

17th February 2002

Circular L2/03 (WSP)

To each local authority

Water Services Pricing Policy Workshops on Quantifying Marginal Capital Costs

Introduction

Water Services pricing policy has been rolled out incrementally in the period since March 2000. The policy as agreed by Government requires *inter alia* the recovery of the marginal capital costs of the water services provision from the non-domestic sector. Marginal capital costs is broadly defined as the additional cost incurred by the authority in the provision of the facility, over and above the cost that would have incurred if it had to service the domestic sector only.

An information sheet on "mechanisms for charging non-domestic water services customers and assessing marginal capital costs" was widely circulated in March 2002. In response to this guidance and an increased demand by local authorities for worked examples and interpretations the Department of the Environment and Local Government in association with the Water Services National Training Group (WSNTG) intend holding a series of Workshops on this issue.

A copy of the Agenda (draft) for the workshops is attached for your information.

Timing and Location

Workshops are being organised at four of the WSNTG centres as follows -

Castlebar, Co. Mayo	- Tuesday, 11 th March
Ballincollig, Co. Cork	- Monday, 24 th March
Dublin	- Monday, 31 st March
Roscrea Co. Tipperary	- Thursday, 10 th April

Invitations seeking the nomination of relevant technical staff and the notification of consulting engineers involved in this area and detailed information of arrangements will be issued through the WSNTG Regional Centres in the coming weeks.

Attendance

The target group for the Workshops is local authority personnel involved in determining marginal capital costs and their consulting engineers. You are asked to arrange for the attendance of the relevant technical staff (and as necessary administrative staff including Finance Officers) along with the consulting engineers who are already or will be involved in this area of water services pricing policy implementation. This circular has also issued directly to consulting engineers via the Association of Consulting Engineers in Ireland.

Information Pack

An information pack will be issued to nominated staff in advance of the workshops.

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, Ombudsman's Office NFGWS and ACEI.

DRAFT AGENDA

Department of the Environment and Local Government Water Services Pricing Policy Workshops

on

Quantifying Marginal Capital Costs

AGENDA

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| 9.30am | Registration |
| 9.45am | Welcome and Introductions
<i>(Water Services Policy Unit, DELG)</i> |
| 10.15am | Presentation
- Quantifying Marginal Capital Costs -
<i>(Water Services Inspectorate/DELG)</i> |
| 11.30am | Tea,Coffee |
| 11.45am | Discussion |
| 1.30pm | Conclusion/Lunch |