



MRA/74/ 2010

28th February 2011

Tender for Consultancy Services for Financial and Engineering Assessments of the Water Services Corporation

Clarification Note: 3

1. **We would appreciate it if you could clarify whether the activities of Work package 1 and 2 are expected to be performed once as part of this tender – i.e. a single review and not multiple reviews over the 1 year contract period.**

Workpackages 1 and 2 are to be considered as single reviews (i.e. each carried out once during the contract period).

Tenderers are required to submit the proposed Organisation and Methodology including a timetable of activities as indicated in clause 3.1.5 and Part 2 of the tender document.

2. **The work to be carried out entails, amongst others:**
 - i. **the review and assessment of financial information and regulatory accounts submitted by the Water Services Corporation as part of its licence obligations.**
 - ii. **Report our opinion and assess compliance to established licence conditions.**

In view of the above requirements and for the purposes of compiling our proposal, it would be appreciated if you could provide us with a copy of the licence and conditions emanating thereof and the latest regulatory accounts available.

A copy of the licence issued to the Water Services Corporation is being attached with this clarification note.

Tables 5.1-5.5 in Schedule 4 of the licence includes details of the requirements for submission of regulatory accounts. Actual submissions by the Water Services Corporation to MRA will be provided to the selected tenderer following award of the contract.

3. **Clause 7.2.7.2 allows the tenderer to add experts as appropriate. This is contradicted by Clause 7.2.7.8 which states that findings of selection panel shall be recorded. Is MRA stating that the tenderer can add experts only by means of a call for applications?**

No. Tenderers are only required to add additional experts as necessary and appropriate. For avoidance of doubt the sentence in clause 7.2.7.8 "**The findings of the selection panel shall be recorded**" is being deleted.

- 4. Minimum criteria are stated in 7.2.7.5.1 and 7.2.7.5.2. These state 10 years experience in similar assignments for the Lead Financial Assessor and 5 years for the Engineering Assessor. Clause 7.2.7.10 on the other hand states 5 years experience of a similar nature. This conflicts with 7.2.7.5.1. Which is the correct one?**

Clauses 7.2.7.5.1 and 7.2.7.5.2 refers to the experience of the nominated experts. In the case of the Lead Financial Assessor the minimum specific professional experience is 10 years. In the case of the Engineering Assessor the minimum specific professional experience is 5 years.

Clause 7.2.7.10 refers to the relevant experience of the tenderer (whether natural or legal person). In the case where tenderer is a legal person, then the experience of the nominated experts should be as provided in Clauses 7.2.7.5.1 and 7.21.7.5.2 while that of the tenderer should be as provided in 7.2.7.10.

- 5. Clauses referred in 4 above state 2 projects of significant participation for both respective roles. Clause 7.2.7.12 on the other hand states 3 projects. This conflicts with Clauses in 7.2.7.5.1 and 7.2.7.5.2. Which is the correct one?**

As noted above, Clauses 7.2.7.5.1 and 7.2.7.5.2 refers to projects carried out by the nominated experts.

Clause 7.2.7.12 refers to project experience of the tenderer (whether natural or legal person). In the case where tenderer is a legal person, then the minimum number of projects carried out by the tenderer is 3 while participation of the nominated experts is as provided in clauses 7.2.7.5.1 and 7.21.7.5.2.

In the case where the tenderer is a natural person (i.e. either the financial assessor or the engineering assessor) then the provisions of both 7.2.7.12 and relevant provisions of clauses 7.2.7.5.1 and 7.2.7.5.2 shall also apply to such person.

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LICENCE ISSUED BY THE MALTA RESOURCES AUTHORITY
UNDER THE MALTA RESOURCES AUTHORITY ACT
AND THE WATER SUPPLY AND SEWERAGE SERVICES REGULATIONS

TO THE WATER SERVICES CORPORATION TO:

- (i) SUPPLY WATER THROUGH THE PUBLIC WATER DISTRIBUTION NETWORK**

- (ii) PROVIDE SEWERAGE SERVICES USING THE PUBLIC SEWAGE COLLECTION SYSTEM**

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Licence issued by the Malta Resources Authority under the Malta Resources Authority Act and the Water Supply and Sewerage Services Regulations to the Water Services Corporation to:

- (i) supply water through the public water distribution network
- (ii) provide sewerage services using the public sewage collection system

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Licence issued by the Malta Resources Authority under the Malta Resources Authority Act and the Water Supply and Sewerage Services Regulations to the Water Services Corporation to:

- (i) supply water through the public water distribution network**
- (ii) provide sewerage services using the public sewage collection system**

In exercise of its powers conferred to it under the Malta Resources Authority Act (Cap. 423), in particular Article 26 thereof and LN 525 of 2004, the Malta Resources Authority hereby issues this licence to the Water Services Corporation to:

- (i) supply water through the public water distribution network
- (ii) provide sewerage services using the public sewage collection system.

This licence shall come into force on the 1st June 2010 and shall expire on the 31st December 2013.

Executed by,

Dr. Reuben Balzan
Chairman
For and on behalf of the
Malta Resources Authority
Date:

Ing. Anthony Rizzo
Chief Executive Officer
For and on behalf of the
Malta Resources Authority
Date:

I accept and approve all the terms and conditions of this licence:

Ing Louis Giordamaina
Chairman
For and on behalf of the
Water Services Corporation
Date:

Ing. Marc Muscat
Chief Executive Officer
For and on behalf of the
Water Services Corporation
Date:

1. Purpose

- 1.1 This licence is the regulating instrument issued to the Water Services Corporation to:
- (i) supply potable water (other than bottled table water) for domestic, commercial, industrial or other purposes in Malta and using the public distribution network in accordance with the MRA Act and LN 525 of 2004;
 - (ii) provide sewerage services using the public sewage collection system, in accordance with the MRA Act and LN 525 of 2004
- 1.2 The purposes of this licence are:
- i. to monitor the Licensee's performance and compliance to licence conditions;
 - ii. to measure and compare the Licensee's costs and outputs to industry standards;
 - iii. to form a basis for greater consumer protection;
 - iv. to establish a basis for setting performance targets for Licensee to achieve higher quality objectives and determination of tariff reviews.

2. Definitions and interpretation

- 2.1 In this licence (as hereinafter defined) the following words and expressions shall have the meanings assigned to them in this Section 2, except where the context otherwise requires.
- 2.2 "**Asset management plan**" means a plan developed by the Licensee setting out the Licensee's current asset inventory as well as the optimal arrangements for creating, maintaining, repairing and replacing the Licensee's potable water supply infrastructure.
- 2.3 "**Books**" and / or "**records**" shall include any and all books, records, files, maps, plans, documents, papers, accounts, estimates, returns and other data of whatsoever nature including in electronic format and whether or not created, recorded or maintained in a document or in electronic format.
- 2.4 "**Business day**" means a normal working day between Monday to Friday but excludes public holidays.
- 2.5 "**Consumer**" means the person to whom services are rendered by the Water Services Corporation.
- 2.6 "**Domestic sewage**" shall have the meaning assigned to it in LN 525 of 2004.
- 2.7 "**Financial year**" means the financial year of the Licensee as defined by the WSC Act of 1991 (Cap. 355)
- 2.8 "**Groundwater**" means all water which is below the surface of the ground in the saturation zone and in direct contact with the ground or subsoil;
- 2.9 "**Industrial sewage**" shall have the meaning assigned to it in LN 525 of 2004.

- 2.10 “**Information**” means that information which is in possession of the Licensee or which can be reasonably obtained or which can be reasonably prepared from information which is in the Licensee’s possession or which the Licensee can reasonably obtain..
- 2.11 “**Infrastructure assets**” means and includes all underground and above-ground systems of mains, service pipes, reticulation, distribution and trunk mains, pipelines, boosters, information about infrastructure assets e.g. zonal investigations, meters, valves, ancillary fittings, reservoirs and water tanks, boreholes, springs, galleries, pumping stations, reverse osmosis plants and their ancillaries.
- 2.12 “**Licence**” means and includes all terms and conditions to this licence as stipulated in this document and/or as may be amended by MRA, any drawings and any standards, Acts, regulations, legal notices, by-laws, Codes of Practices and/or administrative or other procedures or rules or any other document incorporated whether by reference or otherwise in this licence.
- 2.13 “**Licensed activities**” means the supply of water through public water distribution network and the provision of sewerage services using the public sewerage collection system
- 2.14 “**Licensed business**” means the business carried out by the Licensee of the licensed activities as defined above.
- 2.15 “**MRA Act**” refers to the Malta Resources Authority Act (Cap. 423) and any subsequent amendments to that Act.
- 2.16 “**MRA**” or “**Authority**” means the Malta Resources Authority as established by the MRA Act (Cap. 423).
- 2.17 “**Person**” shall have the same meaning as is assigned to it in the Interpretation Act (Cap. 249).
- 2.18 “**Potable water**” shall have the meaning assigned to it in LN 525 of 2004.
- 2.19 “**Public sewerage collection system**” shall have the meaning assigned to it LN 525 of 2004.
- 2.20 “**Public water distribution network**” shall have the meaning assigned to it in LN 525 of 2004.
- 2.21 “**Regulatory accounts**” means accounts prepared in accordance with section 10.1 of this licence.
- 2.22 “**Relevant competent authority**” means any person or body having jurisdiction to regulate and enforce or to take action under or in respect of the relevant legal requirement.
- 2.23 “**Relevant plant**” means any plant used by the Licensee for the purpose of carrying out the licensed activities including, without limitation:
- (i) water mains, other pipes, reservoirs boosters, pumping stations, boreholes, desalination plants and treatment plants and their accessories.
 - (ii) sewerage mains, other pipes, galleries, booster and pumping stations and sewerage treatment plants and their accessories.
- 2.24 “**seawater**” shall mean water which has an electrical conductivity greater than 50,000 µS/cm.

