



**RAND WATER**

## **GENERAL WATER SUPPLY CONDITIONS**

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Rand Water supplies water on these conditions, which it has set in accordance with Section 4 of the Water Services Act 108 of 1997 ("*the Water Services Act*"). The conditions apply to existing and future Customers and Consumers, except to the extent that specific conditions have been set in individual cases.

Rand Water ordinarily only supplies other Water Services Institutions but in special circumstances may supply direct to a Consumer, with the consent, in the case of new Customers, of the Water Services Authority concerned (i e the local authority).

## 1. DEFINITIONS

Unless the context shows that another meaning was intended, words defined in the Water Services Act have the same meaning in these conditions and the following words have the following meanings (words defined in the Act or below are shown with initial capitals in the conditions):

Consumer	The end user of water supplied by Rand Water;
Consumer's Infrastructure	The Consumer's infrastructure and equipment for the conveyance, distribution and storage of water supplied by Rand Water;
Customer	A person to whom Rand Water agrees to supply water in terms of these conditions;
Customer Connection	The equipment installed by Rand Water to connect the Customer's Infrastructure to Rand Water's existing Infrastructure, namely the connection to the existing Rand Water pipeline, the piping from the connection to the meter installation, the meter installation itself (i e the meter, the meter housing and the upstream and downstream isolating valves) and the 1,5 metres of piping downstream of the outer meter housing;
Customer's Infrastructure	The Customer's infrastructure and equipment for the conveyance, distribution and storage of water supplied by Rand Water, excluding the Customer Connection;
Rand Water's Infrastructure	Rand Water's overall water supply infrastructure and equipment including Customer Connections.

## 2. APPLICATION FOR A WATER SUPPLY

An application for a water supply is made as follows:

### 2.1 Prescribed form – additional information

The application must be in the form of Annexure 1 and Rand Water may call for additional information.

### 2.2 Installation charges and capital contribution

If a new or altered Customer Connection is required, the installation charges and capital contribution, if any, referred to in Condition 4.3 and Condition 4.4 must be paid.

### 2.3 **On receipt of the application for a water supply, Rand Water shall conduct a credit risk assessment of the customer to determine the customer's credit worthiness and the credit risk rating to enable Rand Water to effectively manage the customer's potential default on payment.**

2.4 **Rand Water will, quarterly establish the credit risk rating of a customer and the customer's credit risk rating may change based on the re-valuation.**

2.5 **Deposit/guarantee**

The deposit or guarantee referred to in Condition 8.4 for the monthly water and service charges must be provided.

3. **QUANTITY OF WATER AND FLOW RATE**

3.1 **Estimate of required quantity**

An applicant for an original or increased water supply must make a reasonable estimate in good faith of the average daily quantity of water the applicant is likely to require under normal rainfall and weather conditions both ultimately and during the following years after the commencement of the water supply or increased water supply:

3.1.1 the first year;

3.1.2 the eleventh year; and

3.1.3 the second to the tenth years if the annual change between the first and eleventh years is unlikely to be substantially even.

The estimate will be used for the design both of the Customer Connection and of Rand Water's Infrastructure.

3.2 **Rand Water may adjust estimate**

Rand Water may adjust the estimate if it considers it too high or low and may call for further information for this purpose.

3.3 **Maximum allowable quantity**

The maximum quantity of water which the Customer may draw from Rand Water in any year is the total quantity estimated by the Customer for that year in accordance with Condition 3.1 with any adjustment in accordance with Condition 3.2 although Rand Water may allow more to be drawn. After the eleventh year the maximum allowable quantity will be the quantity estimated for the eleventh year adjusted for normal growth, whether positive or negative, as determined by Rand Water. If the Customer requires a greater quantity in any year, the Customer must apply to Rand Water for an increased supply.

3.4 **Maximum allowable flow rate**

3.4.1 The Customer is not entitled to draw water from Rand Water at a flow rate which, if maintained consistently over a day, would result in the following maximum being exceeded:

The Customer's estimated annual average daily demand for water for the year concerned, multiplied by the Peak Day Factor in terms of Annexure 3.

Rand Water will ordinarily allow this rate to be exceeded by up to 10% (where this additional capacity is available) for a period not exceeding 1 day in 7 days, to cater for exceptional circumstances such as an abnormally long, hot, dry spell.

3.4.2 If the Customer will at times require a higher flow rate, the Customer must either provide its own water storage facilities or purchase reservoir volume from

Rand Water and pay Rand Water's charges for the additional load on its pipeline (see Condition 5.2 and Condition 5.3).

3.5 **Flow control device**

A flow control device must be installed where required as set out in Condition 5.1.6

**5.1.6**

3.6 **Revision of estimate**

The Customer must immediately notify Rand Water in writing if the Customer becomes aware that the required quantity of water in any year is likely to be more than 15% higher or lower than the current estimate.

