

INTRODUCTION

This Operations Manual provides important information on organizational and operational procedures of the NUMANCIA WATER DISTRICT (NWD).

SCOPE OF OPERATIONS MANUAL

This Operations Manual will show the general information about the NUMANCIA Water District including its history, vision and mission, its organizational structure and the duties and functions of its officers and staff; the operational control and supervision and the operating procedures which were formed in accordance with the approved Citizen's Charter of the NUMANCIA Water District.

This Operations Manual will likewise provide information on the services offered by the district as well as the classification of service connections, operating procedures on application for service connection including the applicable forms, general policy on water service and other information that would provide fundamental direction to the over-all operation of the MWD.

GENERAL INFORMATION

HISTORY

Numancia Water District (NWD) was formed on July 18, 1986 and was issued Certificate of Conditional Conformance No. 259 exactly two months after, or on September 18, 1986. The formation of the District brought so much hope to the residents of Numancia, Aklan for they were then using only communal pumps and were therefore, deprived of the convenience of having individual household service connections. Through the initiative of its General Manager, Mr. Romulo R. Gomez, (he recommended the Water District formation when he was then municipal councilor), purpose of:

- a. Acquiring, installing, improving, maintaining and operating water supply and distribution system for domestic, industrial, municipal and agricultural uses for residents and lands within the boundaries of the district.
- b. Providing, maintaining and operating waste water collection, treatment and disposal facilities, and
- c. Conducting such other functions and operations incidental to water resource development, utilization and disposal within the district, as are necessary or incidental to said purpose.

LWUAs initial financial assistance was in the amount P6.04M loan (LA No.3-216) was approved on August 14, 1987 to finance an entirely new water system for the town of Numancia. The project was completed in 1998 and the new system became operational on January 19, 1989 starting with 400 service connections. In the same year, another loan of P500.000.00 (LA No. 3-288) was extended to the WD to finance the extension project to Barangay Navitas, with the efficient water service that the residents of Numancia enjoy, nearby towns like Makato, Lezo and Malay were convinced to have their water supply systems (WSS) be annexed to Numancia Water District.

Makato Water Supply System was annexed to Numancia WD on June 16, 1988. The system was constructed in 1990 but was, however, abandoned after only about two years of operation due to inadequate supply and poor management and maintenance of the system. A P5.359M loan was thus approved by LWUA for its improvement. With the project's completion and subsequent operation in 1991, the District was able to tap 430 new concessionaires in Makato.

Lezo Water Supply System, on the other hand, has been constructed sometime in 1979 by the Department of Public Works and Highways, and used to be operated by a water consumers cooperative. It was officially annexed to Numancia Water District in September 1989 when the local government of Lezo, Aklan passed a resolution to effect the annexation due to technical and financial problems. The District subsequently sought LWUA's assistance to improve the Lezo water supply system. On August 28, 1990. It was extended an additional loan of P2.230M which was later increased to P 3.869M in order to finish the project. Such big amount of investment, unfortunately brought only 241 connections to the District when Lezo WSS started operation in 1992.

About the town of Malay, it was officially annexed on February 22, 1991. However, there had been no improvements yet as the proposed project on the Boracay Island (part of Malay) is still under negotiation at the time of audit, pending the finalization of the Memorandum of Agreement between NWD and the Department of Tourism (DOT).

For more than 8 years of operations, Numancia Water District was only able to generate 1,613 connections as of February 28, 1994. Because of low income generation and coupled with poor collection efficiency, the WD failed to meet both its operational and debt obligations to creditors. As of February 28, 1994, its financial obligation to LWUA alone has piled up to P1,357,410.90.00. To lighten the burden of the District's shoulders, LWUA approved in May 1994 the restructuring of Water District's P1,442,067.90M arrearages as of March 31, 1994, and converted them into a new loan payable within 180 months starting April 1994 at 8.5 percent per annum. As of June 30, 1994, the District has been able to update its debt service payment to LWUA in accordance with the loan restructuring agreement.

LWUA instituted the Partial Takeover started April 10, 1995 and was lifted November 17, 2004.

