

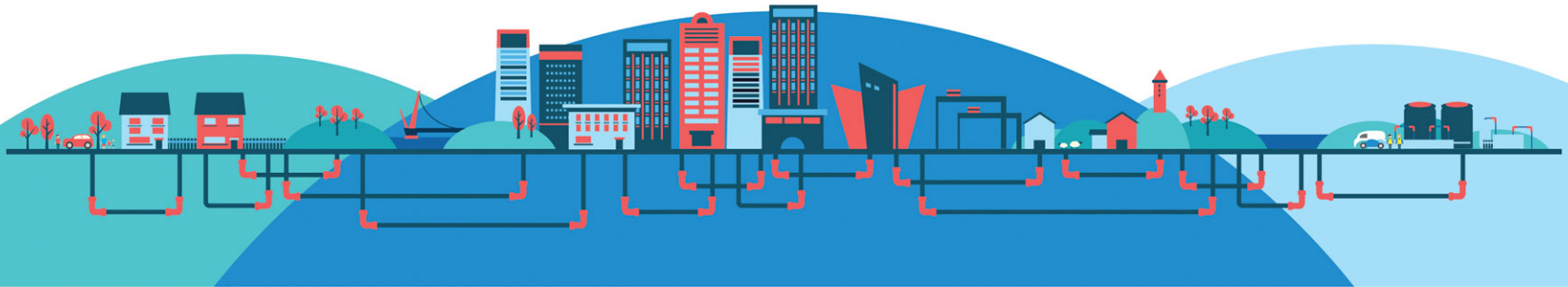
Mid Ulster District Council Meeting

Overview of Planned Infrastructure Investment during Price Control 21 (2021/22 to 2026/27).

24th March 2022

Dr Stephen Blockwell - Head of Investment Management, Asset Delivery Directorate

Grahame Millar - Head of Living with Water Programme Infrastructure, Asset Delivery Directorate



