

Uisce Éireann (previously Irish Water)

Leakage Reduction Programme

First Fix Leak Repair Scheme

H2 2021 Draft Report to the CRU



1. Introduction to the Leakage Reduction Programme¹

Water is one of our most valuable resources. Clean potable water is expensive to produce and distribute and one of Uisce Éireann's (UÉ) key priorities is to reduce the level of water wasted through leakage.

To enable robust, consistent reporting on Leakage, UÉ has implemented a new National Leakage Management System (LMS). The LMS provides UÉ with accurate and timely leakage information required to target and prioritise leakage reduction, along with the ability to report on the effectiveness of leakage reduction activities. Prior to the LMS being available, UÉ provided the CRU with a figure for unaccounted for water (UFW). As part of the Performance Assessment (PA) Framework², UÉ has transitioned from reporting UFW to reporting Net Leakage.

The PA 2021 annual data report reports net public side leakage. UÉ produces approximately 1.7 billion litres of treated water every day. In 2021, some 619 million litres per day were utilised by domestic households, 378 million litres per day were utilised by non-domestic customers with approximately 637 million litres per day reported as net public side leakage. The equivalent figure for 2020 was 678 million litres per day, indicating an annual saving of 41 million litres per day. The CRU considers UÉ is currently on track to meeting the public side leakage reduction target of 161 MI/d by the end of Revenue Control (RC) 3 (2020 to 2024)³.

As part of the 2020 PA Framework Decision, the CRU has also requested UÉ to provide an annual net leakage savings figure for customer supply pipe leakage. UÉ provided its first submissions regarding customer supply pipe leakage in December 2022. The CRU is currently reviewing this data and will provide an update in future reports.

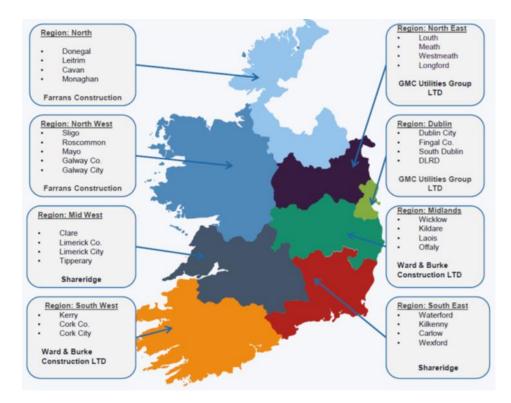
The National Leakage Reduction Programme (LRP), which targets resources at areas of highest leakage and lowest headroom across water networks, is responsible for delivering on UÉ's RC3 commitments. The overall aim is to reduce leakage on a national scale to economically sustainable levels, leading to improved water network performance and reliability. The LRP and associated works will ensure a clean, safe and reliable public water supply now and into the future to support our growing population and economy.

To support delivery of the LRP, UÉ has sub-divided the country into eight regions and is working in partnership with local authorities and regional contractors to plan and complete activities. Details of the LRP regions and contractors are provided below.

¹ Following the completion of the Metering Programme in Q1 2017, the First Fix Leak Repair scheme moved to become part of the wider national Leakage Reduction Programme.

² The PA Framework is designed to assess UÉ's overall performance in delivering defined services to its customers for the money it is allowed to spend by the CRU. See <u>here</u> for further information on UÉ's reporting under the PA Framework.

³ Please see UE's PA 2021 annual data report for more information on the methodology for calculating net leakage here



The scope of the works included in the Leakage Reduction Programme (LRP) includes undertaking improvements under the following seven principal workstreams;

1. DMA (District Metering Area) Works

This involves the identification of groups of premises and the installation of a district meter to monitor water usage. This identifies works needed within the DMA to ensure efficient operations.

2. Find & Fix

The Find & Fix scheme involves leak detection crews undertaking surveys using sounding equipment to locate leaks on pavements and other public areas. If a public side leak is identified, UÉ will carry out the necessary repairs.

3. First Fix Free

The First Fix Free scheme offers free leak investigations and free repairs for qualifying properties where a constant flow of water is found on the external water supply pipe. UÉ estimates that over 178 million litres of water per day have been saved as a result of this scheme to the end of H2 2021 including, 9.64 million litres per day saved in H2 2021. Further information on the First Fix Free scheme can be found at https://www.water.ie/water-supply/first-fix/.

