluter pays principles from the EU Water Framework Directive, which encourages large and industrial users to reduce the volume and/or the strength of pollutants that they discharge to public sewers, thereby reducing water pollution.

The implementation of the trade effluent charging arrangements from 01 October 2026 represents the last step towards achieving the national harmonisation of charging arrangements for all non-domestic customers and will bring Ireland in line with UK and EU norms for charging cost reflective rates for the treatment of waste water. The TE Framework also reflects the Water Framework Directive's cost recovery principles and ensures that all users contribute their fair share towards further investment into water and wastewater infrastructure which is crucial for ensuring the reliability, efficiency and sustainability of Ireland's water supply and wastewater treatment. Note, non-domestic customers do not subsidise domestic customers.

Consultation Process & Responses Received

The CRU published its Proposed Decision Paper on 07 January 2026, along with Uisce Éireann's submission document, containing its proposals. During the seven-week consultation period, 23 submissions were received from individual businesses; industry associations; the Department of Enterprise, Tourism and Employment; and An Fóram Uisce (in its capacity as the national statutory body representative of all stakeholders with an interest in the quality of Ireland's water resources). The CRU held stakeholder engagement meetings during the consultation period and followed up with some respondents to clarify and discuss their submissions.[3]

The most common message expressed by respondents was concern over affordability and competitiveness – especially among users still on Local Authority and Town Council rates set before 31 December 2013, for which cost-reflective charges will require the largest bill increases.

Among those answering questions on transition arrangements, the majority supported the CRU's Proposed Decision on eligibility and design, but half of all respondents objected to the proposal to transition all trade effluent customers to cost-reflective bills by 1st October 2030. Some of those respondents disagreed with the aim of moving all businesses to cost-reflective charges, while others supported the proposal in principle but advocated for a slower transition.

No respondents disagreed with the need to update tariff application rules for trade effluent customers, though some objected to a lack of detail around rules for sanitary wastewater allowances in the absence of separate metering and discharge strength assumptions in the absence of sampling. The CRU has since sought clarification from Uisce Éireann of how these

[3] Non-confidential submissions are available at the CRU Consultation Portal: https://consult.cru.ie/en/node/717/submissions

rules will be implemented in practice and is satisfied that these are sufficient. This is set out further in Section A.2 (Tariff Application Rules) of this paper.

Respondents welcomed the CRU's intention to require Uisce Éireann to undertake an expanded programme of communication and support directed towards trade effluent customers, and suggested how these could be further improved.

Decision

Transition arrangements

The CRU has decided to proceed with its Proposed Decision that transition arrangements be put in place when harmonised trade effluent charges are implemented on 01 October 2026 to mitigate the potential for business disruption associated with significant bill shocks. The CRU's Decision is unchanged with respect to eligibility, threshold and mechanism rules.

However, the CRU recognises the weight of stakeholders' concerns around affordability and competitiveness, as well as the recent cost pressures triggered by conflict in the Middle East. Therefore, the CRU has decided to implement **a more gradual glide-path to cost-reflective rates** by extending the duration of transition arrangements from four years to five, with a bill cap profile that commences gradually before ramping up in later years.

The CRU therefore directs Uisce Éireann to implement a **five-year transition** period for trade effluent customers – from 01 October 2026 to 30 September 2031 – to apply only to customers which are changing charge structure and facing annual bill increases of at least €750. Increases to these customers' annual bills will be capped as a proportion of their cost-reflective levels, starting at a low level initially then increasing towards the end of the period, such that all trade effluent customers pay cost-reflective rates by 01 October 2031. The level of cap to apply in year one has been chosen to be equivalent to the increase in Uisce Éireann's allowed revenues for that year – such that qualifying customers experience the same absolute increase as they would if already transitioned to cost-reflective bills.

CRU decision on transition arrangements

Element	CRU Decision
Eligibility	Only trade effluent customers moving tariff structure would be eligible for transition (with respect to their bills for trade effluent services only). This includes: • Customers who will be categorised into Trade Effluent Category 1 and have not previously been charged the Framework's non-domestic wastewater standing and volumetric charges; and • Customers who will be categorised into Trade Effluent Categories 2 and 3.
Threshold	Customers who face an expected annual bill increase greater than or equal to €750 would qualify for transition.
Duration	Transition arrangements will apply for five years, from 01 October 2026 to 30 September 2031.
Mechanism	During the transition period, customers that are eligible for and qualify for transition arrangements shall have their annual bills capped, such that they pay no more than their previous year's bill plus x% of bill that they would pay under cost-reflective rates.
Profile	The profile of bill capping shall be: 9.4/12/15/20/25% in years 1/2/3/4/5.

Tariff application rules

The CRU has decided to proceed with its Proposed Decision to accept Uisce Éireann's amendments to four existing TARs and the introduction of two new TARs specific to trade effluent customers (Section 3). In doing so, the CRU has sought and received clarification on how the TARs will be implemented.

Support available for customers

The CRU has decided to proceed with its Proposed Decision to instruct Uisce Éireann to provide an expanded programme of communication and support directed towards trade effluent customers both in advance of the implementation of national harmonised trade effluent tariff rates on 01 October 2026 and during the period of transition arrangements. The CRU has also decided to accept Uisce Éireann's proposed updates to the Non-Domestic Customer Handbook and associated documents while also introducing necessary amendments to formalise the trade effluent charging framework and provide greater clarity to all trade effluent customers.

The CRU recognises the benefits of Uisce Éireann's Advanced Water Stewardship programme, which educates customers on best practices and ways to reduce trade effluent bills, and encourages non-domestic customers to take advantage of it where possible.

Uisce Éireann's reporting obligations

The CRU will monitor Uisce Éireann's implementation of the Trade Effluent Tariff Framework to ensure that it is implemented on time and in a fair and equitable manner. To this end the CRU requires Uisce Éireann to modify its existing reporting arrangements to enable the CRU to monitor progress through the transition period and performance post implementation.

Next Steps

Uisce Éireann will now re-calculate water and wastewater tariffs for non-domestic customers (including trade effluent) to reflect the CRU's Final Determination on Uisce Éireann's allowed revenues for the RC4 period (i.e., allowed revenue for 2026 calendar year) and the most up-to-date cost and volume assumptions. However, in Q3 2026 Uisce Éireann will make a further formal submission to the CRU on additional operational expenditure and Growth-Related Capital Investment requests which will result in further revenue increases, with consequential impacts on Government subvention (covering domestic customers) and non-domestic revenue.

The CRU expects to review and approve water and wastewater tariffs for 1st October 2026 – 1st October 2027 in July 2026. Uisce Éireann will communicate the CRU's Decision on trade effluent transition arrangements to affected customers in Q2 2026, and will notify individual customers of their tariff categories and whether they will benefit from bill capping under transition arrangements in Q3 2026.

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Glossary of Terms and Abbreviations

Term or Abbreviation	Definition or Meaning
AQ	Annual Quantity (AQ), means the volume of water used (or wastewater discharged for wastewater only connections) by the connection over a 12-month period.
CRU	Commission for the Regulation of Utilities
COD	Chemical Oxygen Demand: Uisce Éireann defines the term as *"Concentration of oxygen equivalent to the amount of dichromate consumed when a water sample is treated under defined conditions. [One of the standard tests used to characterise water quality] It is commonly expressed in terms of milligrams of oxygen per litre of sample".*
ELV	Emission Limit Value
EPA	Environmental Protection Agency
FOG	Fat, Oil and Grease
KAM	Key Account Manager
Mogden	A Mogden charging structure is a method of charging based on the volume, strength and composition of trade effluent that is discharged from the customer's premises to the public sewer.
ND	Non-domestic
UÉ	Uisce Éireann
OECD	Organisation for Economic Co-operation and Development
pGWS	Public Group Water Schemes
RC	Revenue Control
Sanitary wastewater	Uisce Éireann defines the term as *"Means wastewater of a composition and concentration (biological and chemical) which originates predominantly from the human metabolism or from day-to-day domestic type human activities, including washing and sanitation. Sanitary wastewater is generated by both domestic and non-domestic customer classes."*
SFP	Strategic Funding Plan
SS	Suspended Solids: Uisce Éireann defines the term as *"Means small solid particles which remain in suspension in water. SS is an indicator of water quality."*
TAR	Tariff Application Rule
TE	Trade effluent is a type of wastewater that can have a composition that can be more polluting than regular wastewater, which can be more costly to treat and dispose of into the environment thereby justifying an additional or separate charge for this type of effluent.
TEC	Trade Effluent Categorisation codes: Uisce Éireann defines the term as *"TEC codes provide a method of reviewing, informing and setting the relative risks of issues from experience of trade effluent discharges from various trade sectors."*
WSPS	Water Services Policy Statement

Public Impact Statement

Uisce Éireann charges non-domestic customers for supplying water to and for removing wastewater (including trade effluent) from their premises. Trade effluent is a type of wastewater that can be more polluting than regular sanitary wastewater, which customers must have a licence to discharge into Uisce Éireann's wastewater network.

The charges paid by non-domestic customers are determined under Uisce Éireann's Non-Domestic and Trade Effluent Tariff Framework – which is a nationally harmonised system of charges replacing the diverse arrangements set by Local Authorities and Town Councils before 31 December 2013. The Framework was established in 2019 and phased in for most non-domestic customers over a five-year period ending 30 September 2026. Rules for trade effluent customers were determined in 2024 and will come into effect from 01 October 2026.

For most trade effluent customers (~5,672[4]), the structure and level of charges will be identical to the Non-Domestic Framework tariff rates which they already face, but with the addition of a new €/annum *"Compliance and Licensing"* charge replacing the previous *"fats oils and greases charge"* and *"trade effluent licence monitoring fee"*.

Some trade effluent customers with high annual consumption (greater than or equal to 1,000 m3) and whose business activity is defined as "industrial" (~400[4]) will see a more significant change in the structure of their charges – factoring in the strength of their discharge (commonly referred to as "Mogden" charging). Of these customers, some (~67[4]) are currently still on the same charging arrangements set by Local Authorities and Town Councils before 31 December 2013, so will face a large increase in their bills if they do not take action to reduce the strength or volume of their discharge.

In light of the degree and materiality of changes associated with the new arrangements, the CRU approved a two-year 'grace period' between its 2024 decision and implementation in October 2026 and asked Uisce Éireann to consider the need for transition arrangements to mitigate the potential for business disruption associated with significant bill shocks; as well as any changes to Tariff Application Rules. The CRU issued a Proposed Decision on Uisce Éireann's proposals, and sought feedback through a public consultation. This paper constitutes the CRU's Final Decision.

The CRU has approved a five-year transition period for trade effluent customers – to apply only to customers which are changing charge structure and facing annual bill increases of at least €750. Increases to these customers' annual bills will be capped as a proportion of their cost-reflective levels, starting at a low level and increasing towards the end of the period, such that all trade effluent customers pay cost-reflective rates by 01 October 2031.

The trade effluent charging arrangements embody the polluter pays principles from the EU Water Framework Directive, which encourages large and industrial users to reduce the volume or the strength of pollutants that they discharge to public sewers, thereby reducing water pollution.

[4] From Uisce Éireann's most recent updates to CRU following the recent consultation (2024 data set)

The implementation of the trade effluent charging arrangements from 01 October 2026 represents the last step towards harmonisation of charging arrangements for all non-domestic customers and will bring Ireland in line with UK and EU norms for charging cost reflective rates for the treatment of waste water. It also reflects the EU Water Framework Directive's cost recovery principles and ensures that all users contribute their fair share towards further investment into water and wastewater infrastructure which is crucial for ensuring the reliability, efficiency and sustainability of Ireland's water supply. Note, non-domestic customers do not subsidise domestic customers.

The CRU expects that Uisce Éireann will continue to roll out a comprehensive programme of customer engagement and communications to support the implementation of these changes using a number of communication channels to help customers understand how they may be individually impacted by Uisce Éireann's proposals. This includes;

- Uisce Éireann's Guidance to Customers
- Uisce Éireann's Online Trade Effluent Tariff Calculator
- Uisce Éireann's Engagement with Business Representative Groups
- Uisce Éireann Trade Effluent Tariff Update Letters

1 Introduction

The Non-Domestic and Trade Effluent Tariff Framework created a national set of harmonised charging arrangements for the supply of water and wastewater for non-domestic customers. The last step towards the harmonisation of these arrangements is the implementation of trade effluent charging arrangements on **01 October 2026**.

The purpose of this Decision Paper is to present the CRU's decision on trade effluent transition arrangements and Tariff Application Rules (TARs) to accompany the implementation of trade effluent charging arrangements. The CRU's decision also includes a comprehensive package of customer support by Uisce Éireann, intended to ensure all trade effluent customers are sufficiently informed of the upcoming changes in tariff structures and rates.

This introduction section provides background information to the regulatory context of Uisce Éireann and the development of the Non-Domestic and Trade Effluent Tariff Framework.

1.1 Regulatory Context and the CRU's Role

National Water Policy Framework

Guided by compliance with EU legislation (Water Framework Directive), the United Nations Sustainable Development Goals (SDG 6: clean water and sanitation), and the OECD Principles of Water Governance, the Water Services Policy Statement (WSPS) is prepared by the Minister[5] in accordance with the Water Services Acts and sets out the policy objectives and priorities of the Government regarding the provision of water services during the period of the Strategic Funding Plan (SFP).

The SFP prepared by Uisce Éireann sets out the necessary measures that Uisce Éireann will take to meet the policy objectives of the WSPS while detailing operational and capital costs for the regulatory period. The SFP sets out the limit of capital and operating costs expected to be incurred by Uisce Éireann over the revenue control (RC) period and how these costs are expected to be recovered through a combination of approaches, including Exchequer funding and non-domestic tariffs. The Minister decides whether to approve or not to approve and require Uisce Éireann to submit a revised SFP (section 19 of Water Services Act 2017). After the Ministerial approval of the SFP for the regulatory period, Uisce Éireann submits its Investment Plan to the CRU, which details operating and capital costs. This Investment Plan is reviewed by the CRU to determine the allowed revenue for the next RC period. This is done through the RC process, which is designed to provide the best possible value for customers in Ireland, to ensure efficient and cost-effective delivery of services and investment, and to ensure that Uisce Éireann's expenditure remains within the SFP envelope.

See Figure 1 below for an overview of Uisce Éireann's current funding and regulatory model.

[5] The Minister in this Consultation Paper refers to the Minister for Housing, Local Government and Heritage unless otherwise stated.