Mid Ulster District Council area

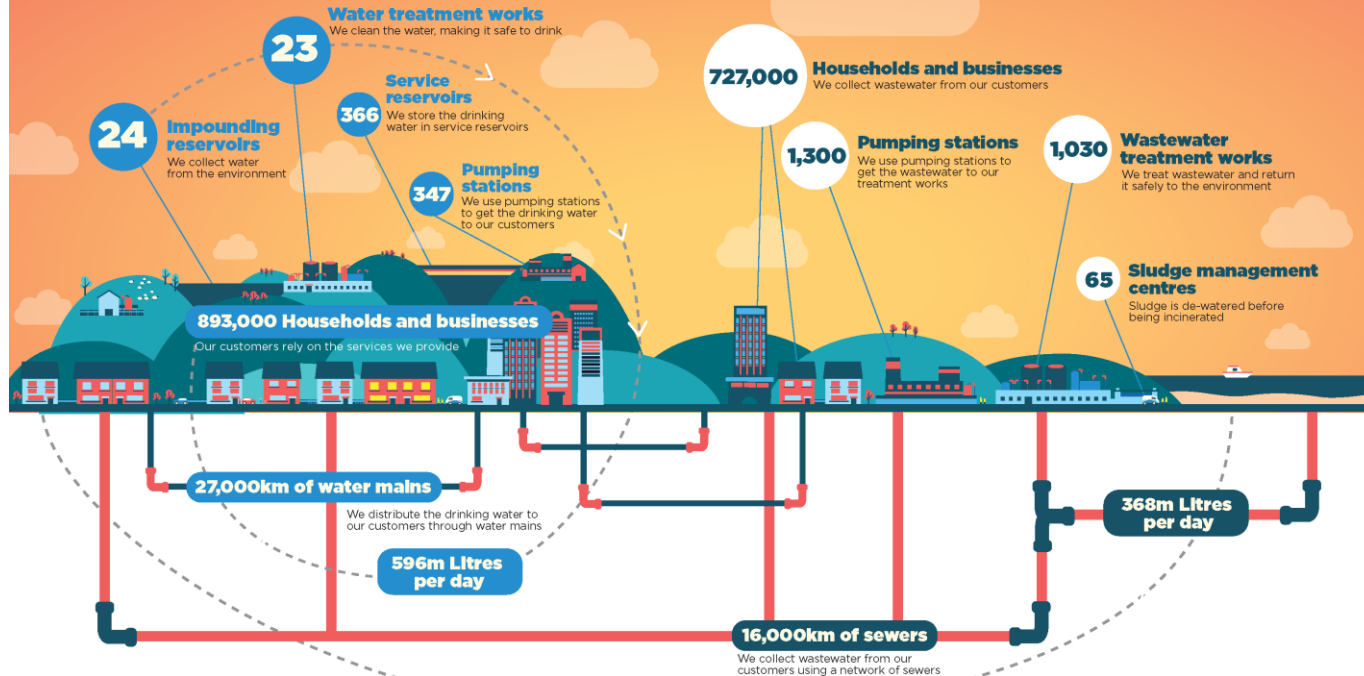


NI Water: Vital Infrastructure

About NI Water

It costs around €680m each year to deliver water services in Northern Ireland. Thousands of assets at a value of around €3bn, are operated and maintained to provide these services. This includes over

40,000km of water mains and sewers - one and a half times longer than Northern Ireland's entire road network and long enough to circle planet earth.

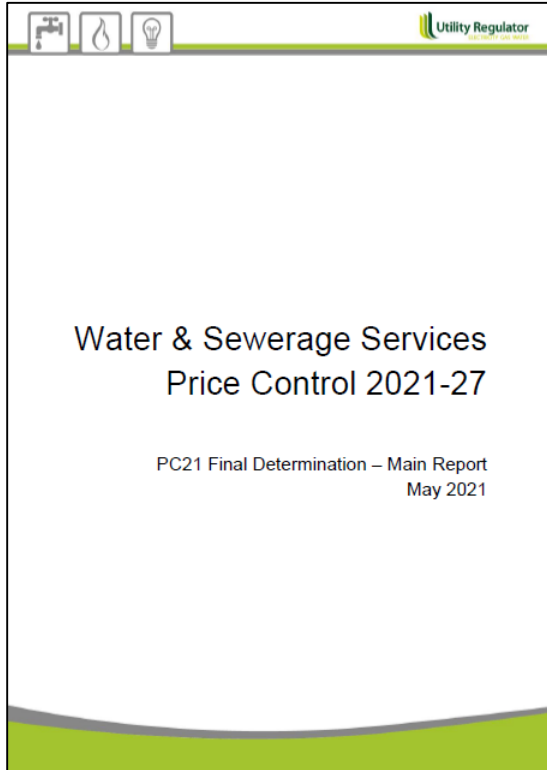


NI Water – Essential Workers

- NI Water frontline workers and contractors continued to work across Northern Ireland 24/7, throughout the COVID-19 crisis to maintain essential services.
- Every day, NI Water's key workers continued to supply clean, high quality drinking water;
- Our wastewater teams collected and treated waste.
- Water for handwashing was critical to killing the virus and was a leading weapon in the battle against Covid-19.
- We followed Government health advice to ensure customers and staff stayed safe.
- NI Water implemented extensive safety processes so we could continue to deliver key water and wastewater services to you.