4. **NEW OR ALTERED CUSTOMER CONNECTION**

If an application for a new or increased water supply requires a new or altered Customer Connection:

4.1 **Supply points**

Rand Water will determine the number and position of points on the existing Rand Water Infrastructure from which water will be supplied. (Rand Water will endeavour to meet any reasonable requests of the Customer in this regard but the final decision rests with Rand Water.)

4.2 **Supply and installation**

Rand Water supplies and installs the equipment it considers appropriate for the new or altered Customer Connection. In so doing, it seeks to apply an approach of considering its and the Customer's Infrastructure as being fully integrated into one system which will ensure that the most cost effective solution is found.

4.3 **Installation charge**

4.3.1 The installation charge set out in the schedule of charges is payable by the Customer to Rand Water for the new or altered Customer Connection, based on the Customer Connection required to supply the Customer's maximum allowable flow rate during the first ten years in accordance with Condition 3.4.

4.3.2 There will be no charge for any required upgrade in the Customer Connection after the tenth year provided that only normal growth, as determined by Rand Water, in the required quantity of water and flow rate has occurred since the tenth year.

4.3.3 If a fixed charge is not specified in the schedule of charges, Rand Water will on request provide an estimate of the charge. The charge will not exceed the estimate by more than 10% unless:

- (a) the Customer requests changes; or
- (b) any assumptions on which the estimate is based regarding soil and other site conditions prove incorrect.

Estimates are valid for 60 days from the date of the estimate, and acceptance of the estimate must be in writing and reach Rand Water during the validity of the estimate.

#### 4.4 **Capital contribution**

Whenever an installation charge is payable as set out in Condition 4.3, Rand Water may also require a capital contribution based on the criteria set out in its Capital Contribution Policy from time to time (copy available on request), as follows:

- 4.4.1 a capital contribution is typically required where the length of the pipeline between the connection to Rand Water's existing Infrastructure and the meter exceeds the necessary minimum length required for the proper functioning of the meter;
- 4.4.2 an estimate of the contribution will be provided on request and the provisions of Condition 4.3.3 apply, changed as necessary;
- 4.4.3 Rand Water may alternatively, or in addition, charge a higher localised tariff.

#### 4.5 **Period for installation**

The period for installation is ordinarily about four weeks for meters of 25 mm diameter or less, and eight weeks for larger diameters of up to 450 mm. Above this diameter, an estimate of the period will be furnished on request. The period begins on fulfilment of all Rand Water's requirements.

#### 4.6 **Ownership**

Ownership of the equipment supplied by Rand Water vests in it even where paid for by the Customer.

### 5. **CUSTOMER'S INFRASTRUCTURE**

#### 5.1 **Obligatory specifications**

The Customers, at their own cost, must ensure that their infrastructure:

- 5.1.1 is competently designed and installed and made of good quality materials;
- 5.1.2 complies with all applicable laws;
- 5.1.3 incorporates thrust blocks or other appropriate measures to prevent damage to Rand Water's Infrastructure or injury to persons or damage to other property in the event of failure of the Customer's Infrastructure;
- 5.1.4 is not connected, except through a cistern, to any toilet, urinal, sink or other possible source of contamination unless a certified (Underwriters Laboratory or similar certification) back flow prevention device is installed and Rand Water's written permission is obtained;
- 5.1.5 is not directly connected to a boiler; and
- 5.1.6 incorporates a flow control device to ensure that the maximum allowable flow rate under Condition 3.4 is not exceeded. This last requirement only applies if the Customer's estimated average daily water requirement in any year will exceed 500 KP per day or if Rand Water so requires. Rand Water may exempt a Customer from this requirement if the Customer satisfies Rand Water that the maximum draw-off rate will not exceed the maximum allowable flow rate. Rand Water may also itself install such a device if it so wishes.



## 5.2 **Storage facilities**

5.2.1 The Customer's Installation should also incorporate sufficient storage facilities to provide:

- (a) the excess flow required above the maximum allowable flow rate in terms of Condition 3.4 (otherwise reduced pressure may result); and
- (b) emergency supplies in case the supply by Rand Water is interrupted. This is especially desirable where water is supplied directly via a pumping station and not by gravity from a reservoir.

5.2.2 Reservoirs must be equipped with inlet valves that only open when they have been closed for a continuous period of four hours or the water level has dropped 300 mm.

## 5.3 **Purchase of storage from Rand Water**

The Customer may increase the maximum allowable flow rate in terms of Condition 3.4 by buying reservoir volume in Rand Water's reservoirs and paying Rand Water's charges for the additional load on its pipeline.

## 6. **CONSUMER'S INFRASTRUCTURE**

Consumers' Infrastructure must likewise comply with the provisions of Condition 5.1.1 to Condition 5.1.5.

## 7. **ACCESS**

The Customer and Consumers must give Rand Water access in emergencies and at all other reasonable times to the Customer Connection and the Customer's and Consumers' Infrastructure to carry out any of its functions in terms of these conditions.

