

Updates on the Water Services Industry (Water Services Industry (Water Services Deposits, Fees and Charges) Regulations 2014)

Suruhanjaya Perkhidmatan Air Negara (SPAN) recently announced that the amended Water Services Industry (Water Reticulation and Plumbing) Rules 2014 and Water Services Industry (Water Services Deposits, Fees and Charges) Regulations 2014 took effect on 1 February 2014.

The Rules and Regulations aims to standardise the water services technical requirements and deposit rates, fees and charges throughout Peninsular Malaysia including Kuala Lumpur, Putrajaya and Labuan. It will replace the existing water supply rules and deposit rates, fees and charges (disconnection or reconnection) which previously vary according to states.

The Water Services Industry (Water Reticulation and Plumbing) Rules 2014 has been updated to provide for and regulate the technical and performance standards for the design, construction, installation, operation and maintenance of water reticulation system, pipe fittings and any matters related to it. The main features of the rules are transparency and clarity to ensure that all water services licensees, developers and owners fully understand SPAN's policy. The scope of these rules are divided into six sections as follows:

a) Part I – Preliminary

Includes citation, commencement date of the Rules in operation which is 1 February 2014 and the interpretation of terms used.

b) Part II – General

This section provides the application of general rules to ensure that there is no:

- waste;
- improper use;
- abuse; or
- contamination of the water supply system.

It also seeks to ensure that all fittings and installation work and modifications done, are in compliance to industry standards and the requirements of these rules. Failure to comply will be convicted of an offense under section 129 of the Act.

c) Part III – Centralised Service Reservoirs, Supply Main and External Water Reticulation System

These Rules are intended to establish a framework for the regulation, planning, design, construction and installation of a centralised service reservoirs, external water reticulation system and supply main.

d) Part IV – Plumbing

This part covers the requirements in establishing a regulatory framework for assembly and plumbing regulatory framework.

e) Part V – Requirements for Water Fittings in a Private Water Supply System

Refers to the establishment of a framework for the regulation of water fittings in a private water supply system which is applicable to the class licensees.

f) Part VI – Transitional Provisions

This part covers the transitional provisions for the application or operation of certain matters.

DEPOSITS, FEES AND CHARGES

The Water Services Industry (Water Services Deposits, Fees and Charges) Regulations 2014 details the structure of deposits, fees and charges for various types of water services for developers and users. It also seeks to ensure that all deposits, fees and water service charges are standardised and applied nationwide.

The schedule of deposits, fee and charges are tabled below:

FIRST SCHEDULE, PART I (Rule 3) Deposit for Water Supply Account		
Item	Category of Premises	Rates (RM)
1. Residential		
(a)	Low cost flat/house	50
(b)	Apartment/condominium unit	70
(c)	Single storey house	70
(d)	Double/multiple storey house	100
(e)	Apartment/condominium/flat/gated community with bulk meter	2,000

FIRST SCHEDULE, PART I (Rule 3) (continued) Deposit for Water Supply Account		
Item	Category of Premises	Rates (RM)
2. Commercial and Industrial		
(a)	Single storey shop house with estimated water demand not exceeding 2,000 litres per day	200
(b)	Double/multiple storey shop house with estimated water demand not exceeding 4,550 litres per day	300
(c)	Private fire hydrant (with separate water meter)	200
(d)	Water kiosk	750
(e)	Water supply for construction works	(Estimated monthly water demand to be provided by the consumer to the water distribution licenses) x (the rates for water supply services) x 2
(f)	Any other commercial or industrial premises or use not falling under paragraphs (a) to (e) above	(Estimated monthly water demand to be provided by the consumer to the water distribution licensee) x (the rates for water supply services) x 2
3. Social		
(a)	Places of worship/buildings for religious institutions	100
(b)	Community centres and halls	100
4. Government institution and non-profit organisation		
(a)	Government institution	100
(b)	Non-profit organisation approved by any government authorities under any written law	100

FIRST SCHEDULE, PART II (Rule 9) Deposit for Water Testing		
Item	Categories	Rates (RM)
1.	For meter size less than 50mm	50
2.	For meter size 50mm and above	Meter testing costs

FIRST SCHEDULE, PART III (Rule 10) Deposit for Temporary Metered Supplies		
Item	Categories	Rates (RM)
1.	Temporary metered supplies	(Estimated monthly water demand to be provided by the consumer to the water distribution licensee) x (the rates for water supply services) x 2

SECOND SCHEDULE, PART I (Rule 11) Meter Installation Fee		
Item	Categories	Rates (RM)
1.	For meter size less than 50mm	40
2.	For meter size between 50mm to 100mm	80
3.	For meter size between 101mm to 150mm	100
4.	For meter size more than 150mm	120

THIRD SCHEDULE, PART I (Rules 14, 15, 16) Capital Contribution Rates for Residential Premises Developed by Developer			
Item	Type of premises	Where supply mains or service reservoirs are constructed	
		by developer Rate per premise (RM)	by licensee Rate per premise (RM)
1.	Low/low medium/medium cost house/flat	75	75 + (0.40 x estimated water demand where supply mains are constructed by the licensee) + (0.80 x estimated water demand where service reservoirs are constructed by the licensee)
2.	Any type of premises with selling price/market value above RM70,000 to RM150,000	300	300 + (0.40 x estimated water demand where supply mains are constructed by the licensee) + (0.80 x estimated water demand where service reservoirs are constructed by the licensee)
3.	Any type of premises with selling price/market value above RM150,000 to RM300,000	500	500 + (0.40 x estimated water demand where supply mains are constructed by the licensee) + (0.80 x estimated water demand where service reservoirs are constructed by the licensee)