PC21 Final Determination



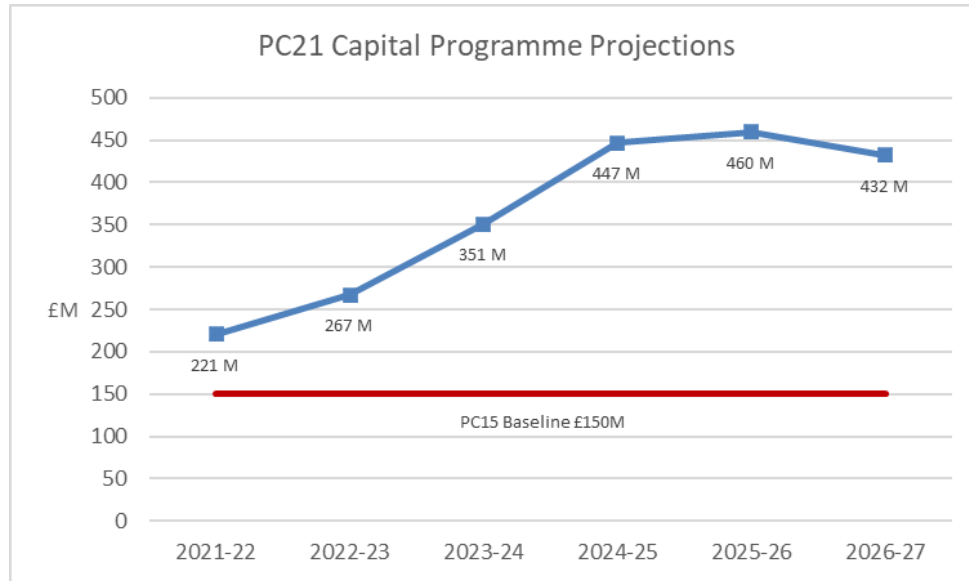
- PC21 FD published on 13th May 2021
- Company Acceptance 6th July 2021
- **Focus moving immediately to funding the FD**

Final Determination Highlights

- NI Water Efficiency Journey Recognised
 - Challenged to reduce annual operating costs by £15.4M
 - **Overall Opex £1.3bn**
- Enhanced Capital Investment Need Recognised
 - Delivering £117M of capital efficiency
 - **Overall Capex £2.2bn**

Capital Expenditure – PC15 vs PC21

Our PC21 Business Plan requires an investment of £2.178bn.
In year 1 (2021-22) the projected CAPEX is £220M and peaks at £460M in year 5 (2025-26);
Compared to a baseline of ca£150M during PC15.



- Our PC21 Capital Plan requires approx. £2.2bn of critical capital investment over the 6 year period.
- This £2.2bn of capital investment is split between the following service areas:
 - Sewerage Provision - £1,062M
 - Planned & Reactive Maintenance - £440M
 - Water Provision - £168M
 - Capital Programme Running Cost - £321M
 - Planning for the future & M&G - £187M
- A large proportion of this investment, £557M, is to fund the Living with Water Programme (LWWP).

Key Challenges for NI Water



Energy Market Volatility



Development Constraints



Continued funding through PC21



Climate Change Emergency

Mid Ulster District Council's LDP Ambitions for 2030



Vision:

“The Local Development Plan vision for Mid Ulster is to make it a desirable place in which to live, work, invest and visit. The Local Development Plan is the spatial representation of the Community Plan.

In effect this means focusing major growth in our three main towns of Cookstown, Dungannon and Magherafelt which are the hubs for the District both in acting as a key service centres, being the focus of both public and private transportation. They also act as the key service centres providing shops, key administrative and employment services.”

Social Development Objectives, Accommodating People and Facilitating Communities

- Economic growth will be supported by and will assist in supporting residential growth. Mid Ulster will require 11,000 new homes by 2030.

Economic Development, Objectives Creating Jobs and Promoting Prosperity

- To facilitate the creation of at least 8,500 new jobs by 2030 at a variety of locations where they are accessible to all members of the community, including those without a private car.