## 8. **WATER AND SERVICE CHARGES**

Rand Water's service charges set out in the schedule of charges and its charges for water supplied are payable by the Customer monthly as follows:

### 8.1 **Setting of tariffs**

Rand Water ordinarily sets its water supply tariff in April for the year beginning 1 July but it may change its tariff at other times. Notice of the new rates is given to Customers. Higher localised tariffs may be applied instead of or in addition to a capital contribution (Condition 4.4.3). In setting its tariff, Rand Water may have regard to such factors as it may decide, including:

- 8.1.1 the universal need for a basic water supply to support life and personal hygiene;
- 8.1.2 scarcity of water resources and the need to discourage inefficient usage, leakage and unaccounted for water;
- 8.1.3 the savings inherent in bulk supplies; and
- 8.1.4 regional differences.
- 8.1.5 the needs of Water Services Institutions, Consumers and users.

8.2 **Meter readings**

Ordinarily, meter readings are taken once a month towards the end of the month and the water supply charges are based on the readings, but Rand Water may estimate water consumption in the absence of a meter reading. Charges will also be estimated/adjusted in the event of meter malfunction - see Condition 9.

8.3 **Due date**

The invoice is due and payable within 30 (thirty) days of date of invoice.

8.4 **Deposit/bank guarantee**

8.4.1 Rand Water will require a cash deposit or a bank guarantee from all Customers, which shall be in the form of Annexure 2 and shall serve as security for Rand Water's estimate for the maximum likely charges payable to Rand Water in any three months. In the event of the customer defaulting on payments or the account is to be closed, the security will first be applied and the balance will be refunded to the customer, aligned to the process of refunding a customer.

8.4.2 In the case of use deemed by Rand Water, a cash deposit in the amount specified from time to time in Paragraph 3 of schedule of charges must be paid, unless Rand Water otherwise specifies.

8.4.3 In addition to utilising the deemed or estimated charges to determine the cash deposit or bank guarantee, Rand Water will take into consideration the assessment of the customer's credit worthiness

8.4.4 Rand Water may require a Customer to increase, a deposit or bank guarantee in the event of a negative change in the customer's risk profile or in the event of default or in the event of repeated late payment, which shall be deemed to be more than two late payments over a 12 months period.

8.4.5 The increased deposit as per sub-clause 8.4.3 above shall be an amount equalling the customer's three month likely charges payable to Rand Water.

9. **METER TESTING AND ADJUSTMENT OF CHARGES FOR ERRORS**

9.1 **Testing**

Rand Water may test a meter at any time and will do so on request and payment of its charges. Rand Water will determine the method of testing. The Customer may attend the test. Rand Water will invite the Customer to attend the test if the test is requested by the Customer. The result of the test is binding, whether the Customer attends or not.

9.2 **Adjustment of charges**

9.2.1 If the test shows under- or over-recording exceeding 3%, Rand Water will refund any charges paid by the Customer for the test.

9.2.2 If the test shows that the meter is functioning consistently but is either over- or under-recording by more than 3%, the Customer's account will be adjusted by Rand Water's best estimate of the likely over- or under-charge. Ordinarily, the meter reading at the time of removal of the meter for testing together with the three previous monthly meter readings will be adjusted by the percentage over- or under-recording, unless, after consultation, it is determined that there is clear

evidence that a different period should be taken.

9.2.3 If it is found that a meter has not been functioning at all, or sufficiently consistently in Rand Water's opinion for Condition 9.2.2 to apply, Rand Water may, after consultation, estimate the consumption.

9.2.4 Both Rand Water and the Customer shall have the right to resolve any metering dispute by application of law.

## 10. **WATER PRESSURE**

Rand Water does not undertake to maintain a specific supply pressure to the Customer. However it will consider modifying its Infrastructure to boost pressure where it would be more cost effective for it to do so than for the Customer to modify the Customer's Infrastructure.

## 11. **WATER QUALITY**

### 11.1 Minimum standards

Rand Water shall meet all the requirements of national legislation and regulations pertaining to water quality standards unless the provisions of Condition 26 apply.

Rand Water shall communicate planned and emergency water quality deviations, the reasons thereof and the period of deviation.

## 12. **MAINTENANCE AND REPAIRS**

### 12.1 **Interruption of supply**

Rand Water may interrupt a Customer's supply for the purpose of examining, testing, repairing or renewing any part of Rand Water's Infrastructure.

### 12.2 **Prior notice**

Where practicable, 21 days prior written notice will be given. In other cases Rand Water will give prior notice, except in cases of emergency or where circumstances are beyond Rand Water's control, if the Customer has provided the name and contact details of someone for this purpose.

### 12.3 **Alternative supply**

Where reasonably practicable and appropriate, Rand Water will endeavour to provide an alternative supply during the interruption.

