

# Punjab Municipal Water Act 2014

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## ***An Act to recognize, regulate & manage present and future municipal water in the Punjab***

*Whereas, water is a natural resource essential for the sustenance and enjoyment of life and an economic commodity and also in recognition of the Government's overall responsibility and authority for water resources and their use, including the equitable allocation of safe drinking water, the promotion of sustainable management of municipal water for public benefit, the protection of the quality of water resources, it is expedient to provide an integrated and comprehensive regulatory framework for municipal water supply and sanitation services and to establish rights of access to basic water supply and basic sanitation, and to ensure conservation of water resources in the Province.*

*Now therefore, be it hereby enacted by the Provincial Assembly of the Punjab.*

## **CHAPTER I**

### **Preliminary**

#### **1. Short Title, Extent and Commencement:**

- (1) This Act may be called the Punjab Municipal Water Act, 2014
- (2) It shall extend to the whole of the Punjab.
- (3) It shall come into force at once.
- (4) The Provincial Government may by notification exempt application of this Act or any of its provisions to the whole or to any part of a district on the recommendations of the Commission.

#### **2. Definitions: In this Act, unless the context otherwise requires:**

- (a) “Act” means the Punjab Municipal Water Act 2014;

- (b) **“Assembly”** means the Provincial Assembly of Punjab;
- (c) **“Aquifer”** means a layer of water-bearing strata located underground that conveys water in sufficient quantity to supply pumping wells or natural springs;
- (d) **“Basic Water Supply”** means the supply of prescribed quantity and quality of water to households, including informal households, to support life and personal hygiene;
- (e) **“Bulk Water Entitlement”** means the volumetric authorization given by the Commission to bulk water supplier for a specific period of time as provided in the permit granting the entitlement;
- (f) **“Bulk Water Supplier”** means any person or entity, who having procured a bulk water entitlement, treats it as per prescribed standards and then supplies it to service provider in an area or service providers in more than one area for retail distribution; and includes a supplier of wastewater treatment services;
- (g) **“Certificate of Registration”** means a certificate of registration issued by the Commission;
- (h) **“Consumer”** means any end user who receives water supply or sanitation services from a service provider;
- (i) **“Commission”** means the Punjab Municipal Water Commission constituted under section eleven of the Act;
- (j) **“Effluent”** means wastewater discharged from point sources which enters into a body of water or upon land, or wastewater arising as a by-product of any water use;
- (k) **“Groundwater”** means subsurface water that occurs beneath a water table in soils and rocks, or in ecological formations;
- (l) **“Government”** means the Government of the Punjab;
- (m) **“Local Government”** means a local government established under the Punjab Local Government Ordinance / Act;
- (n) **“Permit”** means the grant of right for water appropriation which is issued to a local government or a bulk water supplier;
- (o) **“Prescribed”** means prescribed by rules made under this act;
- (p) **“User of Water”** means any natural or artificial person or persons or entity, whether Government owned or controlled or not, who or which uses water for any municipal purpose;
- (q) **“Municipal Purpose”** means use of water in an area for drinking, domestic and recreational use, horticultural, industrial or commercial use and includes such other purposes as may be prescribed but excludes water used solely for the purposes of irrigation;
- (r) **“Municipal Water”** means the total water required for municipal purposes in an area;

- (s) “**National Environmental Quality Standards (NEQS)**” means the standards issued by the Pakistan Environmental Protection Agency established under the Pakistan Environmental Protection act, 1997;
- (t) “**Well**” means a well sunk for the search or abstraction of water by a person or persons for carrying out scientific investigations, exploration, development or management work for the survey and assessment of water resources or for providing water and includes open well, dug well, bore-well, dug-cum-bore-well, tube-well and collector well;
- (u) “**Surface Water**” means water, which lies above the surface of the ground, is open to the atmosphere and is subject to surface runoff;
- (v) “**Sewerage**” means a system of collection of wastewater from an area including its houses, institutions, industry and public places; the pumping, treatment and disposal of such wastewater, effluent, sludge, and other end products;
- (w) “**Service Provider**” means any entity responsible under this Act for the management, treatment and distribution of municipal water or collection, transport, treatment and disposal of wastewater;
- (x) “**Water Quality**” means water the quality whereof is appropriate as per standards issued by the Commission for the purpose for which it is supplied or used;
- (y) “**Water Supply Services**” means the appropriation, conveyance, treatment and distribution of municipal water, or water intended to be converted to municipal water
- (z) “**Water Body**” means both natural and man-made bodies of fresh, brackish, and saline waters, and includes, but is not limited to, aquifers, groundwater, springs, creeks, streams, rivers, ponds, lagoons, water reservoirs and lakes but does not include bodies constructed, developed and used purposely as water treatment facilities, or water storage for recycling and re-use which are integral to process industry or manufacturing;
- (aa) “**Water Pollution**” means any alteration of the physical, chemical, biological, or radiological properties of a water body resulting in the impairment of its purity or quality;
- (bb) “**Environmental Remediation Use**” means use of water for environmental remediation purposes;
- (cc) “**Agency**” means an Agency established under any of the law for the time being enforced and includes any government department and any other local, national or international organization;
- (dd) “**Authority**” means an Authority established under any law and includes any government, local or international authority;
- (ee) “**Basic Sanitation**” means provision of sewerage services to the inhabitants of any area using the lowest-cost technology ensuring hygienic excreta and sludge disposal and a clean healthy living environment;
- (ff) “**The Council**” means the Council as defined in section 2 (vi) of the Punjab Local Government Ordinance, 2001;

- (gg) “*Water Service*” means in general water supply and sewerage services in this Act, otherwise specified;
- (hh) “*Water and Sewerage Services Provider*” means Any Government or private body established under any law and operating as services providers within the meaning of this Act; and
- (ii) “*Water Utilities*” means water and sewerage services providers under the provision of this Act.

## CHAPTER II

### Municipal Water

**3. Municipal Water:** (1) Upon the coming into force of this Act, all municipal water used, or intended to be used within the limits and under jurisdiction of a municipal authority for drinking, domestic, recreational, horticultural, industrial or commercial purposes and such other purposes as may be prescribed shall be declared as municipal water.

(2) Use of water for drinking purposes shall take precedence over all other water uses.

**4. Sources of Municipal Water:** Municipal water shall only be appropriated from the source prescribed by the Government under the rules framed under the Act.

Provided that commission shall manage municipal water source only for municipal purposes considering any applicable environmental and public health standards and to the extent allocated by the Government.

