

IRR No. 2013-04**2013 REVISED IMPLEMENTING RULES AND REGULATIONS (IRR) IN THE BILLING SCHEME AND RATE CLASSIFICATION FOR HIGH-RISE AND OTHER MULTIPLE DWELLINGS****PREFATORY STATEMENT**

Pursuant to the recommendations of the MWSS Regulatory Office (MWSS-RO) in its **Resolution No. 13-003-A-CA** dated **7 August 2013**, as approved and confirmed by the MWSS Board of Trustees (MWSS-BOT) under **Board Resolution Nos. 2013-100-RO and 2013-101-RO both dated 12 September 2013**, the following Implementing Rules and Regulations (IRR) are hereby adopted and promulgated:

RULE I**GENERAL PROVISIONS**

SECTION 1. Title.—This IRR shall be known as the “*2013 Revised Implementing Rules and Regulations (IRR) in the Billing Scheme and Rate Classification for High-Rise and Other Multiple Dwellings.*”

SEC. 2. Coverage.—This IRR shall be applied to all Customers within the Concession residing in High-Rise Buildings, Condominiums and other Multiple Dwellings as herein defined.

SEC. 3. Declaration of Policies.—The MWSS hereby adopts the following policies:

- (a) In all their dealings with their Customers relating to the performance of their service obligations pursuant to their respective Concession Agreements (CA), the Concessionaires must faithfully comply with all existing laws, rules and regulations as well as those that may hereinafter be promulgated by competent authorities;
- (b) The review of the Rate Classifications of Customers within the Concession shall be conducted every five (5) years, coinciding with each Rate Rebasement process;

- (c) In determining the appropriate Rate Classification of Customers, the following factors shall be considered:
 - (i) the primary use of the premises;
 - (ii) the reasonableness of the Rate Reclassification; and
 - (iii) the justness, affordability and equity of the corresponding tariff adjustments as a result of the Rate Reclassification; and
- (d) As provided in the CA, the Concessionaires shall advise their affected Customers that when technically feasible, they may opt to apply for a separate connection for each household or for each type of activity.

SEC. 4. Definition of Terms.—For the purposes of this IRR:

- (a) **High-Rise Buildings** shall mean buildings with more than five (5) stories;
- (b) **Condominiums** shall mean buildings with several unit owners under one (1) common lot which is generally used for residential purposes;
- (c) **Multiple Dwellings** shall mean structures like tenements, BLISS and townhouse/apartment located in a compound;
- (d) **Actual Average Consumption** shall mean the actual total consumption registered in the Master Meter divided by the actual number of active private meters;
- (e) **Master Meter** shall mean the water meter which registers the consumption of the building or multiple dwelling used as a basis for billing the water consumption;
- (f) **Active Units** shall mean units that are occupied and served, either directly or indirectly; and
- (g) All defined terms and phrases in the CA as well as in other related IRRs are deemed incorporated herein, unless their contexts otherwise provide.

RULE II

RULES IN SETTING THE BILLING SCHEME AND RATE CLASSIFICATION

Section 5. Billing Scheme.—The billing of the Master Meter shall be as follows:

Description	Rate Classification	Billing Scheme
Purely Residential (100%)	Residential	Average Residential (AVERES) - Billing of Master Meter is based on the actual average consumption using the Residential rate.
At least 50% Residential occupancy	Semi-Business	Average Semi-Business (AVESEM) - Billing of Master Meter is based on the actual average consumption using Semi-Business rate.
At least 25% but less than 50% Residential occupancy	Commercial	Average Commercial (AVECOM) - Billing of Master Meter is based on the actual average consumption using the Commercial rate
Less than 25% Residential occupancy	Commercial	Commercial (COM) - Billing of Master Meter is based on the actual consumption using the Commercial rate.

SEC. 6. Determination of Rate Classification.—In determining the appropriate Rate Classification, the following rules shall govern:

- (a) Condominiums, High-Rise and other Multiple Dwellings still under construction shall be classified as Industrial Customers;
- (b) Initial Rate Classification for newly constructed and unoccupied buildings shall be determined based on the ratio of Residential to Non-Residential units as built and/or as sold;
- (c) The administrative office shall be considered as a Residential unit for purposes of determining the ratio of Residential to Commercial units of Condominiums, High-Rise Buildings or Multiple Dwellings;
- (d) For currently occupied buildings, the declaration and/or listing in the records of the building administrator shall be presumed accurate unless verification by the Concessionaires shows otherwise;

(e) Where the information provided by the building administrator could not be verified, the Concessionaires may determine the proper Rate Classification based on other available information; and

(f) The Concessionaires shall periodically verify the occupancy level of these High-Rise Buildings, Multiple Dwellings and/or residences for the necessary changes in the Rate Classification.

Nothing in this Section shall be construed to negate the right of each household living in a condominium or other multiple dwellings to apply for a separate connection when technically feasible.

SEC. 7. Master Meter with Residential Rate Classification.—As specified in Section 5, Rule II of this IRR, Master Meters with Residential Rate Classification shall be billed in accordance with the following:

- (a) Master Meter shall be billed at the Residential rate corresponding to the actual average consumption of all active units occupied and served.

The actual average consumption is determined by dividing the total volume registered in the Master Meter by the total number of Active Units occupied and served; and

- (b) Other Charges under the tariff structure shall continue to form part of the itemized bill.

