

21ST February 2003

Circular No. L3/03 (WSP)

To each local authority

**Re. Water Services Pricing Policy Implementation
Non-Domestic Metering - Notes for Guidance (Issue 2)**

A Chara,

I refer again to the Governments Water Pricing Framework and the requirements for the universal metering of non-domestic water services customers by 2006.

1. Notes for Guidance - Issue 2

Attached to this circular you will find the second issue of the "Notes for Guidance". The new guidance, which supersedes the July 2002 notes, has been substantially updated and augmented. You are asked to consider and review the enclosed metering guidance notes. It should be noted that the enclosed "Notes for Guidance" replace those forwarded with circular L10/2002(WSP) in July 2002 and that this earlier instalment is redundant.

2. Maximising the Use of the Guidance Notes

In implementing metering policy authorities should review the need to engage consultant engineers and consider the extent of their involvement in developing and implementing national metering policy. In all instances authorities should ensure that the use of the Notes for Guidance and the other ancillary information is maximised.

3. Implementation of Non-Domestic Metering Policy

Circular L10/2002 (WSP) dated July 2002 requested the submission of report on metering policy and implementation under a series of headings including -

Current meter reading operation
An assessment of non-domestic meter stock

The non-domestic customer base
An outline of the non-domestic metering programme
Meters currently installed and to be installed annually to 2006
Linking with an adjacent authority or authorities.

Returns have been received from most but not all authorities and while the quality of information provided varies, overall the returns give a positive overview of progress to date and indicate that the 2006 universal metering requirement will be achieved.

The information received is summarised as follows:

- ❑ Over 45% of authorities (that replied) generally read their non-domestic meters quarterly, 15% three times each year and 40% twice each year.
- ❑ 55% of authorities have examined [to varying extents] their existing metering stock.
- ❑ 70% of authorities have or are committed to reviewing their water services non-domestic customer base. It is notable that the data from this survey which is not final, indicate a 23% increase in the non-domestic customer base when compared to the 2001 Management Information Questionnaire data.
- ❑ 35% of the authorities (that replied) intend to take the DBO/PPP procurement route, while 30% will advance metering through traditional procurement arrangements. The remaining 35% of authorities have not made a decision in this regard.
- ❑ All authorities confirmed that they will achieve the universal metering requirement in the period to 2006. Indicative data for completion of non-domestic metering is as follows -

2003	7%
2004	31%
2005	34%
2006	28%

- ❑ Over 50% of authorities have already or are committed to examining the viability of linking their water services non-domestic metering contract with an adjacent authority or authorities.

4. Further Guidance

As you know the Sligo Pilot Metering Project is currently going through the tender process. It is expected, in this regard, that a service provider will be appointed in the second quarter of 2003. On the completion of this process a further "Note for Guidance" will be circulated to provide comparative

information on metering including unit costs, reinstatement and the operational elements of the project.

The "Notes for Guidance" will be continuously updated over the pilot project period. It is intended in this regard, that a third instalment of guidance will be circulated later this year with additional guidance to issue over the project implementation phase.

5. Reminder - Management Information Questionnaire (MIQ)

Authorities that have not returned the 2002 MIQ are asked to do so immediately (Circular L17/2002 dated December 2002 refers)

Mise le meas,

Liam Gleeson
Water Services Policy Unit.

T0 - Each County and City Manager, Director of Services (Water Services) and Town Clerk
Copy to - GCCC, AMAI, CCMA, Ombudsman's Office and Regional Authorities.