### 12.4 **Failures/leaks**

Rand Water will generally repair unexpected failures and leaks in its Infrastructure within the following times:

Pipe diameters	Time to repair
Up to 1 000 mm	within 12 hours
> 1 000 to 1 800 mm	within 15 hours
> 1 800 to 2 100 mm	within 18 hours
> 2 100 to 2 900 mm	within 24 hours

These times are for normal conditions on steel pipelines. If it becomes clear that it will not be possible to adhere to these times, Rand Water will endeavour to notify the Customer if the Customer has provided the name and contact details of someone for this purpose.

### 13. **WATER LOSS**

#### 13.1 **From Customer's or Consumer's Infrastructure**

If water is at any time being lost from any part of the Customer's or a Consumer's Infrastructure:

13.1.1 the Customer or Consumer must immediately repair the Infrastructure to end the loss unless it is not cost effective to do so.

13.1.2 if the Customer or Consumer is unable to effect the repair within 24 hours and significant quantities of water are being lost, the Customer or Consumer must immediately notify Rand Water's Distribution Manager at the contact numbers indicated on the water account, and may request Rand Water to effect repairs, the cost of which will be for the Customer/Consumer's account.

#### 13.2 **From Rand Water's Infrastructure**

If water is at any time being lost from any part of Rand Water's Infrastructure, Customers and Consumers must immediately on becoming aware of the loss notify Rand Water by telephone and fax at the numbers set out in Condition 13.1.2

#### 13.3 **Adjustment of water charges**

If the water loss is due to defects in Rand Water's Infrastructure or Rand Water's negligence, Rand Water will reverse its charges to the Customer for its best estimate of the water lost but will not reverse its charges with respect to water lost prior to notification in accordance with Condition 23.

### 14. **NON-INTERFERENCE WITH CUSTOMER CONNECTION - LOCKS**

14.1 Apart from operating the downstream isolating valve, the Customer must not operate or interfere with the Customer Connection, and must take all reasonable steps to ensure that no-one else does so.

14.2 The meter housing will be locked but on request and payment of its charges Rand Water will fit a double locking device and provide the Customer with a key. The Customer must keep the key in safe custody to prevent unauthorised access to the meter and will be liable for any loss Rand Water may suffer as a result of unauthorised access.

15. **ON-SUPPLY TO THIRD PARTIES**

15.1 **On-supply requested by Customer**

15.1.1 The Customer (other than a Water Services Authority) may not on-supply water to any other person without:

- the prior written permission of Rand Water, and
- approval as a Water Services Provider by the Water Services Authority.

15.1.2 An application for Rand Water's permission must contain the name and address of the person to be on-supplied, a description of the property for which the on-supply is intended, the quantity of water required, particulars of the proposed tariff and any other information Rand Water may request.

15.1.3 Permission may be granted subject to such conditions as Rand Water may stipulate.

15.1.4 The charges for the on-supply must be based on metered consumption.

15.1.5 Any failure by the person to whom the Customer on-supplies to pay any amount or fulfil any other obligation owed to the Customer will not relieve the Customer of the Customer's obligations to Rand Water.

15.2 **On-supply required by Rand Water**

Rand Water may, after consultation, require a Customer to on-supply water to any other person, on such conditions as Rand Water may reasonably stipulate.

16. **USE OF WATER FROM OTHER SOURCES**

16.1 Rand Water must be informed before water is obtained from other sources for a supply zone that Rand Water has undertaken to supply. Rand Water may recover the expenditure on any part of its Infrastructure which becomes redundant, or under-utilised, as a result of water being obtained from the other source.

16.2 Where an alternative source of water is to be blended with Rand Water's water, Rand Water may specify the point at which blending is to occur, the blending ratio and the management measures to be put in place to ensure compliance with applicable laws.

16.3 The Customers or Consumer, shall have no claim in contract, delict or otherwise against Rand Water for any loss, damage, injury, death or otherwise arising out of or in connection with the quality of water consumed from water blended with an alternative source.

17. **WATER CYCLE MANAGEMENT**

17.1 **Efficient use of water**

Rand Water and its Customers and Consumers must at all times ensure that water is used efficiently and promote the efficient use of water by persons to whom they on-supply.

17.2 **Consultation on new water services projects**

A Water Services Institution must consult with Rand Water before embarking on any new project for bulk water supply works (including waste water treatment plants) within

Rand Water's water supply area in order to ensure that a combined demand management initiative will not provide a more economical alternative. Conversely, Rand Water will consult with interested parties before it embarks on any significant capital intensive project.

17.3 **Data logging of meters**

Water Services Providers must install data loggers on all district and zone meters at least once a year for a minimum period of four weeks in order to establish the minimum flow for that district or zone.

Rand Water may undertake this data logging at the request of a Water Services Provider and at a mutually agreed charge.

17.4 **Water restrictions**

Rand Water will, where practically possible, consult with Water Services Authorities and notify Customers before restricting the supply of water to Customers and/or require any person to restrict the use of water to certain periods, quantities, purposes or in any other way.

