

[LLDA RESOLUTION NO. 33, S. 1996, December 19, 1996]

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

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

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

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

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

ARTICLE I

General Provisions

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

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

SECTION 3. Scope — These rules and regulations shall apply to all development projects, installations and activities that discharge liquid waste into and pose a threat to the environment of the Laguna de Bay Region which covers industrial, commercial, domestic and agricultural sources. These rules shall govern the administration of discharge permits that are based on an assessment of fees or

charges on industrial municipal effluents, including their application, issuance conditions, modifications, sanctions and enforcement.

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

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

ARTICLE II

Discharge Permit

SECTION 5. *Requisites for Discharge Permit* — Any person who shall discharge, in any manner, liquid waste into the Laguna de Bay Region shall secure a discharge permit from the Authority. Such person shall file an application using the prescribed forms, under oath by the Chief Executive Officer or his duly authorized representative, in two (2) copies and supported by the official receipt of the filing fee and by such documents, information and data as may be required by the Authority, including but not limited to the following:

- a) A copy of the applicant's LLDA Clearance;
- b) Engineer's Report containing such information as the declaration of production capacity stating the quantity or volume and the generic name(s) of product(s), the nature and character of applicant's waste, its chemical composition, total daily volume of discharge of raw waste, treatment process and estimated treatment efficiency, if available, and the total daily volume of water consumption and discharge of finally treated waste or effluent. Such engineer's report shall be signed by a licensed engineer;
- c) Statement of the final cost incurred in the installation of the pollution control device, if any, and its annual maintenance costs;
- d) A copy of the Certificate of Accreditation of the Pollution Control Officer duly issued by the Authority, or appointment/designation as such by the Chief Executive Officer;
- e) Payment of the User Fees as assessed by the Authority;
- f) Other documents as may be required by the Authority.

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

SECTION 6. *Processing of Application for Discharge Permit* — The application for discharge permit shall be processed after all the above requirements shall have been duly complied with and submitted to the Authority and the filing fee therefor duly paid. The filing fee is in the amount of P1,150.00, adjustable every year.

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

SECTION 7. *Approval and Issuance of Discharge Permit* — The discharge permit shall be issued subject to such conditions as the Authority may impose including,

but not limited to:

- a) payment of user fees for the use of the lake or its tributary rivers and streams as a receiving water body for wastewater discharges;
- b) compliance to water quality standards; and
- c) monitoring and data collection requirements which will inform the Authority regarding the dynamic condition of the lake, and will form the basis for future permit modifications.

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

SECTION 8. Assessment of User Fees — The total annual user fees of a permit applicant or discharger for the current year shall be assessed based on the data provided by the applicant, in the application form and previous year's self-monitoring reports, if any, the Industrial Effluent Guide, and other data available at the Authority. For subsequent years, surcharge or credit will be applied depending on the accuracy of previous year's assessment or actual discharge characteristics.

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

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

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

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

SECTION 11. Disapproval of Application for Discharge Permit — In case the application is disapproved, a petition for reconsideration may be filed within ten (10) days from receipt of written notice of such disapproval. The petition shall be decided

upon by the Authority within fifteen (15) days from the date of filing. The decision of the Authority on the said application shall become final and executory.

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

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

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

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

- a) Non-compliance with, or violation of any provisions of R.A. 4850, as amended, P.D. 984 or its implementing rules and regulations particularly the water quality standards, these Rules and Regulations, and/or permit conditions;
- b) False or inaccurate information stated in the application for permit which led the Authority to issue the permit;
- c) Refusal to allow lawful inspections;
- d) Non-payment of user fees due in accordance with the schedule of fees and payment scheme as provided for under these rules and/or permit conditions;
- e) Other lawful and valid causes as provided for in these rules and regulations.

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