On August 16, 2006, a Full Takeover was implemented due to mounting Loan arrearages (P12.867 M as of March 2006); Low Collection Efficiency/High A/R Customers; Water Quality Problem and Limited Production Capacity of the Ground Water Sources; High operational cost of the JICA WTP; Loose Internal Control; High NRW problems.

The LWUA take over team together with the assigned Interim General Managers namely: (Antonio Guarina, Rei Bernardo and Rodrigo P. Magno) was able to introduce reforms into the water district operations namely:

1. MOA Signed for Ten (10) years starting 2009;
2. Two Dug wells commissioned to augment water supply from MKWD
3. Collection Efficiency improved from 67% to 95.16% as of Dec. 201;
4. Installations of 6" uPVC pipelines by interconnecting the Numancia, Makato and Lezo transmission pipeleines;
5. System expansion to Bgy. Dungon East and West;
6. Implemented computerization of the billing system and Material Inventory;
7. Replacement of the existing 1" HDPE to 2" uPVC pipelines in Bgy. Marianos;
8. Replaced 800 LM exist. GI pipes; while major rehab cannot be undertaken due limited funds;
9. Replaced old and defective 1,000 water meters installed.

Most of the problems have been remedied and LWUA is in the process of turnover the water district to the Local Board and Management at the soonest.

Currently, the District is serving twenty one (21) Barangays within the poblacion area of Numancia, Makato and Lezo with a total of 2,515 active service connections as of December 31, 2015 and continuously growing with the implementation of saturation program throughout its present service area. Also added to the improvement of service connections are the proliferation of housing projects and construction of commercial complex within the boundary of the existing service area.

DEFINITION OF TERMS AND ACRONYMS

1. NUMANCIA Water District - a Government-Owned and Controlled Corporation (GOCC) that provides adequate and potable water supply to the residents of NUMANCIA.
2. SRS- Stores Requisition Slip
3. WSR- Water Service Request
4. CSA-D Customer Service Assistant D
5. USA-D Utilities Service Assistant D

PROCEDURES ON THE APPLICATION FOR NEW SERVICE CONNECTION

The applicant inquires on how to apply for water service connection. The Customer Service Assistant D (CSA-D) interviews and answers all queries of the customer and checks per record if he/she has an existing account. If there is, proceeds with the reconnection procedures upon payment of the remaining balance and reconnection fee of P150.00.

The CSA-D checks the documents for completeness and forwards it to the General Manager (GM) for verification and approval.

If the application of the customer is disapproved, the CSA-D informs the customer for the reasons of the disapproval. But if it is approved, the CSA-D prepares Water Service Request (WSR) indicating the amount for New Installation Fee and presents WSR to the customer for payment together with his/her application form. The customer proceeds to the cashier and present WSR for the payment of the installation fee.

The cashier receives the payment of the customer and issues Official Receipt reflecting the amount paid by the customer. Writes OR# and the amount paid also in the application form and forwards it to the CSA-D. The CSA-D schedules for the assessment of materials to be used for the installation of service connection. The Utilities Service Assistant D (USA-D) conducts the assessment of materials and prepares Stores Requisition Slip (SRS) enumerating all the items needed for installation as to description and quantity. Forwards SRS to the GM for approval.

The GM reviews and approves the SRS and proceeds with the procedures on the releasing of supplies. If assessment does not conform with the requirements, a re-assessment of materials shall be conducted.

The CSA-D schedules the installation of the water service connection of the customer.

The USA-D installs the service connection of the customer. The customer signs the WSR form for conformed of the installation process conducted by the USA-D.

Annex 1: Application Form

Annex 2: Water Service Request

Annex 3: Water Service Request

Annex 5: NWD Official Receipt

FLOWCHART ON HOW TO RE-OPEN THE WATER SERVICE CONNECTION

PROCEDURES ON HOW TO RE-OPEN THE WATER SERVICE CONNECTION

The Disconnected Customer inquires his/her unpaid bills to the Customer Service Section prior to re-opening of Water Service Connection. The Customer Service Assistant D (CSA-D) confirms the date of disconnection and determines the total amount of unpaid bills and payment of P150.00 reconnection fee.

