

# REGULATION OF WATER SUPPLY AND SEWERAGE SERVICES ACT

*Prom. SG. 18/25 Feb 2005, amend. SG. 30/11 Apr 2006, amend. SG. 65/11 Aug 2006, amend. SG. 102/19 Dec 2006, amend. SG. 102/28 Nov 2008, amend. SG. 47/23 Jun 2009, amend. SG. 93/24 Nov 2009, amend. SG. 66/26 Jul 2013, amend. SG. 103/29 Nov 2013, amend. SG. 98/28 Nov 2014, amend. SG. 17/6 Mar 2015, amend. and suppl. SG. 58/31 Jul 2015*

## **Chapter one. GENERAL PROVISIONS**

Art. 1. (1) This Act shall provide the regulation of the prices, the accessibility and the quality of the water supply and the sewerage services, implemented by the exploitation enterprises for water supply and sewerage services, called hereinafter "WSS operator".

(2) The water supply and sewerage (WSS) services of para 1 for treatment and supply of water for drinking-household, industrial and other needs, discharge and treatment of waste and rain waters from the properties of the consumers in the urbanized territories (the settlements and the settlement formations), as well as the activities for construction, maintenance and exploitation of the water supply and sewerage systems, including the treatment stations and the other facilities.

Art. 2. (1) WSS operators shall be all enterprises with subject of activity implementing of WSS services.

(2) The WSS operators shall implement their activity according to the requirements of This Act.

(3) Other enterprises, implementing services for supply, discharge and treatment of drinking and waste waters, shall implement these activities according to the requirements of This Act.

Art. 3. (1) The water for drinking – household needs is basic vital necessity in the sense of the Social Support Act.

(2) The WSS services of art. 1, para 2 shall be activities of public interest.

Art. 4. (1) This Act shall aim to create conditions for:

1. satisfying the needs of the consumers of water with drinking qualities giving priority to the drinking – household water supply of the population;
2. ensuring of accessibility, reliability and security of WSS services;
3. increase of the quality and the efficiency of the rendered WSS services;
4. prevention of waste waters flowing out of the sewerage network, as well as discharge of drainage waters in it out of the provided in the technological process;
5. reduction of the total losses of water at exploitation of the water supply systems;
6. balancing the interests of the WSS operators and of the users;
7. equality between the different groups of consumers with regard to the quality and the price of the WSS services.

(2) The Council of Ministers shall adopt sector strategy for management and development of the water supply and sewerage in the Republic of Bulgaria for a period not less than 10 years, with which shall be determined the objectives, the stages and the means for increase of the WSS services.

**Chapter two.**  
**REGULATION OF THE WATER SUPPLY AND SEWERAGE SERVICES**

Art. 5. (1) (amend. – SG, 17/15 in force from 06.03.2015) The regulation of WSS services shall be implemented by the Commission for Energy and Water Regulation, which shall be established by the order of the Energy Sector Act, called hereinafter "the commission".

(2) The structure and the authorities of the commission shall be determined with This Act and the Energy Sector Act.

(3) The commission shall regulate the prices and the quality of the WSS services, rendered by the WSS operators, including by the enterprises of art. 2, para 3 also, regardless of the forms of ownership and management of the WSS systems.

(4) For fulfillment of the authorities of the commission under This Act territorial units subordinated to it shall be established. The conditions and the order for their establishing shall be provided with the structural regulation of the commission.

Art. 6. (1) The commission shall:

1. regulate the quality of the WSS services;
2. regulate the prices of the WSS services;
3. develop, coordinate and propose to the Council of Ministers drafts of normative acts, provided in This Act;
4. give written instructions about the applying of the by-law normative acts of item 3;
5. approve the general conditions of the contracts for rendering WSS services to the consumers;
6. exercise control and impose sanctions in the cases provided in This Act;
7. implement the authorities conceded with This Act on the occasion of concession and other contracts;
8. keep register of the contracts for assigning the implementation of WSS services;
9. register the experts who participate in the implementation of the control under This Act.

(2) At preparing the acts of para 1, item 3 the commission shall conduct procedure for public discussion by the order of art. 14 of the Energy Sector Act.

Art. 7. At implementing its activity the commission shall be guided by the following principles:

1. ensuring conditions for rendering general access and social acceptability of the WSS services;
2. prevention of misuse of dominant position;
3. protection of the interests of the consumers;
4. economic rationale of the prices of the WSS services;
5. accounting of the needs of the consumers who due to geographic, terrain or other reasons are in unequal position;
6. creating of conditions for the WSS operators to exploit and maintain the system and to input investments at reduction of the exploitation expenses;
7. encouragement of the expedient and efficient planning of the investments in time;
8. speed and procedure economy of the procedures before the commission;
9. encouragement of the reduction of the losses of water, the efficient and the economic use of the supplied water quantities by the consumers;
10. protection of environment;

11. creating of conditions for attraction of resources for investments and participation of the private sector in the rendering of WSS services;

12. encouragement of the introduction of modern technical methods and achievements in the rendering of WSS services.

Art. 8. (1) The revenues in the budget of the commission, with which is financed the activity under This Act shall be collected from:

1. fee "WSS regulation";
2. fines and sanctions under This Act;
3. fee for registration of experts.