**5. Ground Water:** Notwithstanding anything to the contrary contained in the Punjab Irrigation and Drainage Authority Act 1997 or any other law for the time being in force, all groundwater used or to be used for municipal purposes in the urban areas shall vest in the Government and shall be regulated by the Punjab Municipal Water Commission.

**6. Surface Water:** Water requirement from the surface water for municipal purposes would be worked out for each of the district in the province by the commission and shall be forwarded to the Government, which may allocate surface water for municipal purposes in keeping with projected requirements and the existing water rights on the subject.

**7. Rain Water:** The Commission shall encourage the use of rain water for municipal purposes and shall prescribe guidelines for the harvesting and management of rain water for municipal purposes, as well as for recharging of the aquifer.

**8. Categorization of Municipal Water:** (1) All municipal water sources and uses shall be categorized in accordance with the type of usage, and minimum water quality and water supply service standards as shall be prescribed for each of the categories.

(2) Municipal water use shall be categorized as:

- (a) Potable *domestic* water use, for drinking and *non-potable domestic* water for washing, bathing, or other uses in homes and gardens, and for the use of domestic animals,
- (b) *Institutional* use of water in institutions providing public or social services such as healthcare and educational institutions,
- (c) *Commercial* use for a profit-oriented commercial enterprise,

- (d) **Industrial** use for factories, industrial plants and mines, including the use of water as an ingredient of a finished product,
- (e) **Amenity** or recreational use for swimming pools, bath houses, boating, golf courses and other similar facilities in resorts and other places of recreation,
- (f) **Environmental remediation use** of water in urban areas for environmental remedial purposes.

(3) Use of Municipal water for a lower category purpose from a source meant for a higher category shall be prohibited and if repeatedly done would be punishable under this Act.

**9. Protected Areas:**(1) Any watershed or any area of land adjacent to any surface water or overlying any ground water may be declared by the Government as protected area. These areas will be in addition to those already notified by the Environment Department as Environmentally Sensitive Areas with the prohibition of groundwater extraction. All watershed or any area or land adjacent to any surface water or overlying any ground water may be declared as protected area by the Government.

(2) Regulations may be promulgated by the Commission to prohibit or control such activities by the owners or occupants thereof within the protected area which may damage or cause the deterioration of the surface water or groundwater or interfere with the investigation, use, control, protection, management or administration of such water.

**10. Environmental Considerations in Water Projects:** (1) In the consideration of a proposed water resource project or scheme, due regard shall be given to ecological changes resulting from the construction of the project in order to balance the needs of development and the protection of the environment.

**11. Standards of Water Quality:**(1)The Government shall notify the standards of water quality and levels of service delivery for various categories of municipal water including;

- (a) Setting and notification of standards of municipal water quality and quality of services delivered for all municipal purposes,
- (b) Setting and notification of standards and norms for maintaining the quality of municipal water taken from or discharged into any water body,
- (c) Suggesting and notifying the measures and means for the effective and sustainable use of water resources for municipal water supply services.

(2) The standards & norms prescribed under subsection (1) may differentiate between;

- (a) Different uses /users of municipal water services, and
- (b) Different geographic areas by taking into account, inter alia, the socio-economic and physical attributes of each area.

(3) In prescribing standards under subsection (1) the Government must consider—

- (a) The need for everyone to have a reasonable quality of life;

- (b)** The need for equitable access to municipal water services;
- (c)** The operational efficiency and economic viability of municipal water services;
- (d)** Any norms and standards for applicable tariffs for municipal water services;
- (e)** Any other laws or any standards set by other governmental or federal government agencies;
- (f)** Any guidelines and standards prescribed under the Punjab Environmental Protection Act 2012;
- (g)** Any impact which the municipal water supply services might have on the environment; and
- (h)** The obligations of the Provincial Government as custodian of water resources.

## CHAPTER III

### Municipal Water Commission

**12. Constitution of Commission:** (1) Upon commencement of this Act, but not later than twelve months thereafter, the Government shall establish *the Punjab Municipal Water Commission*.

(2) The Commission shall be a body corporate, having perpetual succession and a common seal with power to enter into contract; and it may sue or be sued by the said name.

**13. Composition of Commission:** (1) The Commission shall comprise the following members:

- (a) Secretary to the Government, Local Government and Community Development Department;
- (b) Secretary to the Government, Housing and Urban Development & Public Health Engineering Department;
- (c) Secretary to the Government, Environment Protection Department;
- (d) Secretary to the Government, Irrigation Department;
- (e) At least four professional members (from the private sector) with no less than twenty years' experience in the field of water resource management, water supply and sanitation or environmental and public health engineering;
- (f) Two members of the Provincial Assembly (one from rural and one from urban areas) to be nominated by the Government;
- (g) Executive Director of the Commission.

The Chairman shall be appointed by the Government

- (2) The Commission may, co-opt any other person as member either for a particular meeting or purpose, or for a specified period, provided that the number of such co-opted members at any time shall not exceed two.
- (3) The members who are not ex-officio members shall serve for a period of three years and shall not be removed without valid reason and only in accordance with a prescribed procedure.
- (4) A member, other than an ex-officio member, may resign from his office by a notice in writing to the Government and his seat shall fall vacant on the acceptance of the resignation.
- (5) The vacated seat shall be filled in within ninety days of the vacancy.
- (6) The members who are not ex-officio members may receive such fees and allowances as may be prescribed.

(7) A member shall not, directly or indirectly, receive any profit from his position as the member except such fee, allowances and other expenses incurred by him in the performance of his duties as may be prescribed.

**14. Disqualification:** No person shall be appointed or shall continue as the Chairperson or member, if–

- (a) He has been convicted of an offence involving moral turpitude; or
- (b) He has been found guilty of misconduct; or
- (c) He has been declared to be of unsound mind by a competent Court; or
- (d) He has been or is adjudged as un-discharged insolvent; or
- (e) He is incapable of discharging his duties by reason of physical or mental infirmity and has been so declared by a Special Medical Board appointed by the Government; or
- (f) He fails to disclose any conflict of interest at or within the time provided for such disclosure by or under this Act or contravenes any of the provisions of this Act; or
- (g) He stands disqualified by the order of the Court to hold any public office; or
- (h) He is or has been at any time disqualified for employment in, or dismissed from, the service of Pakistan or the service of any Provincial Government or a body or authority under the Provincial or Federal Government; or
- (i) He fails to attend more than three consecutive meetings of the Commission without leave.

**15. Meetings: (1)** The Commission shall meet at least once every three months.

(2) No less than three fifths of the total number of members shall constitute the quorum for a meeting of the Commission, with at least three non-official members.

