

RESOLUTION NO. 006-0509
May 20, 2009 – 78th Board Meeting
VALIDITY PERIOD OF CERTIFICATE OF PUBLIC CONVENIENCE

WHEREAS, the National Water Resources Board (NWRB) is the government agency tasked to supervise and regulate water utilities, pursuant to PD 1206 and CA 146 as amended;

WHEREAS, the NWRB grants authority to operate and maintain water supply services and charge the corresponding water tariffs in the form of a Certificate of Public Convenience (CPC);

WHEREAS, the NWRB's Modified Standard Rules and Regulations in the operation of waterworks system provides that CPC granted shall be valid for a period of five (5) years counted from approval;

WHEREAS, the NWRB Board during its 77th Meeting on April 27, 2009 observed that the five (5) year validity period for CPC issued to qualified Applicants may be too short;

WHEREAS, it was suggested that the validity period be made longer because the return in operating a waterworks utility would not be realized in five (5) years;

WHEREAS, lengthening the CPC's validity period will allow the operator sufficient recovery period;

NOW THEREFORE, BE IT RESOLVED, as it is hereby resolved to initially grant water utility operators a CPC with a validity period of five (5) years;

RESOLVED further that upon renewal of the CPC, a ten (10) year validity period shall be granted subject to showing of good performance (i.e. compliance with the NWRB Rules and Regulations, committed levels of service set in the 5-year tariff methodology and the property of investments entitled to return that were made in the last five years).