

IMPLEMENTING RULES AND REGULATIONS FOR
ADDITIONAL METER AND CLUSTERED
CONNECTION CHARGES FOR OPEN /
DEPRESSED COMMUNITIES

Prefatory Statement

Pursuant to the recommendations of the MWSS-Regulatory Office (MWSS RO) in its Resolution No. 07-023-CA dated December 5, 2007, as approved by the MWSS-Board of Trustees (MWSS BOT) under Resolution No. 2007-272 dated 13 December 2007, the following Implementing Rules and Regulations are hereby adopted and promulgated:

Rule I

GENERAL PROVISIONS

SECTION 1. *Title*.—This Rule shall be known and cited as the "Implementing Rules and Regulations (IRR) for Additional Meter and Clustered Connection Charges for Open/Depressed Communities"

SEC. 2. *Policy*.—It is the policy of the MWSS to set reasonable charges which shall be made applicable to both Concessionaires, Manila Water Company, Inc. (MWCI) and Maynilad Water Services, Inc. (MWSI). For this purpose, the MWSS BOT/RO passed the said resolutions prescribing the adoption of additional meter and clustered connection schemes to make water service connection charges affordable to customers particularly in open and depressed communities.

SEC. 3. *Coverage*.—This IRR shall cover the standard clustered connections including additional meter connections with a size of 25 millimeter (mm.) diameter and below in open and depressed communities.

SEC. 4. *Definitions*.—All defined terms and phrases in the Concession Agreement (CA) related herewith are deemed incorporated in this Rule, in addition to the following:

- a. **Open Communities** shall refer to areas wherein thoroughfares/streets/

roads are well-defined and maintained by Local Government Units (LGUs) including, but not limited to, low-cost subdivisions that are not gated;

- b. **Low-Cost Subdivisions** shall refer to those subdivisions wherein the total cost of the individual houses and lots do not exceed Seven Hundred Fifty Thousand Pesos (Php750,000.00) as classified by the Housing and Land Use Regulatory Board (HLURB); and
- c. **Depressed Communities** also known as "impoverished areas" where the "poor" or "low income" members of society live; characterized by lack of urban planning; social amenities and livelihood opportunities. It includes, but not limited to, relocation sites of informal settlers, *Gawad Kalinga/Habitat for Humanity* awardees.

Rule II

GUIDELINES

SECTION 1. Conditions for Additional Meter and Clustered Connection.—Additional meter and clustering of connections shall be subject to the following conditions:

- a. Installation of additional meter to existing connections shall be allowed provided that the prevailing water supply and the required minimum sustained water pressure after the water meter will not be affected; and
- b. New Clustered Connections.
 - i. The area is considered an open and/or depressed community; and
 - ii. The area will allow construction of extended/sub-mainline.

Sec. 2. Determination/Identification of Open and Depressed Communities.—Determination/Identification of Open/Depressed Communities may be through the following:

- a. The Concessionaires through their Business Areas (BAs)/Business Centers (BCs) shall identify the open and/or depressed communities eligible for the 1/3:2/3 cost sharing scheme for the service connection charge, whereby 1/3 of the cost shall be borne by the consumer and 2/3 by the Concessionaire; and
- b. National Anti-Poverty Commission (NAPC) or any authorized government agency shall certify that the identified area is considered a depressed and/or open community.

SEC. 3. Requirements.—Service application for clustered connection shall be subject to the Concessionaires policy on new water service applications. In addition, the application form must be supported by a Certification set forth in Sec. 2.b above.

SEC. 4. Applicable Connection Charges—The following shall be the applicable connection charges:

- a. **Additional Meter Connection – Charges** for additional meter connection in an existing standard water service connection shall be at cost which in no case shall exceed the prevailing connection charge set forth in the CA; and
- b. **Clustered Connection – Charges** for service connection shall be equivalent to 1/3 of the prevailing connection charge set forth in the CA.

SEC. 5. Implementation—In the event of any problem/issue arising from the implementation of this IRR, the following measures and procedures shall be followed:

- a. The Concessionaire shall decide on the appropriate action and resolution of disputed issues in accordance with the CA provisions and the existing policies of MWSS;
- b. Regulatory matters/issues shall be coordinated with and resolved by the MWSS RO and the MWSS BOT; and

- c. This IRR shall be liberally interpreted to assist the consumer or the public in obtaining a just, expeditious and inexpensive resolution and/or settlement of complaints. In case of doubt in the interpretation thereof, the same shall be resolved in favor of that interpretation which will give full force and effect to the policy set forth in Rule 1 Sec. 2 hereof.
- b. After due consideration of the merits of the proposals, the MWSS RO shall recommend for approval by the BOT the amendments/modifications/repeal being sought.

SEC. 2. *Effectivity.*— After approval by the MWSS BOT, this Implementing Rules and Regulations shall take effect fifteen (15) days after its publication.

Rule III

REPEAL/EFFECTIVITY CLAUSE

SECTION 1. *Amendment, Modification and/or Repeal.*—The MWSS BOT has the power and authority to amend, modify and/or repeal any provision of this IRR through the following steps:

- a. The Technical Working Group (TWG), composed of representatives of the two (2) Concessionaires, MWSS Corporate Office (MWSS CO) and the MWSS RO, shall initiate, study and propose amendments, modification or repeal of any provision that may no longer be applicable; and

APPROVED, 31 March 2008.

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