Figure 1: Uisce Éireann's Funding and Regulatory Model Overview

Water Services Policy Statement (WSPS)	• Water Service (No. 2) Act 2013, Section 32A • Prepared by Minister for Housing, Local Government, and Heritage (DHLGH). • Sets water services policy objectives and priorities for the provision of water service.
Strategic Funding Plan (SFP)	• Water Service (No. 2) Act 2013, Section 34A • Prepared by Uisce Éireann, within three months of WSPS publication. • Outlines Uisce Éireann proposed operational and capital expenditure, and expected income to implement the objectives of the WSPS. • The Minister may approve or seek revision. Approval acts as an upper ceiling that would be funded by the Exchequer.
Uisce Éireann Capital Investment Plan (CIP)	• Water Service (No. 2) Act 2013, Section 22(8) • Prepared by Uisce Éireann, submitted to the CRU. • Outlines the investments in water services infrastructure that Uisce Éireann considers necessary to effectively carry out its functions, taking into account the WSPS and the SFP.
CRU Revenue Control	• CRU reviews Investment Plan and issues a determination that sets the total revenue (funding) Uisce Éireann can receive to cover its efficiently incurred costs. • CRU monitors and reports on Uisce Éireann's progress in delivering its CIP, along with a performance assessment framework. • Revenue allowance guides Uisce Éireann's Water Charges Plan, approved by the CRU.
Annual Allocation	• Exchequer funds domestic customers through the DHLGH (Vote 34) on an annual basis having regard to the CRU regulatory determination. • Non-Domestic funding is provided through charges to non-domestic customers along with a non-domestic debt facility.

CRU's Role in Regulating Uisce Éireann's Revenues and Non-Domestic Tariffs

The CRU is Ireland's independent energy and water regulator. The CRU has a wide range of economic, customer protection and safety responsibilities in energy and water. The work of the CRU impacts every Irish home and business by ensuring safe, secure, and sustainable energy and water supplies at a reasonable cost.

The CRU's role as the economic regulator of Uisce Éireann is to protect the interests of customers, ensure water services are delivered in a safe, secure and sustainable manner and that Uisce Éireann operates in an economic and efficient manner. As set out in the CRU's Strategic Plan for the 2025-2027 period, a key CRU objective is to enable efficient investment for secure, sustainable, and resilient water and wastewater infrastructure. In addition, under section 32 and 39 of the Water Services Act (No.2) 2013, the CRU has responsibility for ensuring that Uisce Éireann provides suitable information to its customers and performs its functions in an open and transparent manner.

Through the RC process, the CRU approves Uisce Éireann's allowed revenue at a level which allows Uisce Éireann to recover its efficiently incurred costs over the control period. The CRU may also set 'efficiency challenges' for Uisce Éireann to drive cost efficiencies and improve services provided to customers. The CRU also sets targets and monitors the performance of Uisce Éireann in delivering services and investment in infrastructure in a cost-efficient manner.

Another important role for the CRU in regulating Uisce Éireann is to ensure that there is a fair and transparent system of charging for non-domestic customers, taking account of the cost recovery principle and the polluter pays principle in accordance with Article 9 of the EU Water Framework Directive.[6] In accordance with section 22(8) the Water Services Act (No.2) 2013, the CRU has the responsibility of approving the charges applied by Uisce Éireann to its non-domestic customers for the provision of water and wastewater services (including trade effluent services) via approval of Uisce Éireann's Water Charges Plan. The non-domestic tariffs recover the portion of Uisce Éireann's allowed revenue that reflects the costs of providing water, wastewater and trade effluent services to non-domestic customers.

The Environmental Protection Agency (EPA) also has a role in regulating trade effluent discharges. It is responsible for licensing trade effluent discharges from activities which are listed in the First Schedule of the Environment Protection Agency Act.[7]

1.2 Uisce Éireann's Non-Domestic and Trade Effluent Tariff Framework

As part of the Government's reform of Ireland's water and wastewater services, Uisce Éireann took over the responsibility for charging non-domestic customers on 01 January 2014. At that time, Uisce Éireann continued to apply the existing non-domestic tariffs that were in place across the country, previously levied by Local Authorities and Town Councils. These arrangements constituted over 500 separate charges for the provision of water and wastewater services to non-domestic customer, which varied in level, structure and application.

In July 2019, the CRU published its decision on a harmonised Non-Domestic Tariff Framework to ensure fair, transparent and consistent charges nationwide for the provision of water and wastewater services (CRU/19/074). In addition to harmonisation of charges for all non-domestic customers, the Framework also ensured that both domestic and non-domestic customers contribute in line with the costs they impose. The Framework was implemented in 2021, and non-domestic customers were transitioned to the new cost-reflective tariffs over a five-year period.

However, trade effluent services were excluded from the initial decision due to data limitations.[8] In 2023, the CRU requested Uisce Éireann to generate proposals for charging for trade effluent services, and importantly, integrate these proposals into the Non-Domestic Tariff Framework.

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[6] "*Article 9 Recovery of costs for water services of the EU Water Framework Directive 2000/60/EC*" - 23 October 2000 – available at the following link.

[7] Non-domestic customers requiring EPA licences are generally large-scale industrial businesses. However, businesses requiring EPA licences and the EPA themselves must consult with Uisce Éireann on any trade effluent discharge to the sewer network. More information can be found in Uisce Éireann's website – available at the following link.

[8] Public Group Water Schemes were also excluded from the initial decision. Enduring charging proposals for the schemes were implemented in 2022.

Following extensive public consultation and stakeholder engagement, the CRU published a decision on the new Non-Domestic and Trade Effluent Tariff Framework in July 2024. As part of the decision, the CRU decided to allow for a two-year 'grace period' before the implementation of the new trade effluent charges to allow customers to prepare for the upcoming changes in the tariff structure. To facilitate this, and to inform trade effluent customers, the CRU published indicative trade effluent tariff rates as part of the 2024 decision. The grace period was also meant to allow Uisce Éireann to update its operational processes to enable it to set charges based on the new trade effluent tariff structure. The implementation date for the trade effluent charges was set for 01 October 2026.

The majority of trade effluent connections have already moved onto charges determined under the Non-Domestic Tariff Framework[9]. For these customers, a trade effluent "compliance and licensing" charge will be introduced from 01 October 2026. A subset of customers remained outside the Framework, namely trade effluent connections who were charged a specific trade effluent charge determined by their Local Authority. These connections will move on to Framework tariffs on 01 October 2026. For some customers, this will result in significant changes to the way their charges are determined and structured, as well as the size of their bill.

As a result, the CRU requested Uisce Éireann to consider the need for transition arrangements to protect customers from significant bill shocks as well as any changes to TARs. In developing its proposals, Uisce Éireann has taken into consideration the set of Tariff Principles (issued by the CRU to Uisce Éireann in 2016) that guide the development of the Non-Domestic and Trade Effluent Tariff Framework. These tariff principles, provided in the box below, have also informed the CRU's decisions presented in this paper.

Tariff Principles for the Non-Domestic and Trade Effluent Tariff Framework

The following six tariff principles guide Uisce Éireann in developing the Tariff Framework:

1. **Equity and no undue discrimination**: Tariffs should be equitable and not unduly discriminate between customers.
2. **Efficiency in use of water services[10]**: Tariffs should incentivise the efficient use of water services.
3. **Cost reflectivity**: Tariffs should be reflective of the costs of providing water services.
4. **Cost recovery**: Tariffs should allow for the recovery of efficiently incurred costs of providing water services.
5. **Stability**: Tariffs should be designed to ensure customer bill volatility is kept to a minimum.
6. **Simplicity**: Tariffs should be clear, transparent and easy to understand.

[9] 98% of "Category 1" trade effluent connections have already moved onto charges determined under the Non-Domestic Tariff Framework (5,137 out of 5249 at the latest count from 2024 dataset) and have since been charged non-domestic wastewater tariff rates. As part of moving these customers to the Non-Domestic Tariff Framework, eligible Category 1 customers have availed of the transition arrangements for non-domestic customers introduced in 2021.

[10] For clarity, the term 'water services' in the principles should be interpreted as applying to both water and wastewater services (which includes trade effluent services).

1.3 Note on Uisce Éireann's allowed revenues

In assessing the case for transition arrangements for trade effluent customers, the CRU has considered how the general level of tariffs may evolve over the coming years – which is tied to the allowed revenues that Uisce Éireann will be permitted to recover. The RC4 final decision assumes a year on year revenue increase of 9.4% from 2026-2029 based on Uisce Éireann's Business Plan submitted in December 2024. This figure has been used as a basis for setting the 2026 increase in the transition profile. The final decision on Uisce Éireann's allowed revenues over the RC4 period can be found in the CRU RC4 Final Determination Paper (CRU202669). The CRU also notes that Uisce Éireann's upcoming formal submission on the additional operational expenditure request and a Growth-Related Capital Investment will result in further revenue increases, with consequential impacts on Government subvention (covering domestic customers) and non-domestic revenue.

1.4 Structure of this Paper

The rest of this paper is structured as follows:

- Section 2 – provides the CRU's decision on **trade effluent transition arrangements**.
- Section 3 – provides the CRU's decision on **TARs**.
- Section 4 – provides the CRU's decision on **customer support** by Uisce Éireann and **updates to the Non-Domestic Handbook**.
- Section 5 – provides the CRU's decision on Uisce Éireann **Reporting** Obligations
- Section 6- provides a summary of the **CRU's next steps** after this decision's publication
- Appendix A summarises **submissions received in the consultation** and the CRU's responses to the topics and issues raised by respondents.

1.5 Related Documents

To provide context to this Consultation Paper, the following list of documents contains previous CRU consultations or decisions made in relation to non-domestic water and wastewater tariffs applied to customers of Uisce Éireann:

- CRU Decision Paper – Irish Water's Non-Domestic Tariff Framework (CRU/19/074)
- CRU Response Paper – Irish Water's Non-Domestic Tariff Framework (CRU/19/075)
- CRU Decision Paper – Tariff Application Rules (CRU/20/072)
- CRU Decision Paper - Enduring Charging Arrangements for Public Group Water Schemes (CRU/202245)
- CRU Consultation Paper - Uisce Éireann's Non-Domestic and Trade Effluent Tariff Framework (CRU/2023149)

- Uisce Éireann - Non-Domestic Tariff Design Review and Alignment Proposals – submission to the CRU (CRU/2023150)
- Uisce Éireann - Trade Effluent Tariff Design Review Proposals – submission to the CRU (CRU/2023151)
- CRU Decision Paper – Uisce Éireann's Non-Domestic and Trade Effluent Tariff Framework (CRU/202460)
- CRU Responses Paper – Uisce Éireann's Non-Domestic and Trade Effluent Tariff Framework (CRU/202461)
- Uisce Éireann - Water Charges Plan – 23 September 2024 (CRU/2024113)
- CRU Proposed Decision Paper - Uisce Éireann's Non-Domestic Tariff Framework (CRU/202511)
- CRU Decision Paper - Uisce Éireann's Non-Domestic Tariff Framework (CRU/2025103)
- Uisce Éireann - Trade Effluent Transition Arrangements and Tariff Application Rules Proposals - Submission to the CRU (CRU2025254)
- CRU Proposed Decision Paper - Uisce Éireann's Non-Domestic and Trade Effluent Tariff Framework (CRU/2025253)

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

2 Trade Effluent Transition Arrangements

This section sets out the CRU's Decision on transition arrangements for trade effluent customers.

2.1 Summary of Decision

The CRU has decided to proceed with its Proposed Decision that transition arrangements be put in place when harmonised trade effluent charges are implemented on 01 October 2026 to mitigate the potential for business disruption associated with significant bill shocks.

Following careful consideration of consultation submissions, the CRU has decided to proceed with its Proposed Decision on **eligibility**, **threshold** and **mechanism** for transition arrangements; but has adopted a longer **duration** (five years rather than four) with a bill cap **profile** that commences gradually before ramping up in later years.

Detail on the CRU's decision is provided in Table 1 below, with rationale for the decision explained in the next section.

Table 1: CRU decision on transition arrangements

Element	CRU's Decision
Eligibility	Only trade effluent customers moving tariff structure would be eligible for transition (with respect to their bill for trade effluent services only). This includes: • Customers who will be categorised into Trade Effluent Category 1 and have not previously been charged the Framework's nondomestic wastewater standing and volumetric charges; and • Customers who will be categorised into Trade Effluent Category 2 and 3.
Threshold	Customers who face an expected annual bill increase greater than or equal to €750 would qualify for transition.
Duration	Transition arrangements will apply for five years, from 01 October 2026 to 30 September 2031.
Mechanism	During the transition period, customers that are eligible for and qualify for transition arrangements shall have their annual bills capped, such that they pay no more than their previous year's bill plus x% of bill that they would pay under cost-reflective rates.
Profile	The profile of bill capping shall be: 9.4/12 /15/20/25% in years 1/2/3/4/5.

2.2 Rationale

At consultation, the majority of respondents commenting on eligibility agreed with the CRU's Proposed Decision (and Uisce Éireann's original proposal) that **only customers moving tariff structure will be eligible for transition** (with respect to their bill for trade effluent services only). The CRU is pleased that this aspect of its Decision has received wide acceptance.

Only a small number of respondents answered the consultation question on the monetary threshold to qualify for transition arrangements. Of these, half supported the Proposed Decision that **eligible customers will qualify for transition arrangements with respect to an annual bill increases of €750 or more**, and half objected – preferring a lower threshold for the benefit of smaller businesses. The CRU remains of the view that the €750 threshold is appropriate and provides consistency in treatment between trade effluent customers and the wider non-domestic customer base – given that it was applied for non-domestic customers in 2024.

The CRU is pleased that a narrow majority of respondents answering the question on design of the transition mechanism agreed with the Proposed Decision to **cap annual bill increases as a percentage of the <u>cost-reflective</u> bill**. Those objecting to the Proposed Decision either preferred Uisce Éireann's proposal of capping bill increases as a percentage of the previous year's bill for the sake of predictability, or objected to bill increases in general. The purpose of a transition mechanism is not to indefinitely mitigate volatility or lower bills for trade effluent customers, but to alleviate significant bill shocks and allow customers time to adapt while moving all businesses to harmonised, cost-reflective rates within a clear timeframe. The CRU is confident that its Proposed Decision remains the best choice for achieving this purpose.

The consultation question on duration of transition received the most responses, of which the majority disagreed with the Proposed Decision of a four-year transition period, but offered different justifications or suggested different alternatives. In light of the strength of feedback received, and additional cost pressures on businesses generated by the ongoing conflict in the Middle East, the CRU is content to **extend the transition period to five years (lasting from 01 October 2026 to 30 September 2031)**. This Decision will still achieve the overarching aim of moving all eligible customers close to cost-reflective bill levels by a defined end-date, while further mitigating the potential for business disruption associated with significant bill shocks in the short term and avoiding cliff-edge style jumps once cost-reflective charges apply universally from 01 October 2031. Moreover, the CRU is satisfied that a five-year transition period does not exceed the precedent set by the transition period for non-domestic customers (an initial three-year period, plus a two-year extension). The CRU remains committed to the position that no further transition arrangements will be considered after this time, which would undermine predictability and prolong the inequity of the present two-tier situation, in which majority of customers are already paying their cost-reflective rates.

