

WATER SECTOR LAW
ARRANGEMENT OF SECTIONS

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SCHEDULE
Fines

WATER SECTOR LAW

A LAW TO PROVIDE FOR THE LAGOS STATE WATER SECTOR, LAGOS WATER CORPORATION AND FOR CONNECTED PURPOSES

[Commencement]

PART 1

The Lagos Water Corporation

1. Establishment

(1) There is established the Lagos State Water Corporation (LSWC) (referred to in this Law as “the Corporation”).

(2) The Corporation will-

(a) be a body corporate with perpetual succession and a common seal;

(b) have power to sue and be sued in its corporate name; and

(c) be capable of purchasing, acquiring, holding and disposing for the purpose of carrying out its function under this Law.

2. The Governing Board of the Corporation and its Constitution

(1) The governing body of the Corporation will be a Board of Directors (referred to in this Law as “the Board”).

(2) The Board will consist of—

(a) a Chairman;

(b) a Group Managing Director and Chief Executive Officer (referred to in this Law as “the C.E.O.”); and

(c) seven other members.

(3) The C.E.O. and members of the Board will be appointed by the core investor.

(4) The provisions contained in Part VIII of the Companies and Allied Matters Act (C.A.M.A.) as regards meetings and proceedings of Companies will have effect in relation to the Corporation, the Board and other matters mentioned there.

3. Remuneration of members of the Board

There will be paid to the members of the Board such remuneration as provided under section 267 of C.A.M.A.

4. Tenure of office of members

(1) The C.E.O. and other members of the Board will hold office for a term of four years which may be renewable in accordance with the provisions of C.A.M.A.

(2) All members of the Board except the C.E.O. will be appointed to serve as part-time members.

(3) A member of the Board may resign the appointment by giving in writing three months' notice in advance.

(4) A member will only be removed from office if the member—

(a) attends fewer than 75 per cent of meetings of the Board in any one-year period;

(b) becomes of unsound mind or is incapable of carrying out the duties of the Board;

(c) has a conflict of interest, as provided under sections 277, 280 and other relevant sections of C.A.M.A.;

(d) is convicted of a felony or any offence involving dishonesty;

(e) becomes bankrupt;

(f) is guilty of serious misconduct relating to the duties; and

(g) in the case of any member who belongs to a professional body, is suspended or removed from the professional body.

5. Quorum

The quorum for a meeting of the Board will be five (5) members, including the C.E.O.

6. Functions of the Corporation

The functions of the Corporation will be to—

(a) develop all water services assets, new water services assets and sewerage services assets;

(b) prepare on behalf of the State, plans for the maintenance and development of water services, water service assets and new water services assets in the State (referred to as the "Development Plans"), pursuant to consultation with the relevant authorities and consumer groups;

(c) identify and implement projects for the provision of water services which may be undertaken with private sector participation, pursuant to consultation with the relevant authorities, in order to fulfil the water service obligations of the State;

(d) ensure the supply of potable water in the State, either pursuant to project agreements with private participants, or by raising necessary funds through the capital market;

(e) control and manage all waterworks and ground water in the State;

(f) extend and develop existing waterworks within the State;

- (g) establish, manage, control and develop new waterworks and sewerage systems for public, agricultural, domestic, industrial and general purposes in the State;
- (h) ensure the supply of adequate and potable water throughout the State at reasonable charges;
- (i) manage and regulate wastewater and sewerage services in the State;
- (j) verify and monitor compliance by private participants with any project agreements;
- (k) establish and implement proper accounting procedures for all of the assets and liabilities of the Corporation;
- (l) encourage the conduct of research for the purposes of carrying out the functions of the Corporation;
- (m) submit the result of such research to the Board for the utilisation of same for the formulation of policy relating to water supply, and water pollution control in the State;
- (n) authorise or delegate any officer or employee of the Corporation to act as agent of the Corporation for any functions, services or facilities which may be exercised, performed or provided by the Corporation under this Law;
- (o) establish four standing Board Committees or any other ad-hoc committee as provided under this Law;
- (p) undertake accounting of public assets;
- (q) manage warehouse existing liabilities; and
- (r) manage public financing, including loans (multilateral and local).

7. General Powers of the Corporation

(1) The Corporation will, subject to the provisions of this Law, and for the purpose of carrying out its function, have power to—

- (a) own all water services assets, new water services assets and sewerage services assets;
- (b) prepare development plans for the maintenance and development of water services assets and new water services assets;
- (c) prepare development plans for the establishment and maintenance of a wastewater and sewerage services for the State;
- (d) acquire, purchase, lease, hold, construct, manufacture, maintain or insure any property forming part of the water services assets or new water services assets, whether movable or immovable, required for or in connection with the performance of its functions and sell, lease, concede, dispose of, or otherwise deal with such property or any part of it;

- (e) undertake any land acquisition procedure necessary for the performance of its functions in accordance with all valid legislations;
- (f) enter into agreement with any person for the management, supply, construction, manufacture, maintenance or repair of any water services asset or new water services asset whether movable or immovable;
- (g) procure water abstraction rights from the relevant authorities and may assign such rights to private participants;
- (h) construct, reconstruct, maintain and operate waterworks and all other buildings and works necessary for the discharge of the functions of the Corporation under this Law;
- (i) protect, maintain and improve all existing natural watercourses;
- (j) carry any water pipe through, across, or under any street or any place laid out or intended as a street and after giving reasonable notice in writing to the owner or occupier thereof, making good any damage done and informing the relevant government ministry or agency;
- (k) abstract water from any lake, river, stream or other natural source forming part of State water, and to do likewise in respect of other water by arrangement with the appropriate authority under and in accordance with the provisions of any existing Law in that behalf;
- (2) examine any surface or underground water forming part of State waters for the purpose of determining if any pollution exists and its causes and to do likewise in respect of other water by arrangement with the appropriate authority under and in accordance with the provisions of any existing Law in that behalf;
- (a) control the sinking and operation of boreholes and the abstraction from underground water forming part of State water and making appropriate regulations relating to it;
- (b) enter on any land at any time for the purpose of examining, repairing or removing any water pipe which is the property of the Corporation;
- (c) construct stand pipes or public fountains in any street or other public place;
- (d) at any time between the hours of six o'clock in the morning and six o'clock in the evening, or in case of emergency at any other time, to enter into premises or place on which any service has been laid or into which any waterworks supplies in order to—
- (i) inspect any service and to ascertain whether there is any waste, leakage, obstruction, illegal connection or damage to any service or meter therein and anything in connection with it;
 - (ii) ascertain the amount of water taken or used; or
 - (iii) disconnect the supply of water to any premises;

(e) diminish, withhold, or suspend, stop, turn off or divert the supply of water through or by means of any service or public fountain either wholly or in part whenever the Corporation deems necessary;

(f) acquire, purchase, lease, hold, construct, manufacture or maintain any property whatsoever whether movable or immovable required for or in connection with the performance of its functions and sell, dispose of, or otherwise deal with such property or any part of it;

(g) enter into agreement with any person for the supply, construction, manufacture, maintenance or repair of any property whether movable or immovable, which is necessary or appropriate for the purpose of the Corporation;

(h) do anything for the purpose of advancing the skill of persons employed by the Corporation or the efficiency of the equipment of the Corporation or the manner in which the equipment is operated including the provision of facilities for training, education and research;

(i) accept or acquire and hold any security of any kind in any form whatsoever;

(j) delegate the responsibility to provide water services and the operation, management and maintenance of water services assets and new water services assets, to private participants pursuant to project agreements;

(k) surrender, transfer or re-convey any security held by the Corporation whether upon exchange for other security or upon discharge;

(l) in relation to any security held by the Corporation exercise any power, right or privilege in respect of that, which a private individual would be capable of exercising in like circumstances;

(m) make, draw, accept, or endorse, negotiable instruments;

(n) invest money standing to its credit and not for the time being required for its immediate need, in stocks, shares, debentures or other securities whatsoever approved by the Board and to sell such stocks, shares, debentures or other securities;

(o) insure its properties against all forms of risk;

(p) write off bad debts with the approval of the Board;

(q) raise finance or borrow money by issuing debenture or any other securities or in any other manner in connection with the exercise of its functions;

(r) retain and expend corporate income, as defined under relevant accounting standards, for the purposes of fulfilling its function under this Law; and

(s) accept, acquire and hold any security of any kind in any form whatsoever.

(3) The Corporation may carry out any of its functions under this section either alone or by the formation or incorporation of wholly owned limited liability companies as subsidiaries.

(4) The Corporation will have power for the purpose of carrying out its functions to do all such acts as appear to it to be requisite, advantageous, or convenient and may carry on any activities in that behalf either alone or in association with any other person or body.

(5) The Corporation will have power to assign any of its properties movable and immovable to a wholly owned corporate subsidiary for the purpose of carrying out any of its functions under this Law.

8. Responsibilities of the Board of Lagos Water Corporation

The Board will be responsible for the following—

- (a) making of strategic decisions on core activities and subsidiaries of LSWC;
- (b) review and approval of the LSWC's business plans, budget and performance;
- (c) approval of pre-qualified PSP Operators;
- (d) approval of bidding documents;
- (e) approval of acquisitions by LSWC and its subsidiaries;
- (f) approval of policy decisions and monitoring of implementation;
- (g) ensuring that regulated activities meet with standards set by regulatory commission;
- (h) ensuring that the LSWC group remains a socially responsible corporate citizen; and
- (i) any other duties and obligations imposed by the provisions of C.A.M.A.

9. Board Committees

(1) The Board will have the following committees—

- (a) Procurement and Evaluation Committee;
- (b) Budget Committee;
- (c) Audit, Finance and Accounts Review Committee; and
- (d) Environment, Human Resources and Safety Committee.

(2) The Board may also have any other ad-hoc committees as may be deemed necessary.

10. Procurement and Evaluation Committee (PEC)

This Committee will be responsible for—

- (a) collating, scrutinising, reviewing all procurement information/data in the Corporation;

- (b) making procurement decisions;
- (c) overall responsibility for the monitoring of all capital projects;
- (d) reviewing the financial management reports produced by the capital projects unit of the Corporate Planning and Budget Department of the Corporation;
- (e) fulfilling the requirements of the World Bank and other such donor agencies;
- (f) carrying out the functions of the Ministerial Tenders Board.

11. Budget Committee

The Committee will carry out the following functions—

- (a) overseeing the newly introduced budgetary system;
- (b) ensuring seamless interface with the Ministry of Economic Planning and Budget, particularly to ensure that policies are in line with the overall strategic economic plan of the State;
- (c) reviewing budget cost centre estimates, action plans and work programmes; and
- (d) reviewing budget accounts and variance reports on a quarterly basis.

12. Audit, Finance and Accounts Review Committee

The Committee will among other things carry out the following functions—

- (a) risk management (including liquidity, investments and credit);
- (b) seeing to the effectiveness of the system of internal control;
- (c) review of external auditors' reports/management letter;
- (d) review of audit assurance/audit risk reports;
- (e) oversee the corporate governance initiatives undertaken by LSWC;
- (f) review of monthly/quarterly management financial accounts;
- (g) review of quarterly financial and operating statistics; and
- (h) review and approval of published financial accounts and reports.

13. Environment, Human Resources and Safety Committee

(1) The Committee will be responsible for overseeing the Corporation's commitment to employees' well-being, environmental protection and occupational safety in accordance with international best practices and the regulations made by the Lagos State Safety Commission.

(2) The Committee will also carry out the following functions-

- (a) helping to develop and monitor the implementation of the organisation's environmental strategy;
- (b) obtaining external professional human resource consultants when necessary;
- (c) determining, and regularly review and update, as appropriate a framework within which total remuneration and packages may be considered; and
- (d) reviewing and approve appointment of senior management staff.

14. Funds and resources of the Corporation

(1) The funds and resources of the Corporation will consist of—

- (a) all sums, investments or other properties vested in the Corporation by virtue of the provisions of this Law;
- (b) such sums or other advances by way of loans, or grants to the Corporation by the Government;
- (c) such sums or other property as may from time to time be advanced by way of loans or grants to the Corporation by any Local Government Council or statutory Corporation in the State, the Federal Government or any agency or institution of any such Government, any international organisation, and private foundation or any person whatsoever;
- (d) any investments or other property whatsoever acquired by or vested in the Corporation;
- (e) money earned or arising from any investments or other property acquired by or vested in the Corporation; and
- (f) all other sums (whether as water rates, water charges, waste water and sewerage charges or otherwise) or other property whatsoever which may in any manner become payable to or vested in the Corporation in respect of its powers and duties or of any other incidental matter under this Law or by virtue of the provisions of any other Law.

(2) The Corporation will ensure that its funds and resources are adequate to meet the operating expenses, depreciation charges, debt servicing requirements and such percentage of its annual capital expenditure requirements as may be determined by the Board.

15. Application of the Corporation's revenue

(1) The following charges will be defrayed out of the revenue of the Corporation for any financial year—

- (a) the remuneration and allowances of members of the Board and those of any committee of the Corporation;
- (b) the salaries, remuneration, fees, allowances, pensions and gratuities of the staff, agents, technical and other advisers or consultants of the Corporation;

(c) all expenses of working and management of the Corporation and its waterworks and other properties including proper provision for depreciation, wear and tear or renewal of assets;

(d) such minor works of a capital nature as the Corporation may deem necessary from time to time;

(e) such sums including compensation that may be payable by the Corporation to any person or authority by virtue of the provisions of this Law or any other enactment;

(f) taxes, rates and other levies payable by the Corporation under any Law;

(g) interest or loans raised by and on behalf of the Corporation;

(h) sums required to be transferred to any sinking fund or otherwise set aside for the purpose of making provision for the redemption of or other securities or the repayment of other loans; and

(i) such other sums as the Board may approve for payment out of the revenue account of the Corporation in respect of any financial year.