- 2.25 “**Sewage**” shall have the meaning assigned to it in LN 525 of 2004.
- 2.26 “**Sewerage operating area**” is the area for which this license is granted and comprises all of the territory of the Republic of Malta.
- 2.27 “**Sewerage services**” shall have the meaning assigned to it in LN 525 of 2004.
- 2.28 “**Sludge**” means residual sludge, whether treated or untreated, from urban sewage treatment plants.
- 2.29 “**Supply of water**” shall have the meaning assigned to it in LN 525 of 2004
- 2.30 “**water intended for human consumption**” shall have the meaning assigned to it in LN 17 of 2009.
- 2.31 “**water supplier**” shall have the meaning assigned to it in LN 525 of 2004.
- 2.32 “**water tanker**” shall have the meaning assigned to it in LN 525 of 2004.
- 2.33 “**Water Supply Area**” is the area for which this licence is granted and comprises all of the territory of the Republic of Malta.
- 2.34 “**WSC Act**” refers to the Water Services Corporation Act (Cap. 355) as amended and any subsequent amendments to this Act.
- 2.35 “**WSC**” or “**Corporation**” or “**Licensee**” means the Water Services Corporation as established by the Water Services Corporation Act (Cap. 355).
- 2.36 A reference to an Act, law, regulation, proclamation, ordinance, legal notice, by-laws, code or similar instrument includes a reference to all Acts, laws, regulations, proclamations, ordinances, legal notices, by-laws, codes or similar instruments as consolidated amended, re-enacted or replaced whether prior or after the date of commencement of the licence
- 2.37 In this licence, unless the contrary intention appears, words importing the masculine gender shall include females and words in the singular shall include the plural, and words in the plural shall include the singular.
- 2.38 References to the “**engineering assessor**” shall include references to his employees and agents.
- 2.39 References to the “**financial assessor**” shall include references to his employees and agents.
- 2.40 Headings are inserted for convenience and do not affect the interpretation of this licence.
- 2.41 If an event must occur on a stipulated day which is not a Business Day then the stipulated day will be taken to be the next Business Day.

3. Grant and term of licence

- 3.1 This licence is granted to the Water Services Corporation under the MRA Act (Cap. 423).
- 3.2 The Authority, in exercise of the powers conferred on it by the MRA Act (Cap. 423) and Legal Notice 525 of 2004, hereby grants the Water Services Corporation, hereinafter also referred to as the Licensee, a licence to:
- (i) supply water through the public distribution network;
 - (ii) provide sewerage services using the public sewage collection system;
- and as specified in the WSC Act (Cap. 355).
- 3.3 This licence does not exempt the Licensee from obtaining and complying with any other licences or permits as may be required under Maltese law.
- 3.5 This licence shall commence to be valid on the 1st June 2010 and without prejudice to clause 4, shall remain in force until the 31st December 2013.
- 3.6 This licence is not transferable and in the event of any change in the Licensee's ownership, this licence is thereupon and immediately revoked.

4. Suspension, variation and revocation of licence

- 4.1 This licence or any part thereof may be suspended, varied, or revoked by the Authority in accordance with clause 6.1.3.
- 4.2 In addition, the suspension, variation, or revocation of this licence may also be effected where circumstances warrant, including but not necessarily limited to:
- i. amendments to the WSC Act (Cap. 355) and / or other legislation regulating the sector;
 - ii. any substantial changes in Government policy.

5. Licence fee

- 5.1 The Licensee shall pay licence fees including renewal fees as may be determined by the Authority and made known to the Licensee.
- 5.2 The annual licence fee shall be payable in advance and in full.
- 5.3 The annual licence fee due for this licence covers the administrative and regulatory aspects for issuing and monitoring compliance with this licence and with respect to the activities herein licensed.
- 5.4 The annual licence fee does not cover:
- i. any environmental costs, resource costs, fees, tariffs or any other charges which the Authority may apply from time to time based upon best available scientific knowledge;

- ii. any charges, tariffs or fees levied with respect to other licences imposed by the Authority or by any other competent Authority, or any public entity in exercise of its functions;
- iii. any other charges, tariffs or fees, which may be directly or indirectly referred to in this licence;
- iv. penalties due for any defaults to any condition of this licence or due to any infringement or default under Maltese law;
- v. any penalties established by any other competent Authority;
- vi. any other charges, tariffs or fees that may be established by the Authority from time to time.

6. General Conditions and Obligations

6.1 Compliance with laws, management letters and directions

6.1.1 Without prejudice to any other requirements established by law, the Licensee must:

- i. comply with all applicable laws, provisions of any code or rule made under the MRA Act (Cap. 423) or any other legislation and including any technical, environmental, health or safety requirements or standards established by any relevant competent authority in Malta;
- ii. comply with any applicable protocol, standard, code, guidelines, management letters, licence conditions and directions established by the Authority;
- iii. develop and comply with its duties under the WSC Act (Cap. 355).

6.1.2 The Licensee shall comply with regulatory instruments and standards, established codes of practice, management letters and directions, and best practice procedures for all operations carried out with respect to the licensed activities.

6.1.3 The Authority may, either alone or in consultation with other relevant competent authorities and/or in consultation with the Licensee:

- i. review, as it may deem necessary, the Licensee's operations; and
- ii. introduce, amend, add and/or review additional standards of performance, conditions and requirements with respect to the licensed activities.

6.1.4 The Authority may define by means of a Management Letter those categories of breaches and, contraventions or potential breaches or contraventions to this licence or to any regulatory instrument, management letter, direction, code of practice or operating standard as stipulated in or referred to in this licence that should be reported to the Authority in terms of clauses 6.1.5 to 6.1.7. Without prejudice to the foregoing, the Licensee shall of its own motion inform the Authority of any breach or contravention which may infringe any condition of this license in accordance with the requirements of clauses 6.1.5 to 6.1.7.

6.1.5 The Licensee must notify the Authority of any breach or contravention, or of a potential breach or contravention, as soon as practically possible but not later than **3 business days**, from any breach or contravention, or of a potential breach or contravention, by the Licensee.

- 6.1.6 In the event of a breach or contravention or a potential breach or contravention as the case may be as set out in clause 6.1.5, the Licensee shall, to the best of his knowledge, inform the Authority about:
- i. the extent of the contravention and area of influence;
 - ii. full details of its effect including health, safety and environmental significance;
 - iii. the cause and technical reasons leading to this breach or contravention or a potential breach or contravention as the case may be;
 - iv. the manner in which the Licensee proposes to rectify operations and precautionary measures to ensure against a repetition and /or continuation of the breach or contravention or occurrence of the potential breach or contravention as the case may be;
 - v. the time for the commencement and completion of the proposed remedial measures.
- 6.1.7 In the event that any investigations undertaken by the Licensee in connection with a breach or contravention or potential breach or contravention as the case may be, and as set out in clause 6.1.5, are not concluded within **5 business days**, the Licensee shall submit to the Authority:
- a. interim weekly reports on the information requested in clause 6.1.6 until these investigations are concluded and
 - b. a final report within **5 business days** of conclusion of such investigations on the information requested in clause 6.1.6.
- 6.1.8 The notification and reports envisaged in clauses 6.1.5 to 6.1.7 are independent of any other reports or notification that the Licensee may be obliged to report to other relevant competent authorities and which are to be submitted irrespective of any judicial or other relevant competent authority's inquiry or investigation being carried out.
- 6.1.9 Notwithstanding the provisions of clause 6.1.5, nothing shall be construed as releasing the Licensee from any obligations arising out of this licence or of any other legal obligation.
- 6.1.10 Notwithstanding the provisions of clause 6.1.5, the Authority may issue an enforcement order to the Licensee for securing compliance with any condition or requirement. The enforcement order:
- i. shall require the Licensee to do, or not to do, such things as are specified in the order or are of a description so specified;
 - ii. shall take effect at such time, being the earliest practicable time, as is determined by or under the order;
 - iii. may be revoked at any time by the Authority.
- 6.1.11 The Licensee shall participate, to the extent specified by the Authority, in the development, issue and/or review of any regulatory instruments, codes of practice, protocols, plans and/or other operating standards of performance.
- 6.1.12 The Licensee shall operate in such a manner as to co-operate with and facilitate the performance of the Authority's work, activities and operations.
- 6.1.13 The Licensee must ensure compliance to any Plans or Programmes as established by Government for the development of the sector in accordance with the timeframes established in such plans or programmes. The Licensee shall ensure development and submission of appropriate documentation to seek and access funding for such projects in accordance with Government projects timeframes in connection with such plans or programmes.

- 6.1.14 The Licensee shall take all reasonable practicable steps and measures to prevent any unauthorised persons from having access to any infrastructural asset used by the Licensee for the purposes of supplying water or providing sewerage services in terms of the conditions established by this licence.
- 6.1.15 The Licensee shall take all reasonable practicable steps to protect persons and property from injury and/or damage that may be caused by the Licensee when carrying out operations and activities licensed and or associated with this licence.
- 6.1.16 The Licensee shall take all reasonable practicable steps and measures to safeguard and protect the health and safety of employees and third parties in the course of the operations and activities licensed and or associated with this licence.
- 6.1.17 The Licensee shall take all reasonable practicable steps and measures to protect the environment in the course of the operations and activities licensed and or associated with this licence.
- 6.1.18 In the carrying out of its functions under this Licence, the Licensee shall not discriminate unfairly between persons or classes of persons, or between system users or classes of system users, particularly in favour of its subsidiaries, associated or related undertakings or joint ventures or shareholders of such subsidiaries, associated or related undertakings or joint ventures.
- 6.1.19 The Licensee shall not make use of any data of any nature which becomes available to it directly or indirectly as a result of its operations in any way which, in the reasonable opinion of the Authority, would unduly prefer the interests of any business carried on by the Licensee or an associated company of the Licensee, or which places other producers in an unfair disadvantage.

6.2 *Supply of water intended for human consumption*

- 6.2.1 The Licensee shall supply water intended for human consumption in accordance with the requirements and obligations established by:
- a. the Food Safety Act (Cap 449),
 - b. Water Intended for Human Consumption Regulations 2009 (LN 17 of 2009);
 - c. any other laws and regulations issued for the purpose for regulating the supply of water intended for human consumption;
 - d. any amendments to the above laws and Regulations.
- 6.2.2 The Licensee must comply with any directions, quality standards and conditions and shall carry out any works and take any measures as may be established and, or directed by any competent authority regarding water obtained from any source of supply and, or water supplied for human consumption in accordance with the Food Safety Act (Cap. 449) and the Water Intended for Human Consumption Regulations 2009 (LN 17 of 2009).
- 6.2.3 Notwithstanding the provisions of clauses 6.2.1 the Licensee shall consider and ensure all complaints by customers regarding water quality are investigated and satisfactorily addressed as appropriate within a reasonable time from their receipt.

6.3 Supply of water intended for human consumption using water tankers

6.3.1 The Licensee is granted authorisation to supply water to consumers using water tankers in the following circumstances:

- (i) Emergency situations such as any suspension of supply of water in any area due to power failure, faults developed in the public distribution network or any relevant plant operated by the Licensee;
- (ii) Situations leading to any suspension of supply of water in any area in cases of any failure or likely failure to meet water quality standards;
- (iii) Situations leading to any suspension of supply of water in any area that may be necessary for operational and maintenance reasons;
- (iv) Situations where any competent authority directs the Licensee to suspend the supply of water in any area for reasons of national security, or public safety, or environmental or public health considerations.