4. Mains Renewal including Shared & Backyard Services

Water mains renewal works usually include the replacement or renewal of ageing public water mains to improve water quality and supply. As our water pipes are underground, we need to dig down to inspect the pipes and carry out any necessary repairs or replacements.

A shared service connection means that two or more properties are fed by a single water pipe. These connections pipes are often made of iron or lead and prone to leaks.

In some older properties water connections may be installed to the back of the property and run through customer's back gardens. These connections are prone to leaks and can cause reduced levels of service and poor water pressure.

5. Lead Services

Lead in drinking water is a recognised health concern. We will be investigating the pipes that connect individual properties to the public water mains and replacing any lead pipes with new plastic pipes.

6. Non-Domestic Metering

UÉ is replacing old non-domestic meters installed by the Local Authorities with new meters that have Automatic Meter Reading technology. The new meters allow for more accurate and timely billing for customers and better identification of leakage on non-domestic customer sites.

7. Pressure Management

Pressure management works are required to improve the quality and security of water supply to customers. The aim of these works is to reduce leakage within the mains network and to ensure a consistent supply of water to all customers. Too much pressure in the network can result in burst pipes and leakage. This can then result in a low water supply pressure for customers at the tap.

2. Overview of First Fix Free Scheme

In May 2014 the Government announced funding of €51m for a scheme to address water leakage on pipework within customer properties under a "First Fix" scheme. Following a public consultation in August 2015 the Commission for Regulation of Utilities (CRU) approved UÉ's proposed First Fix Leak Repair Scheme. The First Fix Leak Repair scheme was mobilised under the national Domestic Metering Programme. In its RC3 determination⁴ the CRU outlines its ongoing support for the First Fix Leak Repair scheme. On 19th April 2021, following a public consultation, the CRU published a decision to expand the eligibility criteria for the First Fix Scheme.

Under the First Fix Leak Repair scheme, UÉ assists customers by notifying them where suspected leakage is occurring within the boundary of their property. Eligible Customers who have a leak on the external supply pipe serving a property are offered a free leak repair. The First Fix Leak Repair scheme does not apply to leaks within a dwelling.

While it not essential for a property to be metered to avail of the First Fix Leak Repair scheme, utilising meter read data to identify the most significant leaks has proven key to operating the First Fix Leak Repair scheme efficiently. Prior to the introduction of the First Fix Leak Repair scheme, leakage programmes had been based around time-consuming and labour-intensive sampling of areas in order to try detect anomalies on pipework. The UÉ domestic metering programme has provided both the platform and the technology-based solution to address this challenge. Data obtained from meter reading information highlights unusual water usage patterns and allows UÉ to isolate the source of leaks to a particular property, thereby reducing the time required for leak investigation. The technology used for monitoring water flow developed further during the initial years of the operation of the First Fix Leak Repair Scheme. Since the CRU's decision to expand the eligibility criteria of the Scheme was published in April 2021, UÉ has used alternative methods to measure water flow for unmetered properties. These methods include identifying high water usage through District

⁴ Published on 5 December 2019 and available at <u>www.cru.ie</u>

Metered Areas (DMAs) analysis⁵, Step-Testing⁶ and analysis of nightline⁷. This means that Uisce Éireann now has means to detect leakage where the customer does not have a meter.

Given the need to prioritise water conservation and capital expenditure, UÉ prioritises repairs under the First Fix Leak Repair scheme by size, based on the estimated volume of water lost. A constant flow of water, (that is 6 litres per hour over a 48-hour period), will trigger a constant flow alarm (CFA) on the meter, indicating a potential leak. The largest leaks wasting the most water are priorities to be fixed first.

By H2 2021, it is estimated that over 178 million litres of water per day have been saved as a result of First Fix repairs.

3. How to avail of the scheme

Customers can avail of the scheme, once they are aware of a leak on their property. A CFA alarm is triggered where a constant flow of water to the property is identified (6 litres per hour over a 48-hour period). When a CFA alarm is recorded, customers are issued with a letter from UÉ, indicating a potential leak on their property.