(2) In defraying charges out of the revenue of the Corporation for any financial year, in respect of the Corporation's transaction with any of its subsidiaries or operator, the Corporation will be guided by the prevailing applicable accounting standards.

(3) The balance of the revenue of the Corporation for any financial year will be applied for the:

(a) creation of a general reserve or such other reserves as the Board may from time to time approve both in regard to their maximum amounts and in other respects; and

(b) repayment of interest or part of it on the advance account referred to in section 16(4) as the state of the Corporation's affairs appear in the opinion of the Corporation with the approval of the Government warrant.

16. Loans and grants

(1) The Corporation will have power to accept loans and grants from any Government or donor agency.

(2) It will be lawful for the State Government to make to the Corporation the following—

(a) grants of any sums of money or property deemed necessary; and

(b) loans on such terms as to repayment of interest or otherwise as the Government may determine.

(3) The State Government may, if it deems it expedient to do so, waive in favour of the Corporation any right or liability to the Government in respect of any property vested in the Corporation by virtue of the provisions of section 7 of this Law.

(4) The Corporation will in respect of any money other than grants advanced by the State Government, create and maintain an advance account in favour of the Government of an amount equal to the total sums of money so advanced.

(5) The advance account referred to in subsection (4) of this section will be subject to such condition as to interest and repayments as the Governor may determine at the time of taking such loans notwithstanding that the Governor may waive at any time such interest and principal repayments as may become due and payable.

17. Power to borrow money

(1) The Corporation may with the approval of the Board, borrow money by issuing debentures, stocks, or other securities or in any other manner for and in connection with the exercise of its functions under this Law as the Corporation may deem necessary.

(2) An approval given for the purposes of this section may be either general or limited to a particular borrowing or otherwise and may be subject to conditions.

18. Power to raise capital on the Stock Exchange

The Corporation may with the approval of the Board raise capital for the implementation of its developmental plans and programmes through the capital market by satisfying all the necessary requirements of the Stock Exchange in that regard.

19. Debentures to the Government

(1) If the Government makes any loan to the Corporation at any time in accordance with the provisions of this Law, the Corporation will, if so required by the Governor, issue to the Government a debenture or debentures of a nominal value equivalent to the sum loaned.

(2) Debentures issued in accordance with the provisions of subsection (1) of this section shall bear interest at such rate, and from the date as the Governor may specify and will not be higher than the minimum rediscount rate.

20. Guarantee on loans to the Corporation by the Government

(1) The Government may guarantee by an undertaking of the Commissioner for Finance in such manner and on such condition as the Board may think fit, the payment of the principal and interest of any sum or sums borrowed by the Corporation with the approval of the Board.

(2) Such sums as may be required by the State Accountant-General for the purpose of making good the obligations of the Government under the guarantee of the borrowing of the Corporation shall be charged on the Consolidated Revenue Fund of the State.

21. The Chairman

There shall be an officer of the Corporation to be known as the Chairman who will be appointed by the core investor and will carry out the functions as enumerated in section 240(3) of C.A.M.A. 1990.

22. The Group Managing Director

(1) There will be appointed by the core investor an officer of the Corporation to be known as the Group Managing Director and Chief Executive Officer (referred to in this Law as “the C.E.O.”).

(2) The C.E.O. will be responsible for the implementation of the decisions and general administration of the Corporation and its subsidiaries.

(3) The C.E.O. will be the Chief Accounting Officer of the Corporation and its subsidiaries and in the absence of a Board, will exercise all powers of the Board as contained in this Law provided that such exercise of powers will not exceed a period of six (6) months.

(4) The C.E.O will decide priority management actions (which include use of financial resources, investments, commercial initiatives) up to a limit specified by the Board.

(5) The C.E.O will be responsible for personnel issues and personnel changes (appointments, recruitment, retrenchments) except for senior management which should be referred to the Board.

(6) The C.E.O will implement approved internal control and risk management policies.

(7) The C.E.O will carry out any other responsibilities delegated by the Board.

23. The Secretary/Legal Adviser

(1) There will be a Secretary and Legal Adviser (referred to in this Law as “the Secretary”) to the Corporation who will be responsible to the C.E.O. and assist in the discharge of the functions under this Law.

(2) The Secretary will be a legal practitioner with a minimum of ten (10) years’ post-call experience and will be the Head of the Legal Department.

24. The Functions of the Secretary

The Secretary will perform the following functions—

(a) be the custodian of the records of the Corporation;

(b) communicate policy decisions at Committee meetings to affected Departments;

(c) prepare, vet and review all contracts; and

(d) to represent the Corporation in court in matters to which it is a party;

(e) perform all duties required under the Companies and Allied Matters Act; Cap. C20 2004, L.F.N. C.A.M.A.

25. Remuneration of Officers

The Board will determine the remuneration to be paid to its officers and may require any officer to give such security as is deemed proper for the due execution of the office.

26. Power to make Regulations

The Board may make regulations in accordance with the Regulations Approval Law for the proper carrying out of the provisions of this Law and without prejudice to the previous provisions, make regulations with respect to all or any of the following matters—

- (a) fixing the rate and scale of charges payable for the water supplied by meter or otherwise within the State;
- (b) granting exemptions from any water rate or charge of any premises or class of premises to any person or class of persons;
- (c) the amount payable in respect of water supplied to any Government in the Federation or Local Government Council, institution(s), be it public or private, or to any special part of any such institutions as mentioned;
- (d) the amount of rent payable on the Corporation's metres;
- (e) the method and manner in which water may be taken from public fountains;
- (f) fees payable for services rendered by the Corporation together with the time and place of payment of such fees;
- (g) the construction, laying, fitting, alteration or readjustment of services and the nature, quality, size and pattern used;
- (h) the forms of all notices required to be given or sent under this Law and the issuing and service of same;
- (i) the control, whether by prohibition or otherwise of boating on or fishing in any waterworks;
- (j) the prevention of the wrongful opening or closing of any lock cock, valve, sluice or manhole pertaining to any waterworks or otherwise belonging to it;
- (k) the prevention of the commission of an offence or nuisance in or, about any station, works, plant, building or premises of the Corporation;
- (l) the prevention of illegal tapping of water;
- (m) the prevention of trespass on or injury to stations, works, plants, buildings or premises appertaining to any waterworks or otherwise belonging to it;
- (n) generally regulating the operations of the waterworks, the governance and maintenance of good order;
- (o) generally for the preservation and the conservation of the sources of water in catchment areas;
- (p) the prescription of penalties for offences against any regulations made under this section;
- (q) the prevention of wastage and leakage of water;

(r) procedure for provision of public sewers on application by members of the public; and

(s) licensing procedure for wastewater and sewerage operators and other participants in the water sector including informal operators.

27. Annual report

The Corporation will prepare an annual report of its activities in accordance with the provisions of C.A.M.A. and submit same to the Public Accounts Committee of the State House of Assembly for consideration.

28. Bank Account

The Corporation will operate bank accounts for its funds with a reputable bank or banks as may be duly authorised by the Board in that behalf.

29. Accounts and audit

(1) The Corporation will keep proper accounts of all its transactions in accordance with the provisions of Part XI of C.A.M.A.

(2) The accounts will be audited annually in accordance with the provisions of Chapter 2 of Part XI of C.A.M.A.

(3) For the purpose of this section, “**the Corporation**” will include its subsidiaries.

30. Returns by the Corporation and close

(1) The Board will, within six (6) months after the close of each financial year, furnish the core investor with a—

(a) a copy of the audited accounts of the Corporation;

(b) a copy of the management report of the auditor; and

(c) a detailed report of the state of affairs of the Corporation for the financial year, including a statement of the amount which the Corporation proposes to carry to the general reserve fund out of the profits of the Corporation.

(2) The Board will cause the audited account (of the Corporation) to be published in at least two (2) national newspapers circulating within the State after complying with subsection (1) of this section.

31. Proof of moneys due

In any action for the recovery of any rate or other moneys (other than fines and penalties) payable or recoverable under and by virtue of the provisions of this Law, a certificate under the hand of the Corporation in that behalf, that any sum of money is due, and that the defendant is the person liable to pay the same, will be evidence of such debt and of non-payment, and of the fact that the defendant is the person liable to pay the same.

32. Responsibility of the Board which the core investor may perform or delegate

In the absence of a Board of Directors, and until such time that the Board of Directors under this Law is constituted, the core investor or any person to whom responsibility of the Board has been delegated, will execute any document, exercise or perform any of the Board's power excluding the power to make regulations under section 26 of this Law or function, as the case may be, under this Law.

33. Subsidiaries of the Corporation

(1) The Corporation will have the following subsidiaries—

- (a) LSWC Water Utilities Ltd/GTE;
- (b) LSWC Property and General Services Company Ltd;
- (c) LSWC Consulting Ltd.;
- (d) LSWC Information Technology and Telecommunications Company Ltd.;
- (e) LSWC Training and Technical Research Centre Ltd.; and
- (f) LSWC Power Generation Company Ltd.

(2) The subsidiaries will operate as provided under the provisions of C.A.M.A.

34. Rates and scales of charges

The Board, with the approval of the Commission, will fix rates and scales of charges payable for water supply, waste water, sewerage and other services within the State in order to meet its financial objectives in accordance with sections 15 and 16 of this Law.

35. Power to levy general water rate in respect of Local Government

The Corporation will have power to collect from the Local Government Councils such fees as may be agreed in respect of services provided, including those for primary schools, and water fountains in each of the respective Local Governments.

36. Purchase, resale and distribution of water by the Corporation

Subject to the provisions of this Law, the Corporation may purchase water in bulk and may resell such water either in bulk or by distribution to individual consumers.

37. Prohibition of sale of water supplied by the Corporation

As from the commencement of this Law, it will be unlawful for any unauthorised person to resell water supplied by the Corporation.

Provided that no authority will be required for the sale of any manufactured goods or other commodities in which water supplied by the Corporation is included.

38. Service to premises and payments for excess

(1) The Corporation may, subject to the provisions of any regulation made by virtue of this Law, supply water through any service to any premises on application made by the owner or occupier.

(2) The Corporation may refuse to supply water to any particular premises otherwise than by a metre installed and kept in repair by the Corporation.

39. Corporation not responsible for installation works or for damage

The Corporation will not by virtue of making any inspection or test of a consumer's pipes, fittings, appliances and apparatus in accordance with this Law, or any regulations made under it, whether during the progress of the work of installation at the consumer's premises or after its completion, be deemed to be responsible for the efficiency or safety of the consumer's pipes, fittings, appliances and apparatus so inspected or tested or arising out of the use or misuse of apparatus by the consumer or any other person other than an employee of the Corporation.

40. Entitlement to supply of water without preferential treatment

Except in so far as is otherwise provided by this Law, where supply of water is provided by the Corporation in any part of an area for private purposes, every person within that part of the area will, on application to the Corporation, be entitled to supply on terms and conditions as the Corporation may deem fit.

Provided that in the case of a first time connection adequate water can be made available without detriment to existing supplies to persons or institutions in the area.

41. Responsibility for expenses caused by certain necessary alterations

(1) If any person or any department of the Government or other authority does anything which such person, department or authority is by or under any law authorised to do and which necessitates an alteration in any part of any waterworks, sewerage or of any distribution system vested in or the property of the Corporation, the Corporation shall on reasonable notice by such person, department or authority make such alteration and the expenses incurred thereby will be borne by such person, department or authority.

(2) In the event of any dispute as to amount of such expenses the same may be referred by either the person, department or authority concerned or the Corporation to the Lagos State Water Court.

42. Corporation's responsibility to consumers for continuous supply of water

(1) The Corporation will as far as possible maintain a continuity of supply of water provided that—

(a) the Corporation will have the right to suspend the supply of water for such periods as may be necessary for carrying out inspections, tests, or repairs and for the making of new connections;

(b) the Corporation will have the right to suspend or discontinue any supply where the payment of any rate, dues or charges are in arrears.

(2) The Corporation will in no case be under any obligation to pay damages or compensation for loss, damages or inconveniences caused to any consumer through any

suspension, failure, discontinuance or a total or partial interruption of the supply of water howsoever caused.

43. Construction of well or borehole allowed without a licence in residential premises

(1) For the avoidance of doubt and for the purposes of this Law, any person may, without obtaining a licence from the Corporation, construct, dig or extend any well, borehole or other work in his residential premises for the purpose of abstraction of water supply and to an extent necessary for a supply of water for the domestic purpose of his household.

(2) Any person constructing or extending any well, borehole or other work under subsection (1) of this section will comply with all Regulations made pursuant to this Law regarding construction of wells, borehole, etc.

44. Maps of waterworks

(1) Subject to the provisions of this section, it will be the duty of the Corporation to keep records of the location of—

(a) every resource main, water main or discharge pipe which is for the time being vested in the Corporation; and

(b) any other underground works, other than a service pipe, which are for the time being vested in the Corporation.

(2) It will be the duty of the Corporation to ensure that the contents of any records for the time being kept by it under this section are available, at all reasonable times, for inspection by the public free of charge at an office of the Corporation upon prior application in writing to the Corporation.

(3) Any information which is required under this section to be made available by the Corporation for inspection by the public will be so made available in form of a map.

(4) For the purpose of determining whether any failure to make a modification of any records kept under this section constitutes a breach of the duty imposed by subsection (1) that duty will be taken to require any modification of the records to be made as soon as reasonably practicable after the completion of the works which make the modification necessary; and, where records kept under this section are modified, the date of the modification and of the completion of the works making the modification necessary will be incorporated in the records.

(5) The duties of the Corporation under this section will be enforceable under this Law by the Commission.