(2) The resources of the budget of the commission shall be spent by the order of art. 27, para 3 of the Energy Sector Ac, as well as for payment of the services, rendered by the experts, registered under This Act.

(3) The amount of the fees of para 1, the order and the terms for their payment shall be determined with a tariff, approved by the Council of Ministers upon proposal by the commission.

### **Chapter three.**

## **REGULATION OF THE QUALITY OF THE WATER SUPPLY AND THE SEWERAGE SERVICES**

Art. 9. (1) The commission shall measure and asses the quality of the rendered WSS services by indices of quality.

(2) The basic indices for quality of the WSS services shall be:

1. level of coverage with water supply services;
2. quality of the drinking water;
3. continuousness of the water supply (continuousness of the water supply and duration of the interruptions);
4. general losses of water in the water supply systems and terms for their reduction;
5. breakdowns of the water supply system;
6. pressure in the water supply system;
7. level of coverage with sewerage services;
8. quality of the untreated waste waters and of the treated waste waters;
9. breakdowns of the sewerage system;
10. floods in properties of third persons, caused by the sewerage;
11. exploitation indices of efficiency;
12. financial indices of efficiency;
13. term for answer to written complaints of the consumers;
14. term for joining of new consumers to the WSS systems;
15. number of the personnel compared to number of the serviced consumers.

(3) The long term levels of the indices for quality of WSS services, the conditions and the order for formation of annual purposed levels of the indices for quality of the WSS services for each WSS operator according to the specific circumstances of his activity shall be determined with an ordinance, approved by the Council of Ministers upon proposal of the commission.

(4) (amend. – SG 66/13, in force from 26.07.2013; amend. – SG 98/14, in force from 28.11.2014) The total losses of water in the water supply systems of para 1, item 4 shall be determined by method for determining the admissible losses of water in the water supply systems, approved by the Minister of Regional Development and Public Works.

(5) The commission shall determine the maximum amount of the admissible total losses of water and the annual purposed levels of para 3 for their reduction every year observing the method of para 4 and with objective maximum preservation of the water resource and preservation of the social acceptability of the WSS services, the data being published.

Art. 10. (1) The WSS operators shall develop business plans for 5 years periods containing production, repair, investment and social program, with technical and economic part.

(2) The technical part of the business plan shall contain program for achieving the purposed levels of the indices for quality of the rendered WSS services, including also for reduction of the water losses.

(3) The economic plan of the business plan shall contain:

1. analysis of the existing and the prognosis level of consumption of WSS services for the period;

2. investment program, bound with the parameters of the technical part of the plan;

3. sources and conditions of financing of the investment program;

4. analysis of the existing and estimate of the prognosis expenses for exploitation and maintenance of the WSS systems;

5. analysis of the existing and estimate of the prognosis expenses for management of WSS systems;

6. depreciation plan, bound with the investment program and with the terms of setting of the assets into operation.

7. price and revenues from the WSS services according to the requirements, determined in the ordinance of art. 13, para 5 and the method of art. 9, para 4;

8. analysis of the social acceptability of the proposed price of the WSS services;

9. other elements, determined with the ordinance of art. 9, para 3.

(4) In the business plans the WSS operators shall provide activities for exploitation, measures for improvement of the efficiency of the existing networks and facilities as well as for reconstructions, rehabilitation and construction of new networks with objective achieving the long term levels of the indices for quality of the rendered WSS services. The business plans shall be presented with statements of the respective municipalities.

(5) The business plans shall contain technical – economic analysis of the existing situation and proposal for the concrete indices for quality of the WSS services according to the requirements of art. 9.

(6) When in the business plans the construction of new or the reconstruction and the rehabilitation of existing networks and facilities of the sewerage system of the settlements is included, they shall be complied with the priorities of the National program for construction of water treatment stations for waste waters of the settlements and with the terms of the Program for applying of Directive 91/271 of the European Union, approved by the Council of Ministers as well as with the statements of the respective municipalities.

(7) (amend. – SG 103/13) The business plans shall be conceded not later than 6 months before the elapse of the last year according to the acting business plan.

(8) In the ordinance of art. 9, para 3 shall be determined the elements and the parameters which must be contained in the business plans, the order for control of their fulfillment and the way of accounting of the fulfillment of the annual purposed levels of the indices for quality.

Art. 11. (1) The commission shall approve the business plan, proposed by the WSS operator in three months term after receiving it if it meets the following requirements:

1. the annual purposed levels of the indices for quality of the WSS services have been

developed with regard to future achieving of the long term levels of the indices of art. 9, para 2 as well as to the method of art. 9, para 4;

2. the investment program and the expenses for exploitation, maintenance, repair and management of the WSS systems correspond with the technical part of the business plan;

3. the proposed prices comply with the other parameters of the economic part of the business plan and the method for formation of the prices, determined in the ordinance of art. 13, para 5;

4. they correspond with the principles and the obligatory provisions of This Act.

(2) In case the content of the proposed business plan in the technical or the economic part does not meet the requirements of para 1 the commission shall give instructions for respective changes and the WSS operator shall re-work the business plans in compliance with them.

(3) The re-worked business plans shall be submitted for approval to the commission in the term, defined with the instructions of para 2.

(4) The approved business plans shall become obligatory for fulfillment by the respective WSS operator.