18. **INFORMATION TO BE SUPPLIED BY RAND WATER TO CUSTOMERS**

18.1 Rand Water undertakes to provide the following information to Water Services Authorities only:

18.1.1 A copy of Rand Water's 5 Year Business Plan, excluding any commercially sensitive information, updated annually.

18.2 Rand Water undertakes to make the following information available to Water Services Authorities:

18.2.1 A copy of the Executive Summary of Rand Water's 15 Year Infrastructure Development Report, ordinarily updated biennially.

18.2.2 Operating levels in Rand Water's reservoirs, and pressures and flow rates in pipelines (where the data is available). The data shall cover the preceding 3 months and will be updated weekly.

18.3 Rand Water undertakes to make the following information available to any Customer.

18.3.1 A copy of Rand Water's Water Quality Specification.

18.3.2 Monthly reports of the results of water quality analyses.

19. **INFORMATION TO BE SUPPLIED BY CUSTOMERS**

19.1 **Questionnaire**

Customers must promptly complete a questionnaire supplied by Rand Water from time to time - ordinarily at two year intervals - to facilitate the estimation of future water demand.

19.2 **Chlorine retention time**

Customers must provide Rand Water with details in writing of the expected maximum chlorine retention time in the Customer's and Consumer's Infrastructure, on request by Rand Water and on any subsequent change in the expected retention time.

19.3 **On-supply to third parties**

Any Customer, other than a Water Services Institution, who on-supplies to one or more other persons, must provide to Rand Water by 30 September each year the following information in writing:

- 19.3.1 an updated list of the persons to whom the Customer was on-supplying on the immediately preceding 30 June and the tariff being charged as at that 30 June;
- 19.3.2 the quantity of water on-supplied during the year ended that 30 June to each such person and/or his predecessor/s;
- 19.3.3 copies of any written agreements that exist between the Customer and those other persons;
- 19.3.4 details of the reticulation system including design specifications and design criteria; and
- 19.3.5 any other information requested by Rand Water.

19.4 **Use of other water sources**

Any Customer who has permission under Condition 14.1 to obtain water from another source must promptly inform Rand Water in writing of any significant change in the supply area or the quantity or quality of the water obtained from that source.

19.5 **Drawings of supply area**

Water Services Providers and Customers with 150 mm or larger diameter Rand Water meters must provide Rand Water with drawings indicating the area of supply of each Rand Water meter. The drawings must also include cadastral information, the reticulation system including the position of reservoirs and pump stations, contours, the different water zones and districts and any other information Rand Water may specify.

19.6 **Water audits, development plans and implementation reports**

Water Services Authorities must furnish copies to Rand Water of the following:

- 19.6.1 documented annual water audits;
  - 19.6.2 draft, final and any amended water services development plans; and
  - 19.6.3 reports on implementation of the development plan;
- that they are required by law to prepare from time to time.

20. **PAYMENTS**

20.1 **Place and manner of payment**

- 20.1.1 All payments due to Rand Water must be made at its address shown in its account, or otherwise at its head office, or electronically to its bank account, without deduction and free of any bank or other charges. Payment must be made within thirty (30) days after date of invoice unless specified otherwise on the face of the invoice. Any payment inadequately identified will be regarded for all purposes as not having been made until identified.

## 20.2 **Interest on overdue amounts**

Interest is payable on overdue amounts at the published prime overdraft rate from time to time, including compounding, of a bank nominated by Rand Water, plus a number of percentage points determined by Rand Water either for all Customers, or for each Customer, based on its assessment of the Customer's risk profile, but not exceeding the highest rate referred to from time to time in the Regulations passed in terms of the National Credit Act 34 of 2005.

## 20.3 **Profiling of Customer risk**

**20.3.1** Where a Customer defaults for the first time and has made prior arrangements for payment and is honouring the payment arrangement, such a Customer will be classified as a low risk Customer. The interest rate charged against such a Customer shall be at the prime overdraft rate.

**20.3.2** Where the Customer has defaulted three times in a period of twelve (12) months and/ or the account is outstanding for ninety (90) days or older, such a Customer will be classified as a medium risk Customer. The interest rate charged against such a Customer for each month during payment failure, shall be either at prime overdraft rate plus two percent (2%) or fifty percent (50%) differential between the prime overdraft rate and highest rate as referred to in the National Credit Act 34 2005 whichever is lower.

**20.3.3** Where a Customer has more than three defaults in a twelve (12) month period, such a Customer will be classified as a high risk Customer. The interest rate charged against such a Customer for each month during payment failure, shall either be three percent (3%) of the total amount due in respect of the account payable or a maximum differential between the prime overdraft rate and the highest rate as referred to in the National Credit Act 34 of 2005 whichever is lower.