The CSA-D prepares the Water Service Request and Statement of Accounts and gives it to the Customer. The Customer forwards his/her Statement of Accounts to the cashier and pays the amount and other charges reflected in the WSR. The Cashier receives the amount and issues official receipt. Upon receiving the OR, the customer shall present it to the Customer Service Section for the schedule of re-opening. The CSA-D schedules the date and forwards it to the maintenance crew for re-opening the water service connection.

DUTIES / FUNCTIONS AND RESPONSIBILITIES

I. BOARD OF DIRECTORS

- The policy-making body of the NUMANCIA Water District.

II. GENERAL MANAGER

- Policy Implementer and General Supervision
- Works together with the Board of Directors.
- Implements the policies.
- Develops strategies for long term plan.
- Develops operating policies and solve operational problems.
- Controls the operations of the water district.
- Guides the water district to its goal.
- Represents the water district in all transactions and meetings.
- Monitors and evaluates the operational report.
- General supervision and monitoring.
- Appoint all personnel of the district and ensure that all appointments meet the qualification standards set by the Civil Service Commission and that position is provided in the DBM approved position allocation list.

III. COLLECTION ASSISTANT

Responsible for all cash collections and issuance of Official Receipts to acknowledge receipt of such collections.

- A. Receives payments based on the following documents:

- Water bills
 - Application forms for new service connections
 - Staking Reports
 - Other service requests such as transfer of meters, reconnection fees, change of name.
 - Other miscellaneous transactions such as liquidation of cash advances/payroll & purchase of materials.
- B. Prepares Official Receipts in three (3) copies indicating the following details:
- Date payment is received
 - Name of payer/concessionaires
 - Address of payer
 - Amount paid (in words and in figures)
 - Application of payment (e.g. water bills, materials, installation fee, etc.)
 - Mode of payment (cash or check). If payment is made in check, write the check details such as the date of check, check number, bank name and bank branch
 - Signature of the collecting officer
- C. Issue copies of Official Receipts as follows:
- Original copy - Return to the payer together with the water bill stamped "PAID"
 - 2nd copy - Cashier's file
 - 3rd copy - Bookkeeper's file
- D. Prepare summary of total collections upon remittance of cash to the cashier and sign the cash count sheet to acknowledge cash turned over to the cashier.

- E. Performs other functions that may be assigned by the Management.

IV. CASHIER C

Responsible for the custody, safekeeping and monitoring of the funds of the district. Ensures that all disbursement of funds or any movements thereof are valid and authorized.

- Receives all cash collected by the Cash Collecting Officer.
- Conducts cash count of all collection remitted by the CCO and prepares cash count sheet and signs "Done by" and let the CCO sign the "Fund Custodian" portion to acknowledge the cash turned over.
- Prepares deposit slips corresponding to the total cash collected for the day, to be deposited to the authorized depository bank the next banking day.
- Prepares Daily Cash Position Report indicating the following details for all cash on hand and in bank accounts, to include Petty Cash Fund and Payroll Fund:
 1. Beginning balance for the day
 2. Total collection for the day supported with ORs' and Daily Collection Report (indicating OR nos., names of concessionaires and the amount)
 3. Interest earned/Credit Memos
 4. Deposit of previous day's collection.
 5. Check disbursements indicating names of payee, amount and check nos.
 6. Fund transfers if any
 7. Debit Memos
 8. Ending balance for the day

- E. Signs Disbursement Vouchers certifying that supporting documents are complete and proper and cash is available.
- Prepares check based on the approved Disbursement Vouchers. Signs the check and forwards it to the GM for counter signature.
- Releases the check and ensures that DVs and check duplicates are duly signed by the payee.
- Forwards all paid DVs to the bookkeeper for filing.
- Prepares and signs Authority for Fund Transfer and forwards it to the bookkeeper for JEV, then to the GM for counter signing.
- Performs other functions that may be assigned by the management.

V. SR. ACCOUNTING PROCESSOR A

Responsible for the complete documentation, recording, maintenance and safekeeping of books of accounts and other financial records and the preparation of financial and operations reports and schedules.