(5) The ESS operators shall be obliged to fulfill the indices for quality, determined according to the requirements of para 1, item 1.

(6) (amend. - SG 30/06, in force from 12.07.2006) The decisions, including the implicit denial of the commission, may be appealed by the order of the Administrative procedure code.

(7) The WSS operators shall publish the general conditions of the contracts for rendering WSS services, approved by the commission, at least in one central and in one local daily newspaper. They shall enter into force in one month term after the publishing.

(8) In 30 days term after the general conditions enter into force the consumers, who do not agree with them, shall have right to submit to the respective WSS operator declaration with which they propose different conditions. The different conditions, proposed by the consumers and accepted by the WSS operators shall be reflected in additional written agreements.

#### **Chapter four.**

### **REGULATION OF THE PRICES OF THE WATER SUPPLY AND THE SEWERAGE SERVICES**

Art. 12. (1) (prev. Art. 12 – SG 47/09, in force from 23.06.2009) To regulation by the commission shall be subject the prices at which the WSS operators:

1. supply water to the consumers;
2. abstract the waste waters;
3. treat the waste waters;
4. join the consumers to the water supply system;
5. join the consumers to the sewerage systems.

(2) (new – SG 47/09, in force from 23.06.2009) The Commission shall regulate also the prices, at which the WSS operators or other companies supply water from their or allocated to them to be operated water intake facilities or systems to the water supply systems of other WSS operators. In these cases no fee for "Regulation" shall be payable.

Art. 13. (1) At fulfillment of its authorities for regulation of the prices of WSS services the commission shall be guided by the principles of art. 7 and:

1. the correspondence between the economic part of the business plan and the proposed prices;
2. the restorability of the economically grounded expenses as expenses for:
  - a) exploitation, maintenance, repair and management of the WSS systems;

- b) depreciation of the long term assets;
- c) (amend. – SG 65/06, in force from 11.08.2006) the due fees for water taking and contamination observing the provisions of art. 192, para 2, item 2, Art. 192b, Art. 192c and § 139 of the transitional and concluding provisions of the Waters Act;
- d) the due fees for regulation in the sense of this Act;
- e) preservation of environment;
- f) additional obligations, assigned by the competent state bodies;
- 3. the applying of economically grounded rate of return of the input capital;
- 4. the correspondence between the prices for the settlements and the actual expenses for rendering the WSS services;
- 5. the social bearableness of the prices of the WSS services;
- 6. the avoiding of cross subsidizing between the consumers.
- (2) The commission shall regulate the prices through:
  - 1. determining the upper limit of prices or revenues;
  - 2. rate of return.
- (3) The commission shall determine unified indices for efficiency which shall be applied at the price formation by the WSS operators.
- (4) The commission shall determine purposed rate of return at accounting the specific conditions in each WSS operator, taking in consideration the social bearableness of the price of the WSS services, the requirements for future capital expenses and the indices for capital stability.
- (5) The methods for regulation of the prices, the rules for their formation, reflecting the structure of the expenses, the order for submitting of the proposals for the prices and for their approval as well as the order for conceding of information shall be determined with an ordinance, approved by the Council of Ministers upon proposal by the commission.

Art. 14. (1) (amend. - SG 58/15) The WSS operators shall present for approval to the commission the prices, formed according to the ordinance of art. 13, para 5. The approval of the technical and the economic part of the business plans shall be condition for their approval in the part for the prices.

(2) (new - SG 58/15) The WSS operators shall apply the principle of a single price of a WSS service on a particular territory. The principle shall be compulsory for the WSS services “supply of water to consumers or other WSS operators” and “waste water outlet”. The price of the WSS service “outlet of waste waters and cleaning” may be determined in a differentiated manner for groups of consumers depending on the level of pollution as set out in the present act and the acts on its implementation.

(3) (prev. text of Para 02 - SG 58/15) In case the proposed prices do not comply with the principles and the provisions of This Act and the ordinance of art. 13, para 5 the commission shall give instructions in compliance with which the WSS operators shall propose for approval new prices and define a term in which this is to be done.

(4) (prev. text of Para 03 - SG 58/15) The prices, applied by the WSS operators cannot be higher than these approved by the commission.

Art. 15. The WSS operators shall keep separate accounting for:

- 1. each activity – subject to price regulation under This Act;
- 2. each unit of the organizational structure of the WSS operators.

Art. 16. The instructions, given by the commission about the formation of the prices, the rules for keeping of the divided accountancy as well as the form and the content of the accounting reports for regulatory purposes shall be obligatory for the WSS operators and for the enterprises of art. 2, para 3.

Art. 17. (1) The WSS operators shall concede every year to the commission:

1. their annual financial reports, including the appendices to them according to the Accountancy Act and the annual auditor's reports;

2. accounting information by kinds of activities and by units.

(2) The WSS operators shall, upon request by the commission, for the purposes of regulation, concede the whole accounting documentation and technical – economic information, including the concluded contracts.

(3) The enterprises of art. 2, para 3 shall concede to the commission the documents and the information of para 1 and 2 about the activity they implement in compliance with This Act.

