

The *Saeima*<sup>1</sup> has adopted and the President has proclaimed the following Law:

## Law on Water Management Services

### Chapter I General Provisions

#### Section 1. Terms Used in This Law

The following terms are used in this Law:

1) **by-user** — a person who uses a water supply system present in the ownership or possession of the water management service user for water receipt or a sewerage system for wastewater discharge;

2) **centralised collecting system** — an aggregate of external sewerage networks and structures in the ownership, possession or holding of the water management service provider which ensures collection of wastewater from water management service users, treatment thereof and discharge into the environment, including surface water objects;

3) **centralised water supply system** — an aggregate of external water main networks and structures in the ownership, possession or holding of the water management service provider which ensures extraction, preparation and supply of water to a water management service users;

4) **pipe entry or exit** — a part of water management system present in the ownership or possession a water management service user which ensures a water management service user with water supply from a centralised water supply system or wastewater discharge to a centralised collecting system;

5) **decentralised sewerage services** — collection of public wastewater from separate decentralised sewerage systems or wastewater containers, transport thereof and discharge in a centralised collecting system at specially established wastewater collection points;

6) **a commercial meter** — a meter of water quantity or wastewater quantity present in the ownership of a water management service provider which is installed at the junction point of a commercial meter and is used for performance of payments for the provided water management services;

7) **a junction point of a commercial meter**— a part of the water management system present in the ownership or possession of a water management service user (a system of pipelines, shutting-off devices and other pipe fittings) which is intended for the installation of a commercial meter and is constructed at the proprietary border or - in the cases laid down in the laws and regulations - outside proprietary border;

8) **proprietary border** — a border between centralised water supply and collecting systems present in the ownership, possession or holding of a water management service provider and water supply and collecting systems present in the ownership or possession of a water management service user (in joint ownership of the apartment owners);

9) **public water management services** — services for abstraction, accumulation of water and preparation for the use thereof up to supply in the centralised water main network, water supply services from the supply point in the centralised water main network up to the proprietary border, and also collection of wastewater in centralised collecting systems from the proprietary border and discharge up to wastewater treatment facilities, wastewater treatment and discharge in the environment, including in the surface water bodies, except rainwater collection in the rain sewerage systems;

<sup>1</sup> The Parliament of the Republic of Latvia

10) **water management services** — public water management services, decentralised sewerage services, services for the collection and discharge of rainwater, including in the centralised collecting systems;

11) **water management service user** (hereinafter — the service user) — owner of the immovable property (in apartment property house — all owners of apartments) or a possessor who receives water management services of certain type on the basis of the service agreement entered into;

12) **water management service provider** (hereinafter— the service provider) — a person (merchant or institution), which provides water management services of certain type in the territory of service provision.

## **Section 2. Purpose of this Law**

The purpose of this Law is to facilitate availability of water management services which are qualitative and conforming to the environmental requirements in order to ensure service users with continuous and safe services balancing the interests of environmental protection, sustainable use of natural resources and socio-economic interests.

## **Section 3. The Scope of the Application of this Law**

This Law determines:

- 1) the competence of public authorities in provision of availability of the water management services;
- 2) general requirements and procedures for the provision and use of the water management services;
- 3) rights and obligations of a service provider and service user.

## **Chapter II**

### **Competence of Public Authorities in Provision of Availability of the Water Management Services**

#### **Section 4. Competence of the Cabinet**

The Cabinet shall determine:

- 1) procedures for providing, using and terminating to provide public water management services;
- 2) procedures for connecting an immovable property to a centralised water supply or centralised collecting system, including requirements in respect to the place of the commercial meter junction point and cases when building of a commercial meter junction point outside the proprietary border is permissible;
- 3) procedures for accounting of public water management services provided by a service provider and procedures for payment of received services;
- 4) procedures for calculating compensation for infringements of the regulations for use of public water management services;
- 5) procedures for calculating and disbursing a compensation to a land owner regarding limitation of the rights of use of the immovable property;
- 6) requirements for the wastewater management in decentralised sewerage systems and procedures for registration of such systems.