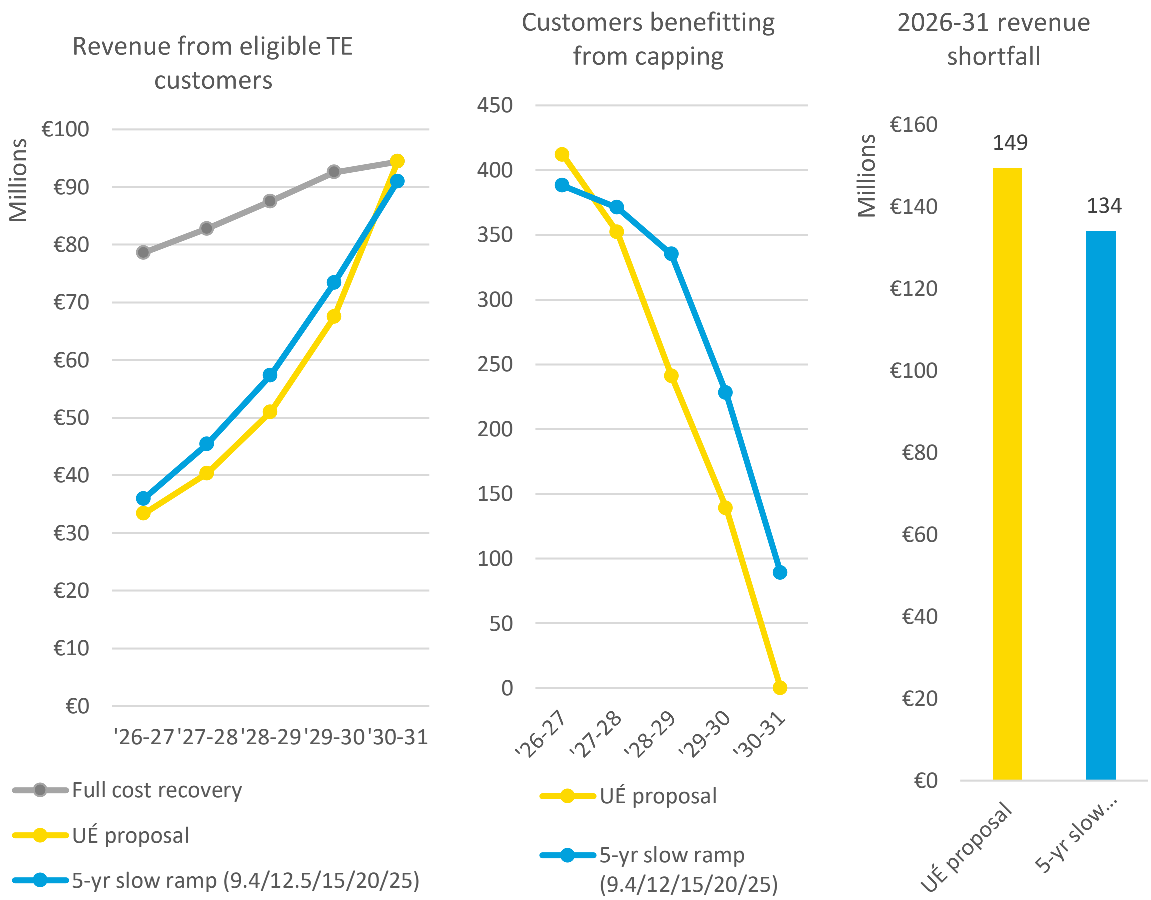
The CRU sought views on the profile of bill capping during the transition period – with examples including a constant cap (e.g. 20/20/20/20%) resulting in a series of similar-sized bill increases in each year, or caps that start low to benefit a greater number of customers early on then ramp up (e.g. 10/15/20/25%) to accelerate transition for the minority that have still not reached enduring levels in later years. A small majority of respondents preferred the ramping-up approach, though some favoured the clarity and simplicity of a straight-line transition.

In light of the Decision to adopt a five-year transition period, and respondents' support for the ramped option shared at consultation, the CRU has decided to adapt the 10/15/20/25% option to give customers a more gradual glide-path to cost-reflective rates. In particular, the CRU has decided to ameliorate initial cost increases by adopting the lowest level of cap possible in year one without eligible trade effluent customers facing smaller bill increases than other customers already on harmonised non-domestic tariff framework rates, which would clearly be inequitable. Caps in the last three years of the transition period are unchanged from the Proposed Decision, and the year two cap has been set to bridge the gap between years one and three. The CRU's Final Determination of Uisce Éireann's allowed revenues for the RC4 period implies a 9.4% increase in 2026/27. The CRU has therefore decided to **cap bill increases for years 1/2/3/4/5 of the transition period at 9.4 / 12 / 15 / 20 / 25% of the cost-reflective bill**.

In forming its Decision on the profile of bill capping, the CRU had regard to the number of eligible customers benefitting from any cap and the value of revenue shortfall (which Uisce Éireann may seek to fund through Government subvention – moving the burden from eligible businesses to the taxpayer). These metrics are compared between Uisce Éireann's proposals and the CRU's Final Decision in Figure 2.

The CRU has opted for low caps in years one and two to mitigate bill shocks to the greatest extent possible during a period of high general cost pressure, while still progressing towards transition and without permitting greater inequity in relation to those already paying cost-reflective bills. The CRU has otherwise retained the profile of bill caps from the "ramped" option described at consultation for years three, four and five.

Figure 2: Comparison of Uisce Éireann's proposals and the CRU's Final Decision on transition arrangements for trade effluent customers not already on Non-Domestic Tariff Framework rates[11]



[11] These charts use data from Uisce Éireann's 2023 data set as the 2026 tariff model accompanying the 2024 data had not yet been approved by the CRU

2.3 Route to Decision

Table 2 on the next page summarises Uisce Éireann’s proposals, the Proposed Decision which the CRU consulted on, and its Final Decision.

Table 2: Route to Final Decision – transition arrangements

Element	UÉ proposals	CRU Proposed Decision	CRU Final Decision
Eligibility	Only customers moving tariff structure will be eligible for transition (with respect to their bill for trade effluent services only). This includes: • Customers who will be categorised into Trade Effluent Category 1 and have not previously been charged the Framework's non-domestic wastewater standing and volumetric charges; and • Customers who will be categorised into Trade Effluent Category 2 & 3.	<u>Accept</u> Uisce Éireann proposal	As proposed
Threshold	Eligible trade effluent customers who face an expected annual bill increase greater than or equal to €250, based on their previous year's consumption, would qualify for transition.	Only trade effluent customers who face an expected annual bill increase greater than or equal to <u>€750</u>, based on their previous year's consumption, will qualify for transition.	As proposed
Mechanism	The annual increase in a customer's bill would be limited by a percentage cap applied to the customer's previous annual bill.	During the transition period, customers that are eligible for and qualify for transition arrangements shall have their annual bills capped, such that they pay no more than their previous year's bill plus x% <u>of the bill that they would pay under cost-reflective rates</u>.	As proposed
Duration	Four years, from 01 October 2026 to 30 September 2030, with a review of the need for further transition arrangements.	Transition arrangements should apply for four years, from 01 October 2026 to 30 September 2030.	Transition arrangements will apply for <u>five</u> years, from 01 October 2026 to 30 September <u>2031</u>.
Profile	A bill cap rising from 20/30/40/50% in transition years 1-4.	The CRU is still considering options with respect to the profile of bill capping across the four-year transition period – including straight-line (e.g. 20/20/20/20%) and ramping-up (e.g. 10/15/20/25%) cap values.	The profile of bill capping shall be: <u>9.4/12/15/20/25</u>% in years 1/2/3/4/5.

3 Tariff Application Rules

This section sets out the CRU's Decision on TARs to apply from 01 October 2026.

TARs are operational rules which ensure that all non-domestic customers are treated in a consistent manner in specific situations, for example, when assigning into a tariff class. TARs were initially set in the CRU's Tariff Application Rules Decision paper (CRU/20/072)[12] and amended as part of the decision on the Non-Domestic and Trade Effluent Tariff Framework (CRU/202460). With the upcoming implementation of the Trade Effluent Framework, Uisce Éireann has considered the need for amending some of the existing set of TARs to incorporate trade effluent customers and the need for any new TARs to guide situations specific to trade effluent customers.

3.1 Summary of Decision

The CRU has decided to proceed with its Proposed Decision to accept Uisce Éireann's amendments to four existing TARs and the introduction of two new TARs specific to trade effluent customers. In doing so, the CRU has sought and received clarification on how the TARs will be implemented.

3.2 Rationale

At consultation, none of the respondents disagreed with the CRU's Proposed Decisions to: accept Uisce Éireann's proposal to **not have a TAR related to perverse incentives**; or accept Uisce Éireann's proposal to **amend existing TARs to accommodate trade effluent customers**. In the case of perverse incentives, the CRU agrees that it would be unnecessary to introduce a rule in the absence of a clear need. Were the situation to change in the future, the CRU expects Uisce Éireann to mitigate perverse incentives and propose appropriate rules.

A majority of respondents answering the consultation question on **discharge strengths in the absence of sampling** objected to the CRU's Proposed Decision to accept Uisce Éireann's proposal (*that 30% of the customer's Emission Limit Value should be used to calculate estimates for COD and SS values in the Mogden formula in the absence of sampling data, for no more than one tariff year).* The main argument made against Uisce Éireann's proposal was that trade effluent customers should be allowed to submit their own sampling data, instead of Uisce Éireann relying on estimated strength when it does not have sampling in place for the customer.

The CRU sought and received the clarification that the proposed TAR is only intended to apply in specific circumstances, and for a limited period of up to one year, for:

- a new trade effluent customer with no historical sampling data; or
- when a customer moves from Category 1 to Category 2 or 3 and has no historical sampling data.

[12] *"Irish Water's Non-Domestic Tariff Framework Tariff Application Rules CRU Decision Paper (CRU/20/072)"* - 13th July 2020 - available at the following link.

The CRU is satisfied that this TAR will only apply to a small number of customers for a short period and that the proposed approach is therefore sufficient for its need. The CRU notes that some of the respondents objecting to this TAR are highly unlikely to be affected by it. Moreover, the CRU considers Uisce Éireann's rationale for not accepting self-reported sample data to be reasonable (in the interests of integrity, comparability and reliability).

A majority of respondents answering the consultation question on the **approach to setting sanitary wastewater allowances in the absence of separate metering** objected to the CRU's Proposed Decision to accept Uisce Éireann's proposal of a *"litres per working day"* calculation – primarily on the grounds that it did not provide sufficient detail to how different business and site circumstances would be handled.

The CRU agrees that the TAR could be more clearly defined, so sought and received confirmation that:

- the calculation which Uisce Éireann will use will be defined in terms of 8-hour shifts to account for the fact that employees might be on site for varying durations; and
- Uisce Éireann will consider all personnel, including seasonal staff, hybrid workers, temporary and contract workers.

The CRU sought further clarification of how the calculation will be defined, and can confirm that the calculation could be expressed as:

Sanitary wastewater allowance per year = ***x*** *litres per 8-hour shift worked on site* × ***y*** *employee hours worked on site per year ÷ 8*

Where:

- ***x*** = 25; increasing to 50 if the site has a canteen serving hot meals;
- ***y*** should include all personnel who are present on site – whether seasonal staff, hybrid workers, temporary and contract personnel.

The CRU is satisfied that these clarifications answer the primary objection raised at consultation, but does not consider it necessarily to further formalise how Uisce Éireann will apply this calculation in practice.

3.3 Route to Decision

The table on the next page summarises Uisce Éireann's proposals, the Proposed Decision which the CRU consulted on, and its Final Decision.

Table 3: Route to Final Decision – tariff application rules

Element	**UÉ proposals**	**CRU Proposed Decision**	**CRU Final Decision**
Perverse incentives	As perverse incentives do not exist for trade effluent customers, TARs do not need to be modified to incorporate a rule on perverse incentives specific to trade effluent customers.	Accept	As Proposed
Existing TARs	Existing TARs related to assigning a tariff class should be amended to accommodate trade effluent customers by adding the text in bold: 1. Annual Quantity (AQ) **(and activity-based categorisation in the case of a trade effluent connection)** is the only basis for assigning a connection to a tariff class (with some limited exceptions). All connections should pay the tariff rates associated with their assigned tariff class as a general rule. 2. Any connections may challenge their AQ **(and/or activity-based categorisation in the case of a trade effluent connection)** and tariff class assigned to their connection, for the next tariff year but must provide supporting evidence that the assigned AQ **(and/or activity-based categorisation in the case of a trade effluent connection)** is not reflective of the connection's: • expected water usage, or • wastewater discharge for wastewater only connections, and/or • **primary activity in the case of a trade effluent connection,** in the next tariff year and must be open to site visits by Uisce Éireann. 3. If Uisce Éireann denies a connection's request to change tariff class or **activity-based categorisation**, it will provide written reasoning to the connection to explain its decision. Where a customer and Uisce Éireann cannot agree on the customer's disputed assigned AQ **(and/or activity-based categorisation in the case of a trade effluent connection)**, the customer can raise a complaint regarding the dispute to the CRU under the CRU's non-domestic complaints process.	Accept	As Proposed

	4. Uisce Éireann will inform customers that they have the right to challenge their AQ **(and/or activity-based categorisation in the case of a trade effluent connection)**, their assigned tariff class and categorisation and will provide a reasonable timeframe for customers to submit a challenge.		
Discharge strengths in the absence of sampling	Mogden charge for Category 2 and 3 trade effluent customers in the absence of sampling data should be calculated by using values for COD and SS based on the customers' licence limits. 30% of the customer's ELV is used to calculate estimates for COD and SS values to be used in the Mogden formula for no more than one tariff year.	Accept	As Proposed
Sanitary wastewater allowances in the absence of separate metering	When the sanitary wastewater discharged by a trade effluent customer cannot be separately measured, the industry-standard "litres per working day" principle should be applied to estimate the volume of sanitary wastewater. The following allowances should be applied: • 25 litres per head per working day where there is no canteen on the premises serving hot meals; or • 50 litres per head per working day where there is a canteen on the premises serving hot meals.	Accept	As Proposed – with clarification that a "working day" shall be defined as an eight-hour shift for calculation purposes, such that the calculation could be expressed as: Sanitary wastewater allowance per year = ***x*** litres per 8-hour shift worked on site × ***y*** employee hours worked on site per year ÷ *8* Where: ***x*** = <u>25</u>; increasing to <u>50</u> if the site has a canteen serving hot meals; ***y*** should include <u>all personnel</u> who are <u>present on site</u> – whether seasonal staff, hybrid workers, temporary or contract personnel.

4 Support Available for Customers

This section sets out the CRU's Decision on the Uisce Éireann programme of communication and support that Uisce Éireann is to provide for trade effluent customers and updates to the Non-Domestic Customer Handbook.

4.1 Summary of Decision

With the implementation of trade effluent charging arrangements, it is essential that customers are sufficiently informed of the new tariff structures and the support offered by Uisce Éireann.

The CRU has decided to proceed with the Proposed Decision to instruct Uisce Éireann to provide an **expanded programme of communication and support** directed towards trade effluent customers both in advance of the implementation of national harmonised trade effluent tariff rates on 01 October 2026 and during the period of transition arrangements.