- A. Prepares Disbursement Vouchers based on approved Request for Payment of Obligation and signs the "prepared by" portion of the DV.
- B. Prepares Journal Entry Vouchers for all disbursements, collections and all other miscellaneous transactions which were not taken up in the specialized journals and forwards it to the GM for approval.
- C. Maintains the following books of accounts:

- General Ledger
- Subsidiary Ledgers
 - Cash in Bank
 - Accounts Receivables
 - Cash Advances
 - Inventories
 - Property, Plant and Equipment
 - Accounts Payable
- Cash Receipts and Deposits Journal
- Check Disbursement Journals
- General Journal

D. Prepares monthly the following Financial Reports and schedules:

- Balance Sheet
- Income Statement
- Cash flow Statement
- Statement of Changes in Equity
- Schedules

E. Prepares monthly Bank Reconciliation Statements

F. Prepares the Monthly Data Sheet

G. Prepares Reports for other Regulatory Agencies such as:

- Local Water Utilities Administration

- Commission on Audit
- Bureau of Internal Revenue

H. Prepares the Annual Budget in coordination with the different sections and the GM

I. Prepares the Annual Procurement Plan based on the Annual Budget

J. Performs other functions that may be assigned by the management.

VI. ADMINISTRATIVE SERVICES ASSISTANT C

Responsible in the administration of personnel related activities in accordance with the district's policies in pursuant to the Civil Service Commission rules and regulations.

- A. Prepares and keeps updated the service record of the employees and facilitates required submission to proper agencies such as the CSC, DBM and GSIS
- B. Maintenance of 201 Files of all the employees
- C. Maintenance of all Memorandum Orders and other correspondence regarding personnel matters.
- D. Prepares the original and renewal of the appointment of the permanent, temporary and casual; and contract of Job Order employees including the process of selection for hiring
- E. Reviews and recommends approval of leave application of the employees including request for monetization of leave credits

- F. Maintains leave cards and monitors daily time record of the employees
- G. Prepares the Notice of Salary Adjustments (NOSA) and Step Increments of the employees
- H. Prepares payroll and monitors regulatory deductions such as BIR, GSIS, Pag-ibig and Philhealth premiums
- I. Prepares remittance reports due to all regulatory agencies.
- J. Certifies loan application of the employees to the GSIS and Pag-ibig
- K. Prepares and submits all regulatory requirements of CSC and DBM
- L. Monitors the implementation of policies, rules and regulations issued by governing agencies such as the filing of SALN.
- M. Handles all personnel and CSC related matters.
- N. Performs other functions that may be assigned by the management.

VII. ACCOUNTING PROCESSOR A (BILLING & POSTING CLERK)

Responsible in the proper billing of the concessionaires based on the meter reading reports of the meter reader and the posting of bill payments in the system. Handles all matters including complaints related to accounts of concessionaires.

- A. Receives the Meter Reading cards from the Meter Reader.

- B. Encodes the meter readings in the Billing and Collection System, create a back up of the file data and computes bills.
- C. Review water bills by comparing the total consumption and the amount against the meter reading cards and back up the files.
- D. Prints water bills and forwards to the Customer Service Assistant D for distribution.
- E. Prepares the Monthly Billing Summary together with the Penalty Charges and forwards it to the Bookkeeper for JEV.
- F. Receives 3rd copy of the OR's and encodes OR no. and amount of bill payments to the Billing and Collection System. If payment by check, encode check no then SAVE.
- G. Prints Daily Collection Report and forwards to the Cashier.
- H. Prints Daily Collector's Report and forwards it to the Bookkeeper.
- I. Prepares Billing Adjustment Memos (BAM) if needed and posts to the Billing and Collection System and forwards BAM to the Bookkeeper for JEV.
- J. Monitors concessionaires' account balances and prepares disconnection notices and disconnection of services orders for delinquent customers. Forwards to the GM for review and approval.
- K. Issues approved disconnection orders to the Water Maintenance Man B for execution.

- L. Purchases all approved purchased orders.
- M. Prepares overtime accomplishment report.
- N. Performs other functions that may be assigned by the management.

VIII. CUSTOMER SERVICE ASSISTANT C (METER READER)

Responsible for the reading of meters of all service connections, distribution of water bills, maintenance of meter reading cards and application for new service connections.