## **Section 5. Competences of the Public Utilities Commission**

(1) The Public Utilities Commission (hereinafter - the Regulator) shall regulate public water management services provided by a merchant in accordance with this Law and the Law On Regulators of Public Utilities in all types of public water management services, if the amount of public water management services provided by the merchant exceeds 100 000 cubic meters per year in at least one type (hereinafter - regulated merchant).

(2) The Regulator shall register regulated merchants in the register of public water management service providers. A regulated merchant may provide public water management services if it has entered into an agreement on provision of public water management services with a local government and it is registered in the register of public water management service providers. A regulated merchant may terminate provision of public water management services if it has sent a notification to the Regulator in accordance with the procedures laid down by the Regulator regarding termination of operations and has been excluded from the register of public water management service providers.

(3) The Regulator in accordance with the Law On Regulators of Public Utilities shall:

- 1) determine regulations for a general permit for provision of public water management services which are binding on a regulated merchant;
- 2) establish and maintain the register of public water management service providers and ensure public accessibility thereof;
- 3) determine tariffs for public water management service provided by a regulated merchant.

## **Section 6. Competence of a Local Government**

(1) A local government shall organise provision of water management services in the administrative territory thereof. The local government council shall determine a local government institution which provides public water management services and other water management services of certain type in the administrative territory of the local government, or shall authorise a merchant to provide public water management services by entering into an agreement with him or her on provision of public water management services in the entire administrative territory of the local government or in the part thereof.

(2) A local government council shall determine a fee for water management services which are provided by the local government institution. The local government council shall determine a fee for public water management services provided by a merchant, if the amount of public water management services provided by the merchant does not exceed 100 000 cubic meters per year in each type. By determining fee for public water management services, the local government shall apply the basic principles for regulating of public services laid down in the Law On Regulators of Public Utilities.

(3) In order to ensure environmental protection and sustainable use of natural resources, a local government council, having evaluated economic substantiation for installation of a centralised water supply system and centralised collecting system, shall determine the following in the territorial planning in accordance with the laws and regulations regarding territory development planning:

- 1) construction territories where centralised water supply systems and centralised collecting systems are to be established;
- 2) construction regulations in territories where centralised water supply systems and centralised collecting systems are to be established.

(4) A local government council shall issue binding regulations which provide for:

- 1) procedures for connecting water supply networks or sewerage networks and structures to a centralised water supply system or centralised collecting system;

- 2) the requirements for exploitation, use and protection of a centralised water supply system and centralised collecting system;
  - 3) provisions to be included in an agreement on public water management service, and also provisions for entering into it, amending and termination thereof;
  - 4) procedures for use of public standposts;
  - 5) procedures for provision and accounting of decentralised sewerage services.
- (5) A local government council may intend in binding regulations administrative liability regarding infringement of the binding regulations abovementioned in Paragraph four, Clauses 1, 2, 4 and 5 of this Section.
- (6) A local government council may issue the binding regulations regarding co-financing of connection of the immovable property to centralised water supply system or centralised collecting system, by determining the amount of co-financing and conditions for receipt thereof.
- (7) A local government council is entitled to issue the binding regulations regarding rainwater management in the administrative territory of the local government.

### **Chapter III**

#### **General Requirements and Procedures for Provision and Use of Water Management Services**

#### **Section 7. Provisions of Agreement on Provision of Public Water Management Services**

A local government council shall determine at least the following in an agreement on provision of public water management services:

- 1) public water management services to be provided, the territory and time period for provision thereof;
- 2) requirements for maintenance and renovation of the required technical equipment in order to ensure provision of services in accordance with the requirements defined for a particular service;
- 3) procedures for performance of payment for expenditure incurred for a service provider in relation to ensuring of water in public standposts, fountains, fire-fighting hydrants, and also in connection with other tasks assigned by a local government.

#### **Section 8. General Provisions for the Provision of Services**

- (1) Water management services shall be provided to a service user in accordance with a service agreement which is entered into between a service provider and a service user on receipt of water management services of certain type. Provision and use of water management services without entering into a service agreement are prohibited.
- (2) For apartment owners and joint owners of a jointly owned residential house water management services shall be provided and payments for the received water management services shall be carried out in accordance with a service agreement which has been entered into in conformity with the Civil Law, Law On Residential Properties, Law On Administration of Residential Houses, Law On Privatisation of State and Local Government Residential Houses and provisions of other laws and regulations.
- (3) A public water management service provider shall be responsible regarding a centralised water management system or centralised collecting system and technical condition thereof up to the proprietary border. If a water management service provider and service user has agreed on other division of responsibility, then services related thereto shall not be regarded as public water management services.