The CRU's Decision reflects and incorporates respondents' suggestions on how Uisce Éireann could improve its communication and support customers' understanding of bills: such as strengthening and extending existing support available through the Water Stewardship Programmes; through communication via Key Account Managers (KAMs); by making information more accessible; and by providing customer-specific information on the impact of the new charges and individual transition arrangements. Respondents' feedback and CRU responses are covered in detail in Appendix A.3.

The CRU has also decided to accept Uisce Éireann's proposed updates (which were supported in consultation responses) to **the Non-Domestic Customer Handbook** and associated documents while also introducing necessary amendments to formalise the trade effluent charging framework and provide greater clarity to trade effluent customers.

4.2 Uisce Éireann's Customer Communications

The CRU expects that Uisce Éireann will continue to roll out a comprehensive programme of customer engagement and communications which is using a number of communication channels to help customers understand how they may be individually impacted by Uisce Éireann's proposals. These channels include: writing directly to impacted customers, support via Uisce Éireann's contact centre, support through Uisce Éireann's website, key account management support[13] (available to non-domestic customers with annual consumption equal to or greater than 20,000 m3) and directly engaging with business customer representative groups and other stakeholders.

The CRU acknowledges the communications and stakeholder engagement that Uisce Éireann have taken through the consultation and that is currently being progressed in the run up to the implementation date of 01 October 2030. The CRU has decided that Uisce Éireann should continue with a comprehensive stakeholder engagement and communications programme,

[13] Uisce Éireann's key account management team typically provides dedicated account management services to Band 3 and Band 4 customer accounts.

maintaining and updating it as required. In this regard Uisce Éireann shall undertake the following[14]:

- **Uisce Éireann's Guidance to Customers** – Uisce Éireann is required to publish sectoral guidance documents in Q2 2026 and additional support documents for trade effluent customers, including a charging booklet and a customer information paper following the CRU's decision on the final tariff rates for 2026. Together, these documents are intended to provide further information and clarity on the trade effluent charging structure, transition arrangements and TARs. The sectoral guidance documents should be updated as needed.
- **Uisce Éireann's Online Trade Effluent Tariff Calculator** - To help customers understand their bills under Uisce Éireann's new tariff proposals, Uisce Éireann has provided an online "Trade Effluent Tariff Calculator".[15] The calculator allows customers to see how they would be charged change with the implementation of the trade effluent charging arrangements.[16]
- **Uisce Éireann's Engagement with Business Representative Groups** – Uisce Éireann is required to continue engaging with business representative groups and other stakeholders after the consultation on matters related to trade effluent implementation. This engagement shall be an important aspect of Uisce Éireann's communication strategy in advance of the implementation of the trade effluent tariffs.
- **Uisce Éireann Trade Effluent Tariff Update Letters**
    - Uisce Éireann is required to write to all of its trade effluent customers by the end of Q2 2026 informing them of the Trade Effluent Tariff Framework and providing information on the upcoming tariff changes.
    - Uisce Éireann is also required to provide technical letters to category 2 & 3 customers by the end of Q2 2026 informing them of the technical parameters that influence their categorisation and charges. These letters should also give these customers the opportunity to provide Uisce Éireann with technical information to ensure that they are appropriately categorised and charged.
    - Uisce Éireann is also required to provide tariff determination letters to customers, which will include information on the trade effluent tariff category that applies to the customer, if a transition arrangement will apply and the benefits of it to the customer, as well as a confirmation of the 2026/27 tariff rates. These will be sent by Uisce Éireann after final tariffs are approved in Q3 2026.

For those customers that have assigned KAMs, Uisce Éireann should take advantage of this existing channel of support by making sure that customers receive tailored information and support on the upcoming changes through their KAMs.

The CRU continues to expect that Uisce Éireann's communication with customers will be accessible and that Uisce Éireann should aim to make all communication to customers relating

[14] Uisce Éireann has already undertaken some of these measures during the consultation period, such as the provision of the online tariff calculator.
[15] Uisce Éireann, Trade Effluent Estimator. Available online.
[16] It should be noted that, as Uisce Éireann provided the tariff calculator during the consultation period, it is not yet based on the final tariff rates that will be implemented on 01 October 2026.

to trade effluent charging arrangements as understandable as possible, for example, by including clear information on how customers' bills will change in the tariff update letters.

Uisce Éireann is required to keep customers on transition arrangements informed throughout the transition period. Uisce Éireann shall notify them annually of their annual charge increases (as per the transition arrangements) and notify them when their transition arrangements are due to end.

Uisce Éireann will also launch, and inform trade effluent customers of, a **self-monitoring portal** that will allow trade effluent customers to view sampling and metering data as it is available.

In addition to the measures outlined above, customers can also contact Uisce Éireann directly to understand how they might be impacted through **Uisce Éireann's Contact Centre**, where representatives have been trained to provide information on the upcoming changes. Uisce Éireann's contact centre number is 0818 778 778 / International +353 1 707 2827.

Uisce Éireann has already launched a new **Advanced Water Stewardship programme**, which educates customers on best practices and ways to reduce trade effluent bills. This complements Uisce Éireann's existing Water Stewardship Programme that supports businesses in reducing their water usage, and the CRU recommends that Uisce Éireann continue to provide this program to support its customers further. Over 150 customers have already completed the new programme. For more information on both programmes, including how customers can sign up, see Uisce Éireann's website: https://www.water.ie/conservation/business/water-stewardship. The CRU recognises the multiple benefits of Uisce Éireann's **Advanced Water Stewardship programme** and encourages trade effluent customers to take advantage of it where possible.

Under section 32 and 39 the Water Services Act (No.2) 2013, the CRU has responsibility for ensuring that Uisce Éireann provides suitable information to its customers and performs its functions in an open and transparent manner. Under these roles, and while recognising the potential impact on customers of new tariff rates, the CRU emphasises that Uisce Éireann must undertake the necessary communication to inform customers and support them in transitioning to trade effluent charges and mitigating bill impacts. The measures outlined in this section should be undertaken in advance of the implementation of the trade effluent charging arrangements on 01 October 2026 and during the five-year transition period.

4.3 Updates to the Non-Domestic Customer Handbook

The updates to the Non-Domestic Handbook are unchanged from the Proposed Decision paper. They include addressing an unintended ambiguity Uisce Éireann had discovered relating to disconnecting a trade effluent customer due to non-payment. Section 8.3 on *'Instances where Irish Water cannot initiate disconnection of supply to a non-domestic premises'* includes the following paragraph: *'f. For failure to pay a bill which is not related to the supply of water or wastewater services; for example, site works charges or Section 16 licensing;'*. Uisce Éireann notes that this paragraph should refer to the Section 16 Licencing Application fee, but the wording is not sufficiently clear to avoid possible misinterpretation. Uisce Éireann has proposed to update the paragraph as follows: *'f. For failure to pay a bill which is not related to the provision of water or wastewater services; for example, site works charges or an application fee payable when applying for a licence under Section 16 of the Local Government (Water Pollution) Act 1977 (as revised);'*.

In addition, Uisce Éireann will undertake other minor updates to the definitions of water and wastewater services in several documents (Water Charges Plan, Disconnection Policy, Non-Domestic Customer Handbook etc.) to ensure that to formalise the trade effluent charging framework and provide greater clarity to trade effluent customers by bringing the handbook up to date with this decision paper.

5 Uisce Éireann Reporting Obligations

The CRU will monitor Uisce Éireann's implementation of the Trade Effluent Tariff Framework to ensure that it is implemented on time and in a fair and equitable manner. After implementation the CRU will continue monitoring during the transition period and thereafter to identify and help to mitigate any potential issues that may arise

To enable this monitoring, the CRU requires that Uisce Éireann provide the CRU with regular reports on a monthly basis against its implementation plan until 01 October 2026. From 01 October 2026 to 30 September 2031(during the transition period), the CRU will require these reports annually as part of the annual RC4 reporting.

During the transition period (01 October 2026 to 30 September 2031) these reports shall include:

- Details of Trade Effluent related Stakeholder engagement.
- Details of any Trade Effluent customer challenges to sampling data and meter readings.
- Details and feedback on The Advanced Water Stewardship Programme including the numbers of customers (i) that are engaged with the programme and (ii) that have completed the programme.
- Details of complaints, disputes and enquiries from Trade Effluent customers.
- Implementation of data improvement programs at UE.
- Numbers of customers on transition arrangements.
- Other relevant items to be agreed by CRU and UÉ.

After the transition period ends (from 01 October 2031), UÉ shall be required to report on the implementation of TE tariffs under the prevailing RC5 monitoring and reporting regulatory framework

6 Next Steps

Uisce Éireann will now re-calculate water and wastewater tariffs for non-domestic customers (including trade effluent) to reflect the CRU's Final Determination on Uisce Éireann's allowed revenues for the RC4 period[17] and the most up-to-date cost and volume assumptions. The CRU expects to review and approve water and wastewater tariffs for 1st October 2026 – 1st October 2027 by July 2026.

Uisce Éireann will communicate the CRU's Decision on trade effluent transition arrangements to affected customers in Q2 2026, and will notify individual customers of their tariff categories and whether they will benefit from bill capping under transition arrangements in Q3 2026.

Uisce Éireann will formalise tariffs, tariff application rules and transition arrangements via its 'Water Charges Plan', which will be published no later than 1st October 2026.[18]

[17] The CRU's RC4 Final Decision Paper [CRU202669]

[18] The 'Water Charges Plan' is a document that sets out the manner and method by which charges under Section 21 of the Water Services (No. 2) Action 2013 shall be calculated. It includes the charges levied by Uisce Éireann to its customers for the provision of water and wastewater services. The 'Water Charges Plan' is subject to CRU approval.

A. Consultation Submissions and CRU Responses

The CRU's Proposed Decision Paper sought stakeholders' views on 13 consultation questions relating to transition arrangements; TARs; and support available for customers. This Appendix summarises respondents' feedback on each question, followed by CRU's response.

The CRU received 23 written responses to its Proposed Decision Paper (CRU2025253). Two of these responses were confidential. The respondents are listed below in alphabetical order, and their submissions are published at the CRU Consultation Portal.

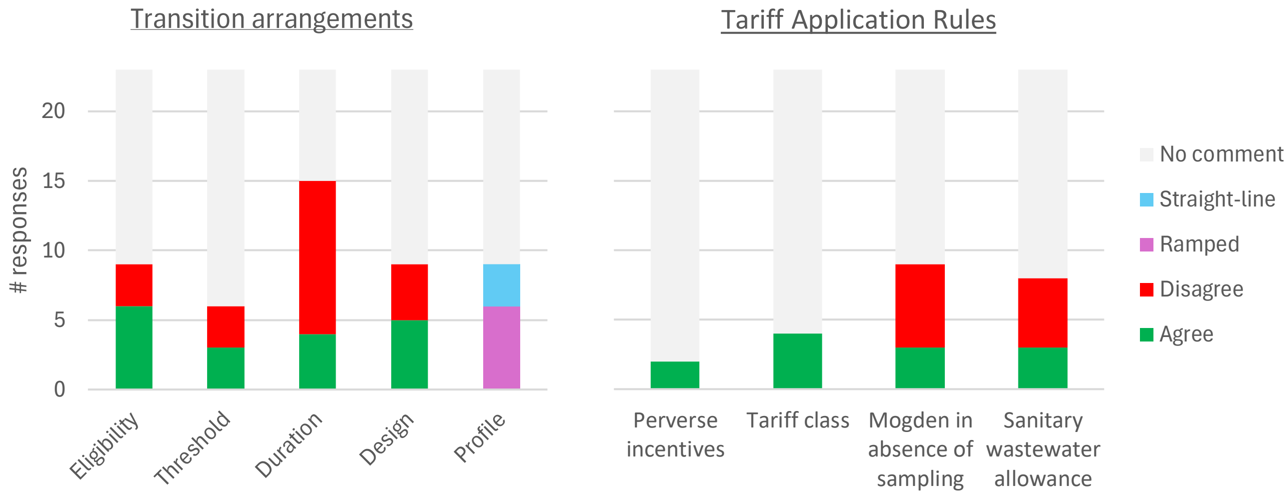
1. An Fóram Uisce[19]
2. Bristol Myers Squibb
3. Chambers Ireland
4. Cork Chamber of Commerce
5. DAA
6. Department of Enterprise, Tourism and Employment (DETE)
7. Dublin Chamber
8. Eight Degrees Brewing
9. Enterprise Ireland
10. Howth Beer
11. Ibec
12. Independent Brewers of Ireland (IBI)
13. Industrial enterprise (confidential)
14. Intel Ireland
15. Kinnegar Brewing
16. PJ Rigney Distillery
17. Priory Brewing
18. Public agency (confidential)
19. Rascals Brewing Company
20. Rye River Brewing Company (RRBC)
21. Small Firms Association (SFA)
22. The Food Hub
23. Tírlán

The CRU would like to thank all respondents for their submissions, which have helped to inform and finalise the CRU's Decision. The CRU is pleased that responses were received from a wide variety of non-domestic customers and stakeholders. The CRU also considers the interests of households when making its decision. Although households do not pay trade effluent charges, Exchequer funding is currently provided to Uisce Éireann to cover the shortfall from trade effluent customers which do not yet pay cost-reflective tariffs, so households are indirectly affected via general taxation.

Figure A.1 presents the classification of responses that gave discernible answers to yes/no consultation questions, and demonstrates a range of opinions. The sections below discuss the reasons given when respondents clearly "agreed" or "disagreed" with the CRU's proposed decision, and instances in which feedback was conditional or non-binary.

[19] An Fóram Uisce is the national statutory body representative of all stakeholders with an interest in the quality of Ireland's water resources. Its membership includes domestic representatives as well as a number of sectoral representatives from the business community.

Figure A.1: Classification of responses by question



A.1 Transition arrangements

Consultation questions on transition arrangements asked respondents' views on: (i) **eligibility** for and (ii) **threshold** of bill increases to qualify for transition arrangements; (iii) the **duration** of the transition period; (iv) **design** of the transition mechanism, and (v) **profile** of bill capping. Responses to each question are summarised below.

A.1.1 Eligibility

CRU Consultation Question

Q1. *Eligibility*. Do you agree with the CRU's proposed decision to limit eligibility for transition arrangements to those trade effluent customers that are moving tariff structure? Please state your reasons why.

Summary of responses

Nine respondents provided views on the proposed decision to limit eligibility to transition arrangements to those trade effluent customers who are moving tariff structure.

Six of these respondents agreed with the proposed decision, with several noting that the proposed approach ensures that transition arrangements target those customers who are facing material changes in their tariffs. Respondents considered the proposed approach to improve equity, with one respondent noting that trade effluent customers who are already on the Non-Domestic Tariff Framework rates have benefitted from transition arrangements earlier and will only see the relatively small compliance and licensing charge applied to their bills. The proposed approach was described by respondents as focusing on 'where disruption is greatest' and reflecting 'the principle that transition arrangements should mitigate genuine price shocks rather than provide blanket relief'.

One respondent noted the importance of applying eligibility criteria consistently across the country, supported by clear guidance and communication.