45. Sewer maps

(1) Subject to the provisions of this section, it will be the duty of the Corporation to keep records of the location and other relevant particulars of—

(a) every public sewer or disposal main which is vested in the Corporation;

(b) every sewer in relation to which a declaration of vesting has been made by the Corporation, but has not taken effect; and

(c) every drain or sewer which is the subject of any agreement to make such a declaration which has been entered into by the Corporation.

(2) For the purposes of this section, the relevant particulars of a drain, sewer or disposal main are (in addition to its location) particulars—

(a) of whether it is a drain, sewer or disposal main and of the description of effluent for the conveyance of which it is or is to be used; and

(b) of whether it is vested in the Corporation or, if it is not, of whether it is a sewer in relation to which a declaration has been made, or a drain or sewer which is the subject of an agreement.

(3) The records kept by the Corporation under this section will be kept separately in relation to the area of each Local Government Council within whose area there is any drain, sewer or disposal main of which the Corporation is required to provide copies of the contents of those records.

(4) It will be the duty of the Corporation to ensure that the contents of all the records for the time being kept by it under this section are available, at all reasonable times, for inspection by the public free of charge at an office of the Corporation on prior application in writing to the Corporation.

(5) Any information which is required under this section to be made available by a Corporation for inspection by the public will be so made available in the form of a map.

(6) For the purpose of determining whether any failure to make a modification of any records kept under this section constitutes a breach of the duty imposed by subsection (1) above, that duty will be taken to require any modification of the records to be made as soon as reasonably practicable after the completion of the works which make the modification necessary; and, where records kept under this section are modified, the date of the modification and of the completion of the works making the modification necessary will be incorporated in the records.

(7) The duties of the Corporation under this Law will be supervised by the Commission.

46. Establishment of Complaints Centre

There will be established a Water Sector Complaints Centre (referred to in this Law as “the Centre”) which will be situate within the corporation headquarters.

47. Functions of the Centre

The functions of the Centre will be to—

(1) receive and pursue complaints from consumers regarding:

(a) quality of water;

(b) water leakages;

(c) vandalism of properties of the Corporation;

(d) water connection charges;

- (e) standards of service; and
 - (f) other related matters;
- (2) settle disputes and protect the interests of all consumers;
- (3) monitor all matters appearing to the Centre to affect the interests of customers or potential customers;
- (4) consult with any operator about matters which affect the interest of customers or potential customers to that operator;
- (5) make representations where appropriate on behalf of a customer or complainant to receive and pursue complaints from Environmental Agencies and Government bodies on pollution matters;
- (6) forward complaints to the relevant authorities where applicable.

PART 2

Regulatory Commission

48. Establishment of the Regulatory Commission

- (1) There is established the Lagos State Water Regulatory Commission (referred to in this Law as “the Commission”).
- (2) The Commission is a body corporate with perpetual succession and a common seal.
- (3) The Commission may sue and be sued in its corporate name.
- (4) The Commission is capable of taking, purchasing, leasing, holding, selling, exchanging and disposing of movable and immovable properties.
- (5) The Commission may do all acts and things which a body corporate may by law do and which are necessary for the purposes of this Law.
- (6) The common seal of the Commission must be kept in such custody as the Commission directs and must not be used except as authorised by the Commission.

49. Composition of the Commission

- (1) The Commission will consist of five (5) voting members as follows—
 - (a) a Chairman nominated by the Commissioner for Finance, being a person holding at least the following qualifications—
 - (i) a university degree in economics, business management or finance; and
 - (ii) at least ten (10) years previous experience in financial management;
 - (b) one member nominated by the Institute of Chartered Accountants of Nigeria (I.C.A.N.) and who will be either—

(i) currently a registered and financial member of ICAN; and

(ii) has practised as a Chartered Accountant for at least ten 10 years; and

(iii) has served as a professional accountant in the public or private sector at management level;

(c) one member nominated by the Lagos State Chamber of Commerce and Industry being a person who has served as a senior executive in a listed public company for more than two (2) years; and

(d) one member nominated by the regulatory advisor, being a person with at least five (5) years' experience in international regulation of utility and infrastructure enterprises who will be either—

(i) public utility regulator;

(ii) contracted technical advisor to a public regulatory body; or

(iii) regulatory adviser to a regulated utility;

(e) a legal practitioner nominated by the Honourable Attorney-General and Commissioner for Justice with at least ten (10) years' post-call experience in company matters and utility industry.

(2) The Governor will appoint the nominees subject to the approval of the State House of Assembly.

(3) There will be an Executive Secretary who will be a full-time and non-voting member of the Commission.

50. Primary duties of the Commission

The primary duties of the Commission will be to ensure that—

(1) water and sewerage functions are properly carried out in the State;

(2) operators in the sector secure reasonable returns on their capital to finance the proper carrying out of those functions.

51. Objective of the Commission

(1) In performing its functions and exercising its powers, the primary objective of the Commission is to protect the long-term interests of consumers with regard to the price, quality and reliability of services in the water sector.

(2) In seeking to achieve its primary objective, the Commission must have regard to the following—

(a) facilitate efficiency in the water sector and the incentives for efficient long-term investment;

(b) facilitate the financial viability of the water sector;

- (c) ensure that the misuse of monopoly or non-transitory market power is prevented;
- (d) facilitate effective competition and promote competitive market conduct;
- (e) ensure that regulatory decision-making has regard to all relevant health, safety, environmental and social legislations applying to the water sector;
- (f) ensure that users and consumers (including low-income or vulnerable customers) benefit from the gains from competition and efficiency; and
- (g) promote consistency in regulation between states and on a national basis.

(3) Without derogating from subsections (1) and (2), the Commission must also perform its functions and exercise its powers in such a manner as it considers best in achieving any of its objectives under this Law.

52. Functions of the Commission

(1) The functions of the Commission will be to—

- (a) regulate the production, distribution, supply and use of water, the quality of service and the tariff and charges payable to ensure the financial stability of the water sector and regulate allowable returns to the operators;
- (b) approve the rates and scales of charges payable for water supply, waste water, sewerage and other services within the State and such rates and scales of charges are to be determined taking into consideration the interests of consumers, the need to ensure the viability of the water sector, and the need to ensure competition amongst the operators;
- (c) set, approve and review standards of performance of services in the sector;
- (d) provide regulatory rulings on regulatory submissions from any private participant and the Corporation;
- (e) ensure that regulatory rulings are in compliance with the terms of the project agreements between the Corporation and private participants;
- (f) contract a qualified firm through competitive bidding procedures, to act as regulatory adviser to the Commission;
- (g) ensure that regulatory rulings maintain the financial stability and allowable returns of the Corporation;
- (h) ensure compliance with service standards and requirements subject to existing contract between the participants in the water sector and the relevant laws in that regard;
- (i) ensure that the functions of water supply and sewerage services are properly carried out in the State;
- (j) ensure that the interests of every person who is a customer or potential customer of the Corporation is protected in respect of the fixing and recovery by the Corporation of water and sewerage charges and, provided that—

(i) the interests of customers and potential customers in rural areas are so protected; and

(ii) no undue preference is shown, and that there is no undue discrimination, in the fixing of charges;

(k) ensure that the interests of every such person is protected in respect of the other terms on which services are provided by the operator in the course of carrying out its activities;

(l) perform such functions as are conferred on it by this Law and complying with all relevant legislation applicable to the sector;

(m) advise the Governor on matters relating to the economic regulation of the water sector, including reliability issues;

(n) when requested by the Governor to conduct an inquiry into any systemic reliability of supply issues relating to the water sector or other essential service as specified by him;

(o) conduct inquiries and report on matters relating to the water sector;

(p) make recommendations to the Governor as to the following—

(i) reforms necessary in the sector;

(ii) compliance by any service provider in the sector; and

(iii) whether any operator or service provider should continue to operate in the sector;

(q) conduct public education programmes—

(i) for the purpose of promoting its objectives under this Law and the relevant legislation; and

(r) in relation to changes in the regulation of the sector; and

(s) advise the Governor in relation to any other matter referred to the Commission by the Governor.

(2) Additional duties specifically relating to economic regulation of water and sewerage services as may be assigned by the Governor to the Commission.

53. Powers of the Commission

(1) The powers of the Commission will be to—

(a) approve the tariff, fees and other charges charged by the Corporation for water and sewerage services in the State;

(b) where applicable, set or modify tariff, rates and charges charged by private participants to provide water and sewerage services in the State;

(c) set or modify service requirements, standards and targets;

(d) approve the allowable returns of the Corporation;

(e) obtain from all regulated entities the financial statements and business records necessary to fulfil the Commission's primary duties as stated in section 50;

(f) require all water sector operators to provide such financial statements and business records as are requested by the Commission on a timely and accurate basis; and for the purposes of this section, "**timely**" will mean within four weeks of receipt of a notification to submit financial statements or business records;

(g) regulate the activities of those engaged in the provision of drinking water contained in bottles or polythene bags with a view to ensuring acceptable service standard; and

(h) regulate the activities of those engaged in the provision and supply of water and other services where there is no service provision by the provider.

(2) All rulings of the Commission will be binding upon the Corporation and all operators in the sector.

(3) Subject to this Law, the Commission has power to perform all necessary acts in connection with the performance of its functions and to enable it to achieve its objectives under this Law.

54. Annual report

(1) The Commission must submit an annual report of its activities to the Governor and the State House of Assembly in accordance with the provisions of this Law.

(2) The annual report must amongst other information, contain a detailed presentation of the performance of the Commission during the reporting year stated against set targets in the approved plan and it will also contain analysis of the opportunities and constraints impacting upon the Commission's performance and the actions proposed for addressing them.

55. Bank account

The Commission will operate an account with a bank or banks in the State and the signatories to the account will be either the Chairman or when absent a designated representative as the case may be, and the Executive Secretary, or when absent a designated representative.

56. Account and audit

(1) The Commission will keep proper account of all its transactions in such forms as the Board may direct, being a form that will conform with standard commercial practice.

(2) The form of accounts will be such as to secure the provision of separate information in respect of each of the main activities and divisions of the Commission.

(3) The accounts will be audited annually by external auditors appointed by the Commission from a list of approved auditors provided by the Auditor-General of the State.

(4) The Commission will, within six months after the end of each financial year, furnish the State House of Assembly with a—

(a) copy of the audited account of the Commission;

(b) copy of the general report and full report of the external auditor;

(c) detailed report of the state of affairs of the Commission for the financial year, including a statement of the change in the general reserve fund arising from the activities of the Commission during the year reported upon; and

(d) the Commission will publish its annual report in two national daily newspapers circulating within the State and on the Internet.

(5) The Commission will cause the audited account and the annual report of the Commission to be published in the State Government Official Gazette after complying with subsection (4) of this section.

57. Proofs of money

In any action for the recovery of any rate or other moneys (other than fines and penalties) payable or recoverable under the provisions of this Law, a certificate under the hand of the Commission in that behalf, that any sum of money is due and that the defendant is the person liable to pay the same will be evidence of such debt and of non-payment, and the fact that the defendant is the person liable to pay the same.

58. Restriction on execution

An execution or attachment of process will not be issued against any property vested in the Commission except with the prior consent of the Attorney-General.

59. Tenure of office

(a) The tenure of office of the Chairman will be four (4) years with the option of one subsequent term of two (2) years.

(b) The tenure of office of the members will be three years with the option of one subsequent term of two (2) years.

60. Remuneration

The Chairman and members will be paid allowances commensurate with similar allowances payable to regulatory commissions.

61. Removal of Commissioner

A Commissioner will only be removed from office by the Governor if the Commissioner—

(a) attends fewer than 75 per cent of Commission meetings in any one-year period;

(b) becomes of unsound mind or is incapable of carrying out the duties of the Commission;

(c) has a conflict of interest, as established by documentary evidence indicating a possible or actual commercial benefit arising from Lagos State Water Sector services subject to section 72;

(d) is convicted of a felony or any offence involving dishonesty;

(e) becomes bankrupt or makes an arrangement with creditors;

(f) is guilty of serious misconduct relating to the duties; and

(g) in the case of members who have professional qualifications, is suspended or removed from the professional body.

62. Resignation from the Commission

(1) A Commissioner may resign from the Commission at any time and the resignation must be submitted in writing to the Chairman of the Commission.

(2) If the Chairman of the Commission chooses to resign, the resignation must be submitted to the Governor.

(3) Resignations will be effective ninety (90) days from the date on which the written resignation is received by the Chairman or the Governor and the member will retain full voting powers and obligations during the period from the date of submission of a resignation and the effective date of the resignation.

63. The Regulatory Adviser

(1) The Commission will hire a Regulatory Adviser to provide one Commissioner and the Regulatory Adviser shall be a firm or institution that is competent to provide advisory services on water utility regulation as evidenced by the following—

(a) extensive prior experience in providing advisory services to utility regulatory institutions;

(b) extensive prior experience of operating as a regulator of public utilities; and

(c) demonstrated corporate capability to provide staff experienced in regulatory matters.

(2) The Regulatory Adviser will be hired through a competitive and transparent bidding process, at the discretion of the Commission.

(3) The Regulatory Adviser may provide to the Commission, technical staff required to prepare analyses and rulings in accordance with this Law.

(4) The Commissioner nominated by the Regulatory Adviser is prohibited from participating in any proceedings or decisions relating to the procurement of the Regulatory Adviser.

64. Executive Secretary and Secretariat

- (1) There will be appointed by the Governor subject to the approval of the State House of Assembly an Executive Secretary for the Commission.
- (2) The Executive Secretary must be a person who has served at management level in the public or private sector for a minimum of five (5) years.
- (3) The Executive Secretary will be the accounting and administrative officer of the Commission and will hold office on such terms and conditions as may be specified in the letter of appointment.