**20.3.4** **Very High Risk:** Where a customer fails to meet the above obligation, such customer will be classified as a very high risk. Such a customer will be charged interest of prime overdraft rate plus either 5% (five percent) of the total amount due in respect of the account payable for goods/commodity/services provided to the customer, in each month during the period of non-payment or the maximum differential between the prime overdraft rate and the highest rate as referred to in the National Credit Act, whichever is higher.

## 20.4 **Application for credit**

**20.4.1** A customer may apply for credit. In assessing the credit application, Rand Water shall undertake a credit assessment and assign a credit rating and either accept or decline the credit application.

**20.4.2** In the event the credit application is declined, Rand Water may open an account on a prepayment basis.

## 20.5 **Lost payments**

Loss of a payment in the post or otherwise is borne by the Customer.

## 4. **INDEMNITY**

No Customer or Consumer will have any claim in contract, delict or otherwise against Rand Water or its officers, employees, agents or contractors for any loss, damage, injury, death or otherwise arising out of or in connection with any interruption or defect in the water supply or the quality of the water supplied or the pressure of the supply being too high or too low or any



defect in or unsuitability of the equipment supplied by Rand Water or any maintenance or repairs not being carried out timeously or at all or anything else, whether or not of the same class, done or omitted in or about the performance of any of Rand Water's functions contemplated in these conditions.

21. **TERMINATION BY CUSTOMER**

The Customer must give 30 days prior written notice to Rand Water of the required date of termination if the Customer wishes to terminate the water supply.

22. **DEFAULT**

22.1 **Limitation or cut-off of supply**

23.1.1 If a Customer fails to pay any amount, or to discharge any other obligation, owed to Rand Water by due date, Rand Water shall, subject to Section 4(3) (a) (b) of the Water Services Act, limit or cut-off the Customer's water supply. Fifteen (15) days prior notice of its intention to do so will be given to the Customer.

23.1.2 Rand Water shall in terms of its Credit Management Policy, prior to issuing a notice of intention to limit or cut-off the water supply, issue an early reminder to the customer prior to limiting or cutting off the water supply.

23.1.3 The customer may, within fifteen (15) days of receipt of invoice and statement, make payment arrangements with regards to arrear account. In such a case, Rand Water shall not limit or cut-off the water supply unless the customer defaults on the payment arrangement, in which event, Rand Water shall be entitled to full payment and immediately cut off or limit the water supply.

22.2 **Reinstatement of supply**

The supply will only be reinstated when the Customer has ceased to be in default and, if supply has been cut-off, has paid the reconnection charge set out in the schedule of charges which Rand Water shall forward to Customers annually, informing Customers of increases in charges, or has concluded an arrangement acceptable to Rand Water.

22.3 **Legal costs**

The Customer will be liable for any costs including legal costs on the attorney and own client scale incurred by Rand Water arising out of the Customer's default.

22.4 **Jurisdiction of Magistrates' Courts**

A party is entitled, but not obliged, to institute any proceedings arising out of or in connection with these conditions in the Magistrates' Courts.

22.5 **Indulgences**

The grant of any indulgence by Rand Water to the Customer will not constitute a waiver of any right by Rand Water or prevent or adversely affect the exercise by Rand Water of any existing or future right.

23. **DOMICILIUM CITANDI ET EXECUTANDI**

24.1 The parties choose as their domicilia citandi et executandi for all purposes under this agreement, whether in respect of court process, notices or other documents or communications of whatsoever nature (including the exercise of any option), the following postal, physical and e-mail addresses:

---

**RAND WATER:**

Physical:

Postal:

Facsimile:

E-mail:

Contact person:

**CUSTOMER:**

Physical:

Postal:

Facsimile:

e-mail:

Contact person:

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- 24.2 Any submission, notice, communication or information required or permitted to be given and any obligation to submit to, notify or inform a party in terms of this contract shall, unless specifically provided for otherwise, be valid and effective only if in writing and shall be delivered by hand, transmitted by facsimile or sent by prepaid registered post.
- 24.3 A notice shall be deemed to have been received:
- 24.4 7 (seven) days after posting, if posted by registered post to the party's address in terms of clause 23.1;
- 24.5 on delivery, if delivered to a responsible person during normal business hours at the party's physical address in terms of clause 23.1;
- 24.6 on despatch, if sent to the Party's facsimile number or e-mail address;
- 24.7 Notwithstanding anything to the contrary herein contained a written notice or communication actually received by a party shall be adequate written notice or communication to it notwithstanding that it was not sent to or delivered to its chosen domicilium citandi et executandi.
- 24.8 Either party may change its address for purposes of this clause to another address by notice in writing in terms of clause 53.2 to the other party, such address being effective on receipt by the addressee of such written notice. A notice shall be necessary in respect of a new or changed facsimile number.

24. **ENTIRE AGREEMENT**

- 25.1 These conditions, as amended by Rand Water from time to time, together with any special conditions specified by Rand Water, contain all the express provisions agreed on by the parties with regard to the supply of water and the other matters dealt with in these conditions.