## **Section 9. Rights and Obligations of a Service Provider**

(1) In conformity with the type of water management service provided a service provider has the following obligations:

1) to ensure exploitation and maintenance of a centralised water management system or centralised collecting system up to the proprietary border in order to provide continuous water management services to service users;

2) to ensure abstraction of water, preparation and supply thereof in conformity with the laws and regulations regarding mandatory drinking water harmless requirements;

3) to ensure collection of wastewater and discharge thereof up to treatment facilities or wastewater treatment in conformity with the environmental protection requirements laid down in the laws and regulations;

4) to use and develop efficient, economic and safe technologies in provision of services in order to ensure environmental protection and sustainable use of natural resources;

5) to ensure installation or change of commercial meters at its own expense and to carry out accounting of provided services;

6) to ensure that connections to a centralised water supply system or centralised collecting system planned in the water management project financed by the European Union funds, State budget, local governments and other public financing sources are established in conformity with the plan for ensuring of connections provided for in the project;

7) to store information regarding proprietary borders, to prepare and issue a scheme of proprietary borders of water management system or collecting system to a service user upon request of the service user.

(2) In conformity with the type of water management service provided a service provider has the following rights:

1) at any time of the day to access a centralised water management system or centralised collecting system which is located in the territory of the immovable property of other legal or natural persons, or, by notifying an owner or possessor of the immovable property in writing at least two weeks before, to carry out technical maintenance and repair of the relevant system;

2) without any prior warning to reduce or interrupt temporary water supply and wastewater discharge for separate service users, if electricity supply is interrupted for water management structures or water supply is increased from a centralised water supply system for fire extinguishing, and also during natural disasters or accidents;

3) to allow to connect a pipe entry or exit to networks of a service user after a junction point of a commercial meter, including by crossing the immovable property of other owner in accordance with the procedures laid down by a local government, if connecting has been coordinated with a service user and land owner in writing and it does not worsen the provision of water management services for other service users, and also a deed on borders of network servicing has been drawn up;

4) at its own or other person's resources to construct a pipe entry or exit in order to add an immovable property to a centralised water management system or centralised collecting system, by entering into the relevant agreement with the owner or possessor of the immovable property, where the parties agree on the procedures and time periods for purchase of the constructed pipe entry or exit;

5) at the resources of the owner or possessor of the immovable property, by entering into the relevant agreement, to construct centralised water management networks or centralised sewerage networks in order to ensure availability of public water management services;

6) to calculate and collect compensation laid down in accordance with Section 4, Clause 4 of this Law;

7) to use financial resources at his or her disposal for construction of a junction point of a commercial meter, by including expenditures in the invoice of a service user, if the service

user fails to ensure the construction of a junction point of commercial meter for installation of a commercial meter within the time period laid down in this Law;

8) to agree with other service provider regarding fee for provision of public water management service which does not exceed the tariff laid down by the Regulator, if a regulated merchant provides services in water abstraction, accumulation, preparation for use and supply, services in wastewater collection, treatment and discharge to other service provider.

### **Section 10. Rights and Obligations of a Service User**

(1) In conformity with the type of water management service received a service user has the following obligations:

1) to ensure construction of a junction point of a commercial meter for installation or change of a commercial meter;

2) to ensure easy access to a junction point of a commercial meter in order to carry out technically required operations with the commercial meter, and also to protect the junction point of a commercial meter and the commercial meter from damages;

3) to store permanently all technical documentation of water main and collecting systems constructed in the territory of his or her immovable territory or present in his or her property which must be at the disposal of the service user in conformity with the requirements of the laws and regulations;

4) to supervise technical condition of a water supply system and collecting system in his or her property or possession up to the proprietary border and to rectify immediately any damage, if a service provider and service user have not agreed regarding other division of responsibility in respect of servicing of the water supply or collecting system of the service user;

5) without co-ordination with a service provider, not to carry out such operations which encumber receipt of water supply and sewerage services for other service user;

6) to settle accounts with a service provider regarding services provided by him or her;

7) to enter into agreement with a by-user regarding the use of water supply systems or collecting systems present in his or her property or possession, by determining the price for services for a by-user with a markup which does not exceed 10 per cent from the tariff laid down by the Regulator or the fee laid down by a local government regarding the relevant service, if a water supply system or collecting system has a by-user;

8) to inform a service provider regarding interruption of water supply to a by-user, if he or she refuses to enter into the agreement abovementioned in Clause 7 of this Paragraph or infringes the provisions of the entered into agreement to such extent that it may lead to interruption of the services to be provided for a service user.