65. Appointment of staff

- (1) The terms and conditions of service (including terms and conditions, as to remuneration, allowances, pensions, gratuities and other retirement benefits and medical benefits) of the employees of the Commission will be determined by the Commission.
- (2) The Commission may appoint such additional staff or consultants as it deems necessary for the efficient performance of the primary duties and functions of the Commission under this Law.
- (3) The Commission may enter into agreements or arrangements for the use of the services of any staff of a department, statutory authority or other public body.
- (4) An engagement under subsection (2) will be on any terms and conditions the Commission considers appropriate.
- (5) All employees of the Commission will sign an oath affirming their allegiance and service to the Commission and pledging themselves to observe strict secrecy with respect to all transactions of the Commission.
- (6) An employee of the Commission will not seek any form of employment in the Water Sector until two years after his resignation or retirement.
- (7) For the purposes of this part, “employee” will include Commissioners and staff of the Commission.

66. Confidentiality

- (1) The Commission and its employees will keep confidential all financial and business records submitted by the Corporation and other operators in the sector pursuant to their regulatory submissions.
- (2) For the purposes of this section, “**confidentiality**” means that all financial and business records of the operators submitted pursuant to regulatory submissions will be—
 - (a) held in properly secured facilities, with adequate supervision of the records by the Commission; and
 - (b) withheld from public disclosure, except as required to explain specific regulatory rulings.

67. Consultation

The Commission will consult with all relevant agencies—

- (i) in the making of determinations;
- (ii) in the conduct of an inquiry; and
- (iii) in the preparation and review of regulatory practice.

68. Commission not subject to direction or control

Except as provided by or under this Law, the Commission is not subject to the direction or control of the Governor or any other person in respect of any determination, report or inquiry.

69. Commission may publish statements and reports

The Commission may publish statements and reports relating to the performance of its functions and the exercise of its powers.

70. Commission must publish guidelines

(1) The Commission will develop and publish a guideline on consultation and regulatory practice relating to processes for making determinations and conducting inquiries.

(2) The guidelines on consultation and regulatory practice—

- (a) will include such matters as are prescribed; and
- (b) may include any other matter that the Commission considers appropriate.

71. Declaration of pecuniary interests

(1) (1) If a Commissioner has a pecuniary interest in a matter being considered or is about to be considered in the course of performing assigned duties, the Commissioner must as soon as practicable, on having knowledge of the relevant facts, declare the nature of that interest to the Commission.

(2) Subsection (1) does not apply if the interest is as a result of the supply of goods or services that are available to members of the public on the same terms and conditions.

(3) Unless the Commission by a simple majority of members present and voting otherwise directs, if a Commissioner has made a declaration under this section, the Commissioner shall not take any further part in any decision in relation to the matter.

(4) A failure to comply with this section does not affect the validity of any act or decision of the Commission.

72. Meetings of the Commission

(1) The Chairman may convene as many meetings of the Commission as he considers necessary for the efficient conduct of its affairs—

Provided that the Chairman or, when absent, a member appointed to act as Chairman must preside at such meetings of the Commission.

(2) The quorum for a meeting of the Commission is four (4) members.

(3) Any issue arising at a meeting of the Commission will be determined by a majority of the votes of the members present and voting on the issue.

(4) The person presiding has a deliberative vote and, in the event of an equality of votes on any issue, a casting vote.

(5) Subject to this Law, the Commission may regulate its own proceedings.

73. Conduct of inquiry or determination

The Commission will determine which members are to sit on a particular inquiry or determination.

74. Determinations of Commission

A determination of the Commission will be made at the meeting constituted as required by section 72.

75. Matters to be included in annual report

The Commission will include the prescribed information annually relating to the operation and performance of the Commission in its annual report.

76. Price regulation

(1) The Commission may regulate fees, prices and charges for or in respect of prescribed goods and services supplied by or within the water sector.

77. Tariff determinations

(1) In making a tariff determination, the Commission will adopt any procedure which the Commission considers will best meet the objectives specified in this Law.

(2) In making a determination under this section, the Commission will have regard to—

(a) the particular circumstances of the water sector and the prescribed goods and services for which the determination is being made;

(b) the costs of making, producing or supplying the goods or services;

(c) the cost of complying with relevant health, safety, environmental and social legislation applying to the water sector;

(d) the return on assets and investments of the regulated provider;

(e) any relevant interstate and international benchmarks for tariff cost and return on investments in any comparable sector;

(f) the financial implications of the determination for the water sector; and

(g) any other factors that the Commission considers relevant.

(3) In making a determination under this section, the Commission shall ensure that—

(a) wherever possible the costs of regulation do not exceed the benefits; and

(a) the decision takes into account and clearly articulate any trade-off between costs and service standards.

(4) A tariff determination by the Commission may regulate prescribed goods and services in any manner the Commission considers appropriate.

(5) Without limiting the generality of subsection (4), the manner may include—

(a) fixing tariff price or the rate of increase or decrease in the tariff and charges;

(b) specifying pricing policies or principles;

(c) specifying an amount determined by reference to a general price index, the cost of production, a rate of return on assets and investments employed or any other specified factor;

(d) specifying an amount determined by reference to quantity, location, period or other specified factor relevant to the rate or supply of the goods or services in the sector;

(e) fixing a maximum average revenue or maximum rate of increase or minimum rate of decrease in the maximum average revenue in relation to prescribed goods or services in the sector; or

(f) monitoring the levels of tariff, fees and charges for prescribed goods and services in the sector.

78. Other regulatory powers

(1) The Commission may exercise such powers (including the power to make determinations) for or with respect to—

(a) standard and conditions of service and supply;

(b) licensing;

(c) market conduct; and

(d) other economic regulatory matters as may be conferred on the Commission under this Law.

(2) The Commission will have the power to act as arbitrator or nominate arbitrators to adjudicate and settle disputes arising between operators, consumers, the Corporation and in accordance with the regulations and this will be a condition in all licences granted under this Law.

(3) In making a determination under this section, the Commission must have regard to—

- (a) any factor specified in the empowering instrument; and
- (b) any other factor that the Commission considers relevant.

(4) This section is subject to anything to the contrary in the empowering instrument.

79. General provisions relating to determinations

(1) A determination must include a statement of the purpose and reasons for the making of the determination.

(2) Notice of the making of a determination must be published—

- (a) in the Government Gazette;
- (b) in a national daily newspaper generally circulating in the State; and
- (c) on the internet.

(3) The notice will include—

- (a) a brief description of the nature and effect of the determination; and
- (b) details of when the determination takes effect and how a copy of the determination may be obtained from the Commission.

(4) The Commission must send a copy of a determination—

- (a) To each operator in the sector to which the determination applies;
- (b) to any person who made a submission to an inquiry to which the determination relates and who has asked for a copy of the determination.

(5) A determination takes effect on and from—

- (a) the date on which notice of its making is published in the Government Gazette, a national daily newspaper circulating in the State and on the internet;
- (b) any later date of commencement as may be specified in the determination.

(6) Subject to the provisions of this Law, a determination takes effect from when it is amended or revoked by a later determination or on such other date as is specified and a determination is binding on the Corporation or any other operator specified in the sector.

80. General power to obtain information and documents

(1) The Commission may require any person who has custody of any information or document that it is of the opinion that the information or document would assist it in the performance of any of its objectives or functions under this Law to make available to the Commission, the information or a copy of the document.

(2) A requirement to produce such information will be made in a written notice specifying—

(a) the information or document required;

(b) the period of time within which the requirement must be complied with; and

(c) the form in which the information or copy of the document is to be given to the Commission.

(3) A person who without lawful excuse fails to comply with any requirement made under this section will be guilty of an offence.

(4) It is a lawful excuse for the purposes of subsection (3) that compliance may tend to incriminate the person or make the person liable to a penalty for any other offence.

(5) A person will not in purported compliance with a requirement, knowingly give the Commission information that is false or misleading.

(6) A person will not—

(a) threaten, intimidate or coerce another person; or

(b) take, threaten to take, incite or be involved in any action that causes another person to suffer any loss, sustain any injury or disadvantage because that other person complied, or intends to comply, with a requirement made under this section.

(7) A person will not be liable in any way for any loss, damage or injury sustained by another person because of the giving in good faith of any information or a document to the Commission under this section.

81. Restriction on disclosure of confidential information

(1) This section applies if at the time the information or document is given, the person giving it states that it is of confidential or commercially sensitive nature.

(2) The Commission will not disclose the information or the contents of the document to any person unless—

(a) the Commission is of the opinion that—

(i) the disclosure of the information or document would not cause detriment to the person supplying it; or

(ii) although the disclosure of the information or documents would cause detriment to the person supplying it, the public benefit in disclosing it outweighs that detriment; and

(b) the Commission is of the opinion, in relation to any other person who is aware of the information or the contents of the document and who might be detrimentally affected by the disclosure that:

(i) the disclosure of the information or document would not cause detriment to that person; or

(ii) although the disclosure of the information or documents would cause detriment to that person, the public benefit in disclosing it outweighs that detriment; and

(c) the Commission gives the person who supplied the information or document a written notice stating—

(i) that the Commission wishes to disclose the information or contents of the document, specifying the nature of the intended disclosure and setting out detailed reasons why the Commission wishes to make the disclosure; and

(ii) that the Commission is of the opinion required by paragraph (a) and setting out detailed reasons why it is of that opinion;

(d) the Commission is aware that the person who supplied the information or document in turn received the information or document from another person and is aware of that other person's identity and address, the Commission gives that other person a written notice—

(i) containing the details required by paragraph (c); and

(ii) stating that the Commission is of the opinion required by paragraph (b) in relation to him, her or it and setting out detailed reasons why it is of that opinion; and

(e) no notice of appeal is lodged in respect of any notice given under paragraph (c) or (d) within the time permitted by this Law.

82. Application for licence

(1) A person may apply to the Commission for the issue of a licence authorising the provision of the prescribed services in the application.

(2) An application will be in a form approved by the Commission and be accompanied by such documents as may be determined by the Commission.

(3) An application must be accompanied by the required application fee fixed by the Commission.

83. Determination of application

(1) Subject to subsection (2), the Commission may grant or refuse an application for the issue of a licence for any reason the Commission considers appropriate, having regard to the objectives specified in section 51.

(2) The Commission may not grant an application for the issue of a licence unless the Commission is satisfied that the applicant has the capacity to comply with the conditions of the licence.

(3) The Commission will publish a notice in a national daily newspaper generally circulating in the State—

(a) specifying that an application for a licence in respect of the provision of the relevant prescribed services has been lodged with the Commission by the person specified in the notice; and

(b) inviting interested persons to make submissions to the Commission in respect of the application within the period and in the manner specified in the notice.

(4) Subject to this section, the Commission may determine the procedures that are to apply in respect of the issue of licences.

(5) The Commission will notify an applicant in writing of its decision to grant or refuse to grant the application and, in the case of a decision to refuse to grant the application, of the reasons for its decision.

84. Provisions relating to licences

(1) A licence is to be issued for such term (if any) as is determined by the Commission and specified in the licence.

(2) A license shall be subject to such conditions as are determined by the Commission.

85. Specific license conditions

The conditions for grant of a license will include provisions requiring the licensee to—

(a) pay specified fees and charges in respect of the license to the Commission;

(b) enter into agreements on specified terms or on terms of a specified type;

(c) maintain specified accounting records and to prepare accounts according to specified principles;

(d) comply with any relevant determination in respect of prescribed services;

(e) provide, in the manner and form determined by the Commission, such information as the Commission may from time to time require; and

(f) specify procedures for variation or revocation of the license.

86. Determination of fees and charges

The fees and charges to be specified in respect of a license are to be determined by the Commission having regard to the total amount of the costs and expenses of the Commission that are incurred or are likely to be incurred by the Commission in the exercise of its powers for or in connection with the performance of its functions and the achievement of its objectives in relation to the water sector.

87. Variation or revocation of License

(1) A license or the license conditions may be varied—

(a) in accordance with the procedures specified in the license conditions;

(b) by agreement between the Commission and the licensee; or

(c) by a notice in accordance with subsection (2) served on the licensee.

(2) The Commission will not vary a license or the license conditions by a notice unless—

(a) the Commission is satisfied that the variation is necessary having regard to the objectives specified in section 51; and

(b) the Commission has given the licensee an opportunity to make representations on the matter.

(3) The Commission may revoke a license in accordance with the procedures specified in the license conditions.

88. Publication

The Commission must ensure that—

(a) notice of the grant of a license, includes:

(i) the name of the licensee;

(ii) the term of the license; and

(iii) the place where a copy of the license may be inspected; and

(b) notice of a variation or revocation is published in the Government Gazette and a national daily newspaper circulating in the State and on the Internet as soon as possible after the grant of a license or the variation or revocation, as the case requires.

89. Transfer of license

(1) The holder of a license may apply to the Commission for approval to transfer the license.

(2) An application will be in the form approved by the Commission and be accompanied by such documents as may be required by the Commission.

(3) An application will be accompanied by the application fee fixed by the Commission.

(4) The Commission will publish on the Internet and in a national daily newspaper generally circulating in the State, a notice—

(a) specifying that an application for the transfer of the license has been lodged with the Commission for the transfer by the holder to a proposed transferee specified in the notice; and

(b) inviting interested persons to make submissions to the Commission in respect of the application within the period and in the manner specified in the notice.

(5) Subject to this section, the Commission may approve, or refuse to approve, the application for any reason it considers appropriate, having regard to the objectives specified in section 51.

(6) The Commission may not approve the application unless the Commission is satisfied that the proposed transferee has the capacity to comply with the conditions of the license.

(7) The Commission may determine that, on the transfer of the license under this section, the conditions to which the license is subject are varied as determined by the Commission.

(8) Subject to this section, the Commission may determine the procedures that shall apply in respect of the transfer of the license.