LOCAL DEVELOPMENT PLAN 2030
– DRAFT PLAN STRATEGY

FEBRUARY 2019



Comhairle Ceantair
Lár Uladh
Mid Ulster
District Council

Lough Fea Clear Water Basin was completed in Mid Ulster during PC15



- £5m investment
- Replaced existing CWB with a new 12 ML Clear Water Basin on land adjacent to the existing site
- Providing security of supply to the water distribution network



PC21 Investment in Water Services

PC21 Capital Investment in Mid Ulster District Council

Project Name	PC21 £m Estimated Cost
Lough Fea Treatability Improvements	0.619
Central Water Resource Zone Resilience and Supply	1.736
Service Reservoir Bypass - Ballybriest Service Reservoir	0.094
Trunkmain - Moyola to Mullaghboy	1.308
	3.757

PC21 Investment in Wastewater Services

Project Name	PC21 £m Estimated Cost
Magherafelt DAP - Hospital Road East WwPS (ballyheafer)	0.128
Magherafelt DAP Mill View PS	0.194
Maghera DA UID-Largantogher Park CSO	0.940
Dungannon DA - Woodlawn Park CSO	1.065
Cookstown DA - Loran Way CSO	2.070
Cookstown DA - Orritor Road CSO	2.068
Cookstown DA - Unipork Molesworth Street CSO	2.083
Cookstown DA - Castle Road CSO	2.070
Cookstown DA - Burn Bank CSO	2.079
Cookstown DA - Blackhill CSO	2.069
Cookstown DA - Coolreaghs Road CSO	2.069
Cookstown DA - Derryloran Industrial Estate One WwPS	0.356
Dungannon DAP - Coolhill North WwPS	10.422
Bellaghy DA Ballyscullion Road WwPS	1.318
Moy WwTW	5.396
Dungannon WwTW	27.513
Killygonlan WwTW	3.572
Pomeroy WwTW	2.146
Ballygawley WwTW	2.285
Derrycrin WwTW	1.903
Ballyronan WwTW	2.553
Stewartstown WwTW	3.191
Clogher WWTW	0.913
Cabragh WwTW	1.612
Bellaghy WwTW	3.279

83.293

**Overall PC21 investment in Mid Ulster ca£87m
(subject to adequate funding of NI Water)**

KEY:

- DA= Drainage Area
- CSO = Combined Sewer Overflow
- UID = Unsatisfactory Intermittent Discharge
- PS = Pumping Station
- WwPS = Wastewater Pumping Station
- WwTW = Wastewater Treatment Works



Dungannon Wastewater Treatment Works: Significant PC15 & planned PC21 Investment



PC15 Investment ca: £11.3m

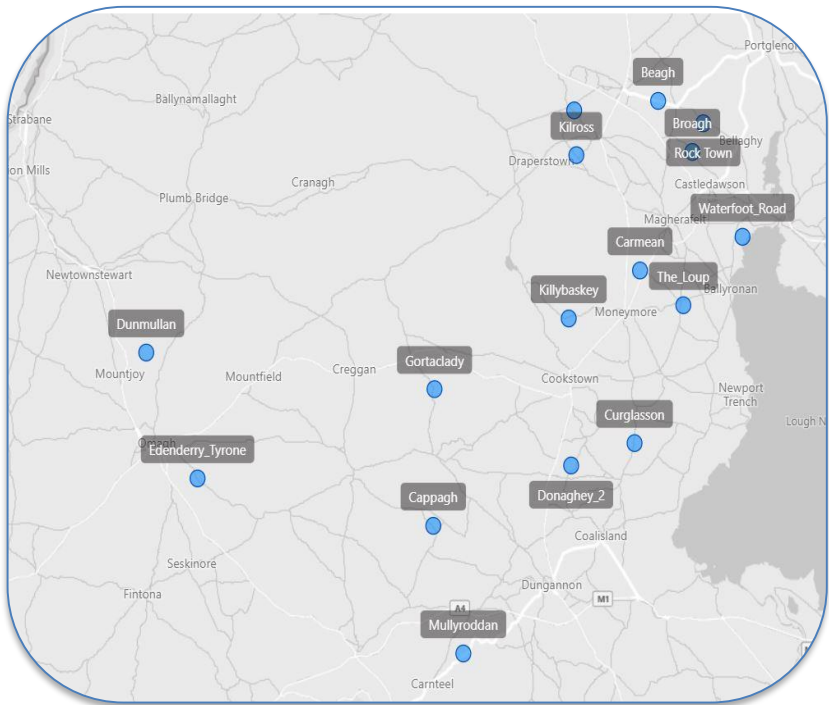
Interim works:

- Installation of Nereda treatment process
- Required to assist with compliance with NIEA consent standard

PC21 proposed £27.5m Investment

- Sludge Treatment facility
- Optimise existing treatment process to provide additional capacity
- Further targeted upgrades of remaining assets

Rural Wastewater Improvement Programme - Mid Ulster PC15



14 Rural WwTW completed during PC15 (2015/16 – 2020/21)

5 Rural WwTW identified for investment during PC21 (2021/22 – 2026/27)

***Subject to the availability of funding**

Development constraints and the way forward

- Historic underinvestment in Wastewater Systems has resulted in Economic Constraints.
- Sustained investment will be needed for 15 – 20 years.
- Committed to maximising the infrastructure we have:
 - Early engagement via Pre-Development Enquiries is essential
 - Robust planning responses, with conditions are necessary
 - Use of Developer led and financed solutions, noting budgetary implications.
- NI Executive sets NI Water's level of investment.



What is NI Water doing to address the Economic Constraints Problem?

- **Two level approach:**
 - **Strategic level** - we have sought significant funding to update our networks & treatment works over the next 6 years.
 - **Tactical level** - we are looking to design and construct, Developer led and financed solutions, on a bespoke site by site basis.
- **A Development Constraints Project Team has been put in place which will provide:**
 - Additional resource
 - New processes and procedures
 - New responses to planning requests
 - Direct engagement with Developers/Agents/Designers
 - **Solutions Engineering Team**
 - A new Developer Services website with refreshed branding and a more intuitive site/ page design, plus an information leaflet on NI Water capacity solutions will be launched during March 2022.
- Key action for NI Water is to ensure **early** two way **dialog and engagement** continues with all significant parties.

Launch of new Developer Services Website

Services for developers and housebuilders

Whether you're planning a small extension to your property or a large scale development we're here to help.

Homeowners Single Unit Developments Multi-Unit Developments & Commercial Self Service Contacts & Escalation News
Search

Developer Services are responsible for the provision of services associated with all aspects of development and housebuilding including first time service appraisal, diversions of watermains and sewers, watermains in new development, adoption of sewerage systems in new developments and dealing with watermain and sewer requisitions.



Homeowners
Guidance for connecting to mains water supply, replacing lead water



Single Unit Developments (Domestic)
Guidance for self-build or single unit development project

<https://www.niwater.com/services-for-developers/>

NI Water Campaigns and Education Provision

- Customer care register and Text alert service

- Sign up at <https://www.niwater.com/customer-care-register/>



- Bag it and bin it




- Water efficiency

- Refillution



- The Education team have visited 46 schools in the Mid Ulster District Council area over the last year, delivering 29 Waterbutts along with messages on Refillution, Winter, Bag it & Bin it and Water Efficiency.

Summary

- The Utility Regulator's PC21 Final Determination was £2.2Bn with a significant efficiency challenge
 - NI Water is ready to provide major infrastructure upgrades to enable future economic growth as well as engaging with developers on engineering solutions to address constraints in the short term
 - Without sustained, adequate investment our society will have to choose between environmental protection and economic development
 - NI Executive sets NI Water's level of investment
 - We have a plan in place and the necessary skills, but NI Water needs to be adequately funded by the NI Executive.
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How To Reach Us

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 - **Email : waterline@niwater.com**
 - **Website: www.niwater.com**
 - **Twitter: @niwnews**
 - **Facebook: www.facebook.com/niwater**
 - **24/7 Waterline for public: 03457 440088.**
 - **#deliveringwhatmatters**
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