Three respondents opposed the proposed eligibility decision. Two argued that customers facing material bill increases should be eligible for support regardless of whether they will see a change in their tariff structure The third recommended that transition arrangements should even be extended to businesses facing cost increases for unrelated reasons, and not just with respect to trade effluent charges.

CRU Response:

The CRU is pleased that a majority of stakeholders responding to this question agreed with the proposed decision to limit eligibility for transition arrangements to trade effluent customers that are moving tariff structure.

In practice, these eligibility criteria should capture all customers for which the trade effluent charging framework will present significant bill shocks. Customers not moving tariff structure will only face bill increases from: (i) the new trade effluent “compliance and licensing” charge; (ii) business-as-usual charge adjustments reflecting updates to Uisce Éireann’s allowed revenues and customer volumes; and (iii) changes to customers’ own discharge volumes.

The CRU is responsible for ensuring that Uisce Éireann operates in a commercially viable manner and implements cost recovery in line with Article 9 of the EU Water Framework Directive (2000/60/EC). Arguments for using trade effluent charges to pursue industrial strategy are a matter for Government.

A.1.2 Threshold

CRU Consultation Question

Q2. *Threshold*. Do you agree with the CRU’s proposed decision to set a monetary threshold of €750 to determine whether a customer qualifies for the transition arrangement? Please state your reasons why.

Summary of responses

Six respondents commented on the proposed decision to set a monetary threshold to determine whether an eligible customer qualifies for transition arrangements.

Three respondents agreed with the proposed threshold of €750. They noted that the threshold is proportionate, ensures transition arrangements focus on customers facing significant bill increases, and aligns with the threshold applied as part of the transition arrangements implemented for non-domestic customers in 2024.

The other respondents argued that either the €250 threshold proposed by Uisce Éireann or a threshold between €250 and €750 would be more appropriate for protecting smaller businesses from bill increases. Respondents emphasised that smaller increases can be significant for SMEs who may be less able to absorb price shocks – noting that *‘for a small brewery business a €500 jump is a major operational shock’*, and that the threshold should *‘reflect the diverse range of businesses around the country’*.

CRU Response:

The CRU welcomes that smaller businesses are represented in the submissions and agrees that the transition arrangements need to suit customers of all sizes.

The CRU has reviewed Uisce Éireann's bill impact analysis and noted that no eligible customers are expected to face bill increases of less than €250, so a €250 bill capping threshold would not rule out a single customer. This is partly because all trade effluent customers will be subject to the new compliance and licensing charge from 01 October 2026 – which has a minimum (indicative) value of €383.[20] It is the CRU's view that the introduction of the compliance and licencing charge does not merit transition arrangements. Any threshold for transition arrangements should be higher than the smallest possible compliance and licensing charge.

In determining an appropriate threshold for the transition, the CRU places weight on the precedent of the €750 threshold adopted for non-domestic customers in 2024. The 2024 decision to use a €750 threshold to transition non-domestic customers to the Non-Domestic Tariff Framework was itself based on previous[21]to strike a balance between the need for tariff reform and minimising the immediate financial impact on customers, by avoiding disproportionately large bill increases. The CRU remains of the view that the €750 threshold is appropriate and provides consistency in treatment between trade effluent customers and the wider non-domestic customer base.

A.1.3 Duration

CRU Consultation Question

Q3. *Duration*. Do you agree with the CRU's proposed decision to transition all trade effluent customers to cost-reflective bills by 1st October 2030? Please state your reasons why.

Summary of responses

The duration of the transition period attracted most attention from respondents, with 15 submissions responding to the consultation question. 11 of these disagreed with the proposed decision of a four-year transition, but offered different justifications or suggested different alternatives.

Four respondents found it difficult to address the question on duration in isolation from the question on transition mechanism. Some preferred Uisce Éireann's proposal to cap bill increases as a proportion of the current bill, and that transition arrangements should remain in place for as long as required to reach cost-reflective bills under this approach.

Six respondents requested that the transition period be extended beyond October 2030. Justifications for an extension included requests for more time to complete investments into pre-

[20] Indicative trade effluent tariff rates were provided in the Proposed Decision Paper (CRU2025253). It should be noted that the rates, including the €383 compliance and licensing charge for TE Category 1 customers, are based on indicative revenues and will be updated following the CRU's final decision on Revenue Control 4.

[21] CRU, *Uisce Éireann's Non-Domestic and Trade Effluent Tariff Framework*, CRU Decision Paper (CRU202460).

treatment infrastructure to reduce the strength of effluent and the wider cost pressures that businesses are facing.

One respondent also requested delaying the start of the transition period until 2027 to allow their business to incorporate bill impacts in their next budgeting cycle. Two respondents recommended that the CRU monitor and review bill impacts during the transition period, while others suggested that arrangements should include flexibility to extend or pause the transition, based on changes in the economy, predefined economic indicators or sectoral risk assessments.

The four respondents that supported the proposed duration noted the benefits from transitioning all customers to their cost-reflective tariffs, including alignment with the polluter-pays-principle and incentivising water conservation. Respondents considered it important to give businesses time for operational adjustments and have a clear end point to the transition.

CRU Response:

The CRU welcomes the high level of stakeholder engagement with the question of transition duration.

The CRU appreciates that some businesses would like to put off bill increases for as long as possible, or phase them in over the longest possible time. The CRU is equally aware that other businesses are already paying cost-reflective rates and may be at a competitive disadvantage until transition is complete.

The CRU remains of the view that it is important to transition customers to their cost-reflective tariff in a set number of years, providing predictability. It is not equitable to the wider customer base to overly prolong the transition, given the present two-tier situation in which some customers pay nationally harmonised, cost-reflective charges while others remain on the rates set in 2013 by Local Authorities and Town Councils.

However, the CRU understands that trade effluent customers have a reasonable expectation that they will benefit from similar protections against very large year-to-year bill increases afforded to non-domestic customers previously.

As a result of the feedback received from respondents on the duration of the transition, and the additional cost pressures from developments in global energy and fuel markets, the CRU has decided to extend the transition period to five years. The CRU considers that a five-year transition is sufficient for businesses to adapt to the new charging framework – especially given that trade effluent customers changing tariff structures have already benefitted from a two-year grace period under the CRU's 2024 Decision.

The CRU's decision with respect to transition duration strikes a balance between the interests of trade effluent customers and the wider non-domestic customer base, while having consideration to wider cost pressures arising since the Consultation window closed.

A.1.4 Design

CRU Consultation Question

Q4. *Design.* Do you agree with the CRU's proposed decision to cap annual bill increases as a percentage of the cost-reflective bill? Please state your reasons why.

Summary of responses

11 respondents commented on the design of the transition mechanism in their submissions. Five respondents were in favour of the proposed mechanism of capping bill increases as a proportion of the cost-reflective bill, and four were against the proposed decision. Some respondents discussed the transition mechanism in their response to the question on duration, which are also covered in this section.

Those in favour noted the proposed mechanism ensures that all customers reach their cost-reflective bills during the transition, avoiding a situation in which customers might face a cliff-edge increase after the transition. The approach was seen to provide transparency, predictability and stability. One respondent said that the proposed mechanism 'better supports long-term planning by providing visibility of the ultimate cost'.

Two respondents, in contrast, considered that capping bills as a proportion of the current bill – as proposed by Uisce Éireann – allows customers to *'budget against known costs and preserves the cap's purpose as a volatility-mitigation tool'.*

Four respondents raised concerns about the proposed transition mechanism when discussing the duration of the transition; they argued that capping bill increases as a proportion of the cost-reflective bill effectively links the transition to *'unconfirmed'* future charging arrangements. Respondents argued that this makes it difficult to assess the achievability and timeline for bill increases.

A few of the respondents also argued that *'referencing future bills risks turning a customer-protection mechanism into a tool for revenue acceleration'* or a *'delivery mechanism for predetermined revenue outcomes'*. One respondent claimed that this *'undermines the stated tariff principles of stability and equity and it weakens confidence that the transition arrangements are genuinely designed to mitigate disruption rather than to ensure expedient realisation of target revenues'*.

Other respondents expressed more general concern that the mechanism, combined with the transition duration, does not sufficiently mitigate impacts on customers.

One respondent suggested that consideration should be given to a *'mid-transition period review'* to identify and mitigate *'disproportionate'* increases.

CRU Response:

The CRU is pleased that a narrow majority of stakeholders responding to this question agreed with the proposed decision (5), but acknowledges the concerns raised by those that did not (4).

The CRU would like to clarify that the purpose of the proposed transition mechanism is not to indefinitely mitigate volatility or lower bills for trade effluent customers, but to alleviate significant bill shocks while otherwise moving all businesses to harmonised, cost-reflective rates within a clear timeframe.

Likewise, the proposed transition mechanism does not link bill increases to *'unconfirmed'* future charging arrangements. The mechanism is not tied to a future cost-reflective bill, but the bill which the customer should currently be paying and would pay in the absence of transition arrangements.

The CRU acknowledges that some customers might prefer to know exactly what their bills will be during each year of the transition, as might be possible if increases were capped as a proportion of the previous year's bill. However, the CRU considers it excessive to shield trade effluent customers from business-as-usual movements in cost-reflective rates which might occur from year to year, which are routinely borne by all non-domestic water and wastewater users. Bill movements caused by changes in customers' discharge volumes and strengths are best managed by trade effluent customers themselves, in line with the polluter-pays-principle.

The CRU understands the request for reviewing transition arrangements during the period to ensure bill increases remain proportionate. However, the CRU has sufficient information on the expected bill increases to make a decision on transition arrangements now in order to provide certainty.

A.1.5 Profile

CRU Consultation Question

Q5. *Profile.* What profile of caps to annual bill increases do you consider best meets the CRU's tariff principles? Please state your reasons why.

Summary of responses

Ten respondents provided views on the proposed profile of bill caps in each year of the transition period. Six were in favour of the 'ramped' profile in which the annual % caps start lower then increase during the transition period. Three respondents preferred the 'straight-line' transition in which equal % caps are applied in each year of the transition.

The perceived benefits of a ramped profile included the greater number of customers that benefit in the early years and the time that lower initial caps give customers to assess tariff increases, undertake feasibility studies for process changes, and implement measures to reduce trade effluent volume and strength before caps rise later. One respondent said that the ramped profile of increases would *'strike a more appropriate balance between affordability and timely* *progression to increased tariffs'*, while another noted that it *'better reflects the operational and financial realities faced by large industrial users, particularly those with limited short-term flexibility to materially reduce discharge volumes or effluent strength'*.

Support for the straight-line profile was based on its alignment with the principle of stability, by providing for a more predictable and stable progression in customer bills. Clear visibility of the bill increases was considered vital for budgeting and planning. Respondents also noted that under the ramped profile, bill increases are deferred into the final years, potentially leading to sharp increases, and forcing businesses to make sudden adjustments.

One respondent argued that either profile could lead to dramatic increases for large trade effluent customers (Category 2 and 3 customers) so might not sufficiently mitigate bill impacts.

CRU Response:

The CRU appreciates that respondents collectively recognised the merits both options, without unanimously favouring either profile.

The CRU has taken into account the concerns that respondents have around affordability and wider cost pressures in its decision on the duration of the transition period and the profile of bill capping. As a result of extending the duration to five years, the CRU has also adapted the 'ramped' profile to provide a more gradual glide path to cost-reflective rates. Under the transition arrangements, bills will be capped at 9.4 / 12 / 15 / 20 / 25% of the cost-reflective bill during the first / second / third / fourth / fifth year of the transition, respectively.

The level of cap to apply in year one has been chosen to equal the increase in Uisce Éireann's allowed revenues for that year – such that qualifying customers experience the same absolute increase as they would if already transitioned to cost-reflective bills.

The low cap in the first year of the transition reflects respondent feedback by allowing customers more time at the beginning of the transition to adjust and prepare before greater bill increases are implemented. The CRU's decision seeks to strike an appropriate balance between competing interests, while establishing a clear pathway that businesses can plan around, and removing the threat of cliff-edge jumps at the end of the transition period.

A.2 Tariff Application Rules

The consultation asked for views on Uisce Éireann's proposed amendments to four existing TARs and introduction of two new TARs specific to trade effluent customers. The CRU signalled its minded-to decision to approve these proposals.

Stakeholder feedback and CRU responses, are provided in this section for the TARs related to the following topics:

- perverse incentives
- assigning customers to a tariff class
- Mogden charges in the absence of sampling
- non-domestic wastewater charge in the absence of a metering solution.

A.2.1 Perverse incentives

CRU Consultation Question

Q6. *Perverse incentives:* Do you agree with CRU's proposed decision to accept Uisce Éireann's proposal to not have a TAR related to perverse incentives?

Summary of responses

Three respondents commented on the CRU's proposed decision to accept Uisce Éireann's proposal to not introduce a TAR related to perverse incentives specific to the trade effluent charging framework.

Two respondents supported the proposed decision, with one noting that introducing rules in the absence of a clear need adds unnecessary complexity. One respondent also provided general support for the principle of mitigating perverse incentives but did not comment directly on the proposed TAR decision.

CRU Response:

The CRU agrees that, in the absence of a clear need, it would be unnecessary to introduce a rule. Were the situation to change in the future, the CRU expects Uisce Éireann to mitigate perverse incentives and propose appropriate rules.

A.2.2 TAR for assigning customers to a tariff class

CRU Consultation Question

Q7. *Assigning customers to a tariff class*: Do you agree with CRU's proposed decision to accept Uisce Éireann's proposal to amend existing TARs to accommodate trade effluent customers?

Summary of responses

Five respondents provided feedback on the proposal to amend existing TARs related to assigning customers to a tariff class to accommodate trade effluent customers.

Four respondents supported the proposed decision. Two respondents emphasised the importance of clarity and consistency in classifying customers to tariff classes as well as providing clear information and a channel for challenging the classification to customers.

CRU Response:

The CRU welcomes stakeholder views and understands the importance of customers being given clear information on their tariff classification.

Uisce Éireann will write to all of its trade effluent customers in advance of the implementation of the trade effluent charging arrangements, with information on the customer's classification and the process for querying the classification.

The Non-Domestic and Trade Effluent Tariff Framework includes provisions that allow customers to challenge their assessed Average Quantity, tariff class or categorisation where they consider that the default approach does not reflect their specific circumstances. Where appropriate evidence is provided, Uisce Éireann is prepared to review such cases on an individual basis.

A.2.3 TARs for Mogden charges in the absence of sampling

CRU Consultation Question

Q8. *Mogden charge in the absence of sampling:* Do you agree with the CRU's proposed decision to accept Uisce Éireann's proposed approach to calculating the COD and SS values in the absence of sampling?

Q9. *Mogden charge in the absence of sampling:* Are there alternative methods to determine the COD and SS values that should be considered?

Summary of responses

Nine respondents commented on the proposed decision for calculating the Mogden charge in the absence of sampling, with six of them opposing the approach.

The main argument against the approach was that trade effluent customers should be allowed to submit their own sampling data, instead of Uisce Éireann relying on estimated strength when it does not have sampling in place for the customer. One respondent argued that *'customers should not be charged based on assumptions that may not reflect their operational reality, nor should they be required to subsidise more intensive polluters'* and that *'estimated parameters risk systematic over- or under-charging and dilute environmental incentives'*.