(9) The Commission will notify an applicant in writing of its decision to approve or refuse to approve the application and, in the case of a decision to refuse to approve the application, of the reasons for its decision.

90. Prohibition

A person who is the provider of prescribed services must not engage in the provision of such services unless the person—

(a) is the holder of a license authorising the provision of the relevant prescribed services;

(b) is exempted from the requirement to obtain a license in respect of the provision of the relevant prescribed services.

91. Exemptions

(1) The Governor on the advice of the Commission may by Order published in the Government Gazette exempt a person from the requirement to obtain a license in respect of the provision of the prescribed services specified in the Order.

(2) An exemption may be of general or specified application.

(3) An exemption is subject to such terms, conditions and limitations as are specified in the Order.

(4) An Order under subsection (1) may confer powers and functions on, and leave any matter to be determined by, the Commission.

92. Environmental Audit Unit

(1) There will be established an Environmental Audit Unit in the Commission.

(2) The Unit will monitor and ensure compliance by the Corporation and other operators in the sector with environmental laws and regulations in the State and any obligations as may be conferred by any ruling of the Commission.

(3) The Audited Report of the Unit must be forward to the Commission biannually.

93. Funds and resources

- (1) The funds and resources of the Commission will comprise—
- (2) a surcharge on tariff payable by consumers of water, waste water and sewerage services, and other services in the sector as the Commission may by regulation decide;
- (3) such sums or other property as may be advanced by way of loans or grants to the Commission by any Local Government Council or statutory corporation in the State, the Federal Government or any agency or institution of any such Government, any international organisation, and private foundation or any person whatsoever;
- (4) any investments or other property whatsoever acquired by or vested in the Commission;
- (5) money earned or arising from any investments or other property acquired by or vested in the Commission; and
- (6) all other sums (whether as water rates, water charges, waste water and sewerage charges or otherwise) or other property whatsoever which may in any manner become payable to or vested in the Commission in respect of its powers and duties or of any other incidental matter under this Law or by virtue of the provisions of any other Law.
- (7) A surcharge will be payable on a license specified in section 82(1) in accordance with this section.
- (8) The surcharge is payable at such intervals and in such amounts as is determined by the Commission by notice in writing to the licensee.

94. Determination of surcharge

The surcharge to be specified in respect of a license will be determined having regard to the total amount of the costs and expenses of the Commission that are incurred or are likely to be incurred by the Commission in the exercise of its powers for or in connection with the performance of its functions and the achievement of its objectives in relation to the sector.

PART 3

Waste water and sewerage services

95. General duty to provide sewerage system

- (1) It will be the duty of the Corporation to—
 - (a) provide, improve and extend a system of public sewers (whether inside its area or elsewhere) and to cleanse and maintain those sewers as to ensure that the area is and continues to be drained; and
 - (b) make provision for the emptying of those sewers and such further provision (whether inside its area or elsewhere) as is necessary from time to time for dealing, by means of sewage disposal works or otherwise, with the contents of those sewers;
 - (c) make provision for the emptying of on-site sewage collection systems, whether such systems are inside its area or elsewhere, as is necessary from time to time for dealing with the contents of the tanks or containers.

(2) In carrying out its duties under subsection (1), the Corporation must have regard to the following—

(a) its existing and likely future obligations to allow for the discharge of trade effluent into its public sewers; and

(b) the need to provide for the disposal of trade effluent which is so discharged.

(3) The duty of the Corporation under subsection (1) will be enforceable by the Commission.

(4) The obligations imposed on the Corporation by this Part, and the remedies available in respect of contravention of those obligations, will be in addition to any duty imposed or remedy available by virtue of any provision of this Law and shall not be in any way qualified by any such provision.

(5) For the purpose of this Part, “the Corporation” will include other authority to which the Corporation has delegated its powers.

96. Arrest of offenders

A person who obstructs an authorised officer of the Corporation commits an offence and will be arrested by a police officer or an authorised officer of the Corporation.

97. Standards of performance

(1) For the purpose of—

(a) facilitating the determination of the extent to which breaches of the obligations imposed by virtue of the provisions of this Law will amount to breaches of the duty imposed on the Corporation;

(b) supplementing that duty by establishing overall standards of performance in relation to the provision of sewerage services by the Corporation, the Commission may, by regulations provide for contravention of such requirements as may be prescribed to be treated for the purposes of this Law as breaches of that duty.

(2) The Commission may, by regulations prescribe such standards of performance in connection with the provision of sewerage services.

(3) Without prejudice to the generality of the powers conferred by subsection (2), regulations under that subsection may:

(a) provide for any dispute under the regulations to be referred by any party to such dispute to the Commission;

(b) provide circumstances in which the Corporation is to be exempted from requirements of the regulations.

98. Information to be given to customers

(1) The Corporation will take steps to inform its customers of—

(a) the standards of overall performance established under this Law; and

(b) the level of performance in respect of each of those standards.

(2) The Corporation will do this on an annual basis.

(3) The duty of the Corporation to comply with this provision will be enforceable by the Commission.

99. Provision of public sewer

(1) It will be the duty of the Corporation to provide public sewers to be used for drainage of premises in the State.

(2) Any person may apply for the provision of a public sewer on terms and conditions specified by the Corporation.

100. Adoption of sewers and disposal works

(1) Subject to the following provisions, the Corporation may at any time by notice declare that any—

(a) sewer which is situated within the State or which serves the whole or any part of the State; or

(b) sewage disposal works which are so situated or which serve the whole or any part of the State, will, as from such date as may be specified in the notice, become vested in the Corporation.

(2) The owner, or any of the owners, of any sewer or sewage disposal works with respect to which the Corporation may make a notice under this section may by an application request the Corporation to issue a notice with respect to that sewer or sewage disposal works.

(3) A notice or application under this section may be made with respect to a part only of a sewer.

(4) The Corporation in exercising its powers under this section to issue a notice will—

(a) give notice of its proposal to the owner or owners of the sewer or works in question; and

(b) take no further action in the matter until two months have elapsed without an objection against the notice being lodged or, as the case may be, until any objection so lodged has been determined.

(5) The Corporation, in deciding whether a notice should be issued under this section, will have regard to the circumstances of the case and, in particular, to the following considerations, as to—

(a) whether the sewer or works in question is or are adapted to, or required for, any general system of sewerage or sewage disposal which the Corporation has provided, or proposes to provide, for the whole or any part of its area;

(b) whether the sewer is constructed under a highway or under land reserved by a planning scheme for a street;

(c) the number of building which the sewer is intended to serve, and whether, regard being had to the proximity of other buildings or the prospect of future development, it is likely to be required to serve additional buildings;

(d) the method of construction and state of repair of the sewer or works; and

(e) in a case where an owner objects, whether the making of the proposed notice would be seriously detrimental to him.

(6) Any person who immediately before the issuance of a notice under this section was entitled to use the sewer in question will be entitled to use it, or any sewer substituted for it, to the same extent as if the notice had not been issued.

101. Vesting of sewers disposal works

From the commencement of this Law, all public sewers, and sewerage, and disposal works in the State are hereby vested in the Corporation.

102. Right to connect with public sewers

(1) Subject to the provision of this Part, the owner or occupier of any premises or the owner of any private sewer which drains premises, will be entitled to have their drains or sewer connected with the public sewer of the Corporation and to discharge foul water and surface water from those premises or that private sewer—

(a) the owner or occupier of any premises; or

(b) the owner of any private sewer which drains premises, will be entitled to have the drains or sewer connected with the public sewer of the Corporation and to discharge foul water and surface water from those premises or that private sewer.

(2) Subject to the provisions of this Part, nothing in subsection (1) will entitle any person—

(a) to discharge directly or indirectly into any public sewer—

(i) any liquid from a factory, other than domestic sewage or surface or storm water, or any liquid from a manufacturing process; or

(ii) any liquid or other matter, the discharge of which into public sewers is prohibited by or under any law; or

(b) where separate public sewers are provided for foul water and for surface water, to discharge directly or indirectly—

(i) foul water into a sewer provided for surface water; or

(ii) except with the approval of the Corporation, surface water into a sewer provided for foul water; or

(c) to have the drains or sewer made to connect directly with a storm-water overflow sewer.

(3) A person applying under this Part will give notice of the proposals in writing to the Corporation.

(4) Within twenty-one (21) working days of receipt of the proposal, the Corporation may by notice to the applicant refuse to permit the connection to be made, if it appears to the Corporation that the mode of construction or condition of the drain or sewer is such that the making of the connection would be prejudicial to the Corporation sewerage system.

(5) An appeal against the refusal by the Corporation will be made to the Commission within fourteen (14) days from the notice of the refusal.

103. Examination of sewer

(1) For the purpose of examining the mode of construction and condition of a drain or sewer to which a proposal under section 100(2) relates, the Corporation may, require the premises to be made open for inspection.

(2) Where a person proposes under this Part to make a connection between a drain or sewer and such a public sewer in the State as is used for the general reception of sewage from other public sewers and is not substantially used for the reception of sewage from private sewers and drains—

(a) the grounds on which the Corporation may refuse to permit the connection shall be such grounds as the Corporation deems fit; and

(b) an appeal will not lie against the refusal by the Corporation to permit the connection.

104. Rights of the Corporation to undertake making of connections with public sewers

(1) Where a person gives to the Corporation notice under this Part of the proposal to have the drains or sewer made to connect with a public sewer of the Corporation, the Corporation may within 14 days after the receipt of the notice, issue a notice to that person that the Corporation intends to make the connection.

(2) If, after a notice has been given to any person under subsection (1) and still proceeds to make the connection, that person will be guilty of an offence and liable, on conviction, to a fine as stated in the Schedule to this Law.

[Schedule]

(3) Where under this Law the Corporation has issued a notice under subsection (1), the Corporation will have all such rights in respect of the making of the connection as the applicant desiring it to be made would have; provided that it shall not be obligatory on the Corporation to make the connection until either—

(i) there has been paid to the Corporation any sum, not exceeding the Corporation's reasonable estimate of the cost of the work, as the Corporation may have required to be paid to it; or

(ii) there has been given to the Corporation such security for the payment of the cost of the work as it may reasonably have required.

(4) If any payment made to the Corporation under subsection (3) exceeds the expenses incurred by it in the carrying out of the work in question, the excess shall be refunded by the Corporation.

(5) If those expenses are not covered by the payment, the Corporation may recover the expenses, or the balance of them from the applicant for whom the work was done.

105. Disputes

(1) Any dispute between the Corporation and any applicant as to—

(a) whether the Corporation's estimate of the cost of works given is reasonable;

(b) whether any requirement of security for the payment of the cost of works was reasonably made by the Corporation; or

(c) whether any excess is refundable, or any expenses are recoverable, by the Corporation, or the amount of any such excess or expenses, may be referred to the Commission for determination by either party to the dispute.

(2) For the purpose of this Part, the making of the connection between a drain of private sewer will include all such work as involves the breaking open of a street.

106. Connection works by person entitled to connection

Where the Corporation decides under Section 103 of this Law not to make a connection to which a person is entitled under Section 102, the applicant shall—

(a) before commencing the work, give reasonable notice to any person directed by the Corporation to supervise the carrying out of the work; and

(b) afford any such person all reasonable facilities for supervising the carrying out of the work.

107. Unlawful connections

(1) Any person who causes a drain or sewer to be connected with a public sewer—

(a) in contravention of any of the provisions of this Law; or

(b) before the end of the period mentioned in subsection (4) of section 102 of this Law,

will be guilty of an offence and liable, on conviction, to a fine as stipulated in the Schedule to this Law.

(2) Whether proceedings have or have not been taken by the Corporation in respect of an offence under this section, the Corporation may—

(a) close any connections made in contravention of any of the provisions of section 102 or 103; and

(b) recover from the offender any expenses reasonably incurred by the Corporation in so doing.

108. New connections with public sewers

- (1) Where, on the application of any qualifying person, the Corporation—
- (a) believes that it is necessary or expedient for the purposes of this Part that the Corporation should permit a main connection into its sewerage system; and
 - (b) is of the opinion that the making of such a connection cannot be secured by agreement,

the Corporation may allow the connection for such period and on such terms and conditions as may be determined by it.

- (2) In this section, “qualifying person” means—

- (a) an operator; or
- (b) a person who has made an application which has not been determined.

- (3) In subsection (1) above, a “main connection” means a connection—

- (a) between a sewer or disposal main and a sewer or disposal main; or
- (b) a connection which allows a sewer or disposal main to discharge directly into a sewage disposal works.

- (4) Where the application is made by a person who is not an operator at the time when the application is made, an order made under this section in response to that application will be expressed not to come into force until the applicant becomes an operator for the area specified in the order, or for an area which includes that area.

- (5) Subject to subsection (4) an order under this section will have effect as an agreement between the Corporation and the applicant but may be varied or revoked by a subsequent order made by the Commission on the application of either party to the agreement, as well as by agreement between the parties.

- (6) The Commission will not make an order under this section unless it has first consulted with all necessary parties.

- (7) In exercising its functions under this section, the Commission will have regard to—

- (a) facilitating effective competition within the sewerage services industry;
- (b) the Corporation recovering the expenses of complying with its obligations by virtue of this section and securing a reasonable return on its capital;
- (c) the Corporation being able to meet its existing obligations, and likely future obligations to provide sewerage services without having to incur unreasonable expenditure in carrying out works;
- (d) not putting the Corporation at risk of not being able to meet its existing obligations, or likely future obligations, to provide such services.