Art. 18. (1) (amend. – SG 66/13, in force from 26.07.2013; amend. – SG 98/14, in force from 28.11.2014) The Minister of Regional Development and Public Works may impose to the WSS operators additional obligations for servicing the society when they are connected with:

1. the continuousness of the supply of water with drinking qualities and the discharge of the waste water and its treatment;

2. the preservation of environment – in coordination with the Minister of Environment and Waters;

3. (amend. – SG 102/06; amend. - SG 102/08; amend. – SG 93/09, in force from 25.12.2009) measures for protection of the population from disasters and accidents – in coordination with the Minister of Interior;

4. measures, connected with the national security and the defense.

(2) The additional obligations of para 1 shall be imposed with an order, which shall contain:

1. the WSS operator, to whom they are imposed;

2. the reasons, imposing the additional obligations;

3. the content of the obligations;

4. the term and the conditions under which the obligations must be fulfilled;

5. other conditions.

(3) The expenses, made by the WSS operators for the additional obligations of para 1 shall be economically grounded expense in the sense of art. 13, para 1, item 2.

Art. 19. Procedure for reconsidering of the prices shall be opened by the commission officially or upon request by WSS operators when unpredicted or unpreventable event of extraordinary character occurs, which substantially changes the revenues and the economically grounded expenses of the WSS operators.

Art. 20. The WSS operators shall publish the prices applied by them in one central and in one local and in their Internet site.

## **Chapter five.**

## **CONTROL**

Art. 21. (1) The commission shall conduct control for:

1. the correspondence of the business plan with the requirements of This Act;
  2. the fulfillment of the indices for quality of the WSS services, determined in the business plan;
  3. (amend. - SG 58/15) the applying of the prices according to the requirements of art. 14, para 4, and art. 19;
  4. the expenses made for achieving the indices, set on the business plan.
- (2) The commission shall implement preliminary, current and follow up control.
- (3) The commission shall implement preliminary control by giving statement at the preparation of the concession and the other kinds of contracts for management of the WSS systems about their compliance with This Act and the by-law acts for its implementation.
- (4) The commission shall currently control the activity for rendering the WSS services by the WSS operators by checks of the accounting reports about the fulfillment of the business plans of the WSS operators as well as by making checks at the place.
- (5) The commission shall implement follow up control over the fulfillment of the given recommendations to the WSS operators.
- (6) The commission shall pronounce decision in 30 days after receiving of the documents of para 3.
- (7) The structure of the reports of para 4 for the fulfillment of the business plans by the WSS operators shall be determined with a decision of the commission.

Art. 22. The commission may require in term, defined by it current information and documents about the fulfillment of the business plans by the WSS operators, documentation in connection with the price formation and the quality of the services as well as information in relation with signals, complaints, applications and proposals.

Art. 23. (1) The commission shall implement planned and extraordinary checks for the implementation of the control of art. 21, para 4 and 5.

(2) The periodical planned checks shall be implemented in compliance with a schedule, approved with a decision of the commission in the beginning of the respective calendar year.

(3) Extraordinary checks shall be made on the occasion of signals received by the commission from state bodies, bodies of the local government, mass media, complaints, applications and proposals as well as for check of the information conceded by the WSS operators.

Art. 24. (1) The checks shall be made by officials of the commission, assisted by experts, registered by it, who may be individuals or local corporate bodies.

(2) The officials, who make checks, shall be determined with an order of the chairman of the commission.

(3) The registration of the experts of para 1 shall be implemented under conditions and by order, approved by the Council of Ministers upon proposal by then commission.

(4) Registered experts may be:

1. legally capable individuals, Bulgarian citizens with acquired higher education with educational – qualification degree "master" or "bachelor" in specialties of professional directions in the fields of higher education, determined in the ordinance of para 3, who:



- a) have not been sentenced to deprivation from liberty for intentional unqualified crimes and have not been deprived from the right to take respective position;
  - b) have the respective technical means for implementing the control activity;
  - c) are with employment or official practice not less than 5 years out of which at least two years in the field of water supply and sewerage;
2. sole entrepreneurs or local corporate bodies who:
- a) have as subject of activity implementing of audits and in their permanent specialized staff there is at least one person per each 10 people who meets the conditions of item 1;
  - b) are not in insolvency procedure;
  - c) have the respective technical means for implementing the control activity.
- (5) The commission shall issue certificate to the registered experts.
- (6) For issuing of the certificate the persons shall pay fee, defined with the tariff of art. 8, para 3.
- (7) The commission shall promulgate every year in State Gazette list of the registered experts.
- (8) (amend. - SG 30/06, in force from 12.07.2006) The refusals of registration may be appealed by the order of the Administrative procedure code.

Art. 25. (1) The persons of art. 24, para 2 shall have right:

- 1. to free access to the sites controlled by them for implementing checks;
  - 2. to require from the respective officials the necessary data, knowledge, explanations and information of art. 22, data about the qualification and the legal competence of the staff;
  - 3. to make measurements and trials for clarifying the technical status and the conditions for exploitation of the sites;
  - 4. to require documents, connected with the implementation of the control.
- (2) The officials and the registered experts shall be obliged to preserve the official and the commercial secret and not to divulge in whatever way the information that has become known to them at or on the occasion of the check.
- (3) The commission shall announce the results of the checks made on its site in Internet in one months term.