(3) All members shall attend the meeting in person.

(4) The Commission shall take its decisions by a simple majority of the Members.

(5) The Chair of the meeting shall cause the minutes of the meeting to be recorded and distributed by the Executive Director, who shall be the ex-officio secretary of the Commission.

**16. Advisory Committees: (1)** The Commission may appoint professional advisory committees to advise the Commission on any specific matters falling within the scope of this Act.

(2) An advisory committee shall consist of a chairperson and such members as the Commission may determine, with due regard to the expertise required.

(3) A member of an advisory committee may be paid an allowance as determined by the Commission.

(4) An advisory committee shall have such functions and shall be for a period, as may be specified by the Commission.

**17. Secretariat of the Commission:** The Commission shall have a secretariat, which shall be headed by a full time Executive Director and comprise of such other employees as may be prescribed.

The secretariat of the Commission, on behalf of the Commission, shall be responsible for maintaining and updating records, correspondence, collection of reports and information and execution of the directions of the Commission.

**18. Functions of the Commission:**(1) Upon establishment of the Commission, the responsibility for regulating the conservation, protection, utilization, exploitation, development of municipal water resources and the regulation of all municipal water services, including quality assurance of water, water services and tariff shall vest with the Commission.

(2) Without prejudice to the generality of the provisions in sub section (1), the Commission shall perform the following functions:

- (a) To safeguard the interest of public through effective regulation and enforcement.
- (b) Regulate the exploitation and maintenance of all sources of municipal water;
- (c) Maintain a comprehensive database of all sources of municipal water;
- (d) Maintain a comprehensive database of all the bulk and retail service providers in the province;
- (e) Notification of standards of municipal water quality and quality of services delivered for all municipal purposes;
- (f) Notification of standards and norms for maintaining the quality of municipal water taken from or discharged into any water body;
- (g) Notification of standards for wastewater treatment /recycling;
- (h) Notification of regulation, standards for underground water injection control (UWIC) programs to protect underground sources of drinking water.
- (i) Notification of regulation of municipal water supply emergency and declaration;
- (j) Describe the serving range of community water system for drinking water security, more than that require to conduct an assessment of the system's vulnerability to terrorist attacks or other intend to disrupt the safe and reliable drinking water supply.
- (k) Suggesting and notifying the measures and means for the effective and sustainable use of water resources for municipal water supply services;
- (l) Advise the Government on the regulations and methodologies for improving the nature, operation, sustainability, operational efficiency and economic viability of municipal water services;

- (m) Describe the requirements for persons who may install and operate water services works and provide assistance and coordinate with the water utilities and municipal water users for developing and improving the appropriation, usage and disposal of municipal water;
  - (n) Present an annual report to the Government regarding the overall management and administration of municipal water, including monitoring reports and recommendations on measures to be taken by the Government to enhance the quality or quantity of available municipal water;
  - (o) Develop, promote and support training and professional development of officials and other persons engaged in provision or regulation of municipal water supply and sanitation services;
  - (p) Carry out research and development, by itself or in collaboration with the specialized institutions of research & higher education, either in the public sector or in the private sector; aimed at conserving, improving and extending the water sources and municipal water services in the province;
  - (q) Advise the Government on all policy and planning matters related to municipal water;
  - (r) Monitor the response of the municipal water service providers to the complaints from the consumers;
  - (s) Monitor the agreement of the municipal water service providers with the consumers.
  - (t) Prescribe the standard and norm of the response time for the municipal water service providers to handle the complaints.
  - (u) To maintain a public register all kind of Water and Sewerage Services Providers such as Government and private bodies or any other corporate body established under any law for the time being enforce.
- (3) While prescribing standards and norms, the provisions of the existing laws and framework may be kept in view.

**19. Powers of the Commission:** (1) Remaining within the overall framework of this Act and other Laws in vogue, the Commission may take measures and exercise powers as may be necessary for carrying out the purposes of this Act.

- (2) Without prejudice to the generality of the sub-section (1), the Commission may;
- (a) Monitor application of the laws, rules, regulations, standards, policies and procedures in respect of, or relating to municipal water;
  - (b) Monitor the implementation of and evaluate laws, rules, regulations, policies, procedures, or relating to, inspection or quality of goods, services and works and recommend reformulation thereof or revisions therein as it deems necessary;
  - (c) Recommend to the Government revisions in or formulation of new laws, rules, standards and policies in respect of or related to municipal water;
  - (d) Monitor & Regulate the regulations and standards of service and municipal water quality in the province;

- (e) Monitor & Regulate the performance indicators and standards for municipal water utilities operating in the province, as prescribed by the Government;
- (f) Call a functionary of a local government or a service provider to provide assistance in its functions and call for information from any government agency in pursuance of its objectives and functions;
- (g) Monitor (directly or through delegation) the provision of water and sewerage services by each water service provider including efforts for improvement and extension of services;
- (h) Notify such materials and products which shall be prohibited from use in the construction of water supply infrastructure and facilities;
- (i) Notify recommended materials, products and technologies in the construction of water supply infrastructure and facilities;
- (j) The Commission will have the power to act as a regulator for all municipal water related services and municipal water service providers;
- (k) Commission may direct the provincial government to develop or improve sector policy in the findings of commission report/suggestions;
- (l) Commission may ask to the service provider to prepare an emergency response plan incorporating the results of vulnerability assessment.

(3) The Commission may be assigned such other functions as are not incompatible with its character and expertise, nor inconsistent with this Act.

(4) The Commission shall maintain an updated website which shall have provision of receiving complaints, comments and suggestions.

(5) Arbitrate on inter-institutional matters of disputes (PHED and MC, PHED and CBO etc.).

(6) Receives public complaints against departments and service providers, concerning any of the functions.

(7) Publish annual report on performance of line departments & service providers on state of water and sanitation in Punjab.

(8) Ask to the Government about good practices in the municipal water sector to incorporate them for improvement and better service delivery.

(9) Publish newsletter on municipal water reforms by public and private organizations and networks on quarterly basis.

**20. Power to Require Information for Enforcement Purposes:** The Commission or the Government or a local government may require any municipal water service provider to provide such information as it may consider necessary for the enforcement of this Act and shall be entitled to receive the information within a period of thirty days from the date of requisition of information.

**21. Provincial Municipal Water Information System:** (1) The Commission shall ensure that there is a province wide information system on water sources and services:

(a) To record and provide data for the development, implementation and monitoring of policies on municipal water and water services; and

(b) To provide information to local governments, service providers, consumers and the public,

(i) To enable them to monitor the performance of local governments and service providers;

(ii) For research purposes; and

(iii) For any other lawful reason.