109. Restrictions on use of public sewers

(1) Subject to the provisions of this Part, no person must throw, empty or turn, or suffer or permit to be thrown or emptied or to pass, into any public sewer, or into any drain or sewer connecting with a public sewer—

(a) any matter likely to injure the sewer or drain, to interfere with the free flow of its contents or to affect prejudicially the treatment and disposal of its contents; or

(b) any such chemical refuse or waste steam or any such liquid of a temperature higher than 50 degrees Celsius, as by virtue of subsection (2) is a prohibited substance; or

(c) any petroleum spirit or carbide of calcium.

(2) For the purpose of subsection (1), chemical refuse, waste steam or a liquid of a temperature higher than that mentioned in that subsection will be a prohibited substance if (either alone or in combination with the contents of the sewer or drain in question) it is or, in the case of the liquid, when so heated—

(a) dangerous;

(b) the cause of a nuisance; or

(c) injurious, or likely to cause injury, to health.

(3) A person who contravenes any of the provisions of this section will be guilty of an offence and liable on conviction to a fine or imprisonment as stated in the Schedule to this Law.

(4) The purpose of subsection (3) is for the imposition of a daily penalty as stated in the Schedule to this Law until the contravention is abated with notice of same to the Commission.

(5) In this section, the expression “petroleum spirit” means any such—

(a) crude petroleum;

(b) oil made from petroleum or from coal, shale, peat or other bituminous substances; or

(c) product of petroleum of mixture containing petroleum which gives off an inflammable vapour at a temperature of less than 22 degrees Celsius.

110. Requirement that proposed drain or sewer be constructed so as to form part of a general system

(1) Where—

(a) a person proposes to construct a drain or sewer;

(b) the Corporation considers that the proposed drain or sewer is, or is likely to be needed to form part of a general sewerage system which the Corporation provides or proposes to provide; and

(c) the Corporation may require that person to construct the drain or sewer in a manner differing, as regards material or size of pipes, depth, fall, direction or out-fall or otherwise, from the manner in which that person proposes or could otherwise be required by the Corporation, to construct it.

(2) Any person aggrieved by requirements imposed under this section by the Corporation must make an appeal to the Commission within twenty-eight (28) days.

(3) On an appeal under subsection (2) with respect to any requirements, the Commission may either disallow the requirements or allow them with or without modification.

(4) It will be the duty of a person on whom requirements are imposed by the Corporation under this section to comply with those requirements.

(5) The duty of any person by virtue of subsection (4) to comply with the requirements of the Corporation will be owed to the Corporation; and any breach of that duty which causes the Corporation to sustain loss or damage will be actionable at the suit of the Corporation.

(6) The Corporation in exercising the powers conferred on it by this section may:

(a) refund to the person constructing the drain or sewer the extra expenses reasonably incurred by that person in complying with the Corporation's requirements; and

(b) until the drain or sewer becomes a public sewer, refund to that person so much of any expense reasonably incurred in repairing or maintaining the drain or sewer as may be attributable to the Corporation's requirements having been imposed and complied with.

(7) Nothing in this Part shall apply to any drain or sewer that is to be constructed by any railway operator or dock operator in or on land which—

(a) belongs to them; and

(b) is held or used by them for the purposes of their undertaking.

111. Power to alter sewerage system of premises

Where any premises has drain or sewer connecting with a public sewer or a cesspool, but that system though sufficient for the effectual drainage of the premises—

(a) is not adapted to the general sewerage system of the area; or

(b) is in the opinion of the Corporation otherwise objectionable,

the Corporation may, at its own expense, close the existing drain or sewer and fill up the cesspool, if any, and do any work necessary for that purpose.

PART 4

Water quality standards and environmental issues

112. Monitoring

- (1) The Lagos State Drug Quality Assurance Laboratory (LSDQAL) will be the monitoring body for quality of drinking water.
- (2) The Lagos State Environmental Protection Agency (referred to in this Law as “LASEPA”) will be the monitoring body in respect of raw water, waste water, liquid wastes, disposal of solids, underground water, land and soil, environmental issues in the State.
- (3) It will also determine pollution levels, collect baseline data and work in conjunction with other agencies approved by law.

113. Environmental compliance

The Corporation in carrying out its functions and duties under this Law will comply with existing environmental laws and regulations in the State.

114. Quality of water

The Corporation will ensure that water supplied to any premises is wholesome and conforms with the World Health Organization (WHO) standards for potable water.

115. Control of groundwater

- (1) Every borehole must be sited in a hygienically conducive environment and protected from pollution.
- (2) In all cases, the location of a borehole other than those for domestic use will be authorised by first obtaining the appropriate license from the Corporation for groundwater abstraction.
- (3) Any borehole water certified to be hazardous to health will be prohibited temporarily or permanently from being supplied for consumption.
- (4) The quality of water to be delivered to the public will be required to be of World Health Organization (WHO) recommended standards.

116. Irrigation development

- (1) Any person setting up an irrigation project must obtain a license from the Commission.
- (2) It will be mandatory to have an environmental impact assessment study before establishing any irrigation project and during operation of the project.
- (3) It will be mandatory that regular monitoring of the identified negative impact be undertaken and appropriate mitigation measures be put in place by the licensee.

117. Surface water use/abstraction

Raw water from surface abstraction, so far as the use to which it is to be put allows, must be returned substantially undiminished in quality and not harmful to aquatic life.

118. Discharge of waste into water bodies

(1) A person must not discharge or cause or permit the discharge of any of the following substances into any water body—

(a) inflammable solvent;

(b) tar or other liquids immersible with water;

(c) hazardous or toxic substances beyond the limits approved by the law;

(d) materials containing cyanides, chromates, dichromates, peroxides, chlorinated

(e) bi-phenols and chlorinated hydrocarbons; and

(f) waste of whatever kind or nature that cannot be satisfactorily purified by natural process and sewage treatment process.

(2) In determining the point of discharge of wastewater, a licensee will be required to discharge at a safe distance from an existing point of abstraction approved by the Commission.

(3) A licensee will be required to comply with the method of waste conveyance acceptable to the Commission and as specified on the license.

(4) In all cases, a licensee must comply with existing regulations for municipal waste conveyance and disposal, and ensure that the method of discharge will be environmentally safe while pipe conveyance systems will be leakage-free and metered.

(5) The Commission will require government agencies, companies, industries or persons constructing urban drainage systems to incorporate suitable mechanisms such as desilting and oil removal devices on drainage outfalls to reduce grit, oil, fat and other polluting substances reaching bodies of water through urban drainage systems.

119. Watershed management

In the event that the environment is degraded as a result of any activity of any person, the owner of such works will be required to restore the environment at the owner's expense to its original state or to a state as near as possible to the original state, and failure to comply with this requirement will be punishable as set out in the Schedule to this Law.

[Schedule]

120. Drainage and land reclamation

(1) Except in cases of overriding public interest, Environmental Impact Assessment studies will be mandatory for the approval of locations of drainage and land reclamation works.

(2) In the case of existing works, an applicant will be required to provide plans for mitigating the adverse effects, if any, and will be required to provide evidence of proper operation and maintenance.

(3) On the completion of such works, the licensee must restore the environment to its original state or a state as near as possible to the original state with the approval of the Commission.

121. Standard of performance in connection with water supply

(1) For the purpose of—

(a) facilitating the determination of the extent to which breaches of the obligations imposed by the following provisions of this Law are to amount to breaches of the duty imposed; or

(b) supplementing that duty by establishing overall standards of performance in relation to that duty,

the Commission may by regulation provide for contravention of such requirements as may be prescribed to be treated for the purposes of this Law as breach of that duty.

(2) The Commission may by regulation prescribe such standard of performance in connection with the provision of supply of water as, in its opinion, ought to be achieved in individual cases.

(3) Regulations under subsection (2) above may provide that if the Corporation fails to meet a prescribed standard it shall pay such amount as may be prescribed to any person who is affected by the failure.

(4) Without prejudice to the generality of the powers conferred by subsection (2), regulations under that subsection may—

(a) include a requirement for the Corporation, in prescribed circumstances, to inform a person of available rights by virtue of any such regulations;

(b) provide for any dispute under the regulations to be referred by either party to the Commission;

(c) make provision for the procedure to be followed in connection with any such reference and for the Commission's determination on such a reference to be enforceable in such manner as may be prescribed;

(d) may prescribe circumstances in which the Corporation is to be exempted from requirements of the regulations.

(5) Where the Commission determines any dispute in accordance with regulations under this section, it must, in such manner as may be specified in the regulations, give its reasons for reaching such decision with respect to the dispute.

122. Duties of the Corporation with respect to water quality

(1) It will be the duty of the Corporation when supplying water to any premises for domestic or food production purposes to—

(a) supply only water which is wholesome at the time of supply; and

(b) ensure in relation to each source or combination of sources from which the Corporation supplies water to premises for domestic or food production purposes, that there is, in general, no deterioration in the quality of the water which is supplied from that source or combination of sources.

(2) For the purposes of this section, water supplied by the Corporation to any premises will not be regarded as unwholesome at the time of supply where it has ceased to be wholesome only after leaving the Corporation's pipes.

(3) For the purposes of this section, water supplied by the Corporation to any premises would not otherwise be regarded as unwholesome at that time if it has—

(a) ceased to be wholesome after leaving the Corporation's pipes but while in a pipe which is subject to water pressure from a water main or which would be so subject but for the closing of some valve; and

(b) ceased in consequence of the failure of the Corporation, before supplying the water, to take such steps as may be prescribed for the purpose of securing the elimination or reduction to a minimum of any prescribed risk that the water would cease to be wholesome after leaving the Corporation's pipes.

(4) The provisions of this section will apply in relation to water which is supplied by the Corporation whether or not the water is water which the Corporation is required to supply by virtue of any provision of this Law.

(5) The duties of the Corporation under this section will be enforceable by the Commission.

123. Regulations for preserving water quality

(1) The Commission may by regulations require the Corporation to take all such steps as may be prescribed for the purpose of securing compliance with section 122 of this Law.

(2) Without prejudice to the generality of the powers conferred by subsection (1), regulations under that subsection may impose an obligation on the Corporation to—

(a) take all such steps as may be prescribed for monitoring and recording whether the water which the Corporation supplies to premises for domestic or food production purposes is wholesome at the time of supply;

(b) take all such steps as may be prescribed for monitoring and recording the quality of the water from any source, or combination of sources, which the Corporation uses or is proposing to use for supplying water to any premises for domestic or food production purposes;

(c) ensure that a source which the Corporation is using or proposing to use for supply of water for domestic or food production purposes is not so used until prescribed requirements for establishing the quality of water which may be supplied from that source have been complied with;

(d) keep records of the localities within which all the premises supplied with water for domestic or food production purposes by the Corporation are normally supplied from the same source or combination of sources; and

(e) comply with prescribed requirements with respect to the analysis of water samples or with respect to internal reporting or organisational arrangements.

(3) Without prejudice to subsections (1) and (2), the Commission may by regulations make provision, for the use of the Corporation, for purposes of or in connection with the carrying out of its functions—

(a) such processes and substances; and

(b) products that contain or are made with such substances or materials, it considers might affect the quality of any water.

(4) Without prejudice to the generality of the powers conferred by subsection (3), regulations under that subsection may:

(a) forbid the use by the Corporation of processes, substances and products which have not been approved under the regulations or which contravene the regulations;

(b) for the purposes of provision made by virtue of paragraph (a) above, require processes, substances and products used by the Corporation to conform to such standards as may be prescribed by or approved under the regulations;

(c) impose such other requirements as may be prescribed with respect to the use by the Corporation;

(d) provide for the giving, refusal and revocation, by prescribed persons, of approvals required for the purposes of the regulations;

(e) provide for such approvals to be capable of being made subject to such conditions as may be prescribed and for the modification and revocation of any such condition;

(f) impose obligations to furnish prescribed persons with information reasonably required by those persons for the purpose of carrying out functions under the regulations;

(g) provide for a contravention of the regulations to constitute—

(i) an offence punishable, on conviction, by a fine not less than Five Hundred Thousand Naira (₦500,000.00) and a daily penalty of Five Hundred Thousand Naira (₦500,000.00) ; or

(ii) a term of imprisonment not less than one (1) year;

(h) require prescribed charges to be paid to persons carrying out functions under the regulations.

(5) The Commission may by regulations require the Corporation:

(a) to publish information about the quality of water supplied for domestic or food production purposes to any premises by the Corporation; and

(b) to provide information to prescribed persons about the quality of water so
(6) Regulations under subsection (5) may:

(c) prescribe both the information which is to be published or provided in pursuance of the regulations and the manner and circumstances in which it is to be published or provided;

(d) require the provision of information by the Corporation to any person subject to the payment by that person of a prescribed fee; and

(e) impose such other conditions on the provision of information by the Corporation to any person as may be prescribed.

124. Offence of supplying water unfit for human consumption

(1) Subject to subsection (3) where the Corporation supplies water by means of pipes to any premises and that water is unfit for human consumption, the Corporation will be guilty of an offence and liable on conviction, to a fine not exceeding Five Hundred Thousand Naira (₦500,000.00).

(2) For the purposes of this Part and any other Law under which an individual is guilty of an offence by virtue of subsection (1) the penalty on conviction for an offence under this section will be deemed to include imprisonment (in addition to a fine) for a term not exceeding two (2) years.

(3) In any proceedings against the Corporation for any offence under this section, it shall be a defence for the Corporation to show that it—

(a) had no reasonable grounds for suspecting that the water would be used for human consumption; or

(b) took all reasonable steps and exercised all due diligence for securing that the water was fit for human consumption on leaving its pipes or was not used for human consumption.

(4) Proceedings for an offence under this section will not be instituted except by the Commission or the Director of Public Prosecutions of the State.

125. Contamination of water sources

(1) Subject to subsections (2) and (3) below, a person is guilty of an offence under this section if he is guilty of any act or neglect where the water in any waterworks which is used or likely to be used—

(a) for human consumption or domestic purposes; or

(b) for manufacturing food or drink for human consumption,

is polluted or likely to be polluted.