1. METER READING

- A. Conducts monthly reading of water meters.
- B. Records the reading, the water consumption and the corresponding amount of water bill in the meter card assigned to each concessionaire.
- C. Distributes monthly water bills to the concessionaires.
- D. Observes and analyzes readings of water consumptions of concessionaires (e.g. stocked up meters, leakages and high speed meters). Reports to the maintenance section any defects for further action.
- E. Distributes disconnection notices to delinquent concessionaires.

- F. Updates meter reading cards for disconnections, reconnections and change meters.

2. CUSTOMER SERVICE

- G. Conducts orientation to applicants for service connections regarding the utility rules and regulations of the district.
- H. Checks records if applicants have existing service connections and outstanding accounts for proper disposition.
- I. Assists applicants in filing Service Application & Construction Order form and payment of applicable fees.
- J. Processes application forms for approval by the GM and forwards to the maintenance section for billing of materials.
- K. Prepares schedule of installation of service connections for applicants who have fully paid the applicable fees.
- L. Prepares meter reading cards for new installed service connections.
- M. Forwards the accomplished Meter Reading Card to the Accounting Processor A for account number assignment.
- N. Entertains customer's complaints regarding their service connections and forwards to maintenance section for proper action.

- O. Maintains records on maintenance orders, service request and investigation report on service connections.
- P. Performs other functions that may be assigned by the management.

IX. CUSTOMER SERVICE ASSISTANT D (STORE KEEPER/METER READER)

Responsible for the requisition, monitoring, maintenance and safeguarding of all the supplies, materials, equipments and facilities owned by the district. Serves as alternate meter reader.

1. STOREKEEPING

- A. Receives Stores Requisition Slip (SRS) and issues supplies or materials requested.
- B. Receives and keeps all delivered items after being inspected by the designated inspector.
- C. Records daily all issued and received supplies and materials in the corresponding stock cards.
- D. Monitors level of stocks to ensure availability of supply.
- E. Prepares the following documents needed for purchase of materials and the issuance thereof
 - Purchase Request
 - Purchase Order

- Request for Quotation
- Abstract of Quotation
- Inspection and Acceptance Report
- Memorandum Receipts

F. Conducts monthly inventory of supplies and materials to ensure reconciliation of physical existence against inventory record. Conducts annual inventory of all the district's properties.

G. Prepares and maintains monthly report on materials and supplies issued.

H. Records all issuances/returns of equipments and tools to identify accountability.

2. CUSTOMER SERVICE

I. Conducts orientation to applicants for service connections regarding the utility rules and regulations of the district.

J. Checks records if applicants have existing service connections and outstanding accounts for proper disposition.

K. Prepares requests for engineering permits for concrete cutting and excavation.

L. Entertains customer's complaints regarding their service connections and forwards to maintenance section for proper action.

- M. Maintains records on maintenance orders, service request and investigation report on service connections.
- N. Serves as alternate meter reader.
- O. Performs other functions that may be assigned by the management.

X. UTILITIES SERVICES ASSISTANT A

Responsible in the construction and maintenance of water transmission and distribution mains including pipe laying, excavation, restoration, and concreting for the main and customer service connections.

- A. Performs routine task in constructing and maintaining water transmission and distribution lines.
- B. Installs service connection from the main to the customer connection lines.
- C. Monitors any defect or leakage in the service connections and mainlines and performs immediate repair thereof.
- D. Monitors any violations against MWD regulations such as illegal tapping and pilferage and reports the same to the Management for proper action.
- E. Performs regular flushing of blow off and hydrants and prepares related report thereto.
- F. Carries out disconnection of service lines of customers in arrears.

- G. Performs re-opening and transfer of service connections.
- H. Maintains proper use of materials and equipments used in the construction and repair.
- I. Performs other functions that may be assigned by the management.

XI. WATER RESOURCES FACILITIES OPERATOR B

Responsible in the operation and maintenance of the water district resources and production facilities to ensure adequate delivery of quality, potable and continuous water supply.

- A. Operates production facilities.
- B. Monitors water level, volume, pressure and power voltage during production. Observes unusual sounds generated by pumping facilities.
- C. Maintains records of water productions (flow meter), power consumptions, voltage and ampere, time of production and all other data necessary in the proper pump operation of the district. Maintains records of fuel consumptions of the generator set.
- D. Prepares monthly production report.
- E. Performs regular backwashing operations at the source.
- F. Inspects and maintains electrical and mechanical facilities to ensure continuous production of water supply.

