



**Georgian National Energy and Water Regulatory Commission**

# **Rules of Supply and Consumption of Drinking Water**

**Giorgi Chakhnashvili**  
**Executive Director**  
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# Applicable Laws

**- Law of Georgia on Water**

**- Law of Georgia on Electric Energy and Gas**

- **On November 20 2007, the Parliament of Georgia passed the amendments to the Law of Georgia on Electric Energy and Natural Gas, according to which the Georgian National Energy Regulatory Commission was also added the function of tariff regulation in the fields of drinking water supply and wastewater discharge-treatment**
- **According to the same amendments, the Commission was required to develop the water supply tariff setting methodologies and rules for supply and consumption of drinking water by September 1, 2008**

## **Parties Involved in Development of Rules:**

- **Georgian National Energy and Water Regulatory Commission;**
- **Commercial water suppliers**

*Draft was sent for the consideration to:*

- **Ministry of Environment Protection and Natural Resources**
- **Municipalities**
- **Research institutes**
- **International experts**

**The Rules for Supply and Consumption of Drinking Water regulate relations between water suppliers and consumers in the process of sale, purchase, supply and consumption of drinking water**

## **The Rules regulate following issues:**

- Basis and conditions of services**
- Arrangement of the metering point**
- Obligations of drinking water suppliers and extension of drinking water supply system**
- Illegal consumption of drinking water and the ways for elimination of such practices**
- Billing and payments for supplying drinking water and respective services**
- Disputes arising from and with regard to billing and ways for their resolution**
- Interruption of drinking water supply and services**
- Supplying customers by the drinking water through networks owned by the other persons**
- Rules for connecting new customers to the existing drinking water supply network**
- Sewage and the rules for system use, etc.**

# Basis and Conditions of Services

## The supplier shall:

- Provide services to all kind of customers in compliance with these rules and ensure due fulfillment of all the commitments made under these rules;
- Observe stipulated technical and safety norms in the process of water supply;
- Ensure uninterruptible supply of drinking water to the customers, including uninterruptible 24/7 hot-line services;
- Immediately respond to any claim on interruption of water supply or drop of the pressure in the system;
- Provide water supply services and ensure water supplies in accordance with standards and technical regulations existing in Georgia;
- Provide for sewage services and respectively ensure isolation of the wastewaters from the surrounding environment and due treatment before its discharge into the water body.

## Basis and Conditions of Services

**The supplier is entitled to interrupt drinking water supply to the customer, if:**

- Customer fails to pay for the consumed water;
- Customer violates technical regulations for connection to the water supply system;
- Customer fails to comply with the conditions set out in these Rules and/or fulfill the obligations stipulated in the agreement;
- It is necessary to carry out planned or emergency repair works.

## Metering Point

- The supplier is obliged to arrange the metering point and, accordingly, to buy, install and repair the meter necessary for arranging such point.
- The supplier is entitled (and in some cases obliged) to remove, repair, approve and change metering point; the metering point shall be arranged the way that allows customer reading the meter.

# Obligations of Drinking Water Supplier

**Any extension, reconstruction, repair, addition of new equipment or connection to the water supply system owned by the supplier shall be implemented solely on the account of such supplier; if the customers pay for any of the above operations, they are entitled of receiving compensation either directly in cash or by deduction from the future service bills.**

# Illegal Consumption of Drinking Water and the Ways for Elimination of Such Practices

- Illegal consumption of drinking water implies unauthorised connection to the water supply system, intentionally damaging meter supports, falsification of meter readings, theft of water. Besides this, it implies unsanctioned consumption of drinking water from fire system and its networks.
- In case of detection of such illegal consumption, the supplier is obliged to interrupt drinking water supply to any such customer in breach. In such cases, the water supply can be interrupted without notifying the customer in breach.