(2) Nothing in this section will be construed as restricting or prohibiting any method of cultivation of land which is in accordance with the principles of good husbandry.

(3) Nothing in this section will be construed as restricting or prohibiting the reasonable use of oil or tar on any highway maintainable at public expense so long as the highway authority takes all reasonable steps for preventing—

(a) the oil or tar; and

(b) any liquid or matter resulting from the use of the oil or tar, from polluting the water in any waterworks.

(4) A person who is guilty of an offence under this section will be liable—

(a) on summary conviction, to a fine not exceeding One Million Naira (₦1,000,000.00) and, in the case of a continuing offence, to a further fine not exceeding Two Hundred Thousand Naira (₦200,000.00) for everyday during which the offence is continued after conviction;

(b) on conviction to imprisonment for a term not exceeding two (2) years or to a fine or both.

(5) In this section “waterworks” include—

(a) any spring, well, adit, borehole, service reservoir or tank; and

(b) any main or other pipe or conduit of the Corporation.

126. Offences of contaminating, wasting and misusing water, etc.

(1) If any person who is the owner or occupier of any premises to which a supply of water is provided by the Corporation intentionally or negligently causes or suffers any water fitting to be or to remain out of order, in need of repair or constructed or adapted, or to be used so that:

(a) water in a water main or other pipe connected with such a water main or pipe, is or likely to be contaminated by the return of any substance from those premises to that main or pipe;

(b) water supplied by the Corporation to those premises is or is likely to be contaminated before it is used; or

(c) that water so supplied is or is likely to be wasted or, having regard to the purposes for which it is supplied, misused or unduly consumed, that person will be guilty of an offence and liable, on summary conviction, to a fine not exceeding Five Hundred Thousand Naira (₦500,000.00) .

(2) Any person who uses any water supplied to any premises by the Corporation for a purpose other than the one for which it is supplied to those premises will, unless the other purpose is the extinguishment of a fire, be guilty of an offence and liable, on summary conviction, to a fine not exceeding One Hundred Thousand Naira (₦100,000.00) .

(3) For the purposes of this section, the owner or occupier of any premises will be regarded as responsible for every water fittings on the premises which is not a water fitting which a person other than the owner or, occupier is liable to maintain.

127. Regulations of preventing contamination, waste, etc., with respect to water fittings

(1) The Commission may by regulations make such provision as it considers appropriate for any of the following purposes for securing:

(a) that water in a water main or other pipe of the Corporation is not contaminated; and that its quality and suitability for particular purposes is not prejudiced, by the return of any substance from any premises to that main or pipe;

(b) that water which is in any pipe connected with any such main or other pipe or which has been supplied to any premises by the Corporation is not contaminated, and that its quality and suitability for particular purposes is not prejudiced, before it is used;

(c) the prevention of waste, undue consumption and misuse of any water at any time after it has left the pipes of the Corporation for the purpose of being supplied by the Corporation to any premises; and

(d) that water fittings installed and used by persons to whom water is or is to be supplied by the Corporation are safe and do not cause or contribute to the erroneous measurement of any water or the reverberation of any pipe.

(2) Without prejudice to subsection (1), regulations under this section may, for any of the purposes specified in that subsection, make provision in relation to such water fittings as may be prescribed for—

(a) forbidding the installation, connection or use of the fitting where they have not been approved under the regulations or where they contravene the regulations;

(b) requiring the fittings, for the purposes of provision made by virtue of paragraph (a) to be of such size, nature, strength or workmanship, to be made of such materials or in such a manner or to conform to such standards as may be prescribed by or approved under the regulations;

(c) imposing such other requirements as may be prescribed with respect to the installation, arrangement, connection, testing, disconnection, alteration and repair of the fittings and with respect to the materials used in their manufacture;

(d) the giving, refusal and revocation, by prescribed persons, of approvals required for the purposes of the regulations; and

(e) such approvals to be capable of being made subject to such conditions as may be prescribed and for the modification and revocation of any such condition.

(3) Without prejudice, regulations under this section may—

(a) impose separate or concurrent duties with respect to the enforcement of the regulations on the Corporation, local authorities and such other persons as may be prescribed;

(b) confer powers on the Corporation or local authority to carry out works and take other steps, in prescribed circumstances, for remedying any contravention of the regulations;

(c) provide for the recovery by the Corporation or local authority of expenses incurred by the Corporation or authority in the exercise of any power conferred by virtue of paragraph *(b)*;

(d) provide for a contravention of the regulations to constitute a summary offence punishable, on summary conviction, by a fine as set out in the Schedule to this Law;

(e) require prescribed charges to be paid to persons carrying out functions under the regulations;

(f) enable the Commission to authorise exemptions and departures from such of the requirements of the regulations as may be prescribed, to make any such authorisation subject to such conditions as may be prescribed and to modify or revoke any such authorisation or condition; and

(g) require disputes arising under the regulations to be referred to the Court established under this Law and for determinations under the regulations to be subject to such rights of appeal as may be prescribed.

(4) Any person designated in writing for the purposes of this subsection in such manner as may be prescribed may enter any premises for the purpose of—

(a) ascertaining whether any provision contained in or made or having effect under this Law with respect to any water fittings or with respect to the waste or misuse of water is being or has been contravened;

(b) determining whether, and if so in what manner, any power or duty conferred or imposed on any person by regulations under this section should be exercised or performed; or

(c) exercising such power or performing such duty; or

(d) carrying such inspections, measurements and tests on premises entered by that person or on water fittings or other articles found on any such premises, and take away such samples of water or of any land and such water fittings and other articles, as that person has been authorized to carry out or take away in accordance with regulations under this section.

128. Power to prevent damage and to take steps to prevent contamination, waste, etc.

(1) Without prejudice to any power conferred on the Corporation by regulations, where the Corporation provides supply of water to any premises and has reason for believing that—

(a) damage to persons or property is being or is likely to be caused by any damage to, or defect in, any water fitting used in connection with the supply of water to those premises which is not a service pipe belonging to the Corporation;

(b) water in a water main or other pipe of the Corporation is likely to be contaminated by the return of any substance from those premises to that main or pipe;

(c) water which is in any pipe connected with any such main or other pipe or which has been supplied by the Corporation to those premises is being or is likely to be contaminated before it is used; or

(d) water which has been or is to be so supplied is being or is likely to be wasted or, having regard to the purposes for which it is supplied, misused or unduly consumed,

the Corporation may exercise the powers conferred by subsection (2) in relation to those premises—

(2) The power conferred by this subsection in relation to any premises is:

(a) where the case constitutes an emergency, power to disconnect the service pipe or otherwise to cut off the supply of water to those premises; and

(b) in any other case, power to serve notice on the consumer to take such steps as may be specified in the notice as necessary to secure the damage, contamination, waste, misuse or undue consumption ceases or, as the case may be, does not occur.

(3) Where the Corporation, in exercise of the powers conferred by virtue of subsection (2) (a) disconnects a service pipe to any premises or otherwise cuts off any supply of water to any premises, the Corporation will, as soon as reasonably practicable after the supply is disconnected or cut off, serve a notice on the consumer specifying the steps which that person is required to take before the Corporation will restore the supply.

(4) The steps specified in a notice under subsection (3) will be the steps necessary to secure that, as the case may be—

(a) the damage, contamination, waste, misuse or undue consumption; or

(b) the likelihood of damage, contamination, waste, misuse or undue consumption would not reoccur if the supply were restored.

(5) Where the Corporation or any private operator fails, without reasonable excuse, to serve a notice in accordance with subsection (3), it will be guilty of an offence and liable, on summary conviction, to a fine not exceeding Fifty Thousand Naira (₦50,000.00) .

(6) A notice served for the purposes of subsection (2)(b) above must:

(a) specify the period, not being less than the period of seven (7) days beginning with the day after the service of the notice, within which the steps specified in the notice are to be taken; and

(b) set out the powers of the Corporation under subsections (7) to (9).

(7) Where the Corporation or any private operator has served a notice for the purpose of subsection (2)(b) in relation to any premises, and—

(a) the case becomes an emergency; or

(b) the premises appear to be unoccupied and the steps specified in the notice are not taken before the end of the period so specified,

the Corporation may disconnect the service pipe to those premises or otherwise cut off the supply of water to those premises.

(8) Subsections (3) to (5) will apply where the Corporation exercises its powers under subsection (7) as they apply where the Corporation exercises its powers by virtue of subsection (2)(a).

(9)

(a) Where, in a case not falling within subsection (7)(a) or (b) any steps specified in a notice served by the Corporation for the purposes of subsection (2)(b) have not been taken by the end of the period so specified, the Corporation will have power—

(i) to take those steps itself; and

(ii) to recover any expenses reasonably incurred by the Corporation in taking those steps from the person on whom the notice was served.

(b) Any steps taken by the Corporation by virtue of paragraph (a)(i) will be necessary works for the purposes of this Part.

(10) Where any steps are taken by virtue of this section and it is shown that, in the circumstances of the case, those steps were not necessary as mentioned in subsection (2) or, as the case may be, in subsection (4) the Corporation or any private operator in question will—

(a) not be entitled to recover any expenses incurred by it in taking those steps; and

(b) be liable to pay to any other person who took any of those steps an amount equal to any expenses reasonably incurred by that person in taking any of those steps.

(11) The Commission will from time to time collect information with respect to levels of performance achieved by the Corporation and private operators in connection with the provision of the sewerage services.

(12) At such times as the Commission may direct, the Corporation will give the following information to the Commission in respect of each standard established by regulations under this Law such information with respect to the level of performance achieved by the Corporation as may be so specified.

(13) If the Corporation without reasonable excuse fails to do anything required of it by subsection (2) it will be liable on summary conviction to a fine not exceeding ₦100,000.00 (One Hundred Thousand Naira).

(14) The Commission will, once in every year, arrange for the publication, in such manner as it considers appropriate, such of the information collected by or given to it under this section as it may appear expedient to give to customers or potential customers of the Corporation or any private operator.

(15) In arranging for the publication of any such information, the Commission will have regard to the need for excluding, any matter which relates to the affairs of an individual, where publication of that matter would or might, in the opinion of the Commission, seriously and prejudicially affect the interests of that body.

129. Information to be given to Customers about overall performance

(1) The Corporation will, in such form and manner and with such frequency as the Commission may direct, take steps to inform its customers of—

(a) the standards of overall performance established under this Law which are applicable to the Corporation; and

(b) the Corporation's level of performance in respect of each of those standards.

(2) In giving any such direction, the Commission will not specify a frequency of less than once in every period of twelve (12) months.

(3) The duty of the Corporation to comply with this section will be enforceable by the Commission.

130. Power to deal with Foul Water and Pollution

(1) Subject to the provisions of this Part, the Corporation for the purpose of carrying out its functions, will have power to—

(a) carry out in a street all such works as are requisite for securing that the water in any relevant waterworks is not polluted or otherwise contaminated; and

(b) carry out any works requisite for, or incidental to, the purposes of any works falling within paragraph (a) including for those purposes the following kinds of works—

(i) breaking up or opening a street;

(ii) tunnelling or boring under a street;

(iii) breaking up or opening a sewer, drain or tunnel;

(iv) moving or removing earth and other materials.

(2) Subject to the provisions of this Part, the Corporation, for the purpose of carrying out its functions, will have power to carry out—

(a) in any street all such works as are requisite for securing that the water in any relevant waterworks is not polluted or otherwise contaminated; and

(b) any works requisite for, or incidental to, the purposes of any works falling within paragraph (a) above.

(3) Without prejudice to the powers conferred on subsections (1) and (2) above, the Corporation will have power, on any land which belongs to the Corporation or over which or in which the Corporation has acquired the necessary easements or rights, to construct and maintain drains, sewers, water courses, catchpits and other works for the purpose—

(a) of intercepting, treating or disposing of any foul water arising or flowing on that land; or

(b) of otherwise preventing the pollution—

(i) of any waters, whether on the surface or underground, which belong to the Corporation or from which the Corporation is authorised to take water;

(ii) without prejudice to sub-paragraph (i) above, of any reservoir which belongs to or is operated by the Corporation or which the Corporation is proposing to acquire or construct for the purpose of being so operated; or

(iii) of any underground strata from which the Corporation or any Water Corporation is for the time being authorised to abstract water.

(4) Where the Corporation is proposing to carry out any such works as are mentioned in subsection (3) and the proposed works will affect any watercourse, the Corporation shall consult the Commission before carrying out the works.

(5) In this Part, the references to the laying of a relevant pipe will include references to the—

(a) laying of any drain or sewer for any of the purposes mentioned in subsection (3) (a) and (b) above; and

(b) construction of a watercourse for any of those purposes.

131. Establishment of the State Water Sector Court

(1) There is established a State Water Sector Court (referred to in this Law as “the Court”) and it will have such jurisdiction, power and authority conferred on it by this Law and by any regulations made thereunder.

(2) The Court will be situate in any place designated by the Chief Judge of the State.

132. Composition of the Court

(1) The Court will consist of—

(a) a Chairman who will be a serving judicial officer not below the rank of a Chief Magistrate;

(b) an environmental engineer who will be a registered member of the Nigerian Society of Engineers or Council of Registered Engineers;

(c) an economist, who will be a first degree holder in economics or finance with ten (10) years’ post-qualification experience either in the public or private sector.

(2) The Court will be duly constituted for the purpose of hearing and determining any matter before it, if it consists either of the Chairman sitting alone or the Chairman and any other member.

133. Appointment

The Governor will appoint—

- (a) the Chairman of the Court, on the recommendations of the Chief Judge of the State; and
- (b) the other members of the Court on the recommendations of their professional bodies.

