

Ronan Larkin  
Director of Finance and Regulation  
Northern Ireland Water  
Westland House  
40 Old Westland Road  
Belfast BT14 6TE

27<sup>th</sup> February 2023

Ref: NET/W/TH/638

Dear Ronan,

**The Water and Sewerage Services (Northern Ireland) Order 2006 Article 201 (7)  
NI Water Scheme of Charges 2023-24 – Regulatory Approval**

Further to receipt of NI Water's revised Scheme of Charges proposal for 2023-24 received on 22nd February 2023, we confirm the Utility Regulator approval, under Article 201(7) of NI Water and Sewerage Services Order 2006.

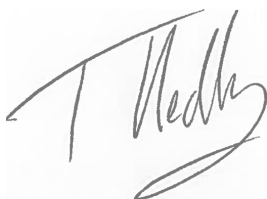
The Utility Regulator approves charges included within price limits (Condition B of the licence and infrastructure charges, Condition C of the licence) and note these have been included in the overall NI Water Scheme of Charges document. A number of other charges such as connections are also included within the document. These charges are not subject to approval under the Order, but can be determinable on a case by case basis.

The Utility Regulator also monitors tariffs in accordance with Condition E of the licence to ensure there is no undue discrimination and undue preference in charging. To date a practical approach has been applied to differentials to avoid large shifts in tariffs or bills and is an area we should continue to discuss during the PC21 period.

The Utility Regulator notes NI Water's decision to increase non-domestic and notional domestic tariffs by the maximum amount allowable under Condition B of the licence, resulting in a weighted average increase to non-domestic tariffs of 13.4%. NI Water have stated that an increase in power and opex costs has placed significant pressure on the public expenditure budget, allowing them no option but to fully utilise the price limit allowance in the forthcoming charging year.

Should you have any specific queries in relation to our approval as outlined in this letter or any associated issues, please do not hesitate to contact me.

Yours sincerely,



Tanya Hedley  
Director of Networks

Cc Sara Venning (NI Water), Alison Clydesdale (DFI), Graham Smith (CCNI)