Respondents also emphasised the need for an appeals process or mechanism for mediation and arbitration in the case of a discrepancy with respect to sampling results.

In terms of alternative methods to determine the COD and SS values, one respondent suggested that historical average results should be used rather than a *'punitive estimate based on 30% of license limits'*. The respondent argued that this would ensure billing based on actual strength rather than theoretical estimates.

Three respondents supported the proposed decision. One of the acknowledged the practical need for a rule to calculate Mogden charges where sampling data is unavailable, stating the rule provides certainty to customers during the transition to trade effluent charging arrangements. However, the respondent also noted the importance of providing clear guidance to customers and revisiting estimates when data becomes available.

CRU Response:

The CRU and Uisce Éireann would like to clarify that the proposed TAR is only intended to apply in specific circumstances, and for a limited time period of up to one year, for:

- a new trade effluent customer with no historical sampling data; or
- when a customer moves from Category 1 to Category 2 or 3 and has no historical sampling data.

After reading stakeholder feedback, the CRU is concerned that many respondents, who are existing trade effluent customers with sampling in place, misunderstood that the TAR could be applied to them. Uisce Éireann will only apply the TAR in very specific circumstances, and as such, most trade effluent customers will not be affected by this decision. To ensure that the application of the TAR is fair for all those with sampling in place, Uisce Éireann is only allowed to calculate Mogden charges based on the estimated values for up to one year, during which period sampling must be put in place.

Uisce Éireann has been investing significantly in a comprehensive sampling programme. The programme is designed to ensure that samples are taken in a consistent and robust manner, with an appropriate chain of custody, and that all samples are analysed either at Uisce Éireann's own laboratory or at an accredited external laboratory. This approach provides assurance as to the integrity, comparability and reliability of sampling results and underpins the equitable application of Trade Effluent charges across customers.

Samples submitted by customers may not be as reliable. Allowing customers to submit their own sampling data could lead to significant delays to billing from assessing and validating the data to ensure customers are charged on an equitable basis. Assessing and validating the data could also require considerable interaction with the customer.

Uisce Éireann also notes that the estimated parameters for COD and SS will be set at a relatively low level, at 30% of the customer's Emission Limit Value (ELV) for each parameter. This is done to ensure those customers who will be subject to the TAR are unlikely to be over-charged.

As the TAR will only apply in cases where customers are not yet sampled and have no historical sampling data, the rule cannot be based on the customer's historical data. Uisce Éireann considered the option of estimating the COD and SS parameters for Mogden based on historical averages. Uisce Éireann explained in its original submission[22] that its proposed approach is based on the customer's own ELV, rather than on average data from other customers.

The CRU considers Uisce Éireann's arguments reasonable. The TAR applies to a small number of customers for a short time period, and as such, there are merits to keeping the approach simple and avoiding Uisce Éireann having to put in place more complex arrangements, which may be time-consuming and costly to customers.

A.2.4 TARs for non-domestic wastewater charges in the absence of a metering solution

CRU Consultation Question

Q10. *Non-domestic wastewater charge in the absence of a metering solution:* Do you agree with the CRU's proposed decision to accept Uisce Éireann's proposed approach to use the "litres per working day" principle to estimate the volume of sanitary wastewater?

Q11. *Non-domestic wastewater charge in the absence of a metering solution:* Are there alternative methods to determine the volume of sanitary wastewater that should be considered?

Summary of responses

Eight respondents provided their views on the proposed decision to grant a sanitary wastewater allowance, using the 'litres per working day' principle, for trade effluent customers whose sanitary wastewater is not metered. Five respondents disagreed with the proposed decisions on the grounds that it did not provide sufficient detail to how different business and site circumstances would be handled.

In particular, they argued that the proposed approach did not take into account hybrid working arrangements, shift work, seasonality, and temporary, agency and contractor staff. The proposal was found to lack a definition on how *'number of employees'* is defined with respect to contracted employees, average on-site headcount and peak staffing levels. As such, the respondents considered that there was a risk of inconsistent interpretation and application of the rule across sites and sectors, undermining equity and transparency.

One of the respondents in support of the decision considered it was simple and transparent and avoids the use of water supply volumes which do not necessarily reflect sanitary wastewater volumes.

[22] Uisce Éireann (2025), Trade effluent transition arrangements and tariff application rules proposals, Submission to the Commission for Regulation of Utilities.

CRU Response:

The CRU has requested further information from Uisce Éireann to address stakeholder's concerns on how the sanitary allowance will be calculated in practice.

Uisce Éireann notes that the proposed rule is intended to keep billing as simple as possible when it is necessary to charge separately for sanitary wastewater to trade effluent.

Uisce Éireann has clarified that the calculation will consider all personnel, including seasonal staff, hybrid workers, temporary and contract personnel. The formula that Uisce Éireann will use to calculate the sanitary wastewater allowance is defined in terms of 8-hour shifts to account for the fact that employees might be on site for varying durations.

The formula is as follows:

$$\textit{Sanitary wastewater allowance per year} = \boldsymbol{x} \textit{ litres per 8-hour shift worked on site} \times \boldsymbol{y} \textit{ employee hours worked on site per year} \div 8$$

Where:

- ***x*** = 25; increasing to 50 if the site has a canteen serving hot meals;
- ***y*** should include all personnel who are present on site – whether seasonal staff, hybrid workers, temporary and contract personnel.

Uisce Éireann will gather the required data from companies through site visits and validate it with customers prior to the application of the sanitary wastewater allowance. Uisce Éireann might also periodically review the data as part of normal site visits. Customers can request modifications annually as part of the annual process to classify customers for charging. Customers are informed by Uisce Éireann on the process to request this adjustment in the annual tariff determination letters.

A.3 Support available for customers

The consultation asked for views on how Uisce Éireann could communicate better with its customers to help them understand the new trade effluent charging framework and what updates might be required to the Non-Domestic Customer Handbook and other documents.

A.3.1 Customer communication

CRU Consultation Question

Q12. *Customer communication:* Are there any other specific measures that Uisce Éireann could take in order to better communicate with customers about trade effluent tariffs, customer bills or updated tariff rates?

Summary of responses

Ten respondents provided suggestions for improving Uisce Éireann's communication with customers relating to trade effluent charging. Suggestions included:

- Strengthening the **Water Stewardship Programmes** aimed at supporting customers in water conservation and best practices relating to wastewater and trade effluent, by including ongoing engagement and follow-up courses on up-to-date technologies and initiatives.
- Information provided by Uisce Éireann, such as booklets, information papers and websites, should be **more accessible**.
- **Key Account Managers (KAM)** should be provided for customers to guide them on customer classification, charges, transition arrangements, mitigating bill impacts and best practices. The benefits of KAMs include accurate data validation, reducing the risk of disputes, improving compliance and facilitating informed customer decision-making.
- Improvements to informing customers about the **implementation of trade effluent charging arrangements**:
    - Effective communication on tariff structures and timelines, including worked examples of how bills will be calculated
    - Online tariff calculators
    - Site-specific pre-implementation impact letters with clear comparisons between existing and new charges
    - Information on bills in the absence of transition arrangements to prepare customers for the end of the transition period
    - Webinars and workshops for specific industries and sectors
    - Regular updates during the transition period, including advance notifications of tariff changes and when sampling indicates a change in pollutant levels

- Technical guidance on reducing trade effluent volume and strength and feasible on-site solutions.
- Webpage metrics to determine if further communication and education initiatives are needed.

Respondents also emphasised the importance of early and proactive engagement on the upcoming changes, with clear information provided on customer classification and expected bill increases.

CRU Response:

The CRU welcomes the many suggestions that respondents had on improving communication.

Many of these will be implemented by Uisce Éireann. For example, Uisce Éireann has introduced an online trade effluent tariff calculator[23] and undertaken engagement with business representative groups and other stakeholder groups ahead of the consultation, which will continue in advance of the implementation of trade effluent charging arrangements. Uisce Éireann plans to engage with relevant stakeholder groups at key stages throughout the process, after this Decision Paper is published. Stakeholder communication will also be aligned with Uisce Éireann's regular engagement activities, such as its quarterly National Stakeholder Forum and participation to industry/association committees and events. Uisce Éireann's engagement with stakeholder groups will also continue after the implementation of the trade effluent charging arrangements on 01 October 2026.

Uisce Éireann will publish sectoral guidance documents in the coming months and send tariff update letters directly to all trade effluent customers. The tariff update letters will include information on the trade effluent charging arrangements, including on the Mogden formula, and the upcoming changes, as well as customer-specific information. The latter includes information on customers' classification, assigned Annual Quantity (AQ), average sampling values for the previous 12 months, transition arrangements (including the benefit to the customer) and tariff rates. Customers will also be informed of how their trade effluent bill will change from 01 October 2026. These communications are intended to provide customers clarity on the upcoming changes and their individual circumstances.

Uisce Éireann will also Lauch, and inform trade effluent customers of, a **self-monitoring portal** that will allow trade effluent customers to view sampling and metering data as it is available.

The CRU and Uisce Éireann welcome the reminder that all information provided should be accessible.

The CRU welcomes stakeholder interest and participation in the Water Stewardship Programmes and is supportive of suggestions to strengthen their delivery, which have been passed on to Uisce Éireann.

[23] Uisce Éireann, Trade Effluent Estimator. Available online.

KAM support and site visits by Uisce Éireann

KAM support is available to larger non-domestic customers with annual consumption equal to or greater than 20,000 m3. The KAM team provides dedicated, relationship-based support to eligible non-domestic customers, including relevant trade effluent customers. This includes support in understanding of charges and managing complexity. The KAM also act as a primary point of contact during significant regulatory or billing change for the customer. For example, Uisce Éireann has engaged with customers through their KAMs during the consultation to explain how the trade effluent charging arrangements will apply to them. In order to support customers with more complex trade effluent arrangements, KAMs work in conjunction with specialist Uisce Éireann internal teams, including the Wastewater Source Control and Licensing (WWSCL) team. This enables Uisce Éireann to provide technical support to complex cases, such as relating to multiple water sources or specific sampling requirements.

The WWSCL team also has an important role in engaging with trade effluent customers more widely. Uisce Éireann has planned an annual audit programme, which involves site visits to a range of TE Category 2 and 3 customers, and a Licence Review Programme. As part of these engagements with customers, the WWSCL team can support customers on queries relating to charges, for example on the impact of sampling results on future bills, including site-specific queries. The WWSCL team also engages with trade effluent customers on a regular basis through the sampling programme, which provides opportunities for customers to engage with Uisce Éireann. For this purpose, Uisce Éireann has established on-site contacts for all industrial trade effluent customer sites.

Certain TE Category 1 customers can also expect engagement from Uisce Éireann. Uisce Éireann will carry out a large volume of site visits during 2026 to conduct compliance inspections at licensed Food Service Establishments. The inspectors are trained to support customers on the new trade effluent charging arrangements.

The CRU acknowledges that smaller customers requested to be assigned KAMs. This would be a significant undertaking for Uisce Éireann and the CRU considers it unlikely that many smaller customers would actively take advantage of KAM support. Uisce Éireann's customer contact centre is available to assist all customers.

It should be noted that while Uisce Éireann aims to provide customers with information on best practices relating to water, wastewater and trade effluent, including guidance on how to reduce bills, there are limits to the extent to which Uisce Éireann can provide customer- or site-specific technical guidance. Uisce Éireann cannot be expected to have the technical and engineering understanding of all the different industries it serves that would be required to provide specific solutions.

A.3.2 Non-Domestic Customer Handbook Update

CRU Consultation Question

Q13. *Non-Domestic Customer Handbook Update*: Do you agree with the proposed update to the Non-Domestic Customer Handbook? Please state your reasons why.

Summary of responses

Three respondents commented on the proposed updates to the Non-Domestic Customer Handbook. All three respondents supported the updates.

One of the respondents suggested that the Handbook (CRU/20/117b) should be updated to reflect the following elements:

- The introduction of Trade Effluent (TE) Categories 1–3
- The incorporation of the Mogden formula
- The inclusion of Compliance & Licensing charges
- Updated Tariff Application Rules (TARs)
- Customers' rights to challenge their classifications
- Defined processes for estimating sanitary wastewater volumes

CRU Response:

The CRU agrees with both Uisce Éireann and respondents that updates to the Non-Domestic Customer Handbook are necessary and appropriate. The CRU will review the Non-Domestic Customer handbook alongside Uisce Éireann's proposed updates to its Code of Practice, Water Charges Plan and Terms and Conditions documents to ensure appropriate updates to provide clarity regarding the new Trade Effluent Framework.

In addition, Uisce Éireann will undertake other minor updates to the definitions of water and wastewater services in several documents (Water Charges Plan, Disconnection Policy, Non-Domestic Customer Handbook etc.) to formalise the trade effluent charging framework, to provide greater clarity to customers and to bring the handbook up to date with this decision paper.

These additional updates will help to clarify Trade Effluent charging arrangements as well as Uisce Éireann and Trade Effluent customer responsibilities.

A.4 General Comments Received

As well as responding to the specific questions set out by the CRU in its Proposed Decision Paper, respondents also made general comments relating to Uisce Éireann's proposals. Concern about the affordability of charges, and impacts on the competitiveness of Irish businesses and industries, were raised by most respondents. The following sections summarise the topics and issues put forward in the consultation submissions and the CRU's responses.

Affordability and competitiveness

Affordability of trade effluent charges and/or the potential adverse impacts on competitiveness were raised in 18 submissions, often in the context of wider cost pressures, such as increasing energy prices, the cost of compliance with new legislation and trade tariffs imposed on exports.

The impact of bill increases was considered particularly significant for small businesses, which often operate on narrow margins and have limited ability to absorb increasing utility costs. It was emphasised that even modest increases can damage competitiveness and the ability to invest in the business Some respondents, in contrast, noted the concerns that large, high-volume customers have about bill increases, and the impact on the relative competitiveness of Irish companies compared to other countries.

Certain sectors were highlighted as particularly affected by the introduction of the trade effluent charging framework, including the food and beverage and pharmaceutical industries, and the manufacturing sector.

Many customers pointed out the exact percentage increases they expect to see over the transition period, based on the indicative tariff rates published in the Consultation Paper, and the potential impacts on their businesses.

Respondents argued for affordability and competitiveness to be incorporated in the rules and principles of the Non-Domestic and Trade Effluent Tariff Framework. It was suggested that a comprehensive economic assessment should be done as part of setting tariffs to understand the distribution of costs and wider economic implications of proposals. One respondent called for affordability and competitiveness to be added in the tariff principles, which are set by the CRU to guide Uisce Éireann in setting tariffs, while others argued that tariff setting should incorporate consideration of the cost burden and economic viability of businesses. One respondent argued that the Framework does not sufficiently consider Ireland's international competitiveness and ability to attract international investment. It was also noted that the benchmarking information provided by Uisce Éireann showed that trade effluent charges are above international averages.