6.3.2 If the Licensee intends to supply water using water tankers in circumstances which fall outside those specified in clause 6.3.1, he shall inform the Authority prior to carrying out such operations. The Authority shall determine whether such circumstances and provision of such a service as indicated by the Licensee qualifies as an emergency service or whether such a service requires submission of a separate application for a licence for such purposes in accordance with the Supply of Water and Sewerage Services, Regulations, 2004 (LN 525 of 2004).

6.3.3 If the Authority determines that the service referred to in clause 6.3.2 warrants a separate licence, the Licensee shall not provide this service until such a licence is issued by the Authority in terms of the Water Supply and Sewerage Services Regulations, 2004.

6.4 Groundwater and surface water abstraction

6.4.1 Without prejudice to any directions, quality standards or conditions issued by any competent authority or any other obligation under Maltese law and until notified otherwise by the Authority or until such time that the Authority or any other competent authority specifically issues authorisations for the abstraction of groundwater and, or surface water, the Licensee may:

- (i) abstract groundwater from existing groundwater sources in use or constructed prior to the entry into force of the MRA Act (Cap. 423);
- (ii) abstract surface water from existing surface water sources in use or constructed prior to the entry into force of the MRA Act (Cap. 423)

under the same prevailing conditions and in the same manner prior to the entry into force of the Act.

6.4.2 Otherwise this licence does not grant or should not in any manner whatsoever be deemed to grant any form of authorisation, permit or licence to abstract groundwater or surface water from any source.

- 6.4.3 This licence is being issued without prejudice to any action or decision that the Authority or any other Government entity or Authority may take with respect to groundwater abstraction and, or surface water abstraction.

6.5 Provision of Sewerage Services

- 6.5.1 The Licensee shall comply with any directions, quality standards and conditions established by any competent authority with respect to execution of the licensed activities related to the provision of sewerage services using the public sewage collection system.
- 6.5.2 For the purposes of this licence and without prejudice to any directions, quality standards and conditions issued by any competent authority or any other obligation under Maltese law, the Licensee shall provide sewerage services in accordance with the standards and conditions established under the Urban Waste Water Treatment Regulations (LN340/2001) as amended.
- 6.5.3 Notwithstanding the provisions of clauses 6.5.1 and 6.5.2, the Licensee shall consider any customer complaints resulting from the operation of sewerage infrastructure, such as blockages, leakages, overflows, odours, poor quality, or lack of suitable quantities, of second class water produced from the sewerage treatment plant and respond to these complaints according to the levels of service established.

6.6 Administrative Fines

- 6.6.1 A breach of any clause of this License may give rise to an administrative fine as may be prescribed by law.

7. Charges and tariffs

7.1 Charges and tariff structure regulation

- 7.1.1 The Licensee shall provide the services licensed by this licence in accordance with any tariffs approved by the Authority under the WSC Act (Cap. 355).
- 7.1.2 The Licensee must notify its customers of any changes in rights, obligations and charges applicable to any water services supplied to those customers by including an explanatory notice with the next bill or statement sent to those customers.
- 7.1.3 The Licensee shall submit any proposal for review and revision of tariffs proposed to be charged for in connection with the carrying out of the licensed activities for approval to the Authority in accordance with the timeframes established by the Authority for such purposes and accompanied by such information as the Authority may reasonably require.

7.2 Operations required in the furtherance of the licensed activities

7.2.1 The operations listed in Schedule 1 shall be carried out by the Licensee in the furtherance of the licensed activities. The Licensee shall not carry out or provide any service or carry out any operation not listed in Schedule 1, as part of the licensed activities, unless specifically approved by the Authority.

7.2.2 The Licensee shall ensure that any operations carried out or services provided which fall outside the scope of :

- (i) supplying water through the public water distribution network;
- (ii) providing sewerage services through the public sewage collection system;

and which are not listed in Schedule 1, or which are not specifically authorised by the Authority as necessary in the furtherance of the licensed activities, shall be accounted for and charged for separately from the licensed activities

8. Licensee's service obligations

8.1 Service obligations

8.1.1 The Licensee shall comply with the requirements of any scheme funded under the budget allocated to it by Parliament for the performance of its obligations as established by the WSC Act (Cap. 355) with respect to the supply of potable water or the provision of sewerage services. Such requirements shall be deemed to form part of this licence.

8.2 Obligation to supply water and to provide sewerage services to customers

8.2.1 On the request of a customer, the Licensee must supply water and provide sewerage services to that customer in respect of an authorised connection on premises on fair and reasonable terms and conditions consistent with:

- i. tariffs approved by the Authority under the WSC Act (Cap. 423) and
- ii. the levels of service as indicated in section 8.3 and Schedule 2 of this licence.

8.2.2 The Licensee shall ensure that it has in place at all times arrangements:

- (i) to supply water to its customers
- (ii) to provide sewerage services to its customers

except in those specified exceptional circumstances which are defined in the Customer Contract approved by the Authority, under which the Licensee would be permitted to deviate from fulfilling these service obligations.

- 8.2.3 The Licensee is obliged to provide:
- (i) a service connection for the supply of water through the public distribution network in accordance with the Water Supply Regulations, 1948;
 - (ii) access to a connection to the public sewerage collection network

by not later than **20 business days** following receipt from a prospective customer of a valid application in writing and accompanied by such applicable fees, in accordance with the Licensee's obligations and provided that such a request does not constitute any of the specified exceptional circumstances referred to in 8.2.2.

- 8.2.4 In the event that the provision of the water supply service connection and, or access to the public sewerage collection network constitute any of the specified exceptional circumstances referred to in 8.2.2, the Licensee shall inform the applicant in writing within **20 business days** from the receipt of an application that a service connection and, or access to the public sewerage collection network, as the case may be, cannot be provided within the timeframes established in the Licence, together with an explanation why such a connection cannot be carried out and the estimated period within when such a connection may be carried out.

8.3 Customer contract

- 8.3.1 The Licensee shall by the **15th July 2010** submit to the Authority a Customer Contract outlining the details indicated in Schedule 2.

- 8.3.2 The Customer Contract shall be brought into force, if approved by the Authority, by not later than **1st September 2010** or by such other date as determined by the Authority.

- 8.3.3 Notwithstanding the provisions of any Customer Contract, in so far as water quality standards are concerned, the Licensee shall moreover be required to adopt any amendments, revisions, inclusions, additions, and / or deletions that may be made to these standards by the relevant competent authority at law with immediate effect from the date of commencement of these standards that the same competent Authority may establish.

- 8.3.4 In establishing the Customer Contract and prior to its submission to the Authority for approval, the Licensee shall publish the proposed Customer Contract for a public consultation period of at least **20 business days**.

- 8.3.5 The Licensee shall consider any representations made on the proposed Customer Contract and shall submit to the Authority for approval together with this proposed Customer Contract:

- i. a descriptive list of representations made on the Licensee's proposal of the Customer Contract;
- ii. an indication as to which representations were included in the Licensee's proposal and which were omitted;
- iii. reasons and justification by the Licensee for any omission of any representation made.

- 8.3.6 The Licensee shall at least once every year, review and report to the Authority within **60 business days** from the end of the financial year on the Customer Contract and the manner in which it has operated.
- 8.3.7 Any revisions to the Customer Contract if required or unless otherwise considered appropriate by the Authority shall take place once every year and shall be preceded by a consultation period as outlined hereunder.
- 8.3.8 In carrying out this review and/or any revision to the Customer Contract, which it wishes to make, the Licensee shall publish the Customer Contract and any proposals for any amendments for a minimum consultation period of **20 business days** every year.
- 8.3.9 The Licensee shall consider any representations made during these consultation periods and shall report to the Authority within **20 business days** from the end of each financial year on the following:
- i. a descriptive list of representations made on the review and any proposed amendments to the Customer Contract;
 - ii. lists clearly outlining which representations were fully included in the Licensee's proposal and which were fully or partially omitted;
 - iii. reasons and justification by the Licensee for any omission of any representation made.
- 8.3.10 Following approval by the Authority of the initial or the revised Customer Contract, the Licensee must comply with the Approved Customer Contract including any additional minimum service standards as established by the Authority.
- 8.3.11 The Licensee shall, with immediate effect following approval by the Authority of the Customer Contract and from every revision to the Customer Contract, have in place at all times arrangements specified in the Contract such that it is able to comply with the same Customer Contract unless the Authority otherwise approves.
- 8.3.12 The Licensee shall within **60 business days** from approval by the Authority of the Customer Contract and of any revisions:
- i. send a copy of the Customer Contract and of each revision of this Contract to each Local Council;
 - ii. retain copies of the Customer Contract or of each revision as the case may be of this Contract for viewing by the public at all its Customer Care Offices;
 - iii. post a copy of the Customer Contract or of each revision as the case may be of this Contract on its website;
 - iv. send a copy of the Customer Contract in its latest form free of charge to any person requesting it;
 - v. publish the latest version in the Government Gazette as an official notice.
- 8.3.13 The Licensee shall with every demand for payment of charges, draw attention of customers to the existence of the Customer Contract in its latest form and how they may inspect or obtain a copy.
- 8.3.14 The Customer Contract and any revisions shall be drafted in both plain English and plain Maltese and address all the service issues that are reasonably likely to be of concern to the customers.
- 8.3.15 The Customer Contract shall specifically indicate that the same Customer Contract and any revisions have been approved by the Malta Resources Authority. The inclusion of an indication to this effect in the Customer Contract by

the Licensee, without actual approval having been obtained from the Authority shall constitute a breach of this licence.

- 8.3.16 The Licensee may in its Customer Contract address different parts of the contract to different categories of its customers.

8.4 Register of Customer Complaints

- 8.4.1 The Licensee shall keep and maintain a register of customer complaints in the form and manner specified by the Authority and shall include information on the course of action taken to resolve such complaints.
- 8.4.2 Customer complaints shall be classified in accordance with the categories indicated in Schedule 3.
- 8.4.3 The Licensee shall apply the changes to categories referred to in clause 8.4.2 in accordance with the directions that the Authority may specify and within the timeframes established by the Authority.
- 8.4.4 This register shall be forwarded to the Authority in the format and manner specified by the Authority and updated regularly according to the schedules established by the Authority.

8.5 Disconnection

- 8.5.1 The licensee shall not disconnect or suspend the supply of potable water or sewerage collection service or take any action which may lead to the disconnection or discontinuance of supply of potable water or sewerage collection service to a customer, except in accordance with the Water Supply Regulations, 1948.
- 8.5.2 In the Code of Practice and procedures for disconnection referred to in Schedule 2, the Licensee shall:
- i. describe the procedure to be adopted by the Licensee before it disconnects water supply for non-payment of tariffs;
 - ii. contain other information which the Licensee considers appropriate.