SEC. 8. Master Meter with Semi-Business Rate Classification. — As specified in Section 5, Rule II of this IRR, Master Meters with Semi-Business Rate Classification shall be billed in accordance with the following:

- (a) Master Meter shall be billed at the Semi-Business rate corresponding to the actual average consumption of all active units occupied and served. The actual average consumption is determined by dividing the total volume registered in the Master Meter by the total number of Active Units occupied and served; and
- (b) Other Charges under the tariff structure shall continue to form part of the itemized bill.

SEC. 9. Master Meter with Commercial Rate Classification but with 25% to 50% Residential Occupancy.—As specified in Section 5, Rule II of this IRR, Master Meters with Commercial Rate Classification shall be billed in accordance with the following:

- (a) Master Meter shall be billed at the Commercial rate corresponding to the actual average consumption of all active units occupied and served. The actual average consumption is determined by dividing the total volume registered in the Master Meter by the total number of active units occupied and served; and
- (b) Other Charges under the tariff structure shall continue to form part of the itemized bill.

SEC. 10. Master Meter with Commercial Rate Classification with less than 25%

Residential Occupancy.—As specified in Section 5, Rule II of this IRR, Master Meters with Commercial Rate Classification with less than 25% Residential Occupancy shall be billed in accordance with the following:

- (a) Master Meter shall be billed at the Commercial rate corresponding to the actual consumption it registered; and
- (b) Other Charges under the tariff structure shall continue to form part of the itemized bill.

SEC. 11. Procedure/Guidelines.—The following procedure/guidelines shall be observed for the rate reclassification and change of billing scheme of Condominiums, High Rise and Other Multiple Dwellings:

- (a) The Concessionaires shall notify the concerned Customers in writing that they are qualified to apply for rate reclassification or change in billing scheme;
- (b) A letter request for rate reclassification or change in billing scheme from the concerned Customer should be filed at the respective Business Areas accompanied by the necessary documentary requirements. The Concessionaires shall require from the covered Customers only such documents as are reasonable and necessary so as not to defeat the intent and purposes of this IRR;
- (c) Within ten (10) days from date of receipt of letter request, the Concessionaire shall conduct an investigation to verify the accuracy of the information provided by the Customer;
- (d) Upon completion of requirements, the Concessionaire shall approve the request for rate reclassification or change in billing scheme; and
- (e) The rate reclassification and/or new billing scheme shall be reflected in the next billing period immediately after the approval of the request.

Sec. 12. Interpretation.—This IRR shall be liberally interpreted to assist the Customers, the MWSS and the Concessionaires in obtaining a just, expeditious and inexpensive resolution and/or settlement of complaints. Doubts pertaining to any of the provisions of this IRR shall be resolved in favor of that interpretation that will give full force and effect to the policies set forth in this IRR.

Sec. 13. Complementary Nature of Other Rules. Other rules and regulations issued by Regulatory Office and approved/confirmed by the MWSS Board of Trustees on related subject matters shall be complementary to this IRR.

RULE III

REPORTING AND VERIFICATION OF COMPLIANCE

Sec. 14. Periodic Reports.—The Concessionaires shall include, in their respective submissions pursuant to Article 13 of the CA and in their KPIs and BEMs Reports, their compliance and progress reports on the implementation of this IRR.

Sec. 15. Monitoring and Verification of Reports.—The Regulatory Office shall undertake a periodic review of and, at anytime at its discretion, conduct field verification to validate the reports submitted by the Concessionaires.

Sec. 16. Public Information.—The Regulatory Office and the Concessionaires shall ensure the widest dissemination of this IRR and shall conduct activities for its effective implementation. In addition, the Regulatory Office shall make available to the public all official reports with respect to the implementation of this IRR.

Sec. 17. Participation of the Public.—The Regulatory Office may solicit or engage the help of the Customers, other government agencies, water consumer groups, non-government organizations, civil society organizations, academic groups, and other interested parties in the conduct of its field verification and validation activities.

RULE IV

NON-COMPLIANCE

Sec. 18. Non-compliance.—Non-compliance with any of the provisions of this IRR shall entitle the affected Customer to appropriate remedies under the law, without prejudice to the administrative remedies herein provided.

Sec. 19. Administrative Remedies.—The affected Customers may seek redress to the Regulatory Office against the Concessionaires for willful non-compliance with this IRR. The Regulatory Office may impose appropriate sanctions upon the erring Concessionaire, such as restitution to affected Customers or disallowance of identifiable expenditures related to the non-compliance.

RULE V

AMENDMENTS/ EFFECTIVITY

Sec. 20. Repealing Clause.—IRR No. 2008-02 or the "Implementing Rules and Regulations on Billing Scheme and Rate Classification or High-Rise and other Multiple Dwellings" is hereby repealed. All other rules and regulations inconsistent with the provisions of this IRR are hereby amended accordingly.

Sec. 21. Separability Clause.—If any part or provision of this IRR is held invalid or unconstitutional, the other provisions not affected thereby shall remain in force and effect.

Sec. 22. Amendment, Modification and/ or Repeal.—Upon its own initiative or upon the recommendation of the Regulatory Office, the MWSS-BOT may suspend the implementation, modify or repeal any provision of this IRR.

Sec. 23. Effectivity.—This IRR shall take effect fifteen (15) days after its publication in the *Official Gazette* or in two (2) newspapers of general circulation, or the effectivity of the "R" whichever comes later.