Art. 26. The WSS operators shall ensure conditions for the normal conducting of the check and cooperate with the control bodies by:

- 1. conceding official working premises for implementing the check and if necessary appear in the building of the commission;
- 2. conceding access to the official premises and the sites of the WSS systems;
- 3. conceding all accounting, commercial and other documents, necessary for establishing facts and circumstances, connected with the range of the check;
- 4. if necessary give written explanations.

Art. 27. The WSS operators shall exercise permanent internal control over the fulfillment of the business plans and preserve the documentation of the implemented control for 10 years after the last year of the plan.

Art. 28. The regional governors and the mayors of the municipalities shall upon request render cooperation to the persons of art. 24, para 2 at the fulfillment of their activity under This Act.

## **Chapter six. INFORMATION SYSTEM**

Art. 29. (1) The commission shall create National information system for the WSS services.

(2) The information system shall ensure:

1. public access of the consumers to information about the development and the regulation of the WSS services in the country as well as information about the approved and the proposed prices of the services by the WSS operators, the indices for reduction of the water losses and the other basic indices, approved with the business plans;

2. information for the state bodies, the municipalities and the WSS operators in relation with the fulfillment of This Act and with the development of the WSS sector.

Art. 30. (1) The commission shall prepare annual report about the activity implemented by it as well as the status of the WSS sector. The report shall be published on the site of the commission in Internet about which shall be announced in at least one central daily newspaper in 7 days term after the publication.

(2) The report of para 1 shall contain comparative analysis of the activity of the WSS operators by the basic parameters of the business plans, the prices of the WSS services, the indices, defined by the commission and their fulfillment.

## **Chapter seven. ADMINISTRATIVE PUNITIVE PROVISIONS**

Art. 31. (1) To a WSS operator, who has no fulfilled his obligation of art. 11, para 5 shall be imposed proprietary sanction in extent from 20 000 to 50 000 levs.

(2) At second implementing of the breach of para 1 the proprietary sanction shall be in triple extent, defined according to the maximum extent of the proprietary sanction of para 1.

(3) At second implementing of the breach of para 1 the commission shall make motivated proposal to the owner of the WSS system for disaffirmation of the contract with the respective operator.

Art. 32. (1) Upon not fulfillment in time of the obligation of art. 10, para 7 to the respective WSS operator shall be imposed proprietary sanction in extent from 20 000 to 50 000 levs.

(2) To a member of management body or an official in WSS operator, who has implemented or admitted implementing of the breach of para 1, shall be imposed fine in extent from 2000 to 5000 levs.

(3) At second implementing of the breach of para 1 by the WSS operator the proprietary sanction shall be in triple extent, defined according to the maximum extent of the proprietary sanction of para 1.

(4) At second implementing of the breach of para 1 by a person of para 2 the fine shall be in triple extent, defined according to the maximum extent of the fine of para 2, and he shall be deprived from the right to take the respective position for a term from one to two years.

Art. 33. (1) If in the term of art. 11, para 3 the WSS operator does not submit re-worked business plan according to the instructions of the commission proprietary sanction shall be imposed to him in extent from 20 000 to 50 000 levs.

(2) To a member of management body or an official in WSS operator, who has implemented or admitted implementing of the breach of para 1, shall be imposed fine in extent from 2000 to 5000 levs.

(3) At second implementing of the breach of para 1 by the WSS operator the proprietary sanction shall be in triple extent, defined according to the maximum extent of the proprietary sanction of para 1.

(4) At second implementing of the breach of para 1 by a person of para 2 the fine shall be in triple extent, defined according to the maximum extent of the fine of para 2, and he shall be deprived from the right to take the respective position for a term from one to two years.

Art. 34. (1) (amend. - SG 58/15) At not fulfillment in time of the obligatory instructions of art. 14, para 3, to the respective WSS operator shall be imposed proprietary sanction in extent from 50 000 to 150 000 levs.

(2) To a member of management body or an official in WSS operator, who has implemented or admitted implementing of the breach of para 1, shall be imposed fine in extent from 2000 to 5000 levs.

(3) At second implementing of the breach of para 1 by the WSS operator the proprietary sanction shall be in triple extent, defined according to the maximum extent of the proprietary sanction of para 1.

(4) At second implementing of the breach of para 1 by a person of para 2 the fine shall be in triple extent, defined according to the maximum extent of the fine of para 2, and he shall be deprived from the right to take the respective position for a term from one to two years.

Art. 35. (1) (1) To a WSS operator who does not concede required information in the cases, provided in This Act shall be imposed proprietary sanction in extent from 30 000 to 100 000 levs.

(2) To a member of management body or an official in WSS operator, who has implemented or admitted implementing of the breach of para 1, shall be imposed fine in extent from 2000 to 5000 levs.

(3) At second implementing of the breach of para 1 by the WSS operator the proprietary sanction shall be in triple extent, defined according to the maximum extent of the proprietary sanction of para 1.

(4) At second implementing of the breach of para 1 by a person of para 2 the fine shall be in triple extent, defined according to the maximum extent of the fine of para 2, and he shall be deprived from the right to take the respective position for a term from one to two years.

Art. 36. (1) (1) To a WSS operator who renders services at prices higher these approved by the commission shall be imposed proprietary sanction in extent from 200 000 to 500 000 levs.

(2) To a member of management body in WSS operator, who has implemented or admitted implementing of the breach of para 1, shall be imposed fine in extent from 2000 to 5000 levs.