25.2 The Customer may not rely on any representation which allegedly induced the Customer to enter into the agreement between the parties, unless the representation is in writing and signed.

25.3 No agreement varying or cancelling, or waiving any right under, the agreement between the parties will be effective unless in writing and signed by the parties.

#### 25.4 VIS MAJOR

25.4.1 No party shall be liable for any failure to fulfil its duties and obligations in terms of this agreement where such failure is caused by any event, occurrence, circumstance or condition beyond the reasonable control of such party (including, but not limited to casus fortuitus, landslides, lightning, earthquakes, tornados, floods, other acts of God, acts of military or third-party civil authorities or public enemies, war blockade, sabotage, fire, explosion, bombing, insurrection, riot or civil disobedience), the occurrence of which could not have been reasonably foreseen and which, despite the exercise of diligent efforts could not have been prevented, limited or minimised, that affects the powers, rights, duties or obligations of the parties under this agreement. It is specifically recorded that failure by the Department to effectively manage water resources constitutes an event, occurrence, circumstance or condition for purposes of this Condition.

25.4.2 The party affected by an event, occurrence, circumstance or condition referred to in Condition 25.1 shall promptly notify the other party in writing of the event, occurrence, circumstance or condition and the estimated extent and or duration of such party's inability to perform its duties and obligations.

25.4.3 Upon the cessation of the event, occurrence, circumstance or condition referred to in clause 25.1 the party affected thereby shall notify the other party of such cessation.

25.4.4 If, as a result of the event, occurrence, circumstance or condition referred to in Condition 25.1, the performance of a party's duties and obligations is only partially affected, such party shall remain liable for the performance of those duties and obligations not affected by the event, occurrence, circumstance or condition.

25.4.5 If an event, occurrence, circumstance or condition referred to in clause 25.1 causes material and unavoidable physical damage or destruction to all or any of the parties infrastructure or materially delays or prevents the performance of any duties and obligations in terms of this agreement, or interrupts services and continues for more than 90 (ninety) consecutive days the affected party may terminate this agreement.

#### 25. **LEGISLATIVE AND REGULATORY CHANGES**

Any provisions of this agreement which may become inconsistent with legislation due to amendments to that legislation shall be deemed, insofar as possible, to be amended accordingly, provided that, where such legislative amendments render any provisions illegal, invalid, unenforceable or ineffective, the parties shall renegotiate such provisions in good faith, having due regard to such amendments and to the principles contained herein. If any provision cannot be renegotiated it shall be treated pro non scripto and severed from the balance of this contract, without invalidating the remaining provisions of this contract or affecting the validity or enforceability of such provisions

#### 26. **ASSIGNMENT, TRANSFER, CESSION AND DELEGATION**

No party shall be entitled to assign, transfer, cede or delegate any of its rights and obligations in

terms of this agreement without the prior written consent of the other party.

## 27.1 CONFIDENTIALITY AND PUBLICITY

27.1.1 For the purposes of this Condition, "confidential information" means any knowledge, information or know-how relating to a party's business, systems, customers, property, assets or affairs which has been or is disclosed, communicated, delivered or has come to the knowledge of the other party under or in connection with this agreement.

27.2 Neither party may disclose any confidential information of the other party without the prior written approval of the other party or require, assist or permit any person to have access to, or use, disclose or reproduce any confidential information of the other party, other than confidential information -

27.2.1 a party is required by legislation to disclose; or

27.2.2 a party is required to disclose in dispute resolution or court proceedings.

27.3 If a party is required or compelled to disclose confidential information of the other party it must:

27.3.1 immediately give written notice of that fact to the other party; and

27.3.2 take reasonable measures to ensure that the confidentiality of the information is protected.

27.4 A party must not make any public statement relating to this agreement unless –

27.4.1 the other party has previously agreed to the form and content of the statement; or

27.4.2 the statement is required to be made by legislation and the other party was consulted in respect of the public statement to be made.

27.4.3 This clause survives the termination of this agreement.

## 28. BREACH OF AGREEMENT

28.1 Should either party ("the defaulting party"):

28.1.1 commit any breach of any of the provisions of this agreement and fail to commence remedying such breach within 15 (fifteen) days after receipt of written notice from the other party ("the aggrieved party") to do so and to remedy such breach within a reasonable period;

28.1.2 fail to pay any amount on due date in terms of this agreement and remain in breach for more than 30 (thirty) days after receipt of written notice from the other party ("the aggrieved party") to do so;

then and in either such event, the aggrieved party shall forthwith be entitled (but not obliged) without prejudice to any other rights or remedies which the aggrieved party may have in law or in this agreement, including the right to claim damages;

28.1.3 immediately cancel this agreement without giving any further notice to the defaulting party ; or

28.1.4 claim immediate performance and/or payment of the obligations of the defaulting party in terms

of this agreement.

## **ANNEXURES**

The following annexures form part of this agreement –

Annexure 1 - Application for Water Supply.