A few respondents requested (state-provided) financial support and grants, for example, to finance investment into pre-treatment infrastructure; and claimed that without such support, the implementation of trade effluent tariffs would be unsustainable.

With respect to the support offered by Uisce Éireann for customers, one respondent found it unclear how payments plans would be implemented in practice.

CRU Response:

Concerns about affordability

The CRU is aware of the significant cost pressures that customers are facing from multiple fronts, including from recent developments in global energy and fuel costs.

Given the strength of feedback received, the CRU has taken respondents' concerns about affordability and competitiveness into account in its decision to extent the duration of the transition period to five years and adapt the profile of bill capping. This decision gives trade effluent customers more time to prepare for the expected bill increases and implement measures to mitigate them.

However, the CRU's remit does not allow it to further prioritise affordability and competitiveness over cost-recovery when approving tariffs.

The Non-Domestic Tariff Framework aims to set tariffs that: (1) reflect efficiently incurred costs of providing services to customers, (2) are equitable and do not unduly discriminate between customers, and (3) are clear, transparent and easy to understand for customers. Once costs are allocated to customers and tariffs are set in line with the tariff principles, the CRU then considers the impact of bills on customers. In key junctures, the CRU also considers transition arrangements to ease the introduction of new tariff structures. In following the Framework, the CRU's aim is to set tariffs that are equitable and based on the cost of serving customers.

While the CRU acknowledges that affordability is a concern for some bill-payers, adding affordability to the list of tariff principles could pose a range of regulatory and practical challenges. For example, determining each customer's ability to pay, or impact on economic viability, would be extremely difficult, requiring detailed financial information on each non-domestic customer. What is deemed affordable is subjective and can vary widely between businesses. Without clear and standardised criteria for determining ability to pay, there is a risk of inconsistency and unfairness in how tariffs are applied across different customers and could result in cross-subsidisation between non-domestic customer classes.

Similarly to affordability, evaluating the impact of tariff increases on competitiveness, or any other wider economic or distributional impacts, could be challenging. Competitiveness of a business or an industry is driven by many factors other than water and wastewater bills. It would be difficult for the CRU to objectively evaluate impacts on competitiveness for specific industries.

The CRU is required under current legislation to have regard to the need to ensure, among other considerations, (1) that *"Irish Water operates in a commercially viable manner"* and (2) *"the recovery of costs of water services in accordance with Article 9 of the EU Water Framework Directive"*.[24] The CRU currently does not have a comparable legal obligation in relation to affordability or competitiveness for the customers of non-domestic tariffs. The CRU must ensure that Uisce Éireann sets tariffs that are cost reflective and recover efficiently

[24] Section 39 of "Water Services (No. 2) Act 2013", Electronic Irish Statute Book (eISB). Available online.

incurred costs from non-domestic customers. Wider issues raised relating to industrial strategy are not in the regulatory remit of the CRU.

Available support

The CRU is aware that some customers may find increases in water bills more difficult than others to adjust to. Customers with concerns over their ability to pay should engage with Uisce Éireann and seek help with putting in place a payment plan and/or reducing water consumption. Uisce Éireann must take into account the customer's ability to pay when agreeing on any repayment arrangement, by credit or other method, and confirm with account holders that arrangements are manageable. As requests for payment plans are considered on a case-by-case basis, the CRU cannot provide much detail on the support provided to customers in practice.

For customers who want to discuss their options with Uisce Éireann about payment plans, please see Section 7.8 (Arrears & Arrangements for identifying and dealing with customers in financial difficulty) and 7.9 (Payment plans) in the CRU's Non-Domestic Customer Handbook[25], which set out the minimum required levels of customer service and customer protection measures that Uisce Éireann must provide to its non-domestic customers. Please note that these requirements are also reflected in Section 2.0 Billing Code of Practice of Irish Water Business Customer Codes of Practice.[26]

Concerns about competitiveness

The CRU also acknowledges the concerns that respondents have over competitiveness.

Uisce Éireann considers impacts on competitiveness by undertaking an international price comparison of its water and wastewater tariff rates. The analysis, done using the indicative tariff rates, showed that the indicative tariff rates were not out of line with those in the UK and other international regions, including several European cities. The comparison can be found in Uisce Éireann's October 2025 submission on transition arrangements and TARs.[27]

In addition, the CRU would like to note that the transition arrangements are calibrated to increase tariffs in the first year of the transition by the same percentage as Uisce Éireann's allowed revenues for that year – such as that qualifying customers experience the same absolute increase as they would if already transitioned to cost-reflective bills. The percentage increase in the first year of the transition is also close to the 9.8% increase in tariffs which was recently announced by NI Water for trade effluent customers in Northern Ireland for 2026/27.[28]

In addition, the CRU has also considered the impacts of the trade effluent charging arrangements across trade effluent customers in different industrial and commercial sectors to ensure that no sector is disproportionately affected.

Competitiveness was also considered in the design of the Non-Domestic Tariff Framework. By creating a more transparent, simple and equitable approach to non-domestic water and

[25] Uisce Éireann Non-Domestic Customer Handbook (CRU/2024112)" – 23 September 2024 - available at the following link.
[26] "Uisce Éireann Business Customer Codes of Practice" - available at the following link.
[27] Uisce Éireann (2025), Trade Effluent transition arrangements and tariff application rules proposals, Submission to the Commission for Regulation of Utilities.
[28] NI Water, NI Water announce 2026/27 charges. Available online.

wastewater tariffs, the framework supports businesses, the Irish Economy and inward investment. Mitigating tariff volatility through the transition arrangements will also support businesses by better allowing them to plan ahead and prepare for changes in their bills – supporting the perception that Ireland has a stable and investable regulatory environment.

The Government is also actively engaging in the issue of affordability and competitiveness. It has recently launched the National Energy Affordability Taskforce[29]. The Department of Enterprise, Tourism and Employment has also established the Cost of Business Advisory Forum, a *“group with the aim of reducing the cost of running a business”*[30]

The CRU would also like to note that there are a number of Government support measures available for non-domestic customers to address the cost of operations directly or indirectly. The National Enterprise Hub offers a search engine for a variety of Government supports available to Irish businesses, which include:[31]

• Business Energy Upgrade Grants
• Accelerated Capital Allowance
• Start-Up Capital Incentive
• Capital Funding Support
• Green Capital Grant
• Green Plus

However, the CRU’s remit does not allow it to further prioritise affordability and competitiveness over cost-recovery when approving tariffs.

The Non-Domestic Tariff Framework aims to set tariffs that: (1) reflect efficiently incurred costs of providing services to customers, (2) are equitable and do not unduly discriminate between customers, and (3) are clear, transparent and easy to understand for customers. Once costs are allocated to customers and tariffs are set in line with the tariff principles, the CRU then considers the impact of bills on customers. In key junctures, the CRU also considers transition arrangements to ease the introduction of new tariff structures. In following the Framework, the CRU’s aim is to set tariffs that are equitable and based on the cost of serving customers.

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[29] Department of Climate, Energy and the Environment, “Minister O'Brien launches National Energy Affordability Taskforce”, 19 June 2025. Available online.
[30] Department of Enterprise, Tourism and Employment, “New Group to Drive Down Business Costs”, 11 June 2025. Available online.
[31] National Enterprise Hub, “Supports”, 2024. Available online.

2026 will bring Ireland in line with UK and EU norms for charging cost reflective rates for the treatment of waste water.

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[32] Section 39 of "Water Services (No. 2) Act 2013", Electronic Irish Statute Book (eISB). Available online.
[33] Uisce Éireann Non-Domestic Customer Handbook (CRU/2024112)" – 23 September 2024 - available at the following link.
[34] "Uisce Éireann Business Customer Codes of Practice" - available at the following link.

other international regions, including several European cities. The comparison can be found in Uisce Éireann's October 2025 submission on transition arrangements and TARs.[35]

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In addition, the CRU has also considered the impacts of the trade effluent charging arrangements across trade effluent customers in different industrial and commercial sectors to ensure that no sector is disproportionately affected.

Competitiveness was also considered in the design of the Non-Domestic Tariff Framework. By creating a more transparent, simple and equitable approach to non-domestic water and wastewater tariffs, the framework supports businesses, the Irish Economy and inward investment. Mitigating tariff volatility through the transition arrangements will also support businesses by better allowing them to plan ahead and prepare for changes in their bills – supporting the perception that Ireland has a stable and investable regulatory environment.

The Government is also actively engaging in the issue of affordability and competitiveness. It has recently launched the National Energy Affordability Taskforce.[37] The Department of Enterprise, Tourism and Employment has also established the Cost of Business Advisory Forum, a *"group with the aim of reducing the cost of running a business"*.[38]

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- Start-Up Capital Incentive
- Capital Funding Support
- Green Capital Grant
- Green Plus
- Lean for Global Business Services

[35] Uisce Éireann (2025), Trade Effluent transition arrangements and tariff application rules proposals, Submission to the Commission for Regulation of Utilities.
[36] NI Water, NI Water announce 2026/27 charges. Available online.
[37] Department of Climate, Energy and the Environment, "Minister O'Brien launches National Energy Affordability Taskforce", 19 June 2025. Available online.
[38] Department of Enterprise, Tourism and Employment, "New Group to Drive Down Business Costs", 11 June 2025. Available online.
[39] National Enterprise Hub, "Supports", 2024. Available online.

Contributions by domestic customers and Government

Submissions from five respondents called for greater contributions towards the costs of water and wastewater services from domestic customers and Government.

Two respondents requested greater Government funding towards investment into water and wastewater infrastructure.

Others perceived the share currently contributed by non-domestic customers as disproportionate. One respondent claimed that the entire burden is place on industry, while another respondent argued that the cost burden falls on non-domestic customers because households are not contributing.

One respondent more generally called for a fair allocation of costs across customers.

CRU Response:

Allocation of costs between domestic and non-domestic customers

The CRU would like to emphasise that non-domestic customers do not subsidise domestic customers. This is ensured by the methodology under which tariffs are calculated under the Non-Domestic and Trade Effluent Tariff Framework.

The Framework is based on a cost allocation analysis that allows for evaluating the cost of providing water, wastewater and trade effluent services to both domestic and non-domestic customers. This is done by using data on Uisce Éireann's customer base, including on domestic customers, and a set of cost drivers, i.e., factors that determine the cost of providing services. Cost allocation is designed to fairly attribute the total pot of costs between domestic and non-domestic customer bases, including across each of the non-domestic customer classes (including trade effluent), based on the cost to serve.

As a result of the cost allocation exercise, the majority of wastewater costs are allocated to domestic customers (estimated to be 75% in Uisce Éireann's draft 2026 Cost Allocation Model). While the domestic portion is covered by Government subvention, the non-domestic portion is covered by non-domestic tariffs. Non-domestic tariffs only reflect the costs that non-domestic customers impose on the system and thereby minimise cross-subsidisation across the domestic and non-domestic customer bases.

More information on how the cost allocation works and on the shares of domestic and non-domestic customers can be found in the CRU Decision Paper on the Framework (CRU202460).

Capital investment by Uisce Éireann

With regards to the comments about investment into water and wastewater infrastructure, the CRU welcomes respondents' acknowledgement of the need for investment in water and wastewater infrastructure.

The decision on how much revenue Uisce Éireann is allowed to recover during the RC4 revenue control period will reflect the need for significant investment in water and wastewater infrastructure. The CRU reviews the capital expenditure programme proposed by Uisce

Éireann as part of the RC4 decision. The infrastructure investment Uisce Éireann undertakes and the associated revenue allowances are not in the scope of this consultation. The CRU emphasises that the recovery of this revenue is fairly allocated between domestic and non-domestic customers.

In addition to the tariff revenue from non-domestic customers, Uisce Éireann is funded through subvention from the Exchequer on behalf of domestic customers. Uisce Éireann engages with the relevant Government departments and agencies to obtain Exchequer debt funding facilities to finance capital projects. Commenting on Government funding for water and wastewater infrastructure is not within the regulatory remit of the CRU.

Implementation of the trade effluent charging arrangements

Two respondents requested that implementation of the Trade Effluent charging arrangements be deferred. Rationale for the request included allowing more support to be put in place, for customers to undertake investment into pre-treatment infrastructure, and for achieving a full alignment between all stakeholders, including industry associations and their customers.

CRU Response:

The CRU's Decision on the timing of trade effluent charging framework implementation was made in 2024 (CRU202460). It is not in the scope of the current decision on transition arrangements and TARs.

In 2024, the implementation date was set for 01 October 2026, giving customers a two-year 'grace period' to prepare. In addition, the CRU has taken into account the feedback received from stakeholders in its decision to extend the transition period to five years from the proposed duration of four years. The grace period and transition period should give businesses sufficient time to prepare for the new trade effluent tariffs. The CRU would also like to emphasise the importance of beginning the transition as planned to ensure that all customers are getting closer to their cost-reflective tariffs, rather than further away from them.

Advance notice for current consultation and decision

Three respondents explained that they had only recently been informed of the consultation for the CRU's Proposed Decision and the implementation of the trade effluent charging arrangements, and deemed the lead time for the implementation to be insufficient. One respondent stated that, since they were notified, no further guidance or stakeholder meetings have been offered.

Another respondent noted the importance of providing as much advance notice as possible of the increases in tariff rates when the charging arrangements are implemented on 01 October 2026.

CRU Response:

The CRU considers it unfortunate that some stakeholders were not informed of the decision to implement trade effluent charging arrangements earlier. The CRU provided detailed information on the Trade Effluent Charging Framework more than two years ahead of implementation, in the 2024 decision (CRU202460) – which was itself the result of extensive consultation. This decision included indicative tariff rates so that customers could assess potential impacts to their businesses.

The CRU appreciates the importance of clearly communicating with non-domestic customers about changes to tariff structures and levels. Public consultations are the CRU's primary channel for engaging with non-domestic customers.

In the 2024 decision, the CRU encouraged Uisce Éireann to proactively engage with non-domestic customers during the two-year grace period between decision and implementation to make sure that all customers are aware of the upcoming changes. Uisce Éireann typically engages with industry representative groups and customer associations, which then feed back the information to their client businesses.

The publication of the final tariff rates for 01 October 2026 is expected in -Q3 2026. Uisce Éireann will then write directly to all trade effluent customers to inform them of the tariff rates.

Future updates to the Non-Domestic and Trade Effluent Tariff Framework and tariff levels

Five respondents commented on the approach to consult and implement updates to tariffs or the process used to determine them. Three respondents argued that it was essential that any future changes are subject to formal consultation and signalled well in advance of implementation. Changes subjected to consultation should include amendments to tariff levels, the formulae and variables used to calculate tariffs, revisions to assumed parameter values (e.g., COD and SS parameters in the Mogden formula) and the underlying methodology and principles. The respondents argued that any amendments to Mogden charging should be communicated to customers at least three years in advance to implementation to give sufficient time to assess impacts and plan for any required investment or operational adjustments. The suggestions were considered consistent with the principles of stability, transparency and equity, and to improve predictability of charging arrangements.

In addition, the CRU was recommended to provide long-term tariff trajectories and indicative future ranges and maintain transparent methodologies that allow customers to estimate charges.