Water Reticulation and Plumbing) Rules 2014 and Deposits, Fees and Charges) Regulations 2014

THIRD SCHEDULE, PART I (Rules 14, 15, 16) (continued)

Capital Contribution Rates for Residential Premises Developed by Developer

Where supply mains or service reservoirs are constructed

Item	Type of premises	by developer Rate per premise (RM)	by licensee Rate per premise (RM)
4.	Any type of premises with selling price/ market value above RM300,000 to RM500,000	1,000	1,000 + (0.40 x estimated water demand where supply mains are constructed by the licensee) + (0.80 x estimated water demand where service reservoirs are constructed by the licensee)
5.	Any type of premises with selling price/ market value above RM500,000	1,500	1,500 + (0.40 x estimated water demand where supply mains are constructed by the licensee) + (0.80 x estimated water demand where service reservoirs are constructed by the licensee)

THIRD SCHEDULE, PART II (Rules 14, 15, 16)

Capital Contribution Rates for Non-Residential Premises Developed by Developer or Owner

Where supply mains or service reservoirs are constructed

Item	Type of premises	by developer or owner Rate per premise (RM)	by licensee Rate per premise (RM)
1a.	Shop houses	500 x number of floors x number of water supply connections per floor	(500 x number of floors x number of water supply connections per floor) + (0.40 x estimated water demand where supply mains are constructed by the licensee) + (0.80 x estimated water demand where service reservoirs are constructed by the licensee)
b.	Shop offices		
c.	Linked/terraced factories		
1d.	Light industrial workshops	1,000 or (0.18 x estimated water demand), whichever is higher	(1,000 or (0.18 x estimated water demand), whichever is higher) + (0.40 x estimated water demand where supply mains are constructed by the licensee) + (0.80 x estimated water demand where service reservoirs are constructed by the licensee)
e.	Semi-detached workshops/ bungalow workshops		
f.	Heavy industry premises		
g.	Medium industry premises		
h.	Light industry premises	1,000 or (0.13 x estimated water demand), whichever is higher	(1,000 or (0.13 x estimated water demand), whichever is higher) + (0.40 x estimated water demand where supply mains are constructed by the licensee) + (0.80 x estimated water demand where service reservoirs are constructed by the licensee)
1i.	Government premises		
1j.	Premises for private education institution	1,000 or (0.18 x estimated water demand), whichever is higher	(1,000 or (0.18 x estimated water demand), whichever is higher) + (0.40 x estimated water demand where supply mains are constructed by the licensee) + (0.80 x estimated water demand where service reservoirs are constructed by the licensee)
k.	Private hospitals		
1l.	Markets	1,000 or (0.13 x estimated water demand), whichever is higher	(1,000 or (0.13 x estimated water demand), whichever is higher) + (0.40 x estimated water demand where supply mains are constructed by the licensee) + (0.80 x estimated water demand where service reservoirs are constructed by the licensee)

THIRD SCHEDULE, PART II (Rules 14, 15, 16) (continued)

Capital Contribution Rates for Non-Residential Premises Developed by Developer or Owner

Where supply mains or service reservoirs are constructed

Item	Type of premises	by developer or owner Rate per premise (RM)	by licensee Rate per premise (RM)
1m.	Office/commercial complexes	1,000 or (0.18 x estimated water demand), whichever is higher	(1,000 or (0.18 x estimated water demand), whichever is higher) + (0.40 x estimated water demand where supply mains are constructed by the licensee) + (0.80 x estimated water demand where service reservoirs are constructed by the licensee)
n.	Community centres or halls		
o.	Hotels		
p.	Bus terminals		
q.	Petrol kiosks		
r.	Stadiums		
s.	Golf courses		
t.	Airports		
u.	Other type of premises		

THIRD SCHEDULE, PART III (Rules 14, 17, 18)

Capital Contribution Rates for Residential Premises Developed by Owner Other than Specified in Part I

Where there are existing supply mains or service reservoirs constructed by licensee

Where supply mains or service reservoirs are constructed by licensee

Item	Type of premises	Rate per premise (RM)	Rate per premise (RM)
1.	Any type of premises with selling price/ market value above RM70,000 to RM150,000	300	300 + (0.40 x estimated water demand where supply mains are constructed by the licensee) + (0.80 x estimated water demand where service reservoirs are constructed by the licensee)
2.	Any type of premises with selling price/ market value above RM150,000 to RM300,000	500	500 + (0.40 x estimated water demand where supply mains are constructed by the licensee) + (0.80 x estimated water demand where service reservoirs are constructed by the licensee)
3.	Any type of premises with selling price/ market value above RM300,000 to RM500,000	1,000	1,000 + (0.40 x estimated water demand where supply mains are constructed by the licensee) + (0.80 x estimated water demand where service reservoirs are constructed by the licensee)
4.	Any type of premises with selling price/ market value above RM500,000	1,500	1,500 + (0.40 x estimated water demand where supply mains are constructed by the licensee) + (0.80 x estimated water demand where service reservoirs are constructed by the licensee)

FOURTH SCHEDULE, SUB-RULE 14 (3)

Type of Premises Not to be Charged with Capital Contribution

Item	Categories
1.	Low cost housing scheme fully financed by the State or Federal Government
2.	Premises owned by individual house owner valued less than RM70,000
3.	Places of worship and buildings for religious institutions
4.	Premises owned by a non-profit organisation approved by any government authorities under any written laws
5.	Community centres and multi-purpose halls for public use

For more information, please refer to SPAN website at www.span.gov.my. If you have any further enquiries, please contact the Water Regulatory Department, National Water Services Commission (SPAN) at 03-83179321, 03-83179324, 03-83179325 or 03-83179326.