

## **Water and Sewerage Revenue and Charges Price Control 2010 – 2013**

### **Draft Determination – Stakeholder Information Events 2009**

#### **Background Note**

In April 2007, under the Water and Sewerage Service (NI) Order 2006 NI Water was established as a Government Owned Company and the Utility Regulator established to provide economic and consumer regulation to NI Water as a monopoly supplier.

The primary duties of the Utility Regulator as outlined in the Order are to:-

- protect consumers interests;
- ensure NI Water carries out its functions properly; and,
- ensure NI Water is able to finance its functions.

Our price control process determines the company's revenue requirements and sets price limits for charged consumers for the period in question.

#### **Strategic Business Plan 2007-2010**

For the three year period 2007-2010, NI Water was funded to deliver the outputs within the revenue set in its Strategic Business Plan dated May 2007. This Strategic Business Plan was developed and agreed between the Department for Regional Development and the then Water Service, with the involvement of the quality regulators and the Department of Finance and Personnel. The Consumer Council and the then Northern Ireland Authority for Energy Regulation were less involved. In particular, the Utility Regulator did not have any statutory authority prior to April 2007.

#### **Price Control 2010 -2013**

NI Water has, and will continue to be, obliged to present such information to the Utility Regulator as may be reasonably required to determine the adjustment or 'K' factor for charging for all years subsequent to 1<sup>st</sup> April 2010. The Price Control 2010-2013, referred to as PC10 has determined the adjustment or 'K' factor for the three years in question and in doing so has determined NI Water's overall required revenue for the same period.

#### **Price Control Information Event**

The purpose of the Information Event is to brief you on the process and outline the roles of the various statutory bodies, informing you of their contribution to the process. We

will also outline the outcome of our draft determination both in terms of outputs & efficiencies to be delivered over the period and their cost. The Information Event provides you with the opportunity to ask questions and enhance your understanding of the process.

### **Your views**

The Consumer Council's 'Tapping into Consumer's Views' document together with the DRD Minister's Social and Environmental Guidance and consultation responses have already helped guide this draft determination. However, we want to continue to listen to your views which we will consider prior to our final determination in December 2009.

***A copy of our PC10 Draft Determination Summary Document will be issued to attendees on the day but can also be accessed on our website from the 18<sup>th</sup> September. Subsequent representations should be made no later than the 6 November 2009 using the contact details as specified in the document.***