9. Reporting Requirements

9.1 Provision and maintenance of information

- 9.1.1 The Licensee shall furnish the Authority with all such information as the Authority may from time to time reasonably require for the purpose of carrying out any of its functions under the MRA Act (Cap. 423). This information may also include information referring to periods before the entry into force of this licence.
- 9.1.2 Information that is required by the Authority to be furnished by the Licensee to the Authority shall be furnished in such form and manner and at such times and be accompanied or supplemented by such explanations as the Authority may from time to time establish.
- 9.1.3 The Licensee must provide the information requested by the Authority:

- i. in a manner and form determined by the Authority; and
- ii. within such time frames specified in the request or if the time frame is unspecified in the request within **20 business days** unless this is changed by mutual agreement.

9.1.4 The Licensee shall for the purposes of monitoring and assessment of the Licensee's operations, submit such annual reports, information, proposed projections and forecasts to the Authority as specified in the following Schedules:

Schedule 4: Licence Monitoring Reports:

Table 1	Key Outputs and Performance Indicators
Table 2	Outputs - Customer Services
Table 3	Outputs - Water Supply
Table 4	Outputs - Sewerage Services
Table 5.1	Summary Regulatory Accounts
Table 5.2	Regulatory Accounts
Table 5.3	Regulatory Accounts - OPEX
Table 5.4	Regulatory Accounts - OPEX - Repairs & Maintenance
Table 5.5	Regulatory Accounts - CAPEX
Table 6	Vulnerable Customers
Table 7	Corporate Measures
Table 8	Asset Register - Water Supply
Table 9	Asset Register - Sewerage Services
Table 10	Analysis of movements in asset base - Water Supply
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Table 12	Workforce and payroll analysis
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Schedule 5: Asset Management Plan

Schedule 6: Emergency Response Plan

Schedule 7: Leakage Control Plan

9.1.5 The information referred to in clause 9.1.4 shall be submitted in accordance with the following timeframes:

- (i) **1st submission for 2010: 1st July 2010**
- (ii) **subsequent annual submissions : 30th April**

9.1.6 The Authority shall submit such guidelines and explanatory notes detailing the methodologies to be used to collect and report the information required; the assumptions that may be used and any verification and auditing to be adopted for reporting this information.

9.1.7 Until such time as the Authority may submit such guidelines and explanatory notes referred to in clause 9.1.5, the Licensee shall submit together with the information specified in Schedules 4 to 7, submit such explanations detailing the methodologies and assumptions used for collecting the information specified and the verification and auditing systems used prior to submitting such information.

9.1.8 The Licensee shall prepare, keep under review, maintain and revise from time to time as necessary, records and information that are necessary to demonstrate the Licensee's performance with respect to its obligations under any law, licence

conditions, management letters and directions issued by the Authority and/or any other competent authority.

9.1.9 The Licensee shall provide unlimited rights of access to the Authority with respect to data, information or records held by the Licensee or any of its subsidiary companies, its nominated representative and the engineering assessors where directed by the Authority for the purposes of, but not necessarily limited to:

- i. performing customer surveys on any aspect of the Licensee's performance, activities or operations or any related matters;
- ii. planning of the water sector.

9.1.10 The Licensee shall provide data and information for benchmarking purposes and participate in benchmarking schemes in the format and manner specified by the Authority and within the timeframes that the Authority may establish.

9.2 Appointment of independent engineering and, or financial assessors, auditing of operations and compliance

9.2.1 The Authority may appoint suitably qualified and experienced independent engineering and, or financial assessors, to carry out the following undertakings on its behalf:

- i. report, audit, compile information, provide information, express an opinion on and execute any other related tasks as required by the Authority to enable the Authority to execute its functions under the MRA Act (Cap. 423);
- ii. develop engineering and, or financial reporting requirements and formats to form part of the licence;
- iii. assessments of the licensed activities, operations and environmental impacts of the Licensee as required by the Authority;
- iv. ad hoc engineering and, or financial and economic assignments for the purpose of compiling and verifying information on the Licensee's performance;
- v. auditing part of the operations of the Licensee's performance in respect to the licensed activities in accordance with directions and guidelines which may be provided by the Authority;
- vi. review, scrutinise and audit information submitted including annual licence monitoring reports, asset management plans and emergency response plans
- vii. report their opinion and assess compliance to established licence condition.

9.2.2 The terms of reference and reporting requirements and guidelines for the engineering and, or financial assessors shall be established by the Authority.

9.2.3 The Licensee shall co-operate fully with the assessors to enable them to prepare their reports, including without limitation, so far as is necessary for that purpose:

- i. subject to reasonable prior notice to the Licensee, giving to the assessor access at reasonable hours to any relevant plant, assets and to any premises occupied by the Licensee in relation to the carrying out of the licensed activities;

- ii. subject to reasonable prior notice to the Licensee, allowing the assessors at reasonable hours:
 - a. to inspect and make copies of, and take extracts from, any books and records of the Licensee maintained in relation to the licensed business;
 - b. to carry out inspections, measurements and tests on or in relation to any such premises, assets or relevant plant;
 - c. to have full access to such premises or to any relevant plant such other persons and such equipment as may be necessary for the purposes of preparing and completing his reports.

9.2.4 Nothing in clause 9.2.3 shall require the Licensee:

- i. to do anything outside its reasonable control or
- ii. to do or to allow the assessor to do, anything which would materially disrupt the Licensee's business (unless it is essential that that thing be done to enable the assessor to prepare his reports).

9.2.5 All costs for the services required to be carried out by the engineering and financial assessors shall be recuperated by the Authority from the Licensee as part of the licence fees.

10. Regulatory accounts and accounting information

10.1 Accounting records and statements

10.1.1 The Licensee shall keep proper regulatory accounts in addition to the statutory accounts required under the WSC Act (Cap. 355) and these shall be kept in a form which enables the revenues, costs, assets and liabilities of, or reasonably attributable to, the respective businesses and activities of the Licensee described in this section of the licence and other matters mentioned in this section of this licence to be separately identified, having regard to the terms of any guidelines notified from time to time by the Authority to the Licensee. The Authority may at any time require the Licensee to modify the form in which the regulatory accounts are kept.

10.1.2 The Licensee shall:

- (i) ensure that there is no form of cross-subsidisation between any of the activities and operations making up the licensed business and any other activity or operation falling outside the licensed business;
- (ii) record, keep and maintain full cost in its accounting records of any material transfer of assets, funds, rights or liabilities between any part of the licensed business and any other part, activity or operation falling outside the licensed business or any associated company;
- (iii) record, keep and maintain clear and separate accounts for services rendered and for every transaction made as part of the licensed business and other services rendered and not forming part of the licensed business;
- (iv) submit to the Authority a list of services which do not form part of the licensed business and details how these services are being accounted for.

- 10.1.3 The Licensee shall by **1st July 2010** and by **30th April** of each year thereafter, submit to the Authority:
- i. an itemised list of all services or facilities provided by the Licensee for which charges are or have been charged and which are not covered by the Water Supply Regulations, 1948;
 - ii. relevant charges, prices or fees applied for the services or facilities outlined in clause 10.1.3 (i) ;
 - iii. report on an aggregated basis for each service or facility outlined in clause 10.1.3 (i) the total revenue and costs incurred for providing each service and facility during the last financial year;
 - iv. describe the basis of any apportionment or allocation of revenues, costs, assets and liabilities for each service or facility outlined in clause 10.1.3 (i);
 - v. specify the nature of the revenues, costs, assets or liabilities which have been so apportioned or allocated; and
 - vi. specify between which business, activity or associated company the revenues, costs, assets or liabilities have been so apportioned or allocated.

11. Third parties or subsidiary companies of the Licensee carrying out any operations in the furtherance of the licensed activities

11.1 The Licensee shall:

- i. in the case of third parties and, or subsidiary companies granted the right by the Licensee to carry out in whole or in part any operation listed in Schedule 1 in furtherance of the licensed activities, prior to the date of commencement of this licence, within **3 business days** from the date of commencement of this licence and / or;
- ii. within **3 business days** from the granting of a right by the Licensee to carry out in whole or in part any operation listed in Schedule 1 in furtherance of the licensed activities or the establishment of any new subsidiary company of the Licensee and/or any third party assigned or nominated to carry out in whole or in part any operation listed in Schedule 1 in furtherance of the licensed activities on behalf of the Licensee, as the case may be, after the date of commencement of this licence,

procure from its subsidiary companies and/or third party granted the right by the Licensee to carry out such operation in whole or in part, a legally-enforceable undertaking in favour of the Licensee in a form specified by the Authority and expressed to remain in force as long as the Licensee retains the licence and the Licensee remains to be the holding company of the subsidiary company or the third party continues in carrying out such operation in whole or in part on behalf of the Licensee.

11.2 The undertaking referred to in clause 11.1 shall provide that:

- i. each third party and, or subsidiary company of the Licensee granted the right by the Licensee to carry out in whole or in part any operation listed in Schedule 1 in furtherance of the licensed activities, as the case may

be, will give to the Licensee all such information as may be necessary to enable the Licensee to comply with the requirements of the conditions of this licence;

- ii. each third party and, or subsidiary company of the Licensee granted the right by the Licensee to carry out in whole or in part any operation listed in Schedule 1 in furtherance of the licensed activities, as the case may be, will refrain from any action which would or may cause the Licensee to breach any of its obligations under the WSC Act (Cap. 355) or the conditions of this licence.

- 11.3 The Licensee shall, within **3 business days** from the date of commencement of this licence or within **3 business days** from the establishment of any new subsidiary company or the granting to a third party by the Licensee the right to carry out in whole or in part any operation listed in Schedule 1 in furtherance of the licensed activities, as the case may be, submit to the Authority the original of the undertaking referred to in clause 11.1 and provide such certified copies of the undertaking as the Authority may require.
- 11.4 The Licensee shall immediately inform the Authority in writing, if it becomes aware that the undertaking referred to in clause 11.3 has ceased to be legally enforceable or that there has been any breach of its terms.
- 11.5 The Authority reserves the right to require the third party and, or subsidiary company of the licensee to obtain a licence in respect of such operations carried out on behalf of the Licensee.
- 11.6 Notwithstanding the provisions of clauses 11.1 to 11.5, the Licensee shall at all times remain responsible for any breach or contravention of this licence, whether such breach and contravention is the result of an act of commission or omission committed by the licensee itself or by any third party or subsidiary company which is granted the right to carry out any operation by the Licensee.