(3) At second implementing of the breach of para 1 by the person of para 2 the fine shall be in triple extent, defined according to the maximum extent of the fine of para 2, and he shall be deprived from the right to take the respective position for a term from one to two years.

(4) Upon established breaches of para 1, 2 and 3 the WSS operators shall be obliged to restore the overcharged sums to the consumers with the lawful interest.

Art. 37. (1) A member of management body or official in a WSS operator, who does not fulfill his obligations under This Act, if not subject to a graver punishment, shall be punished with fine from 2000 to 5000 levs.

(2) At second implementing of the breach of para 1 the penalty shall be in triple extent.

Art. 38. (1) The breaches under This Act shall be established with acts, compiled by the officials of art. 24, para 2.

(2) The punitive decrees of this chapter shall be issued by the chairman of the commission or an official, authorized by him.

(3) The establishing of the breaches, the issuing and execution of the punitive decrees shall be implemented under the conditions and by the order of the Administrative Violations and Penalties.

### **Additional provisions**

§ 1. In the sense of This Act:

1. "Long term levels of the indices" include the levels of the indices for quality of the rendered service for a period of 10 years.

2. "Consumers" are:

a) corporate bodies and individuals – owners or users of the respective properties for which WSS services are rendered;

b) corporate bodies and individuals – owners or users of properties in the condominium;

c) enterprises, using water from the water supply networks of the settlements for technological needs or supplying it to other consumers after respective processing by independent water supply installation, not designated for drinking waters.

2a. (new – SG 47/09, in force from 23.06.2009) Shall not be consumers persons, who are WSS operators and purchase water from other WSS operators or other enterprises and supply it to consumers through WSS systems, allocated to them to be managed, maintained and operated.

3. "Activities of public interest" are activities in the sense of the Protection of Competition Act, the State Aid Act and the Employment Promotion Act.

4. (amend. - SG 58/15) "Social bearableness of the price of the WSS services" exists in the cases when their value, defined on the basis of minimum monthly consumption of water for drinking – household needs 2.8 cub m per person does not exceed 2,5 percent of the average monthly income of a household in the respective region.

5. "Unpredicted or unpreventable event of extraordinary character" is event, occurred after the approval of the business plan, which the WSS operator, despite the displayed care according to the peculiarities of the case, had not been able to avoid and which consequences he had not been able to prevent.

6. "Official" is civil servant in the sense of the Civil Servants Act or a person working with employment contract.

7. "Second" is the breach which has been implemented in one year term after the punitive decree, with which is imposed penalty for the same kind of breach has entered into force.

(2) The persons of art. 2, para 3 of the Social Support Act shall have right to support in extent, corresponding to the monthly minimum of water, determined according to para 1, item 4.

### **Transitional and concluding provisions**

§ 2. (1) The first business plans, including also the prices of WSS services, shall be developed and presented by the WSS operators in the commission in term up to three months after the ordinances

of art. 9, para 3 and art. 13, para 5 enter into force.

(2) The first business plans shall be developed by the WSS operators and approved by the commission for a period of three years.

§ 3. The Council of Ministers shall approve:

1. regulation for amendment and supplement or the Structural regulation of the State commission for energy regulation and its administration - in one month term after the Act enters into force;

2. the ordinances of art. 9, para 3, art. 13, para 5 and art. 24, para 3- in three months term after the Act enters into force.

§ 4. The Council of Ministers shall elect for a term of 5 years the members of the commission with practice in the field of water supply and sewerage by the order of art. 11, para 2 of the Energy Sector Act in one month term after the Act enters into force.

§ 5. In the Energy Sector Act (prom. SG 107/03; amend. SG 18/04) the following amendments and supplements shall be made:

1. In art. 9, para 2, item 2 after the word "energy" shall be added "and water".

2. The name of section I of chapter three shall be changed to "State commission for energy and water regulation".

3. In art. 10 para 1 shall be changed to:

"(1) The regulation of the activities in the energy sector and in the water supply and sewerage shall be carried out by the State Commission for Energy and Water Regulation, called hereinafter "the Commission"."

4. In art. 11 the following amendments shall be made:

a) para 1 shall be changed to:

"(1) The Commission is a college body and consists of 13 members, including a chairman and two deputy chairmen, one of which with practice in energy sector and the other – in water supply and sewerage."

b) in para 2 the words "the deputy chairman" shall be substituted by "the deputy chairmen".

5. In art. 12:

a) in para 1, item 1 at the end shall be added "for five of the members, and in water supply and sewerage – for the other five members";

b) in para 2, item 1 at the end shall be added "or to regulation under the Regulation of Water Supply and Sewerage Services Act";

c) in para 5, items 1, 2 and 3 the words "the public sector" shall be substituted by "the sector "Supply with electric energy, gas and water".

6. In art. 13:

a) para 1 shall be changed to:

"(1) The Commission shall be a standing body and shall hold sittings if not less than 7 of its members are present and it shall exercise its authorities as follows:

1. under This Act – in the presence of at least 5 of the members with practice in the field of energy;

2. under the Regulation of Water Supply and Sewerage Services Act – in the presence of at least 5 of the members with practice in the field of water supply and sewerage."

b) para 2 shall be changed to:

"(2) The Commission shall announce motivated decisions which shall be individual or common administrative acts and they shall be adopted by a majority of no less than 7 votes, 5 of which are of the"

c) in para 3 item 2 shall be changed to:

"2. approval of prices, proposed by the energy enterprises and the WSS operators.";

d) para 5 shall be changed to:

"(5) The decisions of the Commission under para 4 shall be taken in a closed sitting and announced by an order, determined in the regulation of art. 16, para 2."

