

Northern Ireland Water
Finance and Regulation Directorate
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Belfast
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Elena Ardines
Strategy Branch
The Utility Regulator
Queens House
14 Queen Street
Belfast
BT1 6ED

20 January 2012

Dear Elena,

Draft Forward Work Plan 2012/13 Consultation

Thank you for providing us with the opportunity to comment on the Utility Regulator's draft Forward Work Plan for 2012/13.

The dual status of NI Water as both a Government owned company and a Non Departmental Public Body continues to place the organisation in a unique position. We are pleased to note that the Utility Regulator has recognised this in its draft Forward Work Plan.

We welcome the indication that work will be undertaken to assess the implications of the various reviews of water regulatory regimes elsewhere and look forward to discussing how the changing nature of water regulation elsewhere might be adapted to suit local circumstances.

We look forward to engaging with the Utility Regulator and other stakeholders in developing the PC15 project which is to be initiated during the year. We would wish to discuss with the Utility Regulator, DRD and other stakeholders the purpose and scope of a Strategic Direction Statement within the current governance structures and in the context of the Regional Water Strategy proposed by DRD.

Finally, with regard to the table on page 14 showing forecast budgets, it would be helpful if an estimate of the recharge of Corporate and CEO costs across each utility sector could be presented so we can quantify the cost of water regulation to NI Water customers.

I trust that you find these comments helpful.

Yours sincerely,

A handwritten signature in purple ink, appearing to read "Caroline McGale".

Caroline McGale
Acting Head of Regulation and Business Performance

cc: Ronan Larkin (NI Water)

Garth Stewart (NI Water)