CRU Response:

Once the trade effluent charging framework is implemented, Uisce Éireann has committed to taking a standardised process for setting tariffs by updating its cost allocation exercise, ensuring that annual tariff updates accurately reflect up-to-date costs and cost driver data.

It is important that tariffs are based on the latest customer data available to Uisce Éireann to ensure the accuracy of the cost allocation between different customer groups and reduces the mismatch between allowed revenues and revenue recovery. As such, charges are not currently set many years ahead. Similarly, Uisce Éireann needs to have the flexibility to update parameters of the Mogden formula, for example the average strength of effluent, to ensure that trade effluent charging is accurate.

Updating customer, cost driver and parameter data should take place annually. These updates neither lead to changes in the principles or methodology used to set charges nor do they involve decisions requiring judgment or striking a balance between different customer groups. Rather, these types of updates reflect business-as-usual work for Uisce Éireann. An annual update cycle prevents larger, less-frequent jumps being needed to compensate for periods of frozen charges.

The CRU will consult stakeholders on any amendments to the tariff principles and the methodology used to set tariffs, but does not think it proportionate to consult on every and all change which might affect tariffs.

Efficiency of Uisce Éireann's costs

Some stakeholders brought up the importance of Uisce Éireann's expenditure being efficient and providing value for money for non-domestic customers. One of the respondents emphasised the context of Uisce Éireann being a national monopoly in a market that offers no alternatives for customers. The respondent argued that the CRU and Uisce Éireann must therefore evidence efficiency, productivity improvements and international benchmarking of costs and service performance. Another respondent argued that higher charges must be accompanied by clear improvements in capacity, resilience and connection timelines.

CRU Response:

The efficiency of Uisce Éireann's costs is outside the scope of this consultation. Nonetheless, the CRU would like to provide the following information for respondents and other stakeholders.

Uisce Éireann's capital investment and operation cost requirements are set out in its revenue control submission to the CRU, which can be assessed here. It is during the revenue control process that Uisce Éireann's operations are subjected to an efficiency assessment and its Investment Plan is reviewed, consulted on and determined. Through the revenue control process, the CRU drives efficiencies and ensures economic investment in necessary infrastructure while also trying to keep costs as efficient as possible for customers.

In particular, the CRU benchmarks Uisce Éireann's costs against comparator utilities, and challenges Uisce Éireann to be more efficient by setting realistic targets for delivering and improving services to its customers for lower cost over time. If Uisce Éireann fails to achieve the efficiency cost target by the end of the revenue control period, Uisce Éireann is not allowed to recover the inefficient spend from customers in the next period. The tariffs approved by the CRU are based on the efficient cost allowance determined through the revenue control.

The CRU has recently consulted on the Draft Determination on Uisce Éireann's allowed revenues over the 2025-2029 revenue control period (RC4).[40] The CRU's Final Decision on allowed revenues is expected imminently after the publication of this decision paper.

[40] CRU, Revenue Control 4 (RC4). Available online.

The Non-Domestic and Trade Effluent Tariff Framework

Two respondents commented more generally on the tariff structures and the Non-Domestic and Trade Effluent Tariff Framework.

One respondent emphasised the importance of the framework providing incentives for efficiency and rebates or reduced tariffs for certified water stewardship by customers. Arguing that tariff structures should reward investment into water reduction and treatment by businesses, the respondent called for a review of the standing charge and the compliance and licensing charge.

The respondent also expressed concern about the compliance and licensing charge as a state-driven cost to businesses.

In addition, the same respondent, and one other, argued that the Framework should explicitly account for unexpected macroeconomic shocks, inflation surges and major capital-programme deviations, possibly triggering a tariff reopening mechanism in the Framework to protect customers.

CRU Response:

Water conservation

The CRU welcomes interest in water conservation and investment into technology and practices to support this.

The current tariff design promotes water conservation by maintaining a relatively low fixed element (standing charge) across customer classes. This means that volumetric charges make up a larger proportion of bills than the standing charge for most customers. Reducing consumption should, therefore, lead to lower bills, incentivising customers to conserve water.

This is also the case for wastewater and trade effluent discharges. Metered customers are therefore already rewarded for investments in water-saving technology and practices through their bills. In addition, Mogden charging for trade effluent discharge leads to higher charges for more polluting effluent, when the volume discharged is constant. This incentivises customers to reduce the strength of their effluent.

The CRU acknowledges, however, that there are differences to the extent that different non-domestic customers can reduce their usage.

Uisce Éireann provides advice for businesses on how to conserve water.[41,42] This includes advice for smaller companies and sector-specific tips for industries such as hospitality and farming. Uisce Éireann also runs a water stewardship training programme to support businesses that seek to improve their water stewardship practices (including for trade effluent), lower water consumption, reduce operating costs and protect the environment. The programme offers various levels of engagement tailored to different business sizes. More

[41] Uisce Éireann, Water Stewardship Programme for business. Available online.
[42] Uisce Éireann, Business conservation tips. Available online.

information on the programme can be found in Uisce Éireann's website[43] and submission to the CRU[44].

Compliance and licensing charge

The fixed compliance and licensing charge recovers Uisce Éireann's costs related to carrying out audits to determine a trade effluent customer's compliance with its licence or consent. It also includes costs relating to managing and reviewing trade effluent licences. These costs are unavoidable to ensure that the cost of treating trade effluent by Uisce Éireann is fairly recovered from customers who discharge effluent.

Macroeconomic tariff re-opener mechanism

As discussed in the CRU's response on stakeholders' concerns about affordability and competitiveness, the CRU cannot assess the impact of wider economic factors or events on customers' ability to pay their charges. It is neither in the CRU's remit nor could the CRU reasonably be expected to undertake a comprehensive assessment of the impact of wider economic factors or events on customers' ability to pay their bills. Furthermore, a tariff re-opener mechanism would unnecessarily undermine the predictability of the current charge-setting process.

Mogden charging

Some stakeholders commented on the underlying methodology which is used to calculate the trade effluent tariff rates.

One respondent asked that the methodology is reconsidered for customers whose charges are predominantly driven by effluent volume rather than its strength. The respondent explained that it produces high volumes of relatively low strength effluent, and that the trade effluent charges should reflect that.

Two respondents commented on the parameter value for COD used in the Mogden formula by Uisce Éireann (482 mg/L), arguing that it was a material change in regulatory expectation compared to the discharge limit that the customers' current charging arrangements or licence impose. One of the respondents perceived the use of the parameter as a *'move toward domestic-standard targets'*.

CRU Response:

The CRU would like to clarify how Mogden charging for trade effluent Category 2 and 3 customers is designed. Based on the issues described above, some stakeholders have misunderstood aspects of the charging structure.

The Mogden formula, which is used to determine the volumetric tariff rate for Category 2 and 3 customers, takes into account the strength and composition of pollutants and the volume of the effluent. That is, it provides incentives for customers to reduce the volume and pollutant strength of trade effluent, and rewards them for doing so. Under the Mogden charging

[43] Uisce Éireann, Water Stewardship Programme. Available online.
[44] Uisce Éireann's Non-Domestic and Trade Effluent Tariff Framework, CRU Decision Paper (CRU202460).

structure, customers discharging high-strength trade effluent are required to pay higher charges than customers discharging the same volume of lower-strength effluent.

The CRU would like to emphasise that the respondent with relatively low strength effluent will pay less for its trade effluent on a volumetric basis than customers discharging more polluting effluent. If the strength of the effluent discharged by this particular customer is close to standard wastewater, then the trade effluent charge should be driven by volume. However, without exact information on the customer's trade effluent composition, strength and volume, the CRU cannot say for certain which one is driving the charge.

In addition, the Mogden formula was calibrated based on a 'broad equivalence' of charges between trade effluent customers and non-domestic customers discharging standard wastewater. This means that if a trade effluent customer discharges trade effluent that is similar in strength to standard wastewater, the charge applied to the customer through the Mogden formula is similar to the non-domestic wastewater tariff rate. This ensures that a customer with a trade effluent licence is not penalised if they discharge low-strength effluent.

The CRU would like to also clarify that the national average COD value used in the Mogden formula is neither a target nor a limit to the strength of customers' trade effluent. The average COD and SS values are calculated on a three year rolling average and therefore change slightly over time[45]. It is purely a parameter in the Mogden formula that reflects a baseline for COD composition and strength based on the national average. In calculating the Mogden charge for customers, Uisce Éireann will also use the sampled COD and SS values for each customer, in addition to the parameter values. Using both the parameter and sampled values for COD and SS, the formula determines the cost of treating a customer's trade effluent relative to the cost of treating standard wastewater.

Trade effluent licensing, metering and sampling

One respondent emphasised the importance of metering and sampling trade effluent, rather than relying on estimated volumes and pollutant strengths. The respondent recommended that unmetered trade effluent customers should be metered as a priority to ensure equity among trade effluent customer base and align with the polluter pays principle. The respondent recommended that Uisce Éireann set targets on metering and sampling of trade effluent customers and ensure that all new trade effluent customers have a meter and are sampled.

Another respondent raised a concern that not all customers who discharge trade effluent are appropriately licensed to do so, placing customers who are licensed and pay for their effluent at a disadvantage. The respondent called for a review of trade effluent licensing ahead of the implementation of the trade effluent charging arrangements.

CRU Response:

Unmetered trade effluent connections are currently estimated to represent 4% (approximately 234 connections of which about 215 are food service businesses Which Uisce Éireann considers to be low risk and who tend to have consistent discharge volumes) of Uisce Éireann's trade effluent customer base. Some customers cannot be metered for technical,

[45] Refer to CRU's 2024 Decision Paper: Uisce Éireann's Non-Domestic and Trade Effluent Tariff Framework, CRU202460

or other reasons. These customers are charged the unmetered trade effluent tariff rates. It is the CRU's view that Uisce Éireann should put metering in place for unmetered connections, unless it is uneconomic or technically not possible.

Over the past few years, in preparation for the implementation of the trade effluent charging arrangements, Uisce Éireann has been investing in a comprehensive sampling programme. The aim of this programme is to ensure that all trade effluent customers are charged for their effluent discharge on a consistent basis.

As outlined for the decision on determining the Mogden formula in the absence of sampling data for new trade effluent customers (or trade effluent customers moving from Category 1 to Category 2 or 3), Uisce Éireann can only use estimated value for the COD and SS parameters for up to one year, during which sampling is put in place. That is, all new trade effluent customers are incorporated into Uisce Éireann's sampling programme and charged based on the sampled strength of their effluent.

Uisce Éireann has previously informed the CRU that there are customers that discharge trade effluent into the public wastewater systems but do not hold a trade effluent licence. The CRU has outlined its expectation on Uisce Éireann to proactively engage with customers to seek to get them licensed and to ensure that all customers are appropriately charged for the services they receive from Uisce Éireann.

CRU communication with customers

Four respondents provided general suggestions on the CRU's communication with customers, in addition to Uisce Éireann's (as requested by the CRU in consultation question 12).

One respondent said that the CRU must speak directly to non-domestic customers and have a more visible role in communication to strengthen transparency, customer understanding and trust in the regulatory framework. Another respondent echoed this by arguing that the CRU should share responsibility for communicating changes to tariffs.

The accessibility of consultations, in terms of user-friendliness and plain language, was also brought up by the respondents . It was noted that some stakeholders consider communications to be overly technical, insufficiently proactive or delegated to Uisce Éireann.

One respondent also suggested that the proposed decision would benefit from more information on how the cost drivers and cost allocation is determined as well as the capital and operational investments that are funded through tariffs.

The current consultation was also seen to lack information on impacts by band and sector. It was also noted that the tariff calculator was provided by Uisce Éireann during the consultation, leaving insufficient time for customers to estimate their tariff increases before the consultation deadline.

CRU Response:

The CRU fully agrees with the importance of communicating changes to customers clearly when proposals contain technical information.

The CRU's primary channel for communicating with customers is through consultations, during which the CRU also holds meetings with various stakeholder groups. By summarising Uisce Éireann's proposals in the CRU's Proposed Decision Paper, the CRU provides an alternative source for customers, in addition to Uisce Éireann's submission.

The Proposed Decision included indicative tariff rates to allow customers to assess potential bill impacts. Although the CRU can understand why customers wish for more information to be provided on the Non-Domestic and Trade Effluent Tariff Framework, the CRU is of the view that it is unnecessary to repeat detail from previous decisions which are not directly relevant to the proposal in question. Stakeholders can find detailed information on cost drivers and cost allocation in the 2024 decision on the framework.[46] Information on Uisce Éireann's capital investments and operational allowance can be found in the RC4 determination, which was published prior to this decision paper.

As the utility, it is ultimately Uisce Éireann's responsibility to take ownership of the Non-Domestic and Trade Effluent Tariff Framework and ensure that its customers are sufficiently informed. As detailed in Section 4, the CRU is instructing Uisce Éireann to undertake a comprehensive package of communication and support directed towards trade effluent customers ahead of the implementation of the trade effluent charging arrangements and during the transition period.

The CRU has considered sector-specific analysis, including the impact of the trade effluent charging arrangements to customers operating in different sectors, as part of its decision.

With respect to the online tariff calculator, while it was available during the consultation process, its rollout was delayed and it was not available on the date the consultation was published. The CRU considers it unfortunate that Uisce Éireann was not able to provide it to customers earlier, and agrees that it in future such tools should be aligned with the publication of the consultation.

Special considerations in tariff setting

Some respondents requested special treatment in their submissions. For example, the CRU was recommended to introduce a specific exemption or reduced-impact category and an extended transition period for small businesses. One respondent requested additional support for businesses or sectors that play an outsized role in supporting Ireland's economy and regional development.

CRU Response:

To introduce unique tariffs, separate criteria or discounts for specific customers or sectors would undermine the purpose of a single, nationally harmonised tariff framework and contravene the CRU's tariff principles of equity, simplicity, and no undue discrimination.

The CRU would like to note that many small businesses are classified as Category 1 trade effluent customers and are already on the standard non-domestic wastewater rates. These

[46] Commission for Regulation of Utilities, Uisce Éireann's Non-Domestic and Trade Effluent Tariff Framework, CRU Decision Paper (CRU202460).

customers will not see any changes to their other tariff structures than the introduction of the compliance and licensing charge.

WIWO licence

One respondent noted that they had repeatedly applied for a Water-in-Water-Out (WIWO) licence from Uisce Éireann, which was refused on the grounds that the trade effluent charging arrangements are being implemented.

CRU Response:

As part of the 2024 decision on the Non-Domestic and Trade Effluent Tariff Framework, the CRU accepted Uisce Éireann's proposal to not enter into WIWO agreements with trade effluent customers until the trade effluent charging arrangements are implemented on 01 October 2026.[47]

From 1st October 2026, Uisce Éireann will enter into WIWO agreements where appropriate and evidenced with trade effluent customers. The CRU recommends the respondent to be in contact with Uisce Éireann in October 2026.

[47] Commission for Regulation of Utilities, Uisce Éireann's Non-Domestic and Trade Effluent Tariff Framework, CRU Decision Paper (CRU202460).