(2) The information system may form part of a larger system relating to water generally or other information management systems in the Province.

(3) The public is entitled to reasonable access to the information contained in the provincial information system, subject to limitations as may be prescribed.

(4) The Commission shall take reasonable steps to ensure that information provided is updated, correct, reliable and in an accessible format.

**22. Reports by the Commission:** (1) At the conclusion of each financial year the Commission shall submit a report for each district to the Government regarding the extent of water sources and services and regarding the extent of compliance with this law. Each report shall faithfully and truthfully state the true state of affairs and shall not in any manner make a misrepresentation and/or wrong statement.

(2) The Report shall be a public document and shall be made available on the website.

**23. Finances and Budgets of the Commission:** (1) There shall be a fund of the Commission to be called as the "Punjab Municipal Water Commission Fund".

(2) The fund shall be credited with:

(a) Money provided to the Commission by the Government for its operational expenses,

(b) All fines, fees and penalties received by the Commission,

(c) Such other monies as may be prescribed.

(3) The Commission shall prepare a budget in such format as the Government may direct.

(4) The budget shall be submitted to the Government for final approval.

## CHAPTER IV

### Water Appropriation

**24. Appropriation through Permit:** (1) Water for municipal purposes may be appropriated and used in accordance with the provisions of this Act.

(2) Except as otherwise herein provided, and subject to the Indus Basin Treaty, the Water Apportionment Accord (1991), and IRSA Act (1992) no person, including government, government controlled or government owned entities, shall appropriate municipal water without a water right, which shall be evidenced by a water permit.

Provided that this section shall not apply to water rights sanctioned under the Canal and drainage Act 1873 and PIDA Act 1997.

(3) Waters appropriated for a particular purpose may be applied for another purpose only upon prior approval of the Commission and on condition that the new use does not unduly prejudice the rights of other permit holders, or require an increase in the volume of water.

**25. Water not Previously Appropriated:** The Commission may, in public interest and subject to the provisions of section 24, declare municipal water not previously appropriated, in whole or in part exempt from appropriation for municipal purpose and thereupon, such waters may not be appropriated for those purposes.

**26. Water Appropriation:** (1) No person shall appropriate municipal water for any municipal purposes without permission granted under this Act.

(2) Notwithstanding the generalities of the foregoing provision, if any person desires to appropriate municipal water for a municipal purpose; he shall do so only with the permission of the Commission.

(3) An application for permission under sub-section (2) shall be made to the Commission accompanied by such fee as may be prescribed.

(4) The Government shall frame the rules under which permission for municipal water appropriation to any applicant will be granted. The Commission may, as and when deemed necessary, delegate the responsibility for municipal water appropriation to a local body, who will act according to the Rules prescribed under this Act.

Provided that this section will be subject to the provisions made under section 24.

**27. Procedure for Permits:** (1) Any user of municipal water desiring to sink a well or take water from a surface water source allocated by the Government for municipal purposes, shall apply to the commission for grant of permit for this purpose, and shall not proceed with any activity connected with such appropriation unless a permit has been granted by the Commission.

(2) The local governments or their delegates shall grant local permits meant for private municipal purposes.

*Provided that* the wells proposed to be fitted with a hand operated manual pump or where water is proposed to be withdrawn by manual devices for domestic purposes shall be exempted from the permit;

(3) Every application under sub-section (1) shall be made in such form, shall contain such particulars and shall be made in such manner as may be prescribed.

(4) On receipt of an application under sub-section (1), if the Commission is satisfied that it shall not be against public interest to do so, it may grant, subject to such conditions and restrictions as may be specified, a permit authorizing the abstraction and use of the water.

*Provided that* no person shall be refused a permit unless he has been given an opportunity of being heard and the refusal is accompanied by a justification for that refusal;

(5) The decision regarding the grant or refusal of the permit shall be intimated by the Commission or local government to the applicant within a period of 90 days from the receipt of the application.

(6) In granting or refusing a permit under sub-section (3), the Commission shall have regard to:

- (a) The purpose or purposes for which water is to be used;
- (b) The existence of other competitive users;
- (c) The availability of water;
- (d) Quality of water with reference to use; (category)
- (e) Long term water level behaviour in the area;
- (f) Hydrological studies (for properties, distribution and effects of water) and groundwater modelling (for more inside about groundwater flow system); (if available)
- (g) Water quality monitoring methodology and plan
- (h) Application fee has been deposited
- (i) Any other factor relevant thereto.

(7) The permit shall be issued in such form as may be prescribed.

**28. Matters to Consider when issuing Commercial Permits:** (1) All applications filed for grant of a municipal water permit to be used for commercial purposes shall be made public by the Commission so as to invite objections thereto.

(2) In determining whether to grant or deny an application for commercial purposes, the Commission shall consider the following:

- (a) Objections filed, if any;
- (b) Prior permits granted from the proposed source;

- (c) The availability of water;
- (d) The water supply needed for a particular use;
- (e) Possible adverse effects on the water source or environment;
- (f) Land-use implications;
- (g) Any other relevant factors.

(3) All municipal water permits granted shall be subject to such restrictions, standards of design and construction, and such other terms and conditions as may be imposed by the Commission.

(4) Permits issued by the Commission shall specify the maximum amount of municipal water which may be diverted or withdrawn, the maximum rate of diversion or withdrawal, the time or times during the year when municipal water may be diverted or withdrawn, the point or points of diversion or location of wells, the place of use, the purposes of which municipal water may be used and such other requirements as the Commission deems necessary in the public interest.

(5) The Commission shall ensure that municipal water is utilized in the right amount during the period that the water is needed for producing the benefits for which the water is appropriated.

*Provided that* limitations on water use shall be prescribed by the Commission for the appropriator of water for different purposes, conditions, and areas, and the use of waters which are appropriated shall be measured and controlled in accordance therewith.

**29. Registration of Existing Appropriators:**(1) Every existing commercial and industrial water appropriator and municipal water service provider shall, within a period of one year from the date of establishment of the Commission, apply to the Commission for the grant of a certificate of Registration recognizing its existing use in such form and in such manner as may be prescribed.

*Provided that* the Commission may entertain any such application after the expiry of the said period, if it is satisfied that the user was prevented by sufficient cause from filing application in time.