- G. Monitors and records application of chlorine and conducts daily tests to ensure that residual chlorine is within the acceptable level.
- J. Collects water samples for laboratory testing.
- K. Performs other functions that may be assigned by the management.

OPERATIONAL CONTROL AND SUPERVISION

I. BUDGETING

- For the preparation of the annual budget, a meeting as requested by the General Manager with the employees was conducted in order to obtain all the equipments and supplies needed by each of the employees as to quantities and schedule of the purchase.
- At the end of the third quarter of the current year, the annual operating budget for the next year is prepared by the personnel in charge under the supervision of the General Manager.
- The General Manager reviews the prepared budget for revision if there is any.
- The General Manager presents the final budget proposal to the board of directors for approval.

II. DISBURSEMENT

- All disbursement vouchers are prepared by the bookkeeper.

A. Payment to Local Suppliers

- The bookkeeper receives the cash invoices of all the purchased items and all other required supporting documents.
- The bookkeeper prepares the disbursement voucher which also includes the computation of taxes to be withheld from the suppliers and forwards the voucher to the General Manager for approval.
- The General Manager forwards the voucher to Cashier-Designate for the preparation of Check and secures signatures of both signatories.
- The check is issued to suppliers by the designated cashier.

B. PETTY CASH FUND OPERATION

- The petty cash fund is used to pay petty cash expenses of the district for amounts not exceeding Ten Thousand Pesos (P10,000.00).
- Payments are supported with Petty Cash Fund Vouchers and supporting documents such as Official Receipts, Water Service Requests, Reimbursement Receipt Expenses etc.
- When the fund balance reaches the maximum level set for replenishment, the Petty Cash Fund Custodian prepares the Summary of all the Petty Cash expenses and forwards it to the Bookkeeper for voucher.

C. REVOLVING FUND

- The Revolving Fund which is usually consists of small bills was set up to address the problem of the bill collector for lack of loose change especially in the morning. The fund was released to the bill collector.
- At the end of the day, the fund is turned over by the bill collector to the Cashier designate.

D. CHECK PREPARATION

- Upon receiving the Disbursement Vouchers for payments of obligation, the Cashier Designate checks and ensures that supporting documents are proper and complete and cash is available. Check is then prepared by him by filling in the check number, date, the payee and the amount. The check number and date are also recorded in the vouchers.
- The Cashier Designate ensures that both signatories have signed the check. He then releases the check to the payee.

E. BANK RECONCILIATION

- Upon receipt of the Bank Statements, a Bank Reconciliation is prepared by the bookkeeper to reconcile the cash balances of MWD per book to per bank.
- In case of any bank error, a letter is immediately sent to the bank noting the differences of cash amounts and balances. In case of the district's error, a journal voucher is prepared to correct the error.

III. PAYROLL

- Payroll of the employees including those of Job Order workers are prepared by the Human Resource Management Officer.
- For regular and temporary employees, payroll is prepared for the whole month and disbursement is scheduled weekly. In case of the salary of JOs, payroll is made every 15th and end of the month.
- Biometrics and Logbook are used for the punch in and out of the employees to. Due to the absence of bundy clock in pumping stations, a logbook is used as basis for the in and out of pump operators.
- In case of overtime services, employees shall prepare and file the accomplished Overtime Request Form duly signed by the General Manager.
- Employees who resign, transfer, go on indefinite leave, or separated are consequently dropped from the payroll. Remaining accounts, should there be any, of employees shall be offset from his/her due wages and/or separation pay.
- Reports of the deductions made per payroll for the remittances of employee's premium contributions, salary loans and other deductions are likewise prepared by the HRMO and submitted to the bookkeeper for vouchers.