Schedule 1: Operations required in the furtherance of the licensed activities

The following operations are required to be carried out in the furtherance of the licensed activities:

Operations in so far as these are directly related to the supply of water through the public water distribution network:

1. acquisition, production, keeping, distribution, sale, export or otherwise disposal of water for domestic, commercial, industrial or other purposes;
2. conservation, augmentation and operation of water resources and sources of water supply;
3. development, maintenance and promotion of a safe and efficient production and distribution system in order to satisfy, as economically as possible, all reasonable demands for water;
4. operation, maintenance, improvement, and extension of the water distribution network
5. operation and maintenance, improvement and extension of groundwater production sources used for the provision of potable water supply through the public distribution network
6. operation and maintenance, improvement and extension of reverse osmosis plants used for the provision of potable water supply through the public distribution network
7. operation, maintenance, improvement and extension of all other assets including reservoirs, pumping stations, booster stations etc. used for the production, distribution and supply of water through the public water distribution network;
8. disinfection and treatment of water
9. connection and disconnection of water services
10. installation and disconnection of water meters
11. meter reading and billing
12. customer services, including receipt of and answering customer complaints and queries,
13. water quality testing and monitoring;
14. leakage detection and control of the public water distribution network
15. provision of emergency services related to supply of water by water tankers or any other means
16. provision of water for fire fighting purposes, including installation and maintenance of fire hydrants
17. provision of activities as required by the license, including reporting, monitoring and compliance to licence conditions
18. internal staff training directly related to the licensed activities
19. administration and quality assurance directly related to the provision and execution of the licensed activities.

Operations in so far as these are directly related to the provision of sewerage services using the public sewage collection system

1. treatment and disposal or reuse, as appropriate, of sewage and waste water;
2. operation, maintenance, improvement, extension and expansion of sewage collection network;
3. operation and maintenance, improvement, extension and expansion of wastewater treatment plants;
4. operation, maintenance, improvement and extension of all other assets including pumping stations etc. used for the collection and transfer of sewage through the public sewage collection network;

5. connection / disconnection of sewage connections;
6. regulation of sewage discharges by industry and commercial sectors including issue of sewage discharge permits;
7. provision of sewage collection services by any other means;
8. customer services, including receipt and answering of customer complaints and queries;
9. wastewater and treated sewage effluent quality testing and monitoring;
10. leakage detection and control of the sewage collection network;
11. provision of activities as required by the license, including reporting, monitoring and compliance to licence conditions;
12. internal staff training directly related to licensed activities;
13. administration and quality assurance directly related to the provision and execution of the licensed activities.

Schedule 2: Customer Contract

The Customer Contract referred to in section 8.3 shall include details on the following:

1. the nature of the services provided by the Licensee for the licensed activities;
2. the rights and responsibilities of customers having or requesting an authorised connection to the Licensee's water supply infrastructure and, or an authorised connection to the Licensee's sewerage network;
3. levels of service for water supply including:
 - a. potable water quality standards;
 - b. potable water pressure and flow;
 - c. standards on continuity and reliability of supply;
 - d. alternative water supply arrangements to customers;
 - e. arrangements and procedures regarding the provision of water supply services including:
 - i. period to connect to distribution network,
 - ii. response time for repairs to service and renewals;
 - f. works standards;
4. levels of service for providing sewerage services including:
 - a. in the case of industrial or commercial consumers, the permissible quantity and quality standards of effluent that may be discharged;
 - b. minimum quality standards of treated effluent;
 - c. standards on continuity and reliability of the sewerage network;
 - d. alternative sewage collection and disposal arrangements to customers;
 - e. arrangements and procedures regarding the provision of a sewerage connection point including:
 - i. period to connect to Licensee's sewerage network,
 - ii. response time for repairs to portions of the sewerage network that might affect the customer's connection and service;
 - f. works standards;
 - g. sanitary restoration in case of flooding of private premises and/or public areas of sewage.
5. levels of service in relation to:
 - a. billing and payment facilities and procedures;
 - b. communication response arrangements to complaints and queries by customers;
 - c. notification arrangements and appointments with customers;
 - d. arrangements and procedures for dealing with complaints and resolving disputes;
 - e. arrangements, guidance and procedures for giving appropriate service to vulnerable customers or customers with special needs;
 - f. period to correct billing errors and effectively address customer complaint
6. a billing plan based on regular readings and invoicing and arrangements for payment;
7. a code of practice and procedures on disconnection / suspension of potable water supply and, or of disconnections to the sewerage network;
8. consequences including compensation scheme and settlement of damages;
9. exceptional circumstances where the Licensee is requesting exemption from fulfilling the service obligations covered by the licence.

Schedule 3: Categories of Customer Complaints

The Licensee shall maintain a Register of Customer Complaints as specified in clauses 8.4.1 to 8.4.4 comprising the following categories:

1. water quality;
2. water pressure and flow;
3. continuity and reliability of supply;
4. alternative supply arrangements to customers;
5. arrangements and procedures regarding the provision of water supply and provision of sewage collection services including:
 - a. period to connect to distribution network and to the sewerage network,
 - b. response time for repairs to service and renewals;
6. works standards;
7. billing and payment facilities and procedures;
8. meter reading arrangements;
9. communication response arrangements;
10. notification arrangements and appointments with customers;
11. service to customers with special needs;
12. disconnection / suspension of water supply;
13. other complaints.

The register of customer complaints shall also contain the following details:

1. Details of complainants
2. Category of complaints
3. Date and time of logging of complaints
4. Timeframe required to address / resolve complaints
5. Feedback (rating) from complainants on how complaint was addressed by the Licensee

Schedule 4: Annual Reporting Information

The Licensee shall on an annual basis submit the information specified in the licence monitoring annual reports:

Table 1	Key Outputs and Performance Indicators
Table 2	Outputs - Customer Services
Table 3	Outputs - Water Supply
Table 4	Outputs - Sewerage Services
Table 5.1	Summary Regulatory Accounts
Table 5.2	Regulatory Accounts
Table 5.3	Regulatory Accounts - OPEX
Table 5.4	Regulatory Accounts - OPEX - Repairs & Maintenance
Table 5.5	Regulatory Accounts - CAPEX
Table 6	Vulnerable Customers
Table 7	Corporate Measures
Table 8	Asset Register - Water Supply
Table 9	Asset Register - Sewerage Services
Table 10	Analysis of movements in asset base - Water Supply
Table 11	Analysis of movements in asset base - Sewerage Services
Table 12	Workforce and payroll analysis
Table 13	Related Party Transactions

and including:

- (i) data, outputs, income and expenditure corresponding to a 3 year period covering the 3 years preceding the year of submission of the report;
- (ii) projections and forecasts of data, performance targets, outputs, approved budgetary expenditure and income covering the year of submission of the report;
- (iii) projections and forecasts of data, performance targets, outputs, projected expenditure and income covering the 5 year period following the year of submission of the report

in accordance with the timeframes set in clause 9.1.5.

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Annual Report for 2009

Table 1	Key Outputs and Performance Indicators
Table 2	Outputs - Customer Services
Table 3	Outputs - Water Supply
Table 4	Outputs - Sewerage Services
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LICENCE MONITORING ANNUAL REPORT - WATER SERVICES CORPORATION

Annual Report for 2009		3 Year Reporting Period			Proposed Performance Targets and Outputs							
Table 1	Key Outputs and Performance Indicators	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
A Operational Outputs												
1	Total potable water supplied	m ³										
2	Total wastewater collected	m ³										
3	Total no. of active accounts	no.										as at end of each year
4	Percentage population served - sewerage service connection	%										as at end of each year
5	Total operating expenditure - water supply	€										
6	Total capital expenditure - water supply	€										
7	Total operating expenditure - sewerage services	€										
8	Total capital expenditure - sewerage services	€										
9	Total income	€										inclusive of any Government subvention
10	Total potable water billed	m ³										
B Performance Indicators												
B1 Operational Efficiency												
11	Estimated leakage	m ³										
12	Energy consumption of water supply (production + distribution)	kWh/m ³										
B2 Water Quality Outputs												
13	% tests at consumer taps complying with microbiological standards (Water Intended for Human Consumption Regulations)	%										Reference: Legal Notice 17 of 2009
14	% tests at consumer taps complying with chemical and indicator parameters (Water Intended for Human Consumption Regulations)	%										Reference: Legal Notice 17 of 2009
15	Percentage wastewater treated - secondary treatment	%										

LICENCE MONITORING ANNUAL REPORT - WATER SERVICES CORPORATION

Annual Report for 2009		3 Year Reporting Period			Proposed Performance Targets and Outputs								
Table 1	Key Outputs and Performance Indicators	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes	
B3	Reliability of Supply and Service Quality Outputs												
16	Percentage households receiving low water pressure	%											Reference minimum supply pressure = 2 bar
17	Total number of supply interruptions greater than 12 hours	households days / annum											
18	Percentage complaints not dealt with within 20 days	%											
19	Total complaints (written / phone / personal visit)	no.											
B4	Financial Outputs												
20	Unit operational cost - potable water supply (excluding cost of power)	€ / m ³											
21	Total unit operational cost - potable water supply	€ / m ³											
22	Unit operational cost - sewage collection and treatment (excluding cost of power)	€ / m ³											
23	Total unit operational cost - sewage collection and treatment	€ / m ³											
24	Percentage unaccounted for water	%											unbilled potable water

LICENCE MONITORING ANNUAL REPORT - WATER SERVICES CORPORATION

Annual Report for 2009		3 Year Reporting Period			Proposed Performance Targets and Outputs							
Table 2	Outputs - Customer Services	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
A Mode of communication												
1	Total number of complaints	no.										
2	Total number of written complaints	no.										
3	Total number of complaints by phone	no.										
4	Total number of complaints (personal visits to WSC Offices)	no.										
B Response to complaints												
5	Percentage of complaints dealt within 5 working days	%										
6	Percentage of complaints dealt within 10 working days	%										
7	Percentage of complaints dealt within 20 working days	%										
8	Percentage of complaints not resolved after 20 working days	%										key indicator
9	Percentage of telephone calls abandoned	%										
10	Percentage of telephone calls receiving engaged tone	%										
11	Average time customers kept on hold	minutes										
12	Average queuing time	minutes										
C Billing Service												
13	Average period for issuing successive bills to residential and small customers	days										
14	Average period for issuing successive bills to large non-residential customers	days										
15	Average period between meter reading and issue of bills to residential customers	days										
16	Average period between meter reading and issue of bills to non-residential customers	days										
17	Average period for payment of bills by residential customers	days										
18	Average period for payment of bills by non-residential customers	days										