(2)The details to be furnished in an application under sub-section (1) shall include the following:

- (a) The description of the source of water;
- (b) The lifting device used;
- (c) The quantity of water withdrawal and hours of operation per day;
- (d) The total period of use in each year;
- (e) The purpose or purposes for which water is being appropriated; and

(f) In the case of water supply schemes owned and operated by the Government or any non-governmental organization, the details of the services involved in addition to the quantities of water extracted the diversion or the pumping points and their locations.

(3) On receipt of an application under sub-section (1), if the Commission is satisfied that it shall not be against the prescribed standard and public interest to do so, it may grant, subject to such conditions and restrictions as may be specified, a certificate of registration authorizing the continued appropriation of the water.

*Provided that* no person shall be refused a certificate of registration unless he has been given an opportunity of being heard and specific time has been given for compliance against objections and the refusal so issued shall contain appropriate justification for giving such refusal.

(4) The decision regarding the grant or refusal of the certificate of registration shall be intimated by the Commission to the applicant within a period of ninety days from the receipt of the application.

(5) Pending the communication by the Commission of the decision on an application under sub-section (1), every existing user of water shall be entitled to the continued use of the water in the same manner and to the same quantity as he was entitled prior to the date of his application.

**30. Right when Acquired:** The right to the use of municipal water is deemed acquired as of the date of approval of the application for a municipal water permit in case of approved permits, or as of the date of actual use in a case where no permit is required.

**31. Transfer of Water Rights:** Municipal Water rights acquired under a permit may be transferred in whole or in part to another person with prior approval of the permit issuing authority , after due notice and hearing.

**32. Control and Measurement: (1)** Every appropriator of municipal water shall maintain water control and measuring devices, and keep records of Municipal water withdrawal.

(2)When so ever required by the Commission, all bulk, commercial and industrial water appropriators shall furnish information on water use in such manner as may be prescribed.

**33. Annual Progress Report:** All bulk, commercial and industrial water appropriators shall furnish progress report to the Commission on annually basis, about municipal water use, monitoring schedule and corrective action in case of emergency / accident

**34. Cancellation of Permits and Certificate of Registration:** If the Commission is satisfied either on a reference made to it in this behalf or otherwise, that:

- a) The permit or certificate of registration granted is not based on facts, or has been obtained based on misrepresentations, undue influence, coercion or corruption;
- b) the holder of the permit or certificate of registration has without reasonable cause failed to comply with the conditions subject to which the permit or certificate of

registration has been granted or has contravened any of the provisions of this Act or the rules and regulations made there under, or;

- c) a situation has arisen which warrants limiting of the use or appropriation of water then without prejudice to any other penalty for which the holder of the permit or of the certificate of registration may be liable under this Act, the Commission may after giving the holder of the permit or certificate of registration, an opportunity to show cause, cancel the permit or certificate of registration, as the case may be.

**35. Exemption from Permit:** Subject to the provisions of this Act, concerning the control, protection, conservation, and regulation of the appropriation and use of waters, any person may appropriate or use natural bodies of water without securing a water permit for any of the following:

- a) Appropriation of water by means of hand-carried receptacles; and
- b) Bathing or washing, watering or dipping of domestic or farm animals and other similar uses.

**36. Rainwater Harvesting:** The Commission shall regulate the use of rain water for municipal purposes and may prescribe guidelines for the harvesting and management of rain water for municipal purposes, as well as for recharging of the aquifer, to ensure the sustainability and quality of water sources;

**Modification or Cancellation of Permit:** All water permits shall be subject to modification or cancellation by the Commission in the public interest, after due notice and hearing, in favour of a project of greater public benefit and an appropriator who suffers thereby shall be duly compensated by the entity or person in whose favour the modification or cancellation was made.

## CHAPTER V

### Water Treatment and Bulk Supply

**37. Water treatment before supply:** every service provider or a bulk water supplier shall treat the appropriated water according to the standards to a level suitable for the purpose for which it has to be supplied.

**38. Bulk treatment: (1)**The Commission may grant permits to a local government, a non-governmental organization or a private operator for the bulk appropriation, treatment and supply of water to service providers for retail distribution.

**(2)** The Commission may award and manage the contracts for regional bulk water supply and treatment of surface water and wastewater, for onward supply to the water service providers or backflows into the water bodies respectively.

**39. Prohibition on Discharge of Untreated Water:** Notwithstanding anything contained in the Punjab Environmental Protection Act, 2012, National Environmental Quality Standards or any other law for the time being in force discharge of wastewater in any water body shall be regulated by the Commission.

**40. Discharge after Treatment of Water: (1)** Any service provider or bulk water supplier desiring to discharge treated wastewater, shall apply to the Commission for grant of a permit for this purpose, and shall not proceed with any activity connected with such discharge unless a permit has been granted by the Commission; as may be prescribed in accordance with the Section 59 – A of the Canal and Drainage (Amendment) Act 2006 (XVII of 2006).

**(2)** Every application under sub-section (1) shall be made in such form and shall contain such particulars and shall be made in such manner as may be prescribed.

**(3)** On receipt of an application under sub-section (1), if the Commission is satisfied that it shall not be against public interest to do so, it may grant, subject to such conditions and restrictions as may be specified, a permit authorizing the discharge of the treated wastewater.

*Provided that* no person shall be refused a permit unless he has been given an opportunity of being heard and the refusal is accompanied by a justification for that refusal.

**(4)** The decision regarding the grant or refusal of the permit shall be intimated by the Commission to the applicant within a period of 90 days from the receipt of the application.

**(5)** In granting or refusing a permit under sub-section (3), Commission shall have regard to:

- (a)** Compliance with standards issued by Commission;
- (b)** Other users of water discharging treated or untreated water into the water body;
- (c)** The quantity and quality of water in the water body;
- (d)** Any other factor relevant thereto

(6) The permit shall be issued in such form as may be prescribed.

**41. Domestic Use of Water:** The Commission may, by notification, declare certain municipal water sources containing potable municipal water to be appropriated only for domestic purposes.

**42. Commercial Use of Water:** The Commission may, by notification, declare certain municipal water sources to be appropriated only for commercial purposes.

**43. Industrial Use of Water: (1)** A person may not obtain municipal water for industrial use from a source other than the distribution system of the municipal water service provider in the area.

(2) In case the industrial use requires direct access from the municipal water source, a permit from the Commission would be required, which shall be issued in accordance with the procedure as may be prescribed.

(3) No person may dispose off industrial effluent in any manner other than that approved by a water services provider, a local government or the competent authority.

**44. Permit for surface water appropriation:** The Commission may grant a permit for appropriation, treatment and bulk supply of surface water to a bulk water supplier.

*Provided that* a bulk water supplier may be issued a permit to perform bulk water supply services at the regional or divisional level.

