



POLICIES ON THE ASSIGNMENT AND AWARD OF TAPPING POINTS RESERVED FOR INACTIVE SERVICE CONNECTIONS TO NEW SERVICE CONNECTION APPLICANTS

OVERVIEW

Objective:

To establish policies on the assignment and award of tapping points presently reserved for closed and inactive service connections to other interested applicants for new service connection after lapse of period for reconnection.

Scope:

This policy shall cover all new service connections installed from the effectivity of the new policy, and, henceforth, shall already be included in the service contract between the water district and the concessionaire.

Existing service connections who have remained closed and inactive for a long period may be covered by this policy only after due notice from the water district and/or after execution of a waiver by the owner of the existing service connection granting his/her rights over the reserved tapping point to a new service connection applicant.

Inactive service connections due to temporary closure is not covered by this policy, hence, not subject to award or assignment, unless with written waiver of the owner of the inactive service connection citing that he/she is already ceasing his/her rights over the tapping point to a specified applicant for new service connection.

Furthermore, illegal service connections have no right over the tapping points of the seized water service connection unless they shall, after seizure, settle the penalties due and apply for the said service connection.

Rationale:

Over the years, a number of inactive and dormant service connections have remained closed for reasons, such as transfer of residence, death, and unpaid accounts, however, the tapping points for these connections have been held in reserve for such time that the owner of the service connection decides to once again claim his/her rights over the said tapping point by way of reconnection.

In one of the WEMWADA meetings attended by the management in 2015, the Pagadian City Water District had shared as one of their best practices in managing their inactive service connections is by awarding the existing tapping points of closed or inactive service connections, which have been dormant for at least six (6) months, to interested new service connection applicants. Accordingly, this has reduced the number of their inactive service connections and allowed them to fully use the existing

facilities allotted for these dormant accounts to those who need their service the most. Furthermore, this had also addressed concerns over refusing new service connections in a particular area where the service lines are fully saturated.

By adopting a similar scheme for managing inactive service connections, the water district aims to improve its figures financially as it will redound to revenues with the new service installations but more importantly, the policy will translate to increase of service coverage and served population otherwise deprived due to limited slots for tapping especially in times of dry spell and drought where demand for potable water is high.

POLICIES

Purpose:

The purpose of this policy is to permit the installation of new service connections from the existing tapping points allocated and reserved to closed and inactive service connections which have been dormant over at least six (6) months.

Legal Basis:

Section 27 of Presidential Decree 198 provides that water districts shall have the power to sell water, pursuant to generally applicable rules and regulations, to any person for use within the district. As a condition of such sale, the district may require the filing of a written application for service, payment of established charges or deposits and execution of a water service contract.

This policy shall then be included as among the conditions in the service contract between the water district and the concessionaire as basis for the fulfillment of the respective obligations of the parties and for future legal actions, as may arise.

Nature of Inactive Service Connections:

An inactive service connection is a previously active service connection that has been disconnected due to any of the following reasons:

- ✓ Delinquency in the settlement of accounts
- ✓ Illegality of installation
- ✓ Upon request for temporary closure
- ✓ Force majeure events, e.g. fire, flood, tsunami, and other uncontrollable conditions

The inactive service connection may have pending unpaid bills as well as unexhausted balance for meter maintenance.

Existing Disconnection Measures:

A service connection may be disconnected due to delinquency by any of the following modes:

- closure of the lock wing by padlock for non-settlement within ten (10) days after due date; and
- closure at tapping point and removal of water meter for storage if the water bill remains still unpaid after one (1) week since it has been padlocked.

The closed connection due to delinquency may be requested for reconnection upon settlement of accounts and payment of reconnection fee.

For disconnection of illegal connections, the same shall be done immediately by closure at the tapping point and seizure of the water meter for necessary legal actions.

Meanwhile, temporary closure of service lines upon request of the concessionaire is undertaken through closure at the tapping point and removal of the water meter for storage until reconnection is requested upon payment of reconnection fee.

In the event of force majeure, the water district shall temporarily disconnect service lines to facilitate repair and rehabilitation of damage facilities subject to reconnection upon payment of necessary charges and materials for installation.

Assignment and Award of Inactive Service Connections:

In the event that the water district shall receive an application for new service connection within a specific meter location and no new tapping points may be drawn from its existing facilities, the water district shall cause the assignment and award of the tapping point of an inactive service connection within the same meter location to the new service connection applicants if said connection shall have been closed and inactive for a continuous period of six (6) months.

Should there be more than one inactive service connection within the specific required meter location that may be awarded and assigned by the water district in accordance with this policy, the service connection having the longer period of inactive status shall be first awarded and assigned and so on and so forth.

Assignment and award of tapping points reserved for inactive service connections prior to the effectivity of this policy shall not be undertaken unless with due notice and/or upon execution of the owner of the existing service connection.

Requirement for Notice and Waiver:

For new service connections installed upon the effectivity of this policy and its subsequent incorporation in the service contract signed by the concessionaire, it shall be understood by both parties that no notice shall be necessary prior to the assignment and award of the tapping points of their service connections to applicants for new service connection in the event that said service connections shall have been inactive for a period of six (6) months and more due to delinquency and force majeure.

For existing service connections which were closed due to delinquency and force majeure and whose service contracts do not contain this condition, the water district will issue notices to their last known address at least in three (3) instances purposely to inform him/her of the intent of the water district to assign and award the tapping point of his/her inactive service connection to another interested party. The notice shall also contain the options available for him/her such as but not limited to:

- Retain the tapping point by settling all unpaid accounts and applying for reconnection;
- Transfer his/her rights to the service connection to the intended assignee/awardee upon due compensation to be agreed by them;
- Permanently waive his/her rights over the tapping point of said service connection in writing but still retain ownership of the service connection account.

Failure on his/her part to communicate to the water district his/her response even after service of due notices shall be deemed as a waiver of his/her rights over the tapping point of the said connection in favor of the new applicant to which the water district intended to assign and award with the same.

Repealing Clause:

All other policies and issuances which are inconsistent with these revised policies are hereby modified accordingly.

Approved this 29th day of January 2016 and made effective immediately per ISAWAD BOD Resolution No. ____, Series of 2016, during the Regular Meeting of the ISAWAD Board of Directors at the ISAWAD Board Room, ISAWAD Building, C. P. Garcia St., Isabela City, Basilan.

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