LICENCE MONITORING ANNUAL REPORT - WATER SERVICES CORPORATION

Annual Report for 2009		3 Year Reporting Period			Proposed Performance Targets and Outputs							
Table 2	Outputs - Customer Services	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
19	Customers defaulting payment within 45 days of receipt	no.										
20	Interest charged to residential customers for late payment of bills	€										
21	Interest charged to non-residential customers for late payment of bills	€										
22	Percentage of bills issued based on estimates	%										
23	Percentage of bills issued based on actual meter readings	%										
24	Percentage of bills issued based on customer's own readings	%										
D	Category of complaints											
25	Total complaints on billing	no.										
26	Total complaints on metering	no.										
27	Total complaints on water quality	no.										
28	Total complaints on supply pressure	no.										
29	Total complaints on interruptions to supply	no.										
30	Total complaints on sewerage services	no.										
31	Total complaints on flooding of sewers	no.										
32	Total complaints on other activities	no.										
E	Customer Contract Implementation											
33	No of requests received for compensation according to Customer Contract	no.	n/a	n/a	n/a							
34	No of customers receiving compensation according to Customer Contract	no.	n/a	n/a	n/a							
35	Total no of events leading to compensation payment according to Customer Contract	no.	n/a	n/a	n/a							
36	Total amount paid in compensation according to Customer Contract	€	n/a	n/a	n/a							
37	No of events where compensation could not be given due to extreme circumstances (severe weather etc.)	no.	n/a	n/a	n/a							

LICENCE MONITORING ANNUAL REPORT - WATER SERVICES CORPORATION

Annual Report for 2009		3 Year Reporting Period			Proposed Performance Targets and Outputs							
Table 3	Outputs - Water Supply	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
A	Water Distribution											
1	Total no of active accounts	no.										Key outputs
2	No of household connections (at end year) (consumption = 0)	no.										
3	No of household connections (at end year) (consumption > 0)	no.										
4	No. of industrial connections (at end year) (consumption = 0)	no.										
5	No. of industrial connections (at end year) (consumption > 0)	no.										
6	No of commercial and other connections (at end year) (consumption = 0)	no.										
7	No of commercial and other connections (at end year) (consumption > 0)	no.										
8	No of new connections	no.										
9	No of connections repaired / replaced	no.										
10	No of disconnections requested by consumer	no.										
11	No of disconnections imposed on consumers	no.										
12	Total length of water mains	km										as at end of year
13	Length of new mains (extensions)	km										
14	Length of new mains (replacements)	km										
15	Capacity of reservoirs used for potable supply	m ³										All reservoirs that may be used for to store potable water excluding only permanently decommissioned reservoirs
16	No of properties receiving low pressure (below reference pressure level)	no.										Reference pressure level = 2 bar
17	% households receiving low pressure (below reference pressure level)	%										Key indicator. Line 16/Line 1 * 100

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Annual Report for 2009		3 Year Reporting Period			Proposed Performance Targets and Outputs								
Table 3	Outputs - Water Supply	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes	
B		Water Production											
18	Capacity of RO plants	m ³ /day											All RO plants excluding only permanently decommissioned plants. Any asset shall be considered as permanently decommissioned where such asset has been struck off the asset register and the asset/land returned to Government
19	Capacity of pumping stations	m ³ /day											All pumping stations excluding only permanently decommissioned pumping stations. Any asset shall be considered as permanently decommissioned where such asset has been struck off the asset register and the asset/land returned to Government
20	Capacity of boreholes	m ³ /day											All boreholes excluding only permanently decommissioned boreholes. Any asset shall be considered as permanently decommissioned where such asset has been struck off the asset register and the asset/land returned to Government
21	Capacity of springs	m ³ /day											All springs excluding only permanently decommissioned springs. Any asset shall be considered as permanently decommissioned where such asset has been struck off the asset register and the asset/land returned to Government
22	Total desalination	m ³											
23	Total production - pumping stations	m ³											

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Annual Report for 2009		3 Year Reporting Period			Proposed Performance Targets and Outputs							
Table 3	Outputs - Water Supply	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
24	Total production - boreholes	m ³										
25	Total production - springs	m ³										
26	Online factor RO plants	%										Output of RO plants = Line22/Line 18 * no of days in year
27	Online factor pumping stations	%										Output of Pumping Stations = Line23/Line 19 * no of days in year
28	Online factor boreholes	%										Output of boreholes = Line24/Line 20 * no of days in year
29	Online factor springs	%										Output of springs = Line25/Line 21 * no of days in year
C	Energy Consumption											
30	Specific energy consumption – groundwater (production + distribution)	kWh / m ³										
31	Specific energy consumption – desalination (production + distribution)	kWh / m ³										
32	Energy consumption of water supply (production + distribution)	kWh / m ³										Key indicator
33	Energy consumption - RO plants	kWh										
34	Energy consumption - Pumping Stations	kWh										
35	Energy consumption - Boreholes	kWh										
36	Energy consumption - Springs	kWh										
37	Energy consumption - Distribution	kWh										
38	Energy consumption - Administration	kWh										
D	Properties affected by supply interruptions											
39	Unplanned interruptions	no.										
40	More than 3 hours	no.										
41	More than 6 hours	no.										
42	More than 12 hours	no.										

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Annual Report for 2009		3 Year Reporting Period			Proposed Performance Targets and Outputs							
Table 3	Outputs - Water Supply	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
43	More than 24 hours	no.										
44	Planned & warned interruptions	no.										
45	More than 3 hours	no.										
46	More than 6 hours	no.										
47	More than 12 hours	no.										
48	More than 24 hours	no.										
49	Unplanned interruptions caused by third parties or power outage	no.										
50	More than 3 hours	no.										
51	More than 6 hours	no.										
52	More than 12 hours	no.										
53	More than 24 hours	no.										
54	Emergency supplies by water tanker	m ³										
E	Asset Maintenance & Leakage Control											
55	No of pumping stations refurbished for maintenance	no.										
56	Capacity of pumping stations maintained / refurbished	m ³ / day										
57	No of boreholes refurbished for maintenance	no.										
58	Capacity of boreholes maintained / refurbished	m ³ / day										
59	No of springs refurbished for maintenance	no.										
60	Capacity of springs maintained / refurbished	m ³ / day										

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Annual Report for 2009		3 Year Reporting Period			Proposed Performance Targets and Outputs							
Table 3	Outputs - Water Supply	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
61	Capacity of RO plants maintained / refurbished	m ³ / day										
62	Capacity of reservoirs maintained / refurbished	m ³ / day										
63	Length of submarine pipelines maintained	km										
64	Length of trunk mains maintained	km										
65	Length of distribution mains maintained	km										
66	No of service connections repaired	no.										
67	No of water meters replaced	no.										
68	Distribution mains renovated for water quality enhancement	km										
69	Distribution mains renovated for reliability improvement	km										
70	Mains bursts per 1,000 km	no.										
71	No of bursts detected through leakage control											
72	Estimated leakage	m ³										Key indicator
73	Estimated leakage	l/prop/day										
74	Estimated leakage	m ³ /km / day										
F	Water Supply - Components											
75	Estimated water taken legally and unbilled	m ³										
76	Estimated theft	m ³										
77	Estimated meter under-registration	m ³										

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Annual Report for 2009		3 Year Reporting Period			Proposed Performance Targets and Outputs							
Table 4	Outputs - Sewerage Services	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
A	Sewage Collection											
1	No of household sewage connections	no.										as at end year
2	No. of industrial sewage connections	no.										as at end year
3	No of commercial and other sewage connections	no.										as at end year
4	No of new sewage connections	no.										
5	No of sewage connections repaired / replaced	no.										
6	No of sewage disconnections	no.										
7	Total length of sewers	km										as at end year
8	Length of critical sewers	km										as at end year
B	Sewerage system failures											
9	Sewer collapses per 1000 km	no.										
10	Sewer blockages per 1000 km	no.										
11	Total number of rising mains failures	no.										
12	Total number of gravity sewer collapses	no.										
13	Total number of sewer blockages	no.										
14	Total number of equipment failures	no.										
C	Properties / assets affected by failures											
15	Properties flooded - overloaded sewers	no.										
16	Properties flooded - other causes	no.										
17	Flooding incidents - overloaded sewers	no.										properties and outside areas
18	Flooding incidents - severe weather	no.										properties and outside areas
19	Flooding incidents - equipment failure	no.										properties and outside areas
20	Flooding incidents - blockages	no.										properties and outside areas
21	Flooding incidents - collapses	no.										properties and outside areas

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Annual Report for 2009		3 Year Reporting Period			Proposed Performance Targets and Outputs							
Table 4	Outputs - Sewerage Services	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
D Sewage Treatment												
22	Total wastewater treated	m ³										
23	Total untreated wastewater disposed to sea	m ³										
24	Percentage of wastewater treated	%										key indicator
25	Total load entering sewerage system (BOD/year)	tonnes										
26	Total load receiving preliminary treatment only (BOD/year)	tonnes										
27	Total load receiving primary treatment only (BOD/year)	tonnes										
28	Total load receiving secondary treatment only (BOD/year)	tonnes										
29	Trade effluent load receiving secondary treatment (BOD/year)	tonnes										
30	Total wastewater supplied for second class usage	m ³										
31	Total treated wastewater disposed to sea	m ³										
32	Total number of intermittent discharges to sea	no.										
33	Total number of incidents of failures of sewage treatment plants	no.										
E Discharge Permitting												
34	Number of trade premises covered by discharge permit	no.										
35	Number of new discharge permits issued	no.										
36	Number of inspections carried out	no.										
F Asset Maintenance												
37	No of pumping stations refurbished for maintenance	no.										
38	Capacity of wastewater treatment refurbished for maintenance	m ³ / day										

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Annual Report for 2009		3 Year Reporting Period			Proposed Performance Targets and Outputs							
Table 4	Outputs - Sewerage Services	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
39	Length of sea outfalls maintained	km										
40	Length of new sewers (extensions)	km										
41	Length of new sewers -rising mains (extensions)	km										
42	Length of new sewers - gravity (extensions)	km										
43	Replacement of existing sewers	km										
44	Replacement of existing sewers -rising mains	km										
45	Replacement of existing sewers - gravity	km										
46	Length of sewers inspected by CCTV	km										

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Annual Report for 2009		3 Year Reporting Period			Approved Budget	5 Year Projections					
Table 5.1	Summary Regulatory Accounts	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
		€	€	€	€	€	€	€	€	€	
A	Summary Table										
	Operating costs										
1	Salaries and Wages										
2	Operations and maintenance desalination plants										
3	Operations and maintenance STPs										
4	Repairs and maintenance										
5	Electricity										
6	Materials and consumables										
7	Transport and fuel expenses										
8	Depreciation										
9	Other direct costs										
10	General and support expenditure										
11	Interest on borrowings										
12	Other expenses										
13	Taxes										
14	Repayments on long term borrowings										
15	Other interest										
16	Reserves										
17	Return on investment and expenditure										
18	Adjustments for over/under recovery										
19	Deductions for inefficiencies										
	Apportionment of Administration Costs	%	%	%	%	%	%	%	%	%	
20	Water Production										
21	Water Distribution										
22	Sewage Collection										
23	Sewage Treatment										
24	Metering, Billing and IT										

