

LLDA BOARD RESOLUTION NO. 96-33

LAGUNA LAKE DEVELOPMENT AUTHORITY

Board of Director's Meeting
Held on December 19, 1996
RESOLUTION NO. 33
Series of 1996

APPROVING THE RULES AND REGULATIONS IMPLEMENTING THE ENVIRONMENTAL
USER FEE SYSTEM IN THE LAGUNA DE BAY REGION

WHEREAS, Republic Act No. 4850, as amended, empowers the Laguna Lake Development Authority to issue such rules and regulations as may be necessary to effectively carry out its mandated functions and purposes;

WHEREAS, the Environmental User Fee System was approved, under Board Resolution No. 25, Series of 1996, for implementation in the Laguna de Bay Region to enhance the lake's water quality by providing the lake users with an incentive to reduce pollution and allocate their prevention and abatement resources efficiently;

WHEREAS, for the proper and effective implementation of the aforementioned system, the Laguna Lake Development Authority has formulated the Rules and Regulations Implementing the Environmental User Fee System;

NOW, THEREFORE, foregoing premises considered and pursuant to the provisions of Republic Act No. 4850, as amended by Presidential Decree No. 813, Executive Order No. 927 and Presidential Decree No. 984, BE IT RESOLVED, as it is hereby RESOLVED, to adopt the following Rules and Regulations Implementing the Environmental User Fee System in the Laguna de Bay Region:

ARTICLE

General Provisions

Section 1. Title. These rules and regulations shall be known as the "Rules and Regulations Implementing the Environmental User Fee System in the Laguna de Bay Region".

Sec. 2. Objective. In order to make environmental efforts more effective, a market-based policy instrument in the form of a user fee will be implemented to complement the existing regulatory mechanisms. This environmental user fee system is primarily aimed at reducing the pollution loading into the Laguna de Bay by enjoining all dischargers of liquid waste to internalize the cost of environmental degradation and enhancement into their business decisions or actions.

Sec. 3. Scope. These rules and regulations shall apply to all development projects, installations and activities that discharge liquid waste into and pose a threat to the environment of the Laguna de Bay Region which covers industrial, commercial, domestic and agricultural sources. These rules shall govern the administration of discharge permits that are based on an assessment of fees or charges on industrial and/or municipal effluents, including their application, issuance conditions, modifications, sanctions and enforcement.

Sec. 4. Definitions. When used in these rules and regulations, the following terms and phrases shall have the indicated meanings unless clearly stated otherwise:

- a. "Authority" - refers to the Laguna Lake Development Authority.
- b. "Concentration" - is the amount of substance or pollutant in a given volume of water or wastewater commonly expressed as milligram per liter (mg/L).
- c. "Discharge Permit" - is a clearance or legal authorization granted by the Authority to discharge liquid waste or wastewater of specified concentration and volume into any sewer system or any water body that directly or eventually drains into the Laguna de Bay for a specified period of time.
- d. "Effluent" - is a general term denoting any wastewater, partially or completely treated, or in its natural raw state or liquid waste flowing out through a pipe or a single outlet structure from a manufacturing/industrial plant or wastewater treatment plant.
- e. "Fixed Fee" - is a component of the user fee that will be charged to each discharger to cover the cost of administering the program and which will be based on volumetric rate of discharge.
- f. "Liquid Waste" - is a waste in liquid state that comprises the waste substance and/or in combination with water.
- g. "Loading" - is the amount of pollutant being discharged which is actually the product of the effluent quality or concentration and the volumetric rate of discharge.
- h. "Pollution Control Officer" or PCO - is an officer of the plant or establishment that provides linkage between the Authority and the permit holder or discharger and who possesses the qualifications as PCO and is duly accredited by the Authority.
- i. "Surcharge" - is the amount of fee charged on top of the assessed user fee due to misdeclaration of the applicant during the filing of the application.
- j. "User Fee" - is a fee levied on the dischargers for the use of the lake or its tributary rivers and streams for waste disposal purposes according to each unit of discharge.
- k. "Variable Fee" - is a component of the user fee that will depend on the strength or concentration of the discharge.
- l. "Volumetric Rate of Discharge" - is the rate at which the effluent is discharged which is usually expressed in cubic meters per day.