# Illegal Consumption of Drinking Water and the Ways for Elimination of Such Practices

**In case of illegal consumption of drinking water, customer shall pay for the consumed water in accordance with the following rules:**

- If it is possible to define the price of the consumed water, the reading of the meter will be corrected accordingly
- If the volume of water consumed during day/month, but the volume of the illegally consumed water is unknown, the calculation shall be made from the date of last reading of the meter (but not for the period exceeding one month)
- If it is impossible to define the volume consumed during day or month, but the date of start of illegal consumption of water is known, the customer shall be billed on basis of average daily consumption, but not for the period exceeding three months.

# Illegal Consumption of Drinking Water and the Ways for Elimination of Such Practices

- If it is impossible to determine the date of start of illegal consumption and the volume of the water consumed during the day, the customer shall be billed on basis of the average dally consumption in three highest consumption month for one month period
- If the volume of water consumed during day/month is known, but the date of start of illegal consumption is unknown, the calculations shall be made from the date of last metering (but not for the period exceeding one month)
- If it is impossible to define the volume consumed during day or month, but the date of start of illegal consumption of water is known, the customer shall be billed on basis of average daily consumption during three months with highest consumption
- The customers illegally consuming drinking water, along with the compensation of damage to supplier, can be charged with the administrative penalty by the decision of the court.

# Billing and Payments for Supplying Drinking Water and Respective Services

**Billing of customers for the consumed water is done:**

- a) in case of existence of the individual meters, only on basis of reading of such individual meter;
- b) in case of non-metered residential customers, on basis of number of members in the household.

**The supplier is entitled to require from the customer depositing money on its account, if**

- person will be registered as customer on the property at his disposal temporarily;
- customer delayed payment three times during the twelve month period
- the supply to the customer was interrupted due to illegal consumption

## **Billing and Payments for Supplying Drinking Water and Respective Services**

**The deposited amount shall be returned to the customer, if:**

- customer voluntarily rejected services and fully settled accounts with the supplier;**
- during the consequent 12 months, the customer duly fulfilled his commitments and duly and timely paid the billed amount**

# Dispute Resolution

- It is not acceptable to interrupt drinking water supply to the customer without notifying him on the claim and giving him the reasonable amount to correct any violations or breaches. In case of interruption of drinking water supply without observation of the procedures set out in these Rules, the supply shall be immediately restored.
- It is not allowed to interrupt the drinking water supply to the customer During the period of consideration of dispute between supplier and customer by the Commission or court, save the cases, when the dispute relates to the issues of non-payment of current bills.

# Interruption of drinking water supply and services

- During the planned repair works the customer shall be notified on interruption of water supply and its duration not less than ten days prior to any such interruption (in case of violation of this condition, the interruption of drinking water supply shall be respectively delayed)
- If the customer intentionally denies the representative of supplier access to the meter twice during one month, the supplier is entitled to interrupt the drinking water supply to such customer

## **Supplying customers by the drinking water through networks owned by the other persons**

- **Person that is not supplier, but owns the network, is obliged (in accordance with the Civil Code of Georgia) to allow use of its network and pass the water with the purposes of ensuring drinking water supply to the other customers**
- **The agreement between owner and supplier shall not result in worsening drinking water supply conditions (including the increase in water prices) for the customers**

## **Cost of Restoring Drinking Water Supply to Customers**

**The supplier is entitled to charge the customer disconnected from the network for non-payment, illegal use of drinking water and/or violation of safety rules with such disconnection and reconnection; any such charges received by the supplier will be considered revenues and will be taken into account in tariff setting**

# Reporting

- Before April 1 of each year, along with the regular financial report, the supplier shall submit to the Commission separate financial and technical reports approved by the auditor. Besides this, the supplier shall submit to the Commission the quarterly report on the status of new customers' connection to the network and on the course of the respective works.

- Within one month after end of each quarter, the supplier shall submit to the Commission the unified water supply and service register for the previous period

- The suppliers shall:

- a) Before January 1, 2009, submit to the Commission the information on status of drinking water supply and sewage systems, with indication of the districts supplied uninterruptible or by schedule.**

- b) Before May 1, 2009, submit to the Commission the plan for ensuring uninterruptible supply of drinking water to the customers, with the indication of districts with uninterrupted water supply at the respective stage and the schedule of ensuring respective treatment of the sewage wastewaters.**



**Thank You for Attention!**