

Northern Ireland Water

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1 July 2026

Peter McCallion
Clerk to the Committee for the Economy
Northern Ireland Assembly
Room 349
Parliament Buildings
Ballymiscaw
Stormont
Belfast
BT4 3XX

Dear Mr McCallion,

Re: Utility Regulator (Support for Decarbonisation Preparation) Bill: Written Evidence from Northern Ireland Water Limited

Northern Ireland Water Limited ("NI Water") welcomes the opportunity to provide written evidence to the Committee for the Economy on the Utility Regulator (Support for Decarbonisation Preparation) Bill ("the Bill").

NI Water has a distinctive perspective on this Bill, holding three interlocking positions in the Northern Ireland energy landscape:

- As Northern Ireland's sole provider of water and wastewater services, NI Water is the single largest electricity consumer in Northern Ireland, accounting for over 3% of total demand and approximately 10% of the entire NI industrial sector;
- a Government-owned company regulated by the Northern Ireland Authority for Utility Regulation ("the Utility Regulator") for its water and sewerage functions; and
- a Non-Departmental Public Body with its own statutory obligations and exposure under the Climate Change Act (Northern Ireland) 2022 ("CCA NI") and under Price Control 2028 ("PC28"). The Department of Infrastructure is the Sponsor body of NI Water and its sole shareholder.



NI Water has long highlighted our ability to help create an affordable, low carbon economy for Northern Ireland as set out in our report “The Power of Water” (NI Water, November 2021) and our Climate Change Strategy (NI Water, 2023), illustrating how water and wastewater services are simultaneously a major source of energy demand, a potential source of renewable generation and flexibility, and a sector with its own decarbonisation obligations under the Climate Change Act.

NI Water supports the Utility Regulator (Support for Decarbonisation Preparation) Bill. The Bill addresses a real and identified gap in the Utility Regulator’s (UR) authority and will enable a more effective collaborative working relationship between the UR and the Department for the Economy on decarbonisation policy.

NI Water would identify three areas that the Committee may wish to give further consideration:

(a) Clause 1(1): Power to Provide Advice, Information or Assistance

NI Water welcomes the power conferred by Clause 1(1). The Utility Regulator’s expertise and its position as the economic regulator for electricity and gas mean that its input is essential to the development of evidence-based decarbonisation policy under the Climate Change Act.

Strong guidance and direction are required to achieve the pace and scale of decarbonisation set out within the Climate Change Act. The Bill, or a clearly committed follow-on Bill, should give the UR the authority to enable decarbonisation-related activity determinations that support funding.

(b) Clause 1(2): Qualified Duty to Comply with Reasonable Requests

While NI Water recognises the need to qualify the clause, this could be further enhanced through the introduction of a transparency mechanism in relation to the operation of the clause.

(c) Clause 1(3): Interpretation

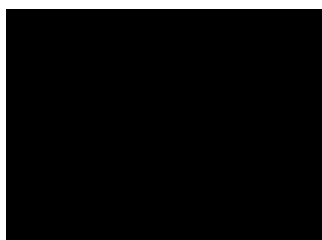
NI Water welcomes the breadth of the definition of “the energy sector” in Clause 1(3), in particular the inclusion of the consumption of energy alongside its production and supply. This breadth is important: the decarbonisation challenge cannot be addressed purely on the supply side, and the role of major consumers (including the water sector) in demand-side flexibility, demand reduction, and on-site generation is increasingly central. Consequently, NI Water would highlight the importance of transparent engagement with major consumers and cross-sectoral, cross-departmental interfaces when the UR seeks to provide advice to the Department.



In relation to cost recovery, which is proposed through licence holder fees, NI Water would highlight the importance transparency, efficiency and ensuring that administrative complexities are minimised.

We thank the Committee for the opportunity to contribute to its scrutiny of the Bill and NI Water remains available to provide any further information that may assist.

Yours sincerely,



Chief Executive Officer
Northern Ireland Water Limited