Customers with a visible leak on their property can also contact UÉ to avail of a free leak investigation.

As a result of the changes in criteria made by the CRU in its decision of April 2021, the following customers were brought within the scope of the First Fix Leak Repair Scheme:

- Unmetered domestic Customers;
- Customers with properties without an ISV;
- Customers with properties with a suspected shared or backyard services;
- Some mixed-use customers⁸, and
- Customers that are not registered with UÉ.

Eligibility criteria and the process for availing of the scheme are outlined on the UÉ website⁹. A handy infographic outlining the customer journey is also available on the UÉ website.¹⁰

4. Initiatives to increase Customer Engagement Levels

Following the completion of the First Fix Scheme under the Metering Programme in February 2017, UÉ analysed engagement levels in order to establish initiatives to improve the First Fix process and increase productivity.

The First Fix scheme was initially relying on the following in order to achieve water reduction:

⁹ See UÉ website <u>here</u>.

⁵ A district metered area (DMA) is a discrete area of a water distribution network. DMA's allow Uisce Éireann to closely monitor flow and pressures through its telemetry system. DMAs vary in size and depend on the nature of the water supply scheme and can differ between urban and rural areas. Typically, it is in the region of about 2,000 properties.

⁶ Step Testing facilitates the monitoring the flow of water and pinpointing leaks.

⁷ Analysis of data collected from night-time flow measurements for unexpected increases in water consumption that might suggest a leak.

⁸ See section 3 of the CRU's First Fix Scheme Policy Decision, April 2021 here

¹⁰ See UÉ website <u>here</u>.

- The First Fix letter reaching its desired destination to inform the customer of the possible leak;
- The customer engaging with UÉ in order to arrange a leak investigation, and
- The customer returning the signed waiver allowing UÉ to repair the leak on their property.

The following changes have been implemented to increase customer engagement levels:

First Fix Letter

In order to increase uptake of the scheme, UÉ pursued the following initiatives:

- UÉ sent 4,992 First Fix letters to properties with a constant flow alarm (CFA) in H2 2021. Letters were issued to properties with a constant flow alarm plus usage **in excess of 1,000 litres per day**. Targeting customers above this level for the First Fix scheme is an attempt to engage customers in properties that are using over twice the national average usage. (342 litres per property per day, as calculated by the CRU (<u>CRU/17/339</u>)).
- The average daily usage of the property and the expected daily usage of 129 litres¹¹ per person per day were included on the notification letter. This informs the customer of the quantity of excess usage at their property and will encourage the customer to engage with us in order to arrange a leak investigation.
- In order to improve customer engagement, UÉ improved the information it provided customers on the CFA notification letters (for example, by equating the amount of litres used at the premises to the equivalent average usage by a person).

Waiver Return Process

Under the metering programme, waivers were posted to customers that qualified for a leak repair following the investigation. The customer was required to sign the waiver and post it back to UÉ. It was found that there was a delay in customers returning the waivers and in some cases the waiver was not returned.

Under the leakage reduction programme this process has been amended to increase the return of the signed waivers:

- Upon completion of the Leak Investigation, the crew issue the waiver to the customer and answer any questions the customer may have. If the customer is willing to sign the waiver at the time, the crew will return the signed waiver to UÉ and a repair can be scheduled. They will also leave a copy of the waiver with the customer for their own reference.
- If the customer is not willing to sign the waiver at this time, the crew will issue the waiver and a prepaid envelope to the customer in the hope the customer will sign the waiver and post it back to UÉ.

UÉ is also encouraging our contractors to be proactive and contact customers that have received a First Fix letter but have not engaged with the scheme.

¹¹ As calculated by the CRU and outlined in <u>CRU/17/339</u>.

5. First Fix Update

In H2 2021, a significant number of large leaks, identified as properties with usage in excess of 1,000 litres per day, appeared on the CFA list. When contacting customers, UÉ start with the largest users (properties with usage in excess of 5,000 litres per day). It was found that 2,919 properties were using more than 5,000 litres per day based on meter readings and were accountable for over 30 million litres of Potential Leakage (PL)¹² per day (47%).