ARTICLE II

Discharge Permit

Sec. 5. Requisites for Discharge Permit. Any person who shall discharge, in any manner, liquid waste into the Laguna de Bay Region shall secure a discharge permit from the Authority. Such person shall file an application using the prescribed forms, under oath by the Chief Executive Officer or his duly authorized representative, in two (2) copies and supported by the official receipt of the filing fee and

by such documents, information and data as may be required by the Authority, including but not limited to the following:

A copy of the applicant's LLDA Clearance;

Engineer's Report containing such information as the declaration of production capacity stating the quantity or volume and the generic name(s) of product(s), the nature and character of applicant's waste, its chemical composition, total daily volume of discharge of raw waste, treatment process and estimated treatment efficiency, if available, and the total daily volume of water consumption and discharge of finally treated waste or effluent. Such engineer's report shall be signed by a licensed engineer;

Statement of the final cost incurred in the installation of the pollution control device, if any, and its annual maintenance costs;

A copy of the Certificate of Accreditation of the Pollution Control Officer duly issued by the Authority, or appointment/designation as such by the Chief Executive Officer;

Payment of the User Fees as assessed by the Authority;

Other documents as may be required by the Authority.

In case of any written opposition to the application for such permit, the Authority may conduct a public hearing on the said application, provided that, the discharge permit may only be issued after the conduct of a public hearing, upon compliance by the proponent of the conditions of the permit and submission of a performance bond or any guarantee which will answer for any future environmental damage.

Sec. 6. Processing of Application for Discharge Permit. The application for discharge permit shall be processed after all the above requirements shall have been duly complied with and submitted to the Authority and the filing fee therefor duly paid. The filing fee is in the amount of Php1,150.00, adjustable every year.

The Authority shall, within thirty (30) days from receipt of all the requirements cited in these Rules and Regulations, act on the application for a discharge permit either by issuing the corresponding permit upon showing of compliance with the requirements or by denying the application in writing stating the reason or reasons thereof.

Sec. 7. Approval and Issuance of Discharge Permit. The discharge permit shall be issued subject to such conditions as the Authority may impose including, but not limited to:

payment of user fees for the use of the lake or its tributary rivers and streams as a receiving water body for wastewater discharges;

compliance to water quality standards; and

monitoring and data collection requirements which will inform the Authority regarding the dynamic condition of the lake, and will form the basis for future permit modifications.

Failure to pay the user fee for any year or period shall be a sufficient ground for the revocation of the permit. Arrears shall be paid in full before a new permit is issued unless the Authority considers payment on installment upon application of the discharger.

Sec. 8. Assessment of User Fees. The total annual user fees of a permit applicant or discharger for the current year shall be assessed based on the data provided by the applicant in the application form and previous year's self-monitoring reports, if any, the Industrial Effluent Guide, and other data

available at the Authority. For subsequent years, surcharge or credit will be applied depending on the accuracy of previous year's assessment or actual discharge characteristics.

Sec. 9. Surcharges and Credits on Annual User Fees. In the event that actual discharge loadings are greater than those allowed, the Authority shall impose surcharges upon renewal of the discharge permit equivalent to the excess loading times the applicable user fee rates plus five (5) percent of this amount per month. On the other hand, if the actual discharge loadings are less than those allowed, the permit holder shall be entitled to a refund or credit of a portion of the variable fee corresponding to the reduced loading. The allowable exceedance must be within 20 percent of the allowable discharge loading as specified in the permit and must not be more than two (2) consecutive periods or quarters.

In case actual discharge conditions in terms of loadings and duration are in excess than what are allowed in the preceding paragraph, the Authority shall suspend or revoke the permit, and/or impose other sanctions as provided for by these Rules and Regulations, as the case maybe.

Any surcharge or credit will be determined upon renewal of the permit and shall be incorporated into the permit fee assessment for the coming year.

Sec. 10. Payment Scheme. The variable component of the user fee maybe paid in full or in equal quarterly installments. Full payment made within fifteen (15) days after release of assessment at the time of filing shall be entitled to a twenty (20) percent discount. Late payment of quarterly installments shall be imposed a five (5) percent per month surcharge without prejudice to the imposition of other fines and penalties. Schedule of quarterly payments shall be specified in the Discharge Permit.

Sec. 11. Disapproval of Application for Discharge Permit. In case the application is disapproved, a petition for reconsideration may be filed within ten (10) days from receipt of written notice of such disapproval. The petition shall be decided upon by the Authority within fifteen (15) days from the date of filing. The decision of the Authority on the said application shall become final and executory.

Sec. 12. Appeals. The decision of the Authority approving or disapproving applications for discharge permit may be appealed to the Secretary of the Department of Environment and Natural Resources (DENR) within fifteen (15) days from receipt of written notice of such decision. Said appeal shall not stay the execution of the decision of the Authority unless ordered otherwise by the Secretary of the DENR.

Sec. 13. Renewal of the Discharge Permit. The discharge permit may be renewed by filing an application for renewal in two (2) copies on forms prescribed by the Authority at least thirty (30) days before its date of expiration and accompanied by a filing fee in accordance with the Schedule of Fees. The application shall be executed under oath by the Chief Executive Officer/owner/operator or his/her duly authorized representative. The renewal application shall not be entertained unless and until all previously assessed user fees or pollution charges shall have been paid in accordance with the approved payment scheme, and the owner or operator shall have complied with all other previously imposed conditions.

Failure to renew during the specified period shall be subject to the penalties under Sec. 32 of these Rules and Regulations.

Sec. 14. Grounds for Suspension/Revocation of Permits. After due notice and hearing, the Authority may suspend or revoke any permit issued under these rules on any of the following grounds:

Non-compliance with, or violation of any provisions of R.A. 4850 as amended, P.D. 984 or its implementing rules and regulations particularly the water quality standards, these Rules and Regulations, and/or permit conditions;

False or inaccurate information stated in the application for permit which led the Authority to issue the permit;

Refusal to allow lawful inspections;

Non-payment of user fees due in accordance with the schedule of fees and payment scheme as provided for under these rules and/or permit conditions;

Other lawful and valid causes as provided for in these rules and regulations.

Sec. 15. Effect of Disapproval of Application or Suspension or Revocation of Discharge Permit. Disapproved applications or suspended or revoked discharge permits shall not grant any right or privilege to the applicant or former permit holder to discharge its liquid waste into the environment. If the applicant proceeds to discharge despite disapproval of application or suspension/revocation of discharge permit, the Authority shall immediately issue an Ex-parte Cease and Desist Order directing the discharger to discontinue from further discharging its liquid waste into the lake or its tributary rivers, or stoppage of discharger's operations, and impose the fines and penalties at the existing rate applicable and provided for by law, without prejudice to criminal prosecution under R.A. No. 4850, P.D. 813, E.O. 927, and P.D. 984, and other applicable laws.

Sec. 16. Posting of Permit. The permit holder shall display its permit within the premises of the plant or installation or in a conspicuous place preferably at the main gate of the establishment in close proximity to the company/plant name and in such manner as to be clearly visible and accessible to the public.

Sec. 17. Transfer of Permit. The discharge permit shall be non-transferable. In case of sale or transfer of ownership or control of the installation and/or facilities the transferee shall notify the Authority of the fact of transfer providing the name and address of the transferee and attaching the document evidencing the transfer and file an application for transfer of the permit in his name.

Sec. 18. Life and General Conditions of Discharge Permit. A discharge permit is valid for the period specified therein, for a normal period of one (1) year from the date of issuance, unless for a limited period or suspended sooner or revoked.

A suspended or revoked permit may be re-issued during the original life of the permit only after the permit holder has fully complied with the water quality standards, these Rules and Regulations, permit conditions, and/or payment of fees, fines, penalties and damages to the Authority and to the affected party. The reinstated permit shall expire according to its original expiry date.

ARTICLE III

Monitoring

Sec. 19. Self-Monitoring Reports. The Authority shall require the permit holder or discharger to submit a quarterly self-monitoring report on prescribed form under oath before a Notary Public signed by the Chief Executive Officer and the Pollution Control Officer. The report shall contain specifically the quality and quantity of wastes discharged daily or periodically, as the case may be, the characterization and laboratory analyses conducted preferably by a duly licensed and accredited laboratory of the Authority, and such other material information the Authority may require from the discharger.

The self-monitoring report shall be submitted to the Authority within five (5) days after every end of the quarter or period allowed under the discharge permit.

Sec. 20. Plant Operational Problems. In the event that the permit holder is temporarily unable to comply with any of the conditions of the permit due to a breakdown of the installation covered by the permit or for any cause, he/she or his/her Pollution Control Officer shall notify the Authority within twenty four (24) hours of such fact and its cause/or causes and likewise the remedial steps to contain or solve the problem and to prevent its recurrence; including the details of any plan toward reconstruction or repair/rehabilitation or upgrading of such installation.

Sec. 21. Compliance Monitoring Protocols. The Authority shall subject permit holders to periodic monitoring inspections. The permit holder shall ensure that all facility-related documents (maps, diagrams, permits, manufacturing process documentations, etc.) and facility employees are available during monitoring activities.

The Authority shall inspect the establishment, plant or facility and the treatment facilities of the permit holder or discharger at any time to determine compliance with the water quality standards, rules and regulations and permit conditions. The water quality parameters relevant to the plant operation and type of industry shall be determined at least once a year. Parameters that serve the basis of the user fee maybe determined more than once a year.

Sec. 22. Access to Premises. The permit holder shall provide immediate, safe and adequate access to authorized representatives of the Authority or inspectors after showing the proper LLDA Inspector's ID and mission order.

ARTICLE IV

User Fees for Liquid Waste Discharges

Sec. 23. User Fees. A user fee shall be assessed for any discharger that makes use of the lake or its tributary rivers and streams for the purpose of disposing liquid waste or wastewater. It shall be comprised of the fixed fee based on the volumetric rate of discharge and the variable fee, which will be based on the unit load of pollution. The user fee shall be the total of the fixed fee and the variable fee.

The user fee shall form part of the requirements of the Authority in adjudicating pollution cases.

Sec. 24. Schedule of Fixed Fees. The fixed fee will cover the cost of the program administration and will be dependent on the volumetric rate of discharge and according to the following schedule:

Volumetric Rate of Discharge	Fixed Fee
Within 30 cu.m./day	Php 5,000.00
More than 30 but less than 150 cu.m./day	Php10,000.00
More than 150 cu.m./day	Php15,000.00

Sec. 25. Schedule of the Variable Fees. The variable fee will be assessed based on the unit load of pollution which is computed as the product of the volumetric rate of discharge and the effluent concentration. The following schedule of the variable fee shall apply:

Effluent Concentration	Variable Fee
Within 50 mg/L BOD	Php 5.00 per kg BOD
Above 50 mg/L BOD	Php30.00 per kg BOD

The user fee rates for other water quality parameters that will eventually be covered by the system shall be determined by the Authority and approved by the Board of Directors.

Sec. 26. Adjustment of Fee Rates. The user fees may be adjusted from time to time but not within the year of latest adjustment to reflect desired environmental objectives and updated targets in the reduction of pollution loadings. Any change in the user fee rates shall be subject to the approval of the Board of Directors.

ARTICLE V

Prohibitions

Sec. 27. General Prohibitions.

No person, natural or juridical, government office/agency, or public corporation shall undertake development program and/or project within the Laguna de Bay Region without first securing clearance from the Authority.

No person, natural or juridical, shall throw, run, drain or otherwise dispose into any of the water and/or land resources of the Laguna de Bay Region, or cause, permit, suffer to be thrown, run, drain, allow to seep, or otherwise dispose thereto, any organic or inorganic matter or any substance in liquid form that shall cause pollution thereof.

No person shall dispose of toxic and/or hazardous wastes without first securing a written authorization from the Authority.

Sec. 28. Specific Prohibitions. No person, natural or juridical, shall perform, cause or undertake any of the following activities without first securing a permit from the Authority:

The increase in volume or strength of any wastes in excess of the permitted discharge specified under any existing permit; and

The construction or use of any outlet or unauthorized by-pass channels for the discharge of any untreated waste, gaseous, liquid or solid, directly into the water and/or land resources of the Laguna de Bay Region.

Sec. 29. Other Prohibitions. These acts are likewise prohibited under these rules and regulations:

Willful violation of an order or decision duly promulgated by the Authority;

Refusing, obstructing or preventing the entry of authorized representatives of the Authority into any property devoted to industrial, manufacturing, processing or commercial use for the purpose of inspecting or investigating to determine compliance of the project with the Authority's program and/or the conditions therein relating to pollution or possible or eminent pollution; and

Misconduct in the presence of the General Manager or any of person who willfully fails or refuses, without just cause, to comply with summons, subpoenas, subpoena duces tecum issued by the General Manager or by the duly designated Hearing Committee or, being present at a hearing, session or investigation, refuses to be sworn as a witness or to answer questions when lawfully required to do so.

ARTICLE VI

Penalties

Sec. 30. General Administrative Fine. Any person, natural or juridical, found violating any lawful order or decision of the Authority or failing to comply with these Rules and Regulations and/or conditions embodied in the clearances or permits issued by the Authority shall be liable to an administrative fine in an amount not exceeding five thousand pesos (Php5,000.00) in addition to such

other sanctions stated in these Rules and Regulations. The imposition of the aforesaid fine does not preclude the Authority from instituting, before the appropriate Courts, the proper criminal or civil action as the case may warrant.

Sec. 31. Penalty for Failure to Abate Pollution. Any person found violating or failing to comply with any order, decision or regulation of the Authority for the control or abatement of pollution shall pay a fine not exceeding five thousand pesos (Php5,000.00) per day for every day during which such violation or default continues. The Authority shall hereby be authorized and empowered to impose the fine after due notice and hearing.

Sec. 32. Penalty for Violating the Prohibited Acts. Any person who shall violate any of the provisions of Article V of these rules and regulations or any order or decision of the Authority shall be liable to a penalty of not to exceed one thousand pesos (Php1,000.00) for each day during which such violation or default continues, or by imprisonment of from two (2) years to six (6) years, or both fine and imprisonment after due notice and hearing, and in addition such person may be required or enjoined from continuing such violation.

Failure to renew the discharge permit within the period specified under Sec. 13 of these Rules and Regulations shall be liable to a penalty of not to exceed one thousand pesos (Php1,000.00) per day during which such violation or default continues.

If the violator is a corporation, partnership or association, the President or Chief Executive Officer of the organization concerned shall be liable therefor.

Sec. 33. Penalty for Refusing Entry. Any person, natural or juridical, who shall refuse, obstruct or hamper the entry of duly authorized representative of the Authority into any property of the public processing or commercial use for the purpose of inspecting or investigating the conditions therein relating to pollution or compliance to other provisions of these Rules and Regulations, shall be liable to a fine not exceeding five thousand (Php5,000.00) pesos and contempt upon application with the proper courts and/or the actions that the Authority may deem necessary and appropriate.

Sec. 34. Payment for Damages. Any person, natural or juridical who violates the provisions of these Rules and Regulations or fails to perform any condition imposed in a permit or clearance, or refuses to obey a duly promulgated order/decision of the Authority, thereby causing damage to the lake's resources or other surface water in the Laguna de Bay Region, shall be liable to pay the Authority and the affected parties for such damages in an amount to be determined by the Authority.

Sec. 35. Non-Payment of Fines. The fines so imposed shall be paid to the Authority and failure to pay the fine in any case within the time specified in the above-mentioned order or decision shall be sufficient ground for the Authority to order the closure or stoppage of the operation of the establishment being operated and/or managed by said person or persons until payment of the fines shall have been made. Payment of the fines does not ipso facto operate to vest on the violator the right to resume operation.

ARTICLE VII

Final Provisions

Sec. 36. Transitory Provisions. Any person, natural or juridical, who before the effectivity of these Rules and Regulations have already complied with the requirements of, or have been issued permit or clearance pursuant to the provisions of R.A. 4850, as amended, shall, upon presentation of proof of such compliance that is acceptable to the Authority, be considered as having complied with the requirements of these Rules and Regulations.

Sec. 37. Phaseout of the Authority to Construct and Permit to Operate. The Discharge Permit shall henceforth replace collectively the existing Authority to Construct and Permit to Operate for Wastewater Treatment Facilities.

Sec. 38. Effluent Standard for Biochemical Oxygen Demand. For purposes of these Rules and Regulations, the Authority hereby adopts a uniform effluent standard for Biochemical Oxygen Demand (BOD) of 50 mg/L, regardless of strength of the raw wastewater, if discharge will directly or eventually drain to the Laguna de Bay or its tributary rivers and streams.

Sec. 39. Separability Clause. If any Sec. or provision of these Rules and Regulations is held or declared unconstitutional or invalid by a competent court, the other Sec.s or provisions hereof shall continue to be in force as if the Sec.s or provisions so annulled or voided had never been incorporated herein.

Sec. 40. Amendments. These Rules and Regulations may be amended and/or modified from time to time by the Authority.

Sec. 41. Effectivity. These Rules and Regulations shall take effect fifteen (15) days after publication in a newspaper of general circulation.

APPROVED:

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NOTICE

Notice is hereby given to all industrial, commercial, domestic (except single residential buildings) and other similar establishments in the Laguna de Bay region that generate liquid waste or wastewater to

secure the necessary Discharge Permit and avoid the penalties and sanctions under the above rules and regulations according to the following schedule:

EXPIRATION MONTH	METRO MANILA	RIZAL	LAGUNA, BATANGAS, CAVITE, QUEZON
January	Pasay City	Cainta	San Pedro, Biñan
February	Pasig City	Taytay	Silang, Carmona, Tagaytay City
March	Marikina	Angono, Cardona, Binangonan	Sta. Rosa
April	Pateros	Morong	Cabuyao
May	Tagig	Teresa	Calamba
June	Muntinlupa	Antipolo	Sto. Tomas
July	Manila	Rodriguez (Montalban)	Tanauan, Malvar
August	Quezon City	San Mateo	Alaminos, Rizal San Pablo City
September	Kalookan City	Baras	Los Baños, Bay, Pila Calauan, Victoria
October	-	Tanay	Sta. Cruz, Nagearlan, Liliw, Magdalena
November	-	Pililla	Pagsanjan, Lumban, Cavinti, Majayjay, Luisiana, Lucban
December	-	Jalajala	Kalayaan, Paete, Pakil, Pangil, Siniloan, Famy, Mabitac, Sta. Maria

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