

**IRR No. 2013 - 03**

**IMPLEMENTING RULES AND REGULATIONS  
ON RATE RECLASSIFICATION FOR PLACES OF WORSHIP**

**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 by the MWSS Board of Trustees (MWSS-BOT) under **Board Resolution Nos. 2013-100-RO and 2013-100-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 *“Implementing Rules and Regulations on Rate Reclassification for Places of Worship.”*

**Section 2. Coverage.**—This IRR shall apply to all places of worship as herein defined, located within the Concession.

**Section 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;
- (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; and
- (e) This IRR shall not be applied to favor or to discriminate against any religion, denomination, sect, or belief.

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

- (a) **Places of Worship** shall mean premises devoted to religious worship and/or religious activities such as the performance of religious obligations, rites or sacraments.
- (b) All defined terms and phrases in the Concession Agreement (CA) as well as in other related IRRs are deemed incorporated herein, unless the context otherwise provides.

**RULE II**  
**RATE CLASSIFICATION**

**Section 5. *Rate Classification of Premises Used as Residence by Nuns, Priests, Pastors, Ministers or Workers of any Religion, Religious Organization, Denomination or Sect.***—Spaces or premises used as residence by nuns, priests, pastors, ministers or workers of the religious organization, denomination or sect shall be classified as Residential. When technically feasible, the Customer shall be advised to apply for separate water meters for such spaces.

**Section 6. *Parameters for Identifying Premises Used for Religious Worship or Religious Activities.***—In determining the applicable Rate Classification for spaces dedicated to religious worship or activity, the use of the premises may be classified as follows:

- (a) Wholly dedicated to religious activities;
- (b) Primarily dedicated to religious activities but with other incidental use;
- (c) Equally dedicated to religious and non-religious activities; or
- (d) Secondary to non-religious activities.

**Section 7. *Rate Reclassification of Premises Wholly or Primarily Dedicated to Religious Activities.***—Premises wholly or primarily dedicated to religious activities are reclassified from Commercial to Semi-Business (Residential B).

**Section 8. *Rate Classification of Other Premises of Mixed-Use.***—Premises equally or secondarily dedicated to non-religious activities shall be considered premises of mixed-use and, thus, the higher Rate Classification shall be applied. However, the Concessionaire shall advise affected Customer that they may opt to avail of the downward reclassification for that portion of the premises wholly or primarily dedicated to religious activities by applying for a separate water service connection, if technically feasible.

**Section 9. *Procedure/Guidelines.***—The following procedure/guidelines shall be observed for the rate reclassification of Place of Worship:

- (a) The Concessionaires shall notify in writing that the concerned Customers are qualified to apply for rate re-classification;
- (b) A letter request for rate re-classification from the concerned Customer shall be filed at the respective Business Areas. The Concessionaire 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 status and actual usage of the water service connection;
- (d) Upon completion of requirements, the Concessionaire shall approve the request for rate re-classification; and
- (e) The effectivity date of the rate re-classification shall be the next billing period immediately after the approval date.

**Section 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.

**Section 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**

**Section 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.

**Section 13. *Monitoring and Verification of Reports.***—The Regulatory Office shall undertake a periodic review of and, at any time at its discretion, conduct field verification to validate the reports submitted by the Concessionaires.

**Section 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.

**Section 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**

**Section 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.

**Section 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**

**Section 18. *Repealing Clause.***—All rules and regulations inconsistent with the provisions of this IRR are hereby amended or repealed accordingly.

**Section 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.

**Section 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.

**Section 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.