No person may dispose of industrial effluent in any manner other than that approved by a water service provider or a local Government, and the final approval for disposal of treated industrial effluent into water bodies would be given by the competent authority under relevant laws.

## Chapter VI

### Water Services

**45. Levels of Service:**(1)The Commission may categorize and specify the levels of service delivery based upon the access, quantity of water, pressure of water in the pipe, duration of water supply and such other factors and parameters as may be prescribed.

(2) All service providers shall be registered & monitored according to their level of service, as defined in accordance with sub-section 1.

The Commission may grant a permit, for use of Municipal Water allocated by Government for distribution, treatment and supply of surface water to a bulk supplier of Municipal Water.

**46. Access to Water Services:**(1) Subject to provisions of the Punjab Local Government Ordinance 2001, every local government in the province has a duty to all consumers or potential consumers in its area of jurisdiction to progressively ensure efficient, affordable, economical and sustainable access to water services.

(2) This duty is subject to

(a) The availability of resources;

(b) The need for an equitable allocation of resources to all consumers and potential consumers within the area of jurisdiction;

(c) The need to regulate access to water services in an equitable way;

(d) The duty of consumers to pay reasonable & approved charges,

(e) The duty to conserve water resources;

(f) The nature, topography, zoning and situation of the land in question;

(3) A local government may not unreasonably refuse or fail to give access to water services to a consumer or potential consumer in its area of jurisdiction.

(4) In emergency situations a local government must take reasonable steps to provide basic water supply and basic sanitation services to any person within its area of jurisdiction and may do so free of cost.

**47. Water & Sanitation Master Plan:** Every local government must, within three years after the commencement of this Act;

(a) As part of the city or regional master plan; or

(b) Separately, if no process for city or regional master plan has been initiated, prepare

(i) A draft water & sanitation master plan for its area of jurisdiction: and

(ii) A summary of that plan.

(c) The contents of the master plan and summary shall be in accordance with the rules,

(d) The draft plan shall be circulated and approved by the council,

(e) The master plan shall be published on the website as well as printed and shall be made available to the consumers at a reasonable cost,

(f) The summary of the plan shall be printed in sufficient numbers and shall be distributed free of cost to all the consumers or potential consumers.

**48. Deviation from the Master Plan:** No substantial deviation from the master plan is valid unless it is embodied in a new master plan adopted in accordance with the procedure set out in the rules.

**49. Reporting on Implementation of Local Government Plans:**(1) A local government must report on the implementation of its plans in such manner and form as may be prescribed during each financial year.

(2) The report must be;

(a) Made within four months after the end of each financial year, and

(b) Submitted to the Commission and the Department of Local Government.

(3) The local government must publicize a summary of its report.

(4) A copy of the report and of its summary must be available at the offices of the local government for inspection upon payment of such fee as may be prescribed.

**50. Water Services by Local Government:** (1) A local government may perform-

(a) The functions of a municipal water services provider itself and

(b) (i) Enter into a written contract with a registered municipal water services provider, which could be an authority, an agency, a company, a private entrepreneur or a community based organization; or

(ii) Form a joint venture with another local government or a registered service provider to provide water services in its area of jurisdiction;

*Provided that* where so ever the local government exercises rights granted under sub-section (1) (b), the respective local government shall remain responsible for the provision of water services in its area of jurisdiction.

(2) The aforesaid sums in respect of services related to water supply, sewerage and drainage shall be credited separately to the head "water supply and sanitation" and shall be exclusively utilized for water supply and sanitation services.

**51. Water Services by Community Based Organizations:** (1) The Government may notify guidelines and regulations for the establishment of Community Based Organizations to act as water service providers in such area as may be specified.

*Provided that* a CBO may not unreasonably exclude any person within its service area from those water services.

(2) The Public Health Engineering Department and the Local Government Department (executing agencies of water related development schemes) shall facilitate and encourage the formation of Community Based Organizations in consultation with the inhabitants of the area or with an existing Community Based Organization in the area.

(3) The order recognizing the Community Based Organization shall state interalia:

- (a) The period for which the CBO will operate;
- (b) The nature and extent of the water services to be provided;
- (c) The area or the community to be served;
- (d) The composition of the CBO and the appointment of its members;
- (e) Any contribution to be made by the community or its members to the provision of water services; and
- (f) Any other related matter.

(4) A Community Based Organization shall set conditions not inconsistent with the provisions of this Act for the provision of services relating to-

- (a) The technical conditions of supply, including units or standards of measurement;
- (b) Verification of meters limits of error and settlement of disputes relating to the measurement of water services provided;
- (c) The installation, alteration, operation, protection and inspection of water services works and consumer installations;
- (d) The determination and structure of tariffs;
- (e) The circumstances under which water services may be limited or discontinued and the procedure for such limitation or discontinuation; and
- (f) The prevention of wasteful or unlawful use of water by the consumers.

*Provided that* in case a CBO is the service provider, it must invite comments from the inhabitants of its service area before setting any conditions.

(5) Conditions set by a CBO must be accessible to the consumers and potential consumers of the service area in question.

(6) Members of a CBO shall be under a fiduciary duty to perform their duties with honesty, care and diligence and to disclose any conflict of interest.

(7) The Commission shall monitor and regulate the performance of the CBOs, treating them at par with other service providers.

**52. Contracts and Joint Ventures:** (1) A local government may only enter into a contract with a private sector water services provider after it has considered all known public sector water services providers which are willing and able to perform the relevant functions at an equitable cost.

- (2) Before entering into or renewing—
- (a) a contract with a water services provider: or
  - (b) a joint venture with another water services institution other than a public sector water services institution which will provide services within the joint venture at cost and without profit the local government must publicly disclose its intention to do so.
- (3) Any water services provider entering into a contract or joint venture with a local government must, before entering into such a contract or joint venture, disclose and provide information on—
- (a) any other interests it may have, which are ancillary to or associated with the relevant local government; and
  - (b) any rate of return on investment it will or may gain by entering into such a contract or joint venture.
- (4) The Commission may prescribe—
- (a) matters which must be regulated by a contract between a water services provider and a local government;
  - (b) Compulsory provisions to be included in such a contract; and
  - (c) Requirements for a joint venture between a local government and a water services provider to ensure;
    - (i) That water services are provided on an efficient, equitable, cost effective and sustainable basis;
    - (ii) That the terms of the contract are fair and equitable to the local government, the water services provider and the consumer; and
    - (iii) Compliance with this Act and any other law in force.
- (5) As soon as such a contract or joint venture agreement has been concluded, the local government must supply a copy thereof to the Commission as well as to the Departments of Public Health Engineering and Local Government and Community Development.
- (6) The Commission may provide model contracts to be used as a guide for contracts between local governments and water services providers.
- 53. Local Government acting as Water Services Provider:** (1) When performing the functions of a water services provider, a local government must manage and account separately for those functions.
- (2) A local government may act as a water services provider outside its area of jurisdiction, if contracted to do so by the concerned local government for the area in question.
  - (3) A local government performing the functions of a water service provider shall establish a fund to which shall be credited—
    - (a) Grants and loans made by the Government;