134. Tenure

The Chairman and members of the Court will hold office for four (4) years and be eligible for re-appointment for a further term of three (3) years.

135. Remuneration

The Chairman and members of the Court will be paid such remuneration, fees and allowances as the Governor may approve.

136. Jurisdiction

The Court will have powers to—

- (a) investigate and adjudicate on all complaints and disputes concerning the water sector;
- (b) determine all matters referred to it for consideration;
- (c) sit on all appeals from the determinations and rulings of the Commission;
- (d) summon any person to give evidence before it;
- (e) make any ruling as may be expedient; and
- (f) make its own rules of procedure.

137. Registrar of the Court

(1) The Registrar of the Court must be a legal practitioner with at least five years post-call experience.

(2) The Registrar of the Court will be a serving officer in the State Ministry of Justice and will be appointed by the Governor on the recommendation of the Attorney-General and Commissioner for Justice.

138. Proceedings

The proceedings of the Court will continue on a day to day basis, until the matter is disposed of subject to adjournments as deemed fit by the Court.

139. Appeal

(1) Any party may appeal against the decisions of the Corporation or the centre or any operator in the water sector to the court within twenty-one (21) days after the

notification of the final decision of the Corporation, the Complaints Centre, Commission, etc., has been communicated.

(2) An appeal against the decision of the Court will lie as of right to the High Court in the State. Such appeal will be made within twenty-one (21) days after written notification of the ruling of the Court.

(3) The Chairman of the Court will cause a sitting of the Court within twenty-one (21) days of receipt of an appeal.

(1) (4) The aggrieved party may attend and be heard, or an authorised representative may attend the sitting of the Court.

140. Mode of Appeal

An appeal to the court will be on the prescribed form and on payment of a fee as may be prescribed in the regulations made under this Law.

141. Exemption from liability

A member of the court will not be liable for any act done in good faith in exercise of the powers conferred on the court by section 136 of this Law.

142. Repeal

The Lagos State Water Corporation Law Cap. L55 2003, Laws of Lagos State is repealed.

143. Interpretation

In this Law, unless the context otherwise requires-

“**abstraction**” in relation to water contained in any source of supply, means the doing of anything whereby any of that water is removed from that source of supply whether temporarily or permanently, including anything whereby the water is so removed for the purpose of being transferred to another source of supply and “abstract” will be construed accordingly;

“**aquifer**” means a porous or fissured mineral depositor rock, such as sandstone or chalk, containing water;

“**analyse**” in relation to any sample of land water or effluent includes subjecting the sample to a test of any description;

“**appropriate Local Government**” means any Local Government having jurisdiction over a specific area for the purpose of this Law;

“**authorised officer**” means any environmental health officer or any member of staff duly authorised in writing by the Corporation;

“**bulk supply**” means water supplied in bulk by the Corporation or by any other operator;

“**coastal waters**” means any waters which are within the area which extends landward from low water mark or from the geographical baseline where it departs from lower water mark as far as—

- (1) the limit of the highest tide; or
- (2) in the case of the waters of any river or watercourse, other than a public sewer, the fresh water limit of the river or water course, together with the waters of any enclosed dock which adjoins water within that area;

“**contravention**” includes a failure to comply;

“**controlled waters**” means waters of any of the following classes:

- (1) relevant territorial waters;
- (2) coastal waters;
- (3) surface waters;
- (4) ground waters;

“**Core investor**” represents any person or Government that apply capital to the Corporation with controlling interest through money assets, shares, debentures, Government and other public securities;

“**Corporation**” means the Lagos State Water Corporation and its subsidiaries;

“**Catchment area**” means any area of land or water from which water contributes to the supply of any waterworks;

“**Commission**” means the Regulatory Commission set up under this Law;

“**Commissioner**” means a member of the Regulatory Commission set up under this Law;

“**domestic sewerage**” means the spent water supply of the community from residential, commercial and institutional users and may be generated from kitchen, bathroom, lavatory and toilet;

“**domestic supply**” means water from any waterworks used in any tenement for drinking, washing, cooking, or for baths or any other purpose of domestic life;

“**drain**” means any pipe or channel, etc., conveying only surface water or subsoil water or both and which is below ground level;

“**drainage system**” means the system of pipes and drains used for the drainage of a building including all other fittings, appliances and equipment so used but excluding water drains;

“**distribution system**” means the Corporation or any operator’s networks or mains, pipes, pumping stations and service reservoirs through which water is conveyed to customers;

“**dwelling house**” means any premises used wholly or mainly for the purpose of private dwelling, with or without any garage, out-house, garden, compound, yard, court, forecourt or other appurtenance belonging thereto or usually enjoyed therewith;

“**financial year**” means every period of twelve (12) months terminating on the 31st day of December;

“**functions**” includes objectives and duties;

“**foul water**” means domestic sewage, sullage trade effluent and other polluting substances discharged into the sewerage system;

“**gathering ground**” means any surface of land or water which collects rainfall for the purposes of any waterworks;

“Government” means the Local, State, Federal or a Foreign Government;

“Governor” means the Governor of Lagos State;

“ground waters” means water from aquifers or other underground sources;

“illegal connection” means any connection to a water pipe without the explicit authorisation of the Corporation;

“leakage” means the loss of water from the Corporation or any operator’s distribution system or from parts of service pipes for which customers are responsible;

“information” includes anything contained in any records, estimates or returns;

“manhole” means any chamber constructed on a closed drain so as to provide access thereto for inspection and cleaning;

“metre” means any appliance used for measuring, ascertaining or regulating the amount of water taken or used from any waterworks, by means of any service, as well as any office or gauge or other appliance used in estimating the flow of water in or from any part of any waterworks;

“metered water” means water supplied to premises, the volume of which is measured by the use of metering or other equipment;

“new water services assets” means those water services assets not yet in existence;

“non-domestic supply” means any water from any waterworks used for the purpose of, or in carrying on, any trade, business or manufacture or for watering fields or gardens cultivated or occupied as a means of pecuniary profit, or for private fountains, or for any ornamental purpose, or for the supply of ponds or tanks or for laundries or public wash houses or public baths, vessels, ships, boats or machinery, and includes the water used or consumed by any person resident in or occupying any premises where a non-domestic supply is given as well as any water taken or used from any waterworks for the use of any Local Government Council or Government Establishment or Department;

“occupier” in relation to a tenement means the person in occupation of the whole or of any part of such tenement, but does not include a lodger;

“owner” means a landlord, a state lessee, a joint owner, tenant for life, mortgagee in possession or any person in actual possession and it includes a person acting with the authority of the owner;

“permit” means the certificate to be issued by the Corporation stating the information that may be required as the Corporation shall determine, but does not include the payment of annual charges;

“person” means an individual and shall include a limited liability company or an organisation duly registered under the Companies and Allied Matters Act, 1990;

“pollution” means the man-made or man-induced alteration of the chemical, physical, biological and radiological integrity of water;

“prescribed goods and services” means treated water and any other services provided or supplied by or within the sector which are specified under this Law as being goods or services in respect of which the Commission has power to regulate tariff, fees and charges;

“prescribed tariff, fees and charges” means the tariff fees and charges or variations thereof however designated for the supply, provision or sale of prescribed goods or services within the sector or particular factors used in tariff setting or terms and conditions relating to the tariff at which prescribed goods or services are provided, supplied or sold, being a tariff price range, factor or term and condition which the Commission has power to regulate.

“premises” means land with buildings or a distinct or separate holding or tenancy or any wharf or pier, or any tract or land used for any purpose;

“private operator” means any private entity, whether a natural person, body corporate or a consortium or joint venture entering into a project agreement;

“project agreement” means an agreement between the Corporation and a private operator selected by Corporation (and the State) through competitive bidding procedures to carry out private sector participation that sets the terms and conditions of such participation, including without limiting the generality of the foregoing, concessions, leases, management contracts, BOT Agreements, technical assistance contracts, consulting services contracts, franchises, bulk water supply and purchase agreements and regulatory agreements;

“public fountain” means any fountain, standpipe, valve, tap or appliance used or intended to be used for or in connection with the supply of water to the public from any waterworks, and vested in or erected or hereafter to be erected by the Corporation and which is its property;

“public right of way” includes any square, court, highway, road, thoroughfare or public passage or place over which the public has a right of way;

“private sewer” means any sewer other than a public sewer;

“public sewer” means any sewer vested in the Government;

“records” include computer records and other records kept otherwise than in a document;

“regulated entities” means the Corporation or an entity operating under a project agreement or licence with the Corporation, or any entity that purchases water for resale to customers;

“regulatory charge” means the charge to be paid to the Commission by the Private Operators;

“regulatory ruling” means a decision made by the Regulatory Commission, including but not limited to responses to Regulatory Submissions, in accordance with this Law;

“regulatory submission” means proposed tariffs submitted for approval to the Regulatory Commission by a regulated entity;

“relevant authority” means any governmental ministry or agency, or any other body which is competent to address matters within its powers;

“service” means all pipes, valves, cisterns, cocks, fittings, and other appliances (excepting any meter as defined in this Law) by or through which water flows or is intended to flow from any waterworks or which are or may be used for the purpose of supplying any tenement from any waterworks, and being the property of the owner or occupier of such tenement;

“State” means Lagos State of Nigeria;

“State waters” means water from sources in the State other than such sources as may be declared by any Federal law to be sources affecting more than the State;

“storm water” means the water which comes to the surface of the earth as rain and finds its way into rivers and the seas through the public drainage system;

“street” includes any square, court, highway, road, thoroughfare or public passage or place over which the public have a right of way;

“structure” includes a fence, kiosk, stationary vehicle used for the display of wares or cafeteria;

“substance” includes micro-organisms and any natural or artificial substance or other matter, whether it is in solid or liquid form of a gas or vapour;

“tenement” means land within buildings or a distinct or separate holding or tenancy or any wharf or pier, but does not include land without buildings;

“trade effluent” means all the liquid waste with or without domestic sewerage emanating from a commercial or industrial organisation and is a by-product of that commercial or industrial progress or activities and in relation to any tenement means any such liquid which is so produced in the course of any trade or industry carried out in those premises;

“sewerage” means a system of sewers provided for collection of sewerage with or without storm water run off;

“sewerage works” means the whole system of sewers sewage treatment plant, tanks, silos, pumps, valves, meters and channels, other appurtenances for the purpose of conveying of sewage and storm water, and the treatment of sewage or both;

“treated water” means water treated for domestic purposes;

“underground strata” means strata subjacent to the surface of any land;

“waterworks” means all reservoirs, dams, weirs, tanks, cisterns, tunnels, treatment plants, conduits, aqueducts, mains, pipes, fountains, sluices, constructed for the storage, conveyance, supply measurement or regulation of water, which are vested in the Corporation;

“water put into supply” means water put into the Corporation or any operators distribution or otherwise supplied to customers other than bulk supplies.

144. Citation and commencement

This Law may be cited as the Lagos State Water Sector Law and will come into force on theday of 2004.

SCHEDULE

Fines

S/No.	Violation	Fines minimum	Fines maximum
1.	Vandalisation of pipe network due to road repairs (individual)	₦10,000.00	₦15,000.00
2.	Vandalisation of pipe network due to road repairs (corporate)	₦50,000.00	₦150,000.00
3.	Vandalisation of pipe network due to construction (individual)	₦10,000.00	₦15,000.00
4.	Vandalisation of pipe network due to construction (corporate)	₦50,000.00	₦150,000.00
5.	Vandalisation of production centres/ borehole sites (individual)	₦250,000.00	One (1) year imprisonment or both
6.	Vandalisation of production centres/ borehole sites (corporate)	₦ 500,000.00	One (1) year imprisonment or both
7.	Illegal water connection activities:		
	(a) Water vending	₦100,000.00 with one (1) year imprisonment or both	₦250,000.00 with one (1) year imprisonment or both
	(b) Car wash facilities	₦100,000.00 with one (1) year imprisonment or both	₦250,000.00 with one (1) year imprisonment or both
	Domestic connections	₦25,000.00 with three (3) months imprisonment or both	₦50,000.00 with three (3) months imprisonment or both
8.	Illegal bottling or packaging LSWC Water	₦100,000.00 with one (1) year imprisonment or both	₦150,000.00 with one (1) year imprisonment or both
9.	Assault on staff of LSWC in the course of their duties	₦50,000.00 with six (6) months imprisonment or both	₦150,000.00 with six (6) months imprisonment or both
10.	Modification of property classification without prior consent of the Corporation in writing	₦50,000.00 and immediate disconnection	₦50,000.00 and immediate disconnection
11.	Illegal advertisement on LSWC	₦100,000.00	₦250,000.00

	overhead tanks and pipe network		
12.	Collection of cash payment for settlement of bill by staff of the Corporation	<p>₦10,000.00</p> <p>and (a) suspension for a period of two (2) weeks for a first Offence</p> <p>(b) suspension for a period of one (1) month without pay; and</p> <p>(c) summary dismissal for a third offence</p>	
13.	Payment of cash for settlement of bill to a member of staff by public	<p>immediate disconnection</p> <p>and (a) a fine of ₦10,000.00 as reconnection fee for a first offence</p> <p>(b) a fine of ₦25,000.00 for each subsequent offence</p>	
14.	Discharge of industrial waste to the raw water river course	The penalty shall be as provided under the Lagos State Environmental Protection Agency Law	
15.	Collusion of any staff with a third party to defraud the Corporation	Summary dismissal and prosecution	
16.	Dumping chemical waste, petroleum products or prohibited substance	<p>Corporate body</p> <p>₦5 million</p> <p>an individual</p> <p>₦500,000.00</p>	<p>five (5) years</p> <p>₦500,000.00</p> <p>daily penalty</p> <p>two (2) years</p> <p>₦50,000.00</p> <p>daily penalty</p>