Targeting these users first will result in greater savings from fewer repairs and reduce the PL more effectively. The remaining 23,279 properties using less than 5,000 litres per day but greater than 1,000 litres per day accounted for over 34 million litres of PL per day (53%). The following table is calculated using information from the CFA list and figures calculated by the CRU (<u>CRU/17/339</u>) suggesting an average household consumes 342 litres of water per day.

Item	QTY of Leaks	Average usage (Litres/day)	Total Usage (Litres/day)	Expected Usage (Litres/day)	PL (Litres/day)	% of PL
>5 000 Litres	2,919	10,932	31,909,900	998,298	30,911,602	47%
1,000 - 5 000 Litres	23,279	1,839	42,802,890	7,961,418	34,841,472	53%
Total	26,195	2,852	74,712,790	8,959,716	65,753,074	100%

Table 1: Potential Leakage (PL) summary H2 2021 (Usage > 1,000 Litres per day)

6. Reporting on the scheme

In April 2015, the CRU consulted on UÉ's proposed First Fix Leak Repair Scheme for Domestic Water Customers and received eight responses. The CRU's decision on the policy, issued on 5 August 2015, was based on a review of the eight submissions received during the consultation period. Among its recommendations, the CRU expects UÉ to strongly promote the scheme in order to increase customer awareness of the scheme and to encourage customers to engage with UÉ on the scheme.

The CRU is monitoring the ongoing implementation of the scheme to ensure that the costs allowed are efficiently incurred and that benefits are achieved for customers. In line with the CRU's updated 2021 First Fix Scheme Policy Decision, UÉ's performance in the First Fix Scheme will now be reported on a six-monthly basis to the CRU¹³. UÉ previously reported performance on a quarterly basis¹⁴. The CRU's 2021 policy decision, published in late April, expanded the eligibility criteria to the First Fix Scheme and associated figures are now included in the overall reported totals. The following section outlines the progress of the scheme to the end of H2 2021.

¹² Potential Leakage represents the difference between the total usage of this cohort of largest users and their expected usage.

 $^{^{\}rm 13}$ See section 4.3 of the CRU's First Fix Scheme Policy Decision, April 2021 $\underline{\rm here}$

¹⁴ See UÉ's First Fix reports from Q3 2015 to Q2 2020 <u>here</u>

Six Month Summary

The First Fix Reports submitted to the CRU since the beginning of the Covid-19 pandemic have outlined the impact of Covid-19 restrictions on the operation of the First Fix Scheme. In H2 2021 Ireland transitioned to more of a "living with Covid" phase which resulted in the programme key measurable metrics trending to a more expected range. The key metrics are outlined below.

• Customer Response Rates and Engagement Levels

A total of 5,974 customers have engaged with the scheme in H2 2021. This number is made up of the following;

5,618 Customers requesting a free leak investigation survey

356 Customer repairs completed from data collected from the meter

• Leak Investigations

A total of 5,618 investigations were requested, which include repeat visits where homes without an ISV and homes served through a shared or backyard service were now eligible for the scheme.

UÉ contacts customers within 10 business days to arrange a convenient time for an appointment to carry out the free leak investigation at a property. A total of 5,036 leak investigations were undertaken in H2 2021. This figure includes some investigations that were requested in H1 2021; similarly, some investigations requested in H2 2021 will be carried out in H1 2022.

From the 5,036 completed leak investigations, 1,424 leaks on external supply pipes were identified as qualifying. UÉ has offered these customers with leaks on their external supply pipe a free leak repair under the scheme. The remaining 3,612 non-qualifying leaks are broken down as follows:

- The investigations identified 1,662 internal plumbing and other issues, which come under the remit of the homeowner. As with all internal repair and maintenance in a customer's home, if a leak is confirmed internal to the house then it should be repaired by the homeowner.
- 2) The remaining 1,950 properties were identified as having leaks either on the public side, inaccessible leaks or otherwise out of the scope of the First Fix for Free Scheme.

Leak Repairs

Customers are asked to review the terms and conditions of the leak repair offer and sign the offer documentation after which UÉ will contact the customer to schedule the leak repair at a suitable time. On receipt of the documentation, UÉ contacts customers within 10 working days to arrange a convenient time for an appointment to carry out the free leak repair at a property.