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Annual Report for 2009											
		3 Year Reporting Period			Approved Budget	5 Year Projections					
Table 5.1	Summary Regulatory Accounts	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
	Apportionment of Other Overheads	%	%	%	%	%	%	%	%	%	
25	Water Production										
26	Water Distribution										
27	Sewage Collection										
28	Sewage Treatment										
29	Metering, Billing and IT										

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Annual Report for 2009		3 Year Reporting Period			Approved Budget	5 Year Projections					
Table 5.1	Regulatory Accounts	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
		€	€	€	€	€	€	€	€	€	
A	Statement of Comprehensive Income										
1	Total turnover										
2	Sale of water										
3	Service charges										
4	Enemalta Contribution										
5	Other income										
6	Operating Costs										
7	Administration Costs										
8	Production Costs										
9	Distribution Costs										
10	Wastewater Costs										
11	Financial Costs										
12	Depreciation										
13	Profit / loss for year										
B	Sale of Water										
14	Opening accruals										
15	Revenue bills										
16	Claim variations										
17	Closing accruals										

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Annual Report for 2009		3 Year Reporting Period			Approved Budget	5 Year Projections					
Table 5.1	Regulatory Accounts	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
		€	€	€	€	€	€	€	€	€	
C	Statement of Financial Position										
	Non current assets										
18	Tangible non current assets										
19	Investment										
20	Total non current assets										
	Currents assets										
21	Inventories										
22	Receivables										
23	Cash										
24	Short term deposits										
25	Total current assets										
	Creditors falling due within one year										
26	Overdrafts										
27	Bank loans										
28	Other loans										
29	Trade Payables										
30	Tax payable										
	Creditors falling due after more than one year										
31	Bank loans										
32	Other loans										
33	Other payables										
34	Provisions for liabilities and charges										
	Capital and reserves										
35	Government interests										
36	Permanent capital contribution										
37	Revenue reserves										

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Annual Report for 2009		3 Year Reporting Period			Approved Budget	5 Year Projections					Notes
Table 5.2 Regulatory Accounts - OPEX	2007	2008	2009	2010	2011	2012	2013	2014	2015		
	€	€	€	€	€	€	€	€	€		
A	Operating Costs										
	<i>Water Production (desalination) costs</i>										
1	Salaries and wages										
2	Overtime, bonus, allowances and national insurance										
3	Electricity costs										
4	Repairs and maintenance										
5	Chemicals										sulphuric acid, lime, chlorine, other chemicals
6	Other Materials and consumables										
7	Transport and fuel expenses										
8	Other direct costs										
9	General and support expenditure										
10	Total water production desalination costs										
	<i>Water Production (groundwater) costs</i>										
11	Salaries and wages										
12	Overtime, bonus, allowances and national insurance										
13	Electricity costs										
14	Repairs and maintenance										
15	Materials and consumables										
16	Transport and fuel expenses										
17	Other direct costs										
18	General and support expenditure										
19	Total water production groundwater costs										
	<i>Water Distribution costs</i>										
20	Salaries and wages										
21	Overtime, bonus, allowances and national insurance										
22	Electricity costs										
23	Repairs and maintenance										
24	Materials and consumables										
25	Transport and fuel expenses										
26	Other direct costs										

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Annual Report for 2009		3 Year Reporting Period			Approved Budget	5 Year Projections					Notes
Table 5.2 Regulatory Accounts - OPEX	2007	2008	2009	2010	2011	2012	2013	2014	2015		
	€	€	€	€	€	€	€	€	€		
27	General and support expenditure										
28	Total water distribution costs										
	Water metering, IT and billing costs										
29	Salaries and wages - direct costs										
30	Salaries and wages - ARMS										
31	Overtime, bonus, allowances and national insurance										
32	Bank charges and processing charges										
33	Electricity costs										
34	Repairs and maintenance										
35	Materials and consumables										
36	Transport and fuel expenses										
37	Other direct costs										
38	General and support expenditure										
39	Total water metering, IT and billing costs										
	Sewage Collection costs										
40	Salaries and wages										
41	Overtime, bonus and allowances										
42	Electricity costs										
43	Repairs and maintenance										
44	Materials and consumables										
45	Transport and fuel expenses										
46	Other direct costs										
47	General and support expenditure										
48	Total sewage collection costs										
	Sewage Treatment costs										
49	Salaries and wages										
50	Overtime, bonus and allowances										
51	Electricity costs										
52	O&M Gozo STP										
53	O&M Malta North STP										

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Annual Report for 2009		3 Year Reporting Period			Approved Budget	5 Year Projections					Notes
Table 5.2 Regulatory Accounts - OPEX	2007	2008	2009	2010	2011	2012	2013	2014	2015		
	€	€	€	€	€	€	€	€	€		
54	O&M St. Antnin STP										
55	O&M Ta' Barkat STP										
56	Repairs and maintenance										
57	Materials and consumables										
58	Transport and fuel expenses										
59	Other direct costs										
60	General and support expenditure										
61	Total sewage treatment costs										
	Administration Costs										
62	Salaries and wages										
63	Overtime, bonus, allowances and national insurance										
64	Pension contributions										
65	Directors Remuneration										
66	Insurance										
67	Licences and fees										
68	Electricity costs										
69	Repairs and maintenance										
70	Materials and consumables										
71	Transport and fuel expenses										
72	Other direct costs										
73	General and support expenditure										
74	Staff welfare and training										
75	Financing										
76	Total administration costs										

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Annual Report for 2009		3 Year Reporting Period			Approved Budget	5 Year Projections					
Table 5.3	Regulatory Accounts - OPEX - Repairs & Maintenance	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
		€	€	€	€	€	€	€	€	€	
A	Analysis of Repairs and Maintenance Costs										
	<i>Desalination Plants</i>										
1	High pressure pumps										
2	Membranes										
3	Other mechanical equipment										
4	Electrical equipment										
5	Civil works										
6	Disinfection equipment										
7	SCADA and other operational										
	<i>Pumping Stations</i>										
8	Mechanical equipment										
9	Electrical equipment										
10	Civil works										
11	Disinfection equipment										
12	SCADA and other operational										
	<i>Boreholes</i>										
13	Mechanical equipment										
14	Electrical equipment										
15	Civil works										
16	Disinfection equipment										
17	SCADA and other operational										
	<i>Springs</i>										
18	Mechanical equipment										
19	Electrical equipment										
20	Civil works										
21	Disinfection equipment										
22	SCADA and other operational										

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Annual Report for 2009		3 Year Reporting Period			Approved Budget	5 Year Projections					
Table 5.3	Regulatory Accounts - OPEX - Repairs & Maintenance	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
		€	€	€	€	€	€	€	€	€	
	Reservoirs										
23	Mechanical equipment										
24	Electrical equipment										
25	Civil works										
26	Disinfection equipment										
27	SCADA and other operational										
	Distribution										
28	Booster pumps										
29	Trunk mains										
30	Distribution mains										
31	Civil works										
32	Disinfection equipment										
33	SCADA and other operational										
	Sewerage Collection System										
34	Pumping Stations										
35	Rising Mains										
36	Gravity mains										
37	Galleries										
38	Civil works										
39	SCADA and other operational										
40	Other operational										
	Sewage Treatment Plants										
41	Mechanical equipment and pumps										
42	Electrical equipment										
43	Civil works										
44	Sea outfalls										
45	Pipework										
46	SCADA and other operational										
	Administration, water metering, IT and billing										

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Annual Report for 2009		3 Year Reporting Period			Approved Budget	5 Year Projections					
Table 5.3	Regulatory Accounts - OPEX - Repairs & Maintenance	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
		€	€	€	€	€	€	€	€	€	
47	Water meters										
48	Equipment										
49	Civil works										
50	Other operational										

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Annual Report for 2009											
Table 5.4	Regulatory Accounts - CAPEX	3 Year Reporting Period			Approved Budget	5 Year Projections					Notes
		2007	2008	2009	2010	2011	2012	2013	2014	2015	
		€	€	€	€	€	€	€	€	€	
A Analysis of Capital Expenditure											
<i>Desalination Plants</i>											
1	High pressure pumps										
2	Membranes										
3	Other mechanical equipment										
4	Electrical equipment										
5	Civil works										
6	Disinfection equipment										
7	SCADA and other operational										
<i>Pumping Stations</i>											
8	Mechanical equipment										
9	Electrical equipment										
10	Civil works										
11	Disinfection equipment										
12	SCADA and other operational										
<i>Boreholes</i>											
13	Mechanical equipment										
14	Electrical equipment										
15	Civil works										
16	Disinfection equipment										
17	SCADA and other operational										
<i>Springs</i>											
18	Mechanical equipment										
19	Electrical equipment										
20	Civil works										
21	Disinfection equipment										
22	SCADA and other operational										

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Annual Report for 2009		3 Year Reporting Period			Approved Budget	5 Year Projections					
Table 5.4	Regulatory Accounts - CAPEX	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
		€	€	€	€	€	€	€	€	€	
	Reservoirs										
23	Mechanical equipment										
24	Electrical equipment										
25	Civil works										
26	Disinfection equipment										
27	SCADA and other operational										
	Distribution										
28	Booster pumps										
29	Trunk mains										
30	Distribution mains										
31	Civil works										
32	Disinfection equipment										
33	SCADA and other operational										
	Sewerage Collection System										
34	Pumping Stations										
35	Rising Mains										
36	Gravity mains										
37	Galleries										
38	Civil works										
39	SCADA and other operational										
40	Other operational										
	Sewage Treatment Plants										
41	Mechanical equipment and pumps										
42	Electrical equipment										
43	Civil works										
44	Sea outfalls										
45	Pipework										
46	SCADA and other operational										
	Administration, water metering, IT and billing										

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Annual Report for 2009											
		3 Year Reporting Period			Approved Budget	5 Year Projections					
Table 5.4	Regulatory Accounts - CAPEX	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
		€	€	€	€	€	€	€	€	€	
47	Water meters										
48	Equipment										
49	Civil works										
50	Other operational										

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Annual Report for 2009		3 Year Reporting Period			Proposed Performance Targets and Outputs							
Table 6	Vulnerable Customers	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
1	No of vulnerable customers	no.										as at end year
2	% of vulnerable customers	%										
3	Average annual bill of vulnerable customers	€										
4	Equivalent annual subsidy for vulnerable customers	€										

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Annual Report for 2009		3 Year Reporting Period			Proposed Performance Targets and Outputs							
Table 7	Corporate Measures	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
1	Total number of employees	no.										
2	Number of employees receiving training during year	no.										
3	No of staff training hours provided	hours										
4	Total days lost due to sickness, accident and occupational ill health	days										
5	No of employee incidents of occupational ill health - employee	no.										
6	No of contractors' employees incidents of occupational ill health	no.										