(2) A service user has the right to receive and use water management services in accordance with the requirements of the laws and regulations.

## **Chapter IV**

### **Restrictions for the Right of Use of Immovable Property**

#### **Section 11. Co-ordination of Restrictions for the Right of Use**

(1) A service provider has the right to use any land against remuneration which is laid down for its owner in accordance with Section 4, Clause 5 of this Law, if:

1) the land is used for the installation of a centralised water supply or centralised collecting system or part thereof (hereinafter - a water management object);

2) the water management object and land area covered by the object become larger when the reconstruction is carried out.

(2) A service provider has an obligation to co-ordinate the provisions for the installation of a water management object with an owner of the immovable property and to warn the abovementioned owner regarding installation or enlargement of the water management object at least 30 days before commencement of works.

(3) A service provider has the right to replace the co-ordination procedure abovementioned in Paragraph two of this Section with informing a land owner, if at least one of the following conditions has set in:

1) the installation of the water management object is provided for in the local government's spatial plan, detailed plan or local plan;

2) the water management object is installed within borders of red lines laid down in the Protection Zone Law, publicly used streets or within the borders of such road for which red lines have not been determined or within the borders of protection zone along water main or sewerage networks;

3) the water management object is installed within the protection zone along water main or sewerage networks and after installation thereof the width of the protection zone increases by no more than 10 per cent, taking into account that in accordance with the procedures laid down in this Paragraph the protection zone may be increased no more than once.

## **Section 12. Duties and Rights of an Owner of Immovable Property**

An owner of the immovable property in the territory of the property of which a water management object is located:

1) shall not carry out such activities without co-ordination with a service provider which disturb receipt of water supply or sewerage services for a service user or by-user or may reduce technical condition of a water management object;

2) shall not carry out activities which may disturb a service provider in exploitation, reconstruction or renovation of a water management object;

3) by co-ordinating with a service provider, may carry out shift of a water management object at his or her own expense if it is necessary for reconstruction or development.

### **Transitional Provisions**

1. The Cabinet shall:

1) by 30 December 2015 the Cabinet shall issue the regulations abovementioned in Section 4, Clauses 1, 2, 3 and 4 of this Law;

2) by 30 December 2016 the Cabinet shall issue the regulations abovementioned in Section 4, Clauses 5 and 6 of this Law.

2. Local governments shall evaluate the conformity of existing binding regulations with the requirements of this Law and no later than by 1 March 2017 issue the binding regulations abovementioned in Section 6, Paragraph four of this Law.

3. Service agreements on provision of public water management services entered into by the day of coming into force of this Law shall be in effect until the end of the time periods laid down in the agreements and the provisions of the agreement on public water management service abovementioned in Section 6, Paragraph four, Clause 3 of this Law shall be applicable to them.

4. If a junction point of a commercial meter is not constructed in the water management system of a service user, a service user shall ensure construction thereof for installation of a commercial meter no later than within four years after the coming into force of this Law. A service provider

shall ensure installation of a new commercial meter as soon as the verification period has expired for the commercial meter installed previously.

5. A service user and by-user have an obligation to enter into an agreement on water supply or wastewater discharge no later than within three months after coming into force of this Law, if such agreement has not been entered into in the day of coming into force of this Law. If a service user and by-user cannot agree on provisions of the agreement, the provisions of agreement on public water management service abovementioned in Section 6, Paragraph four, Clause 3 of this Law shall be applied to the relations of the user and by-user.

6. Section 11, Paragraph one of this Law shall come into force on 1 January 2017.

This Law shall come into force on 1 January 2016.

This Law was adopted by the *Saeima* on 18 June 2015.

President

A. Bērziņš

Riga, 2 July 2015