

IRR No. 2013 - 07**2013 IMPLEMENTING RULES AND REGULATIONS (IRR) ON RATE RE-CLASSIFICATION OF CERTAIN GOVERNMENT INSTITUTIONS****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 Implementing Rules and Regulations (IRR) on Rate Re-Classification Certain Government Institutions.”*

SEC. 2. Coverage.—This IRR shall be applied to the following government institutions within the Concession:

- (a) Barangay Establishments/Institutions
 - i. Barangay Halls;
 - ii. Barangay Day Care Centers;
 - iii. Barangay Youth Centers; and
 - iv. Barangay Senior Citizen Centers.
- (b) Public Schools
 - i. Preparatory, elementary and secondary schools; and
 - ii. Tertiary schools managed and operated by the Local Government Units (LGUs).
- (c) Public Hospitals
 - i. Hospitals managed and operated by the LGUs; and
 - ii. Public Mental Health Institutions.

(d) Jails, including national penitentiaries and correctional facilities, except detention centers within police station and/or military camps.

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 Rebasing 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 they may opt to apply for a separate connection for each type of activity when technically feasible.

Sec. 4. Definition of Terms. – For the purposes of this IRR, Government Institutions shall refer to the following:

- (a) **Barangay Establishments/Institutions** shall mean any institution or establishment funded by the barangays which relate to delivery of public services including barangay halls, youth centers, day-care centers, and senior citizen centers;

- (b) **Public-Preschools** shall mean any public preparatory school;
- (c) **Public Elementary and Secondary Schools** shall mean all public elementary and secondary schools;
- (d) **Public Tertiary Schools** shall mean any college, university, trade or vocational school that is funded and run by the local government unit (LGU) and not directly receiving funds or subsidy from the National Government;
- (e) **Public Hospitals** shall mean any hospital operated/run by the LGU and not directly receiving funds or subsidy from the National Government;
- (f) **Public Mental Health Institutions** shall mean any public mental health institutions like the National Center for Mental Health;
- (g) **Jails** shall refer to any municipality/ city jail, national penitentiary, including national correctional facilities located within the Concession;
- (h) **Detention Centers** shall mean temporary holding areas in police stations, military camps and other similar places;
- (i) **Stand-alone water service connection** shall mean water service connection serving the particular/ specific institution; and
- (j) All defined terms and phrases in the CA as well as in other related IRRs are deemed incorporated herein, unless their contexts otherwise provide.
- Jails as defined in Section 4, Rule 1 of this IRR shall be reclassified from Business Group I (Commercial) to Semi-Business (Residential B).

Sec. 6. Separate Service Connection.—

The Concessionaires shall advise the Customers sharing or drawing water from another existing water service connection to apply for a new water service connection. The Concessionaires shall likewise advise all entities/individuals engaging in business inside the covered Barangay Institutions/ Establishments, Public Schools, Public Hospitals and Jails to apply for separate service connection.

Sec. 7. 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.

- (a) For Public Schools, a Certification from the Department of Education (DepEd), Commission on Higher Education (CHED), the Department of Science and Technology (DOST), Technical Education and Skills Development Authority (TESDA), or any other office, as proof that the school is a duly accredited public school;
- (b) For Public Hospitals, a certification from the Department of Health (DOH) and the Office of the Mayor, or any other office that the hospital is a duly accredited public hospital and that that same is funded exclusively by the LGU;
- (c) For Public Mental Health Institutions, a certification from the Department of Health (DOH) that it is a duly accredited public mental health institution.

Said documentary requirements may be waived if it clearly appears from the circumstances that the Customer is covered by this IRR.

Sec. 8. Unpaid Accounts/Arrears.—The existence of any unpaid account or arrear

RULE II

RATE CLASSIFICATION

Sec. 5. Re-Classification of Covered Barangay Institutions/Establishments, Public Schools, Public Hospitals and Jails.— Barangay Institutions/Establishments, Public Schools, Public Hospitals and

shall not preclude the covered Customers from applying for the Rate Re-Classification provided in this IRR.

Sec. 9. Procedure/Guidelines.—The following procedure/guidelines shall be observed for the rate reclassification of certain government institutions mentioned herein:

- (a) The Concessionaires shall notify the concerned government institutions in writing that they are qualified to apply for rate re-classification;
- (b) A letter request for rate reclassification from the concerned government institution should be filed at the respective Business Areas accompanied by the documentary requirements set forth in Section 7, Rule II of this IRR;
- (c) Within ten (10) days from date of receipt of letter request, the Concessionaire shall conduct an investigation to verify status and actual usage of the water service connection;
- (d) Upon completion of requirements, the Concessionaire shall approve the request for rate reclassification; and
- (e) The effectivity date of the rate reclassification shall be the next billing period immediately after the approval date.

Sec. 10. 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. 11. 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. 12. 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. 13. 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. 14. 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. 15. 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. 16. 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. 17. 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. 18. Repealing Clause.—IRR No. 2008-05 or the *“Implementing Rules and Regulations on the Rate Re-Classification of Some Government Institutions* is hereby repealed. All other rules and regulations inconsistent with the provisions of this IRR are hereby amended or repealed accordingly.

SEC. 19. 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. 20. 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. 21. 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.