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Table 10: Analysis of movements in asset base - Water Supply

	Description	COST					DEPRECIATION					NET BOOK VALUE	
		Opening 2009	Additions	Retirements	Disposals	Closing 2009	Opening 2009	Additions	Retirements	Disposals	Closing 2009	2008	2009
		€	€	€	€	€	€	€	€	€	€	€	€
A	Water Production Movements in asset base												
	Desalination plants												
1	High pressure Pumps												
2	Membranes												
3	Other mechanical equipment												
4	Electrical equipment												
5	Civil works												
6	Disinfection equipment												
7	SCADA												
8	Other Operational												
	Pumping stations												
9	Mechanical equipment												
10	Electrical equipment												
11	Civil works												
12	Disinfection equipment												
13	SCADA												
14	Other Operational												
	Boreholes												
15	Mechanical equipment												
16	Electrical equipment												
17	Civil works												
18	Disinfection equipment												
19	SCADA												

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Annual Report for 2009

Table 10: Analysis of movements in asset base - Water Supply

	Description	COST					DEPRECIATION					NET BOOK VALUE	
		Opening 2009	Additions	Retirements	Disposals	Closing 2009	Opening 2009	Additions	Retirements	Disposals	Closing 2009	2008	2009
		€	€	€	€	€	€	€	€	€	€	€	€
20	Other Operational												
	Springs												
21	Mechanical equipment												
22	Electrical equipment												
23	Civil works												
24	Disinfection equipment												
25	SCADA												
26	Other Operational												
24	Non-operational												
26	Total Production Asset Base												

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Table 10: Analysis of movements in asset base - Water Supply

	Description	COST					DEPRECIATION					NET BOOK VALUE	
		Opening 2009	Additions	Retirements	Disposals	Closing 2009	Opening 2009	Additions	Retirements	Disposals	Closing 2009	2008	2009
		€	€	€	€	€	€	€	€	€	€	€	€
B	Water Distribution Movements in asset base												
	Reservoirs												
27	Civil Works												
28	Disinfection equipment												
29	SCADA												
30	Other Operational												
31	Total reservoirs												
	Other Distribution												
32	Booster pumps												
33	Trunk mains												
34	Distribution mains												
35	Civil works												
36	Disinfection equipment												
37	SCADA												
38	Other operational												
39	Non operational												
40	Total - Other Distribution												
	Meters												
41	Automated Meter Reading												
42	Other meters												
43	Total meters												
44	Customer capital contributions recovered												

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Table 10: Analysis of movements in asset base - Water Supply

	Description	COST					DEPRECIATION					NET BOOK VALUE	
		Opening 2009	Additions	Retirements	Disposals	Closing 2009	Opening 2009	Additions	Retirements	Disposals	Closing 2009	2008	2009
		€	€	€	€	€	€	€	€	€	€	€	€
45	Tele-control/SCADA												
46	Non-operational												
47	Other												
48	Total Distribution Asset Base												

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Table 11: Analysis of movements in asset base - Sewerage Services

	Description	COST					DEPRECIATION					NET BOOK VALUE	
		Opening 2009	Additions	Retirements	Disposals	Closing 2009	Opening 2009	Additions	Retirements	Disposals	Closing 2009	2008	2009
		€	€	€	€	€	€	€	€	€	€	€	€
A	Sewage Treatment Movements in asset base												
	Sewage Treatment Plants												
1	Pumping Stations												
2	Rising Mains												
3	Gravity mains												
4	Galleries												
5	Civil works												
6	SCADA												
7	Other operational												
8	Non-operational												
9	Total Sewage Treatment Asset Base												

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Table 11: Analysis of movements in asset base - Sewerage Services

		COST					DEPRECIATION					NET BOOK VALUE	
	Description	Opening 2009	Additions	Retirements	Disposals	Closing 2009	Opening 2009	Additions	Retirements	Disposals	Closing 2009	2008	2009
		€	€	€	€	€	€	€	€	€	€	€	€
		B	Sewage Collection Movements in asset base										
10	Pumping Stations												
11	Rising Mains												
12	Gravity mains												
13	Galleries												
14	Civil works												
15	SCADA												
16	Other operational												
17	Non-operational												
18	Total Sewage Collection Asset Base												

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Annual Report for 2009		3 Year Reporting Period			Proposed Performance Targets and Outputs							
Table 12	Workforce and payroll analysis	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
A1 Water Production												
1	No of full time equivalent employees	no.										
2	Basic wage	€										
3	Overtime	€										
4	Bonuses / performance related pay	€										
5	Fringe Benefits	€										
6	Pension costs	€										
7	Social security	€										
8	Other	€										
9	Total payroll costs	€										
A2 Water Distribution												
10	No of full time equivalent employees	no.										
11	Basic wage	€										
12	Overtime	€										
13	Bonuses / performance related pay	€										
14	Fringe Benefits	€										
15	Pension costs	€										
16	Social security	€										
17	Other	€										
18	Total payroll costs	€										
A3 Metering, Billing and IT												
19	No of full time equivalent employees	no.										
20	Basic wage	€										
21	Overtime	€										
22	Bonuses / performance related pay	€										
23	Fringe Benefits	€										
24	Pension costs	€										
25	Social security	€										
26	Other	€										
27	Total payroll costs	€										

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Annual Report for 2009		3 Year Reporting Period			Proposed Performance Targets and Outputs							
Table 12	Workforce and payroll analysis	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	Notes
A4 Sewage Collection												
28	No of full time equivalent employees	no.										
29	Basic wage	€										
30	Overtime	€										
31	Bonuses / performance related pay	€										
32	Fringe Benefits	€										
33	Pension costs	€										
34	Social security	€										
35	Other	€										
36	Total payroll costs	€										
A5 Sewage Treatment												
37	No of full time equivalent employees	no.										
38	Basic wage	€										
39	Overtime	€										
40	Bonuses / performance related pay	€										
41	Fringe Benefits	€										
42	Pension costs	€										
43	Social security	€										
44	Other	€										
45	Total payroll costs	€										
A6 Administration												
46	No of full time equivalent employees	no.										
47	Basic wage	€										
48	Overtime	€										
49	Bonuses / performance related pay	€										
50	Fringe Benefits	€										
51	Pension costs	€										
52	Social security	€										
53	Other	€										
54	Total payroll costs	€										

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Table 13: Related Party Transactions

No.	Type of Information	Notes
1	Company providing service	Names of the transacting related parties including a description of the company structure and the relationship with the Licensee
2	Service*	Description of the assets transferred, services received or provided
3	Terms of supply*	Summary of how prices were established (e.g. tender, cost-based etc.)
4	Value*	Value of assets transferred, service received or provided, showing breakdown of component parts
5	Category of transaction*	Identify the value of transactions by category
6	Contracts in existence with related party at the Statement of Financial Position*	Include details of contract value, period covered by contract, repayment terms etc.
7	Statement of Financial Position	Amounts due to or from the related party at the Statement of Financial position date

** Information to be analysed for each material related party transaction*

Schedule 5: Asset Management Plan

The Licensee shall submit an asset register and an asset management plan listing the information indicated below and in accordance with the timeframes set in clause 9.1.5.

Licensed Activity: Supply of Water through the Public Water Distribution Network

- i. List of all buildings, plants, and infrastructure assets including full details which shall fully describe the assets and their role to the Licensee's business and details of their:
 - a. location;
 - b. size and land take, including details of land ownership, easements etc;
 - c. age and expected useful service life;
 - d. condition in terms of quality, capacity and serviceability criterion;
 - e. valuation of asset.
- ii. list including full details of their age, size, location, land take, condition and estimated value, of those assets that are not required in connection with the Licensee's licensed activities and to perform the Licensee's service obligations described in this licence;
- iii. GIS-based inventory of all infrastructure assets including details of their:
 - a. location;
 - b. size and land take including details of land ownership, easements etc;
 - c. age, material and expected useful service life;
 - d. condition in terms of quality, capacity and serviceability criterion;
 - e. failure frequencies, repair/maintenance works and frequencies carried out on each;
 - f. valuation of asset.

Licensed Activity: Provision of Sewerage Services using the Public Sewage Collection System

- (i) List of all buildings, plants and infrastructure assets including full details which shall fully describe the assets and their role to the Licensee's business and details of their:
 - a. location,
 - b. size and land take, including details of land ownership, easements etc;
 - c. age and expected useful service life;
 - d. condition in terms of quality, capacity and serviceability criterion;
 - e. valuation of asset.
- (ii) list including full details of their age, size, location, land take, condition and estimated value, of those assets that are not required in connection with the Licensee's licensed activities and to perform the Licensee's service obligations described in this licence;
- (iii) An inventory of all trunk mains, rising mains as well as those mains that are considered critical for the proper functioning of the system. This inventory should include all details that fully describe the assets and their role in the Licensee's business and additional details of their:
 - a. failure frequencies, repair/maintenance works and frequencies carried out on each;
 - b. estimates and other information of the expenditure required to be made or incurred by the Licensee in each year in relation to the above.

The estimates and information referred above shall show separately the expenditure to be capitalised and the expenditure to be expensed.

Schedule 6: Emergency Response and Security Plan

The Licensee shall submit an Emergency Response and Security Plan listing the information indicated below and in accordance with the timeframes set in clause 9.1.5.

- i. An identification of the hazards and risks and a classification of incidents which could cause an impact on its licensed activities and affect its community service obligations with respect to potable water supply;
- ii. An identification of key installations, assets and points of weaknesses with respect to potable water supply obligations;
- iii. A detailed plan outlining:
 - a. Management Structure;
 - b. Operating and communication procedures;
 - c. External / Internal Support Systems;
 - d. Financial arrangements;
 - e. Parallel / alternative systems;
 - f. Follow-up action;
 - g. Other miscellaneous requirements and procedures;
 - h. any other requirements in accordance to guidelines that may be issued by the Authority.

Schedule 7: Leakage Control Plan

The Licensee shall submit the a Leakage Control Plan on an annual basis and covering a minimum period of 3 years, listing the information indicated below and in accordance with the timeframes set in clause 9.1.5. and including details of:

- a. best estimates of leakage levels for each zone over the past 3 year period as a measure by the best available technology;
- b. detailed explanations and justifications of the methodologies adopted for the best estimates referred in subclause (a) above;
- c. targeted leakage levels for each year over the next 3 year period with justifications;
- d. strategies and management actions to attain target levels;
- e. estimates and other information of the expenditure required to be made or incurred by the Licensee in each year in relation to the above.

The estimates and information referred above shall show separately the expenditure to be capitalised and the expenditure to be expensed.