

14 December 2012

#### SECURITIES AND EXCHANGE COMMISSION

Attention:

Director Justina F. Callangan

Corporation Finance Department

#### PHILIPPINE STOCK EXCHANGE, INC.

Attention:

Ms. Janet A. Encarnacion

Head, Disclosure Department

Re: Tariff Adjustment

Gentlemen:

Please see attached tariff table containing the new water rates effective 01 January 2013 or fifteen (15) days after its date of publication in a newspaper of general circulation.

Very truly yours,

Jhoel P. Raquedan

Chief Legal Counsel and Asst. Corporate Secretary



# NOTICE TO MANILA WATER CUSTOMERS AND THE PUBLIC NEW WATER RATES FOR THE EAST ZONE



Effective 15 days after publication, Manila Water Company, Inc. will implement a 3.2% Consumer Price Index (CPI) Adjustment on the 2012 Basic Charge as recommended by MWSS Regulatory Office in its Resolution No. 12-009-CA dated November 28, 2012 and as approved/confirmed by the MWSS Board Resolution No. 2012-164 dated December 7, 2012. Also, the Foreign Currency Differential (FCDA) Adjustment will be reduced to 1.23% as recommended by MWSS Regulatory Office in its Resolution No. 12-011-CA dated December 13, 2012 and as approved/confirmed by the MWSS Board Resolution No. 2012-171 dated December 14, 2012.

Manila Water Company, the East Zone concessionaire, covers the following areas: Manila (San Andres and Sta. Ana only), Quezon City (east of San Juan River, West Avenue, EDSA, Congressional and Mindanao Ave., Districts of Tandang Sora, Pasong Tamo and Matandang Balara), Makati City (east of South Super Highway), Mandaluyong City, San Juan, Marikina City, Pasig City, Pateros, Taguig - all in Metro Manila; Rizal Province.

The new schedule of water and sewer rates for all MWCI customers is as follows:

A. BASIC CHARGE  RESIDENTIAL  SEMI-BUSINESS		
L Low income household		
I. Low-income household		
Consuming		
<b>10 cu. m. or less P</b> 58.73 /conn.** <b>P</b> 60.61 /conn.**		
II. Consuming more than 10 cu. m.		
First 10 cu.m. <b>P</b> 97.88 /conn. <b>P</b> 101.01 /conn. First 10 cu.m. <b>P</b>	97.88 /conn.	P 101.01 /conn. *
	19.98 /cu.m.	20.62 /cu.m.
	24.65 /cu.m.	25.44 /cu.m.
	31.31 /cu.m.	32.31 /cu.m.
	36.49 /cu.m.	37.66 /cu.m.
	38.12 /cu.m.	39.34 /cu.m.
	39.75 /cu.m.	41.02 /cu.m.
	41.40 /cu.m.	42.72 /cu.m.
	43.14 /cu.m.	44.52 /cu.m.
		7.1102 7.00
BUSINESS GROUP II BUSINESS GROUP II		
	481.31 /conn.	<b>P</b> 496.71 /conn.
	48.43 /cu.m.	49.98 /cu.m.
	48.69 /cu.m.	50.25 /cu.m.
	49.07 /cu.m.	50.64 /cu.m.
	49.44 /cu.m.	51.02 /cu.m.
	49.68 /cu.m.	51.27 /cu.m.
	50.07 /cu.m.	51.67 /cu.m.
	50.45 /cu.m.	52.06 /cu.m.
	50.69 /cu.m.	52.31 /cu.m.
	51.07 /cu.m.	52.70 /cu.m.
	51.47 /cu.m.	53.12 /cu.m.
	51.72 /cu.m.	53.38 /cu.m.
	52.08 /cu.m.	53.75 /cu.m.
	52.33 /cu.m.	54.00 /cu.m.
	52.72 /cu.m.	54.41 /cu.m.
	53.08 /cu.m.	54.78 /cu.m.
	53.33 /cu.m.	55.04 /cu.m.
	53.72 /cu.m.	55.44 /cu.m.
	54.09 /cu.m.	55.82 /cu.m.
	54.34 /cu.m.	56.08 /cu.m.
	54.72 /cu.m. 55.11 /cu.m.	56.47 /cu.m. 56.87 /cu.m.
	55.35 /cu.m.	57.12 /cu.m.
	55.73 /cu.m.	57.12 /cu.m.
	56.12 /cu.m.	57.92 /cu.m.
	56.35 /cu.m.	58.15 /cu.m.
	56.73 /cu.m.	58.55 /cu.m.
	56.98 /cu.m.	58.80 /cu.m.
	57.38 /cu.m.	59.22 /cu.m.
	57.74 /cu.m.	59.59 /cu.m.
	57.99 /cu.m.	59.85 /cu.m.
	58.38 /cu.m.	60.25 /cu.m.
	58.74 /cu.m.	60.62 /cu.m.