IV. PURCHASING

- Requesting personnel fills up the Purchase Requisition Form listing all the items he / she needed as to quantity and specifications.
- The purchasing employee is responsible for sending the Request for Quotations to at least three (3) suppliers.
- The Bids and Awards Committee deliberated and approved the quotations. The requisitioned items shall be purchased from the supplier which offers the lowest prices yet consistent with the quantity, quality and service required.
- All Purchase Orders are approved by the General Manager (GM) and are given sequence number for monitoring purposes.
- Emergency purchases are also allowed but only if the materials are urgently needed so as to avoid delays in the performance of urgent activities to prevent danger to life or property or to avoid detriments to public service. Emergency purchases should likewise be supported with Purchase Requisition, Quotations and Purchase Orders duly approved by the GM.
- The requesting personnel are responsible to follow-up all of their orders to the purchasing employee.

CLASSIFICATIONS OF SERVICE CONNECTIONS

(Adopted Thru Board Resolution No. 19 S. 2008)

CLASSIFICATION FACTORS DEFINITION

- A. DOMESTIC CLASS - this is a connection whereby water is purely used for domestic needs such as for drinking, washing, cooking, bathing, watering small gardens, washing of private cars, etc. This is the lowest rate block with a conversion factor of 1.0.
- B. GOVERNMENT CLASS - This class uses water primarily for public service and not intended to generate profit. The rate class is the same as the domestic class at conversion factor of 1.0.
- C. COMMERCIAL CLASS - This class includes all building used as place for conducting business transactions and generating profit. This class has sub-classifications, which ranges from factor 1.25 to 2.00. For consistency, the implementation of the class is categorized as follows:
 - 1. Commercial C (Factor 1.25) - Covered herein are apartments whose owners assume payment of water bills using one control water meter.
 - 2. Commercial B (Factor 1.5) - Included in this class are the following:
 - Sari-sari stores
 - Vulcanizing and Repair Shops
 - Other premises utilized for selling foods or services including premises used for living quarters.

3. Commercial A (Factor 1.75) - Below belongs to this class:

- Photo services
- Dental and Medical Clinics
- Warehouses
- Groceries
- Gift shops
- Offices, including government profit generator
- Drugstore
- Wholesale and retail outlets
- Furniture Shops
- Fish and Meat Stalls in Public Markets

4. Full Commercial (Factor 2.0) - Included herein are the following, to wit:

- Rest Houses
- Hotels, Lodgings and the likes`
- Hospitals, whether private or public
- Cafeteria managed by cooperatives, corporations, etc.
- Ice Cream Parlor
- Beer Houses
- Bars, Night Clubs and Disco Pads
- Restaurants
- Gasoline stations and terminals
- CHB and concrete products manufacturers
- Theaters
- Carinderias
- Confectionaries, bakeries

- Ice plants
- Private Schools
- Boarding houses
- Billiard Halls and other games and entertainment place

D. BULK/WHOLESALE (Factor 3.0) - This includes the following:

- Domestic connections who sell/vend water without transforming into another product or supplies water to other for a fee such as bottled water manufacturer.
- Vending water in bulk quantity such as sale to tankers or by containers to contractor's ships, airplanes, trucks and for factory use.

Water Rates Classification	Size	Minimum Charge		Commodity Charge		
		0 – 10 cu.m.	11 – 20 cu.m.	21 – 30 cu.m.	31 – 40 cu.m.	41 up
Residential	½"	P220.00	27.55	33.35	40.65	52.85
	¾"	352.00	27.55	33.35	40.65	52.85
	1"	704.00	27.55	33.35	40.65	52.85
Full Commercial	½"	440.00	55.10	66.70	81.30	105.70
	¾"	704.00	55.10	66.70	81.30	105.70
	1"	1,408.00	55.10	66.70	81.30	105.70
Commercial "A"	½"	385.00	48.20	58.35	71.10	92.45
	¾"	616.00	48.20	58.35	71.10	92.45
	1"	1,232.00	48.20	58.35	71.10	92.45
Commercial "B"	½"	330.00	41.30	50.00	60.95	79.25
	¾"	528.00	41.30	50.00	60.95	79.25
	1"	1,056.00	41.30	50.00	60.95	79.25
Commercial "C"	½"	275.00	34.40	41.65	50.80	66.05
	¾"	440.00	34.40	41.65	50.80	66.05
	1"	880.00	34.40	41.65	50.80	66.05