Annexure 2 - Bank Guarantee

Annexure 3 - Peak Daily Factors

**ANNEXURE 1 – APPLICATION FOR WATER SUPPLY (Condition 2)**

The supply of water by Rand Water is governed by Rand Water's General Water Supply Conditions (available on request), set by it in terms of Section 4 of the Water Services Act, 108 of 1997, except to the extent Rand Water specifies otherwise. Rand Water may at any time, review this agreement.

Full name of applicant			
Registration number/Identity number,			
Physical address (May be used for service of documents in legal proceedings)			
Postal Address			
Postal Code			
Telephone numbers	Cellular	Home	Work
Dialling code			
E-mail			

<b>DETAILS OF CONTACT PERSON IN THE EVENT OF AN EMERGENCY (Conditions 12.3 and 12.4)</b>			
Name	Telephone numbers		
	Cellular	Home	Work
Dialling code			

**B. PARTICULARS OF PLACE WHERE SUPPLY IS REQUIRED**

It is important that these particulars be given fully and correctly. A locality map, which need not be according to scale, may be attached.

Address and stand number and suburb/portion and farm name, etc	

Municipal/district area	

Purpose for which water is required e g municipal, mining, industry (specify), domestic, agriculture, etc	

Estimated quantity of water required	1 <sup>st</sup> year		11 <sup>th</sup> year		Ultimate requirement		
	Average per day (kP)	Maximum per hour (kP)	Average per day (kP)	Maximum per hour (kP)	Average per day (kP)	Maximum per hour (kP)	Year required

If the annual increase (or decrease) in the estimated quantity of water required between the first and eleventh years is unlikely to be substantially even, state your estimate for each of the second to the tenth years on a separate sheet.

These estimates must be reasonable and in good faith. They form the basis of Rand Water's design of its own infrastructure and of your connection to its infrastructure. In accordance with Rand Water's Water Supply Conditions the estimates are also used to determine:

- the maximum quantity of water you are entitled to draw (Condition 3.3), and
- the maximum allowable flow rate (Condition 3.4).

The maximum allowable flow rate is determined by multiplying the average allowable flow rate by a peak day factor as set out in Annexure 4 to the Water Supply Conditions. If you need a higher maximum flow rate, you need to provide your own storage facilities or make special arrangements with Rand Water.

Level of highest/lowest point to be supplied with water	Above proposed connection point	Below proposed connection point
	m	m
Type and capacity of storage facilities to be provided by applicant (not required for domestic supplies to individuals)		



**C. CONSENT BY REGISTERED OWNER OF PROPERTY**

If the applicant is not the registered owner of the property, this Part C must be completed and signed by the owner.

Full name of registered owner	

Registration number, if any			
Physical address			
Postal Address			
Postal Code			
Telephone numbers	Cellular	Home	Work
Dialling code			

Please attach a copy of your identity document, certificate of incorporation, founding statement, trust deed or other similar document.

Post this application, after completion to:

The Chief Planning Engineer  
Rand Water  
P O Box 1127  
Johannesburg  
2000

or hand it in at Rand Water's offices at :

522 Impala Road  
Glenvista  
Johannesburg

Signature of applicant	
Designation of signatory, if applicant is not an individual. The signatory warrants his authority to sign for the applicant	
Date	

**ANNEXURE 2– BANK GUARANTEE (Condition 8.4)**

Rand Water  
P O Box 1127  
Johannesburg  
2000

Dear Sirs

On instructions from .....("the Customer"), we hold R..... at your disposal, which sum or part thereof will be paid to you by us on receipt of written notification from you that the Customer has failed to pay an amount owing to you, provided that our liability under this undertaking will not exceed R ..... (.....) in aggregate. This undertaking will continue in force until expiry of 30 (thirty) days after receipt by you from us of written notice of termination and until all amounts that have accrued to you up to the expiry of the notice have been paid.

This undertaking is neither transferable nor negotiable and must be returned to us when our liability under it has ceased.

Yours faithfully

**SCHEDULE OF CHARGES.**

**1. Charges**

The following charges are levied by Rand Water:

**1.1 Installation (Condition 4.3).**

**1.1.1 12 mm to 25 mm diameter**

Diameter of installation		Charge	
Connection	Meter	Excluding VAT	Including VAT at 14%
25 mm	12 mm	R3 000, 00	R3 420,004
25 mm	25 mm	R3 000, 00	R3 420, 004

**1.1.2 Larger diameters**

Actual cost to Rand Water (excluding the meter and telemetry equipment) plus 10%.

An estimate will be provided on request in accordance with Condition 4.3.3

**1.1.3 The annual increment in installation charges shall be determined by Rand Water based on Rand Water’s internal rate of inflation . Such annual increment will be communicated to the Customer.**

**1.2 Monthly service (Condition 8)**

**1.2.1 The following monthly service charges are payable to Rand Water for each meter and each automatic control valve:**

Diameter of meter/valve	Excluding VAT	Including VAT at 14