<sup>\*</sup>Based on IRR-2008-03 dated 31 March 2008 and confirmed by MWSS BOT Res. No. 2008-064 dated 24 April 2008, the first 10 cubic meter of water consumed in Semi-Business customers shall be billed at Residential Rate.

## 2. A. ENVIRONMENTAL CHARGE (EC) - 20% of Water Charge applicable to all customers of MWCI

### B. SEWERAGE CHARGE (SC)

0% of Water Charge for Residential and Semi Business 30% of Water Charge for Business Group I and II customers

#### 3. MAINTENANCE SERVICE CHARGE

METER SIZE	AMOUNT	
	(per conn	.)
1/2" or 13mm	<b>P</b> 1.50	0
3/4" or 20mm	2.0	0
1" or 25mm	3.0	0

METER SIZE	AMOUNT	
	(per conn.)	
1 1/4" or 40mm	<b>P</b> 4.00	
2" or 50mm	6.00	
3" or 75mm	10.00	

ı	METER SIZE		AMOUNT
ı			(per conn.)
ı	4"	or 100mm	<b>P</b> 20.00
ı	6"	or 150mm	35.00
ı	8"	or 200mm	50.00

4. VALUE-ADDED TAX (VAT) 12% of the Charges 1, 2 and 3

THE MONTHLY BILL IS THE SUM OF 1, 2, 3, and 4.

Approved by:

Approved by:





GERARDO C. ABLAZA JR.

MWCI President



# What Does Manila Water Aim to Sustain?



24/7 Potable Water straight from your Taps



**Adequate Pressure** 



**Affordable Water Services** 



**Quick Customer Service Response** 



Continuous Water Services Despite Extreme Drought or Floods and Climate Change

### Why Is There a Tariff Adjustment?



For you to continue enjoying the services above, Manila Water needs to maintain and operate its 6 water treatment plants, 17 reservoirs, 26 pumping stations, and 39 wastewater treatment plants, including more than 4,000 km pipes in the East Concession Area.



Proof that Manila Water is working for you is that our customers enjoy continuous water supply even during the times of calamities such as Habagat and Ondoy.



its reach to serve more areas in the Manila East Zone and Rizal towns.

Your Manila Water is also expanding

### What Else is Manila Water Doing?



Efficient System Loss Controls
This means that more water is off
street leaks and more water goes
into your taps. It also means assuring

the quality of the water you drink.



## **Effective Wastewater Management**

We continue to invest in facilities to treat used water to help clean rivers. This helps protects our environment, health and sanitation.



## Contributing to the Manila Bay and our Rivers Clean-up

This is in support of the Clean Water Act and the Supreme Court decision to clean up Manila Bay to reduce pollution.



# Providing the same quality services to Senior Citizens and Marginalized Sectors

Low-income residential households consuming 10 cubic meters or less in a month shall continue to enjoy a discount in their monthly water bill.



Senior Citizen customers consuming 30 cubic meters or less are entitled to a 5% discount in the basic charge, pursuant to the Expanded Senior Citizens Act of 2010.



Planting more Trees to Protect our Watersheds



Water and Environmental Education Programs

To join or learn more on this, email: watertrail@manilawater.com

Customer Service Hotline: 1627 www.manilawater.com

<sup>\*\*</sup> Low-income residential customers consuming 10 cubic meters or less are entitled to 40% discount on the basic charge. Low-income Customers are those qualified based on the definition provided by Article 1 of the Concession Agreement.

B. Foreign Currency Differential Adjustment (FCDA) - A percentage of the Basic Charge subject to periodic review and adjustment.

The FCDA for the 1st quarter of 2013 is 1.23% of the new Basic Charge.