- (b) All moneys received from Federal Government or any international agency by way of grants, loans, advances or otherwise;
- (c) All fees, rates and charges received by the local government under the Act;
- (d) all moneys received by the local government from the disposal of lands, buildings and other properties, movable and immovable;
- (e) Proceeds from the self-financing schemes of water supply and sanitation
- (f) All other sums receivable by the local government

**54. Register of Water and Sewerage Service Providers:** (1) The Commission shall maintain a register of Water Service Providers, as may be prescribed.

(2) The Commission shall cause to be entered into the register-

- a) The type of the Service Provider and the area allocated to it;
- b) The conditions of appointment and modifications made therein;
- c) Every direction, consent or determination made by the Commission;
- d) Every provisional or final order made by the Government; and
- e) Every undertaking given to the Government by a Service Provider and accepted by the Secretary to the Government;

(3) The portion of the register pertaining to district shall be made available to the Chief Executive Officer in the district.

(4) The contents of the Register shall be available for inspection by the public at such times and on payment of such charges as may be specified by the Government.

(5) The register shall be maintained both in electronic and documentary forms.

**55. Approval to Operate as Water Services Provider:**(1) No person may operate as water services provider without the approval of the local government having jurisdiction in the area in question, in accordance with the Punjab Local Government Ordinance 2001.

(2) Any approval in terms of subsection (1)—

- (a) Must be for a limited period; and
- (b) May be granted subject to conditions.

(3) Any person who at the commencement of this Act, was acting as a water services provider without approval from the local government having jurisdiction in the area in question, may continue to do so until the expiry of reasonable notice, which notice must not be longer than one year given by the local government—

- (i) That it requires the provider to enter into a contract; or
- (ii) That the continuation will be subject to approval as contemplated in this Act

**However**, in cities where specialized entities have been established under a law, these may function as bulk water suppliers and service providers, such approval would be sought from these entities.

**56. Conditions for Provision of Water Services:** (1) Water services must be provided in terms of conditions set by the water services provider.

(2) These conditions must—

(a) be accessible to the public;

(b) accord with conditions for the provision of water services contained in bylaws of the concerned local government; and

(c) provide for—

(i) The technical conditions of existing or proposed extensions of supply;

(ii) The determination and structure of tariffs;

(iii) The conditions for payment;

(iv) The circumstances under which these services may be limited or discontinued;

(v) Procedures for limiting or discontinuing water services; and

(vi) Measures to promote water conservation and demand management.

(3) Procedures for the limitation or discontinuation of water services must—

(a) Be fair and equitable;

(b) Provide for reasonable notice of intention to limit or discontinue water services and for an opportunity to make representations unless—

(i) Other consumers would be prejudiced;

(ii) There is an emergency situation; or

(iii) The consumer has interfered with a limited or discontinued service; and

(iv) Not result in a person being denied access to basic water services for non-payment, where that person proves, to the satisfaction of the relevant water services provider that he or she is unable to pay for basic services.

**57. Setting of Tariff:** (1) The Commission may, from time to time prescribe standards for setting a reasonable water tariff in respect of water services.

(2) These standards may—

(a) Differentiate on an equitable basis between—

(i) Different users of water services;

(ii) Different types of water services; and

(iii) Different geographic areas, taking into account, among other factors, the socio-economic and physical attributes of each area;

(b) Place limitations on surplus or profit;

(c) Place limitations on the use of income generated by the recovery of charges; and

(d) Provide for part of income from tariffs to be used to promote or achieve water conservation.

(3) In prescribing the norms and standards for tariff setting, the Commission must consider among other factors—

(a) Social equity;

(b) The financial sustainability of the water services in the geographic area in question;

(c) The recovery of costs reasonably associated with providing the water services;

(d) The redemption period of any loans for the provision of water services;

(e) Need for a return on capital invested for the provision of water services; and

(f) The need to provide for drought and excess water availability.

(4) Any water service provider desiring to revise the water tariff shall apply to the Commission for approval with such documents as may be prescribed.

(5) The application shall be assessed at the Secretariat of the Commission and the Commission shall make a final decision on it.

(6) The process for assessment at the Secretariat shall follow such manner as may be prescribed.

(7) The conclusion of the Commission shall be forwarded to the water service provider as well as the local government in question.

**58. Water Services Provider must give Information:** A water services provider must give such information concerning the provision of water services as may reasonably be called for by

(a) The local government having jurisdiction in the area in question:

(b) The Department of LG & CD;

(c) The Department of PHE;

(d) The Commission; or

(e) A consumer or potential consumer.

**59. Monitoring by the Local Government:**(1) Every local government/WASA must monitor the performance of water services providers within its area of jurisdiction to ensure that—

(a) Standards and norms and standards for tariffs prescribed under different sections of this Act are complied with:

(b) And conditions set by the local government are met:

(c) Any contract is adhered to

(2) The local government shall submit the reports of monitoring carried out under sub-section (1) to the Commission with such regularity and in such format as may be prescribed

(3) The Commission shall be the appellate authority for all decisions made by the local governments, under sub-section (1).

**60. Monitoring by the Commission:**(1) The Commission shall regulate the performance of every water service provider in order to ensure;

(a) Compliance with all applicable standards prescribed under this Act;

(b) Compliance with all norms and standards for tariffs prescribed under this Act; and

(c) Compliance with every applicable scheme, development plan, policy statement or business plan prepared under Act.

(2) Any person authorised in writing by the Commission or a local government may—

(a) At any reasonable time may enter any property and inspect any water services work in order to ascertain whether this Act or any regulation or directive made under it is being complied with:

(b) After reasonable notice to the owner or occupier of any property, enter that property with the necessary persons, vehicles, equipment and material—

(i) To repair, maintain, remove or demolish any water services work belonging to or operated by the service provider concerned:

(ii) To remove vegetation interfering with any water services work belonging to or operated by the water services institution concerned;

(iii) To establish the suitability of any water source or site for the construction of a water services work:

(iv) Search, excavate, bore or carry on any activity necessary for the recovery or measurement of water; and

(c) After reasonable notice to the owner or occupier of any property, cross the property in order to enter another property lawfully.