7. In art. 14:

a) in para 1 after the words "This Act" shall be added "and in the Regulation of Water Supply and Sewerage Services Act ", and at the end shall be added "and of the WSS sector";

b) in para 2 after the words "energy enterprises" a comma shall be put and shall be added "WSS operators".

8. In art. 21:

a) the previous text shall become para 1;

b) para 2 shall be created:

"(2) The authorities of the commission for regulation of the activities in the field of water supply and sewerage shall be determined in the Regulation of Water Supply and Sewerage Services Act."

9. In art. 22 para 1 shall be changed to:

"(1) (amend. SG 18/05) The Commission shall consider complaints:

1. of consumers against licensees or of licensees against licensees related to the fulfilment of the licensed activity;

2. of consumers against operators of water supply and sewerage, connected with the subject of regulation under the Regulation of Water Supply and Sewerage Services Act."

10. In art., 26 para 1 at the end shall be added "and in the Regulation of Water Supply and Sewerage Services Act".

11. In art. 27:

a) in para 1:

aa) item 1 shall be changed to:

"1. the fees, collected by the commission under art. 28 of This Act and art. 8, para 1, items 1 and 3 of the Regulation of Water Supply and Sewerage Services Act, and the interests on them;"

bb) in item 2 at the end shall be added "and in the Regulation of Water Supply and Sewerage Services Act";

b) in para 2 after the words "This Act" shall be added "or to regulation under the Regulation of Water Supply and Sewerage Services Act";

c) in para 3, item 1 at the end shall be added "and under the Regulation of Water Supply and Sewerage Services Act".

12. In art. 28 para 1 shall be changed to:

"(amend. SG 18/05) For fulfilment of the regulatory legal capacities the Commission under This Act and the Regulation of Water Supply and Sewerage Services Act the commission shall collect fees for considering applications, for issuance of certificates, for sale of documents for conducting of competitions, license fees and fees for registration of experts."

13. In § 1 of the additional provision:

a) item 54 shall be changed to:

"54. "Official secret" is the information having become known to the Minister of energy and energy resources and the Minister of Regional Development and Public Works, the Chairman and the members of the Commission and to the employees of the respective administrative offices in connection with the fulfilment of their functions, with exception of the information which is announced publicly under conditions and by an order determined by an Act. The list of the concrete facts, information and

objects representing an official secret in sector "Energy" shall be determined by an order of the Minister of energy and energy resources and for sector "Water supply and sewerage" – with order by the Minister of Regional Development and Public Works."

b) item 59a shall be created:

"59a. "Practice in the field of water supply and sewerage" is official or employment practice, obtained at managerial or expert position in state or municipal bodies for management of the activities for water supply and sewerage, in higher schools, in scientific organizations or in commercial companies with subject of activity subject to regulation under the Regulation of Water Supply and Sewerage Services Act."

§ 6. In the Waters Act (prom. SG 67/99; amend. SG 81/00, SG 34, 41, 108/01, SG 47, 74, 91/02, SG 42, 69, 84, 107/03, SG 6, 70/04) the following amendments and supplements shall be made:

1. In art. 96a para 12 shall be created:

"(12) The concession contracts for water supply and sewerage services shall be prepared in compliance with the requirements of the Concessions Act, the Municipal Property Act and the Regulation of Water Supply and Sewerage Services Act and the by-law normative acts for their implementation."

2. In art. 151:

a) para 1 shall be created:

"(1) The National Assembly shall approve National strategy for management and development of the water sector with which shall be determined the basic objectives, stages, means and methods for development of the water sector."

b) the previous text shall become para 2 and in it in item 1 shall be created items h) and i):

"h) propose for approval to the National Assembly National strategy for management and development of the water sector;

i) (new – SG 18/05) approve sector strategies in compliance with the basic objectives, determined in the strategy of para 1."

3. In art. 193 para 3 shall be revoked.

§ 7. (1) The Act shall enter into force on January 20, 2005.

(2) Paragraph 6, item 3 (about the revoking of art. 193, para 3 of the Waters Act) shall enter into force on June 1, 2005.

The Act was passed by the 39th National Assembly on January 13, 2005 and on February 17, 2005 and is affixed with the official seal of National Assembly.

### **Transitional and concluding provisions TO THE ADMINISTRATIVE PROCEDURE CODE**

(PROM. – SG 30/06, IN FORCE FROM 12.07.2006)

§ 114. In the Regulation of Water Supply and Sewerage Services Act (prom. - SG 18/05) the words "Administrative Proceedings Act" shall be replaced by "Administrative procedure code".

.....