During H2 2021 UÉ completed 1,317 free leak repairs under the First Fix Leak Repair scheme. This figure includes some leaks that were detected in H1 2021 and repaired in H2 2021; similarly, some leaks detected in H2 2021 will be repaired in H1 2022.

• Customer Repairs

From the data collected through meter reading we know that 356 customers have repaired leaks on their property themselves after receiving a constant flow advice letter. UÉ would like to thank all customers who repaired leaks on their property. These repairs have made a significant contribution to national water conservation.

• Gross Water Savings

All references below to water savings are gross. The issuance of constant flow advice letters has targeted the largest leaks first and the result of this can be seen from the estimated incremental savings of 7.99 million litres of water per day achieved in H2 2021 from contractor repairs and a further 1.65 million litres from customer repairs.

Table 2 estimates water savings from the First Fix Scheme and Customer Repairs since 2018. Previous reports estimated the savings from Q1 2018 to Q2 2020 on a quarterly basis. To facilitate comparison with H2 2020, table 2 now shows half-yearly estimate water savings since 2018¹⁵.

Period	UÉ First Fix Repair		Customer Repairs		2018 Annual Cumulative	
2018	Repairs #	Savings (ML/Day)	Repairs #	Savings (ML/Day)	Total Repairs	Total Savings (ML/Day)
H1	1,653	8.01	1,986	5.27	3,639	13.28
H2	2,512	8.25	1,151	1.58	3,663	9.93
2019					2019 Annual Cumulative	
H1	2,819	7.67	1,252	3.83	4,071	11.5
H2	1,392	3.3	301	1.41	1,693	4.71
2020					2020 Annual Cumulative	
H1	952	2.01	159	0.7	1,111	2.71
H2	1,453	5.34	488	1.34	1,941	6.68
2021					2021 Annua	l Cumulative

¹⁵ Please see table 2 in the Q2 2020 report (here) for estimated water savings since 2018 reported on a quarterly basis

H1	1,091	3.84	235	0.88	1,326	4.72
H2	1,317	7.99	356	1.65	1,673	9.64
Total	13.189	46.41	5,928	16.66	19,117	63.07

Table 2: Estimated water savings from the First Fix Scheme and Customer Repairs for 2018, 2019, 2020 and 2021.

By H2 2021, total cumulative water savings are estimated at 178.66 ML per day. A cumulative estimated total of 99.88 million litres per day has been saved through First Fix repairs and a further estimated 78.78 million litres per day saved from customer repairs. Savings are calculated from a comparison of meter data collected prior to and after the repair work being undertaken. For customer repairs, the constant flow alert is no longer active, and the meter data shows a supporting drop in water usage over the next two read periods. Finally, we exclude those with less than 1000l/d as it is suspected that below this level usage has been reduced rather than an actual customer leak repair.

8. Project Expenditure

The project expenditure is reported Half-yearly. Table 3 sets out the total project expenditure for H2 2021.

	Investigations	Repairs	Additional Costs	Total
H2 2021	€1,624,799.70	€ 1,268,698.47	€ 17,224.24	€2,910,722.41
RC3 (2020 – H2 2021)	€5,508,708	€5,563,824	€49,611	€11,122,143
2015 – H2 2021	€28,379,006	€23,320,638	€4,349,606	€56,049,250

Table 3: Total expenditure on the First Fix Leak Repair Scheme to date.

Note, some costs incurred in a half may not be captured until the following half's figures.

9. Next Steps

UÉ will continue to implement the First Fix Leak Repair scheme through the LRP. The next report will be issued to the CRU in Q2 2023 and will cover the first half of 2022, both Q1 and Q2.

