Cork Chamber
Advancing business together

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RE: CRU consultation on Uisce Éireann's Non-Domestic and Trade Effluent Tariff Framework

To whom it concerns,

Cork Chamber represents 1,200 members together employing 100,000 people throughout the city, metropolitan area and county. Our vision is to be a world-leading Chamber of Commerce, delivering on a progressive economic, social and sustainability agenda at the heart of a vibrant business community. Our direction is guided by our formal pledge to uphold the United Nations Sustainable Development Goals (SDGs), five of which have been identified by the Chambers Ireland network.

It is very positive to see recent significant increases in investment by Uisce Éireann to improve public water and wastewater infrastructure and services. The Cork region is expected to grow significantly in the coming decades with the population forecast to increase by 50-60% by 2040. It is essential that the region has the water infrastructure it needs to cater for the changing landscape of the city, and that momentum is maintained.

While the update to the non-domestic tariffs reflects the significant and necessary increase in investment by Uisce Éireann to improve public water and wastewater infrastructure and services, it is important to note that some non-domestic customers will be more affected by the bill impacts than others. It is essential that measures are put in place to help non-domestic customers adjust to the changes they will see in their bills.

It is very positive to see efforts to create a fair and equitable system for all customers in this framework, as well as a framework that encourages less waste being disposed of through the water treatment system.

Cork Chamber welcomes the opportunity to contribute to this consultation and we ask that the below observations, as informed by our members, are duly considered. We also remain at your disposal to share any additional insights from our member businesses.

Yours Sincerely,

Conor Healy
CEO

IMPLEMENTATION DATE FOR NEW TRADE EFFLUENT CHARGING FRAMEWORK

The proposed Trade Effluent Charging Framework by Uisce Éireann, which is set to be implemented on October 1st, 2026 is a significant step forward in achieving many benefits from a sustainability point of view. However, we also recognise the concerns raised by the CRU regarding the potential benefits of implementing the framework earlier, at the very latest by October 1st, 2025.

In addition to achieving greater cost reflectivity, an earlier implementation of the new framework would allow better alignment with the 'polluter pays principle' requirements set out within the EU Water Framework Directive, which is an essential aspect of sustainable business practices, particularly here in Cork where we are working towards our 2030 climate targets. An earlier implementation would also result in strong incentives to reduce the level of pollutants and volume of trade effluent discharged into the wastewater network, which will not only be of benefit from a sustainability perspective but also from a reputational perspective demonstrating a commitment to sustainability and responsible business practices.

While there will be challenges for Uisce Éireann in implementing the new framework before October 1st, 2026 the benefits of the new Trade Effluent Charging Framework and new trade effluent tariff rates should also be considered as well as the earliest implementation date possible.

CUSTOMER BILL CAPPING ARRANGEMENTS INTO THE FUTURE

The proposed changes to the Customer Bill Capping Arrangements, as outlined by both Uisce Éireann and the CRU, have different benefits. Uisce Éireann's proposal to apply a 15% cap on the maximum annual bill increase for all connections facing an annual bill increase of €250 or more will protect customers from significant bill increases. However, while this will reduce the immediate financial burden on some customers, we acknowledge that this proposal will also result in a larger number of connections receiving capped billing arrangements (approximately 25,900 connections), and therefore undermine the CRU's objective of having an equitable system of charges where all customers are paying the same price for the same service.

The CRU's proposal to end all bill capping arrangements by October 1st, 2026 will ultimately benefit both customers and the broader community however given the challenges many businesses are facing at the moment, particularly those in the hospitality sector, some form of relief or ease of burden must be considered.

Some of our members have indicated that the increased costs of doing business is putting strain on their operations. Therefore, we ask that some form of bill capping be kept in place for customers who are struggling with the increased cost of doing business. One approach could be to maintain bill capping for specific sectors or types of businesses that are particularly vulnerable to increased costs, such as those in the hospitality sector previously mentioned. This would ensure that those who most need it continue to receive support, while also gradually transitioning towards a more equitable system.

It would also be beneficial to end bill capping on a phased transition instead of ending all bill capping arrangements abruptly. An incremental reduction to the percentage of the cap over staggered period of time would allow businesses more time to adjust to the new tariffs.

It would also be beneficial to provide a support and assistance to businesses that will struggle with the new tariffs, this could include financial assistance, grants, or other forms of relief to help businesses manage their expenses. Communication and education would be a key element of this.

REMOVING PERVERSE INCENTIVES INHERENT IN THE TARIFF DESIGN

While it is important to strike a balance between maintaining strong incentives for efficient water use and avoiding large standing charge increases for all customer tariff bands there is a need to ensure that businesses, particularly those who are already struggling with the cost of doing business, are not unduly burdened by significant increases in standing charges.

Working towards the full removal of the perverse incentives that currently exist will benefit the environment and allow businesses to operate in a more sustainable manner in terms of water management. However, given the current climate for some businesses as previously outlined in this submission it is important to avoid large standing charge increases for all customer tariff bands. Uisce Éireann has not fully removed the perverse incentives within its proposals and outlines that "completely removing the perverse incentives would result in large standing charge increases (which would increase by an additional 25% to 125% for most water bands compared to Uisce Éireann's proposed tariff rates) for all customer tariff bands, which has the negative consequence of dampening the incentive to conserve water for all customers within each band." We therefore believe that instead of removing the perverse incentive entirely it is important to reach a balance that will benefit both businesses and the environment.

EXISTING 'SPECIFIC' TRADE EFFLUENT CHARGE LEVELS AND THE CASE FOR AN INFLATIONARY ADJUSTMENT

The current situation, where 245 trade effluent connections continue to pay specific trade effluent tariffs set by Local Authorities and Town Councils, while others are charged under the Non-Domestic Tariff Framework, creates a disparity that needs to be addressed. The CRU's proposal to apply an inflationary adjustment to these specific trade effluent charges, which have remained unchanged for at least 10 years, will address the issue but will also put additional pressure on Uisce Éireann who say this is not feasible by October of this year.

In light of this, we support the suggestion to extend the time frame on implementing these adjustments.

DEPARTURE FROM A NATIONAL CHARGING APPROACH – APPLICATION OF A 'TREATMENT PLANT' ADJUSTMENT TO THE ALLOCATION OF TREATMENT COSTS TO TRADE EFFLUENT INDUSTRIAL CONNECTIONS

Uisce Éireann is proposing this adjustment as it would reflect the estimated lower operating and capital costs of the specific wastewater treatment plants receiving trade effluent discharges from industrial trade effluent connections, when compared to the national average operating and capital costs of all of Uisce Éireann's wastewater treatment plants.

According to the CRU this adjustment diverges from the national charging approach that underpins the Framework, where tariffs are set to reflect the national average costs of providing water or wastewater services to customers, not the costs of the specific assets which customers use locally.

Therefore, if implemented we would recommend that the 'treatment plant' adjustment be subject to further consultation with stakeholders after a testing period. While it may result in potential cost savings for some customers to reflect the lower operating and capital costs of specific wastewater treatment plants, other customers might not benefit in this manner.