§ 142. The code shall enter into force three months after its promulgation in State Gazette, with

the exception of:

1. division three, § 2, item 1 and § 2, item 2 – with regards to the repeal of chapter third, section II "Appeal by court order", § 9, item 1 and 2, § 15 and § 44, item 1 and 2, § 51, item 1, § 53, item 1, § 61, item 1, § 66, item 3, § 76, items 1 – 3, § 78, § 79, § 83, item 1, § 84, item 1 and 2, § 89, items 1 - 4§ 101, item 1, § 102, item 1, § 107, § 117, items 1 and 2, § 125, § 128, items 1 and 2, § 132, item 2 and § 136, item 1, as well as § 34, § 35, item 2, § 43, item 2, § 62, item 1, § 66, items 2 and 4, § 97, item 2 and § 125, item 1 – with regard to the replacement of the word "the regional" with the "administrative" and the replacement of the word "the Sofia City Court" with "the Administrative court - Sofia", which shall enter into force from the 1st of May 2007;

2. paragraph 120, which shall enter into force from the 1st of January 2007;

3. paragraph 3, which shall enter into force from the day of the promulgation of the code in State Gazette.

### **Transitional and concluding provisions TO THE ACT AMENDING AND SUPPLEMENTING THE WATERS ACT**

(PROM. – SG 65/06, IN FORCE FROM 11.08.2006)

§ 145. This Act shall enter into force three months after its promulgation in State Gazette, with the exception of the provisions of:

1. paragraph 18, item 3, which shall enter into force one year after entering into force of This Act;

2. paragraph 48 – in its part related to the provision of Art. 118a, par. 1, item 1, which shall enter into force from 22 December 2013;

3. paragraph 60, item 5, which shall enter into force from 1 March 2007;

4. paragraph 73 in its part related to the provision of Art. 155a, par. 1, item 1, which shall enter into force one year after entering into force of This Act;

### **Transitional and concluding provisions TO THE ACT AMENDING AND SUPPLEMENTING WATERS ACT**

(PROM. – SG 47/09, IN FORCE FROM 23.06.2009)

§ 46. This Act shall enter into force from the day of its promulgation in State Gazette, except for § 26, 29, 30, 32 – 36 and 40, which shall enter into force three months after its promulgation.

### **Transitional and concluding provisions TO THE ACT AMENDING AND SUPPLEMENTING THE MINISTRY OF INTERIOR ACT**

(PROM. – SG 93/09, IN FORCE FROM 25.12.2009)

§ 100. The Act shall enter into force one month after its promulgation in the State Gazette, except for § 1, 2, 21, 36, 39, 41, 44, 45, 49, 50, 51, 53, 55, 56, 57, 59, 62, 63, 64, 65, 70 and 91, which shall enter into force from the day of its promulgation.

### **Transitional and concluding provisions**



## **TO THE ACT AMENDING AND SUPPLEMENTING THE SPATIAL PLANNING ACT**

(PROM. – SG 66/13, IN FORCE FROM 26.07.2013)

§ 92. In the Regulation of Water Supply and Sewerage Services Act (prom. SG 18/25.02.2005, in force from 20.01.2005, amend. SG 30/11.04.2006, in force from 12.07.2006, SG 65/11.08.2006, in force from 11.08.2006; SG 102/19.02.2006; SG 102/28.11.2008; suppl. SG 47/23.06.2009, in force from 23.06.2009; amend. SG 93/24.11.2009, in force from 25.12.2009) everywhere the words "Minister of Regional Development and Public Works" shall be replaced with the words "Minister of Regional Development", and the words "Ministry of Regional Development and Public Works" shall be replaced with "Ministry of Regional Development".

.....

§ 117. The act shall enter into force one month after its promulgation in the State Gazette.

### **Transitional and concluding provisions TO THE ACT AMENDING AND SUPPLEMENTING THE WATERS ACT**

(PROM. – SG 103/13)

§ 14. (1) The present regulatory period within the meaning of Art. 10, para 1 of the Regulation of Water Supply and Sewerage Services Act shall be extended till December 31, 2015. The next regulatory period shall start running as of January 1, 2016 .

(2) All business plans for the present regulatory period approved prior to the entry into force of this Act shall retain their effect.

(3) Within three months from the entry into force of this Act WSS operators shall supplement their business plans under para 2 with a view to the extension of the present regulatory period under para 1. The supplements to the business plans shall be approved pursuant to Art. 11 of the Regulation of Water Supply and Sewerage Services Act.

(4) Within the time limit set out in para 3 WSS operators may request a review of the approved prices in relation to supplements of business plans.

(5) In the cases referred to in paras 3 and 4 WSS operators shall observe the instructions of the Commission under Art. 6, para 1, item 4 and Art. 16 of the Regulation of Water Supply and Sewerage Services Act, in compliance with which are drawn up and approved the present business plans.

### **Transitional and concluding provisions TO THE SPATIAL DEVELOPMENT ACT**

(PROM. – SG 98/14, IN FORCE FROM 28.11.2014)

§ 117. The Act shall enter into force from the date of its promulgation in the State Gazette.

### **Transitional and concluding provisions TO THE ACT AMENDING AND SUPPLEMENTATING THE ENERGY SECTOR ACT**

(PROM. – SG, 17/2015 IN FORCE FROM 06.03.2015)

§ 44. Already published acts of State Commission for Energy and Water Regulation implementing the Energy Sector Act, Energy from Renewable Sources Act and Regulation of Water Supply and Sewerage Services Act shall keep their effect.

§ 57. The Act shall enter into force from the day of promulgation in the State Gazette with exception of § 13, which shall enter into force from 1<sup>st</sup> of January 2016.