Table 3: Project Summary

	Number of		H2 2021	
1	Continuous Flow Alarms Detected	Total	80,914	
		Period		
		Region	H2 2021	Cumulative FF Scheme Total
		North	227	
		North West	553	
		South East	454	
2	Number of Customer	South West	807	
	Notifications Issued	Dublin	1,151	196,397
		North East	732	
		Midlands	542	
		Midwest	526	
		Grand Total	4,992	
	4,992 constant flow ad			1
		Period		
		Region	H2 2021	Cumulative FF Scheme Total
		North	563	
		North West	609	
	Customer Responses	South East	795	
3	requesting a Free	South West	667	
	Leak Investigation	Dublin	831	110,846
		North East	314	
		Midlands	516	
		Midwest	1,323	
		Grand Total	5,618	
	5,618 customers reque	sted a First Fix Fre	ee Leak Investigation	
		Period	H2 2021	Cumulative FF Scheme Total
		Region	ΠΖ ΖΨΖΙ	
		North	451	
		North West	552	
		South East	549	
4	Leak Investigations Completed	South West	526	
	Completed	Dublin	836	103,702
		North East	344	
		Midlands	376	
		Midwest	1,402	
		Grand Total	5,036	
	5,036 Leak Investigatio	ns were carried o	ut in H2 2021 by LRP contra	ctors.

10	4a Leak Repairs Created	Period	LD 2021	Cumulativa EE Schama Tatal
4d		Region	H2 2021	Cumulative FF Scheme Total

		North	183	
		North West	280	
		South East	83	
		South West	342	
		Dublin	329	26,862
		North East	104	
		Midlands	158	
		Midwest	144	
		Grand Total	1,623	
	1,623 Leak Repairs wer	e created in H2 20	021	
		Period	112 2024	
		Region	H2 2021	Cumulative FF Scheme Total
		North	161	
		North West	254	
		South East	26	
5	Leak Repairs	South West	207	
	Completed	Dublin	269	22,007
		North East	80	
		Midlands	184	
		Midwest	136	
		Grand Total	1,317	
	1,317 confirmed Leak F	epairs carried ou	t in H2 2021	
		Period H2 202	LD 2021	Cumulative FF Scheme Total
		Region	H2 2021	Cumulative FF Scheme Total
		North	469,097	
		North West	1,679,373	
	Estimated Water	South East	358,153	
6	Savings from First Fix Repairs	South West	2,471,536	
	(Litres/day)	Dublin	913,233	99.88 ML
	,,	North East	197,579	
		Midlands	1,109,284	
		Midwest	792,498	
		Grand Total	7,990,754	
		the total increme		sult of repairs carried out by the ML from contractor repairs and an

	7 Customer Repairs Completed	Period	H2 2021	Cumulative FF Scheme Total
		Region	HZ 2021	Cumulative FF Scheme Total
		North	35	
7		North West	65	
		South East	12	44,559
		South West	152	
		Dublin	0	

		North East	0					
		Midlands	23	-				
		Midwest	69	-				
		Grand Total	356	_				
	Customer repairs repre		arried out by the customer after	r receiving a First Fix Free letter				
	from UÉ. 356 customer	s repaired leaks ir	ו H2 2021.					
		Period	112 2024	Consulation FF Calculate Tatal				
		Region	H2 2021	Cumulative FF Scheme Total				
		North	134,734					
		North West	256,331					
	Estimated Savings	South East	38,385					
8	from Customer	South West	843,270					
	Repairs (Litres/day)	Dublin	0	78.78				
		North East	0					
		Midlands	92,396					
		Midwest	288,513					
		Grand Total	1,653,628	-				
	It is estimated that 1.65 ML of water per day was saved in H2 as a result of Repairs carried out by the customer. This brings the total cumulative Water Savings to 78.78 ML from customer repairs and an overall saving of 178.66 ML per day.							
		North	Donegal, Cavan, Monaghan, L	eitrim				
		North West	Galway, Galway City, Mayo, S	ligo, Roscommon				
9		South East	Carlow, Waterford, Waterford City, Kilkenny, Wexford					
	Counties in Each	South West	Cork, Cork City, Kerry					
	Region	Dublin	Dublin City, South Dublin, Dun Laoghaire Rathdown, Fingal					
		North East	Longford, Louth, Meath, Wes	tmeath				
		Midlands	Kildare, Offaly, Laois, Wicklow	I				
		Midwest	Limerick, Clare, Tipperary					

Note: All cumulative totals outlined in table 3 are for the First Fix Scheme from commencement to the end of H2 2021.

Note: Meter read data is used to confirm that a customer repair has been carried out. Number of customer repairs and estimated savings will be included in the report once two confirmed meter readings are collected after the repair date. As such, the number of customer repairs noted above for each quarter is expected to increase in the next report as more confirmed readings are collected.