(3) Any person entering property must identify him / herself and present his or her authorisation.

(4) A dwelling may only be entered—

(a) Where it is necessary in terms of this Act to do so;

(b) On reasonable notice; and

(c) At a reasonable time.

## Chapter VII

### Penal Provisions

**61. Suspension, revocation and fines:** The following acts shall be penalized by suspension or revocation of the violator's municipal water permit or other right to the use of municipal water and/or a fine of not exceeding two hundred thousand rupees:

- (a) Appropriation of ground water for domestic use by a landowner without registration with the local government.
- (b) Non-observance of any standard of municipal water use.
- (c) Failure of the appropriator to keep a record of water withdrawal, when required.
- (d) Failure to comply with any of the terms or conditions in a municipal water permit.
- (e) Unauthorized use of municipal water for a purpose other than that for which a right or permit was granted.
- (f) Construction or repair of any hydraulic work or structure without duly approved plans and specifications.
- (g) Failure to install a regulating and measuring device for the control of the volume of municipal water appropriated.
- (h) Unauthorized sale, lease, or transfer of municipal water and/or water rights.
- (i) Failure to provide adequate facilities to prevent or control diseases in the construction of any work for the storage, diversion, distribution and utilization of municipal water.
- (j) Drilling of a well without permission of the local government.
- (k) Violation of or non-compliance with any order, rules prescribed by government, or regulations of the Commission.
- (l) Illegal taking or diversion of water in an open canal or reservoir.
- (m) Malicious destruction of hydraulic works or structure.
- (n) Failure by any person to furnish, within a period of thirty (30) days, information required by the Commission or its authorized representative.
- (o) Any deviation from permit without approval of Commission.

**62. Fines and imprisonment:** (1) A fine of not exceeding Fifty five hundred thousand or imprisonment for not more than one (1) year, or both, shall be imposed upon any person who commits any of the following acts:

- (a) Appropriation of municipal water without a water permit, where required under the Act,

(b) Unauthorized obstruction of any canal or waterway, which is a source of municipal water.

(2) A fine exceeding not more than Five Million (Rs. 5,000,000) or imprisonment not more than three (3) years, or both, shall be imposed on any person who commits any of the following acts:

(a) Distribution for public consumption of municipal water which adversely affects the health and safety of the public.

(b) Excavation or enlargement of the opening of a spring without permission.

(c) Establishment of a cemetery or a waste disposal area near a source of municipal water supply or reservoir for domestic or municipal use without permission.

(d) Constructing, without prior permission of the government agency concerned, works that produce dangerous or noxious substances, or performing acts that result in the introduction of sewage, industrial waste, or any substance that pollutes a source of municipal water supply.

(e) Dumping industrial effluent and sediment into ground water, rivers or waterways without permission.

**63. Cognizance of offences:** (1) No court lower than that of a First Class Magistrate shall try an offence under this Act.

(2) Notwithstanding anything contained in the Code of Criminal Procedure, 1898 (Act of 1898) prosecution for any offence under this Act against any person shall be instituted only on the complaint of the Commission, or an officer of the Commission or a local government authorized by the Commission.

(3) Prosecution of any offence and enforcement of any penalty under this Act shall be conducted or supervised by an officer of the Commission or an officer of the local government authorized by the Commission

**64. Offences by a body corporate:** If the offence is committed by a corporation, trust, firm, partnership, association or any other body corporate, the penalty shall be imposed upon the President, General Manager, and other guilty officer or officers of such corporation, trust firm, partnership, association or entity, without prejudice to the filing of a civil or criminal action against said body corporate.

## Chapter VIII

### Miscellaneous and Transitory Provisions

- 65. Financial Assistance to Local Governments and Water Service Providers:** The Government may at its discretion or on recommendations of the Commission provide financial assistance to the LGs/WASAs/PHED and other institutions for capital investments related to water sources development or establishment of water services works or for the water service provision.
- 66. Compliance with other Laws:** No approval given under this Act and nothing contained in this Act relieves anyone from complying with any other law relating to-
- (a) The abstraction and use of municipal water: or
  - (b) The disposal of effluent.
- 67. Registration of rights:** (1) Within two (2) years from the promulgation of this Act, all claims for a right to use municipal water existing on or before December 31, 2014 shall be registered with the Commission which shall confirm said rights in accordance with the provisions of this Act, and shall set their respective priorities.
- (2) When priority in time of appropriation from a certain source of supply cannot be determined, the order of preference in the use of the municipal water shall be as follows:
- (a) Potable *domestic* water for drinking and non-potable domestic water for washing, bathing, or other uses in homes and gardens, and for the use of domestic animals;
  - (b) *Institutional* use of water in institutions providing public or social services such as healthcare, emergency services and educational institutions;
  - (c) *Commercial* use for a profit-oriented commercial enterprise;
  - (d) *Industrial* use for factories, industrial plants and mines, including the use of water as an ingredient of a finished product;
  - (e) *Environmental* use of water in urban areas for public purposes;
  - (f) *Amenity* or recreational use for swimming pools, bath houses, boating, golf courses and other similar facilities in resorts and other places of recreation.
- (3) Any claim not registered within said period shall be considered waived and the use of the water deemed abandoned, and the water shall thereupon be available for disposition as unappropriated municipal water in accordance with the provisions of this Act.
- (4) No vested or acquired right to the use of municipal water can arise from acts or omissions which are against the law or which infringe upon the rights of others.

**68. Appeals:** (1) Any water service provider aggrieved by any order, action or omission of a local government shall appeal to the Commission in such manner as may be prescribed.

(2) Any consumer aggrieved by an order, action or omission of a water service provider shall appeal to the Commission in such manner as may be prescribed.

*Provided that*, in deciding appeals under this section, the Commission shall give due regard to the contractual arrangements between the appellant and the respondent party.

(3) The Commission shall devise a grievance redress mechanism at the divisional level for addressing the issues at the divisional level.

(4) Any water service provider aggrieved by any order, action or omission of the Commission shall appeal to the court of competent judiciary.

**69. Invalidity of provisions:** If any provision or part of this Act, or the application thereof to any person or circumstance, is declared unconstitutional or invalid for any reason, the other provisions or parts therein shall not be affected.

**70. Savings:** (1) All contracts executed before the commencement of this Act, under any law previously in force, shall be respected.

(2) Any modification or extension of these acts and contracts after the promulgation of this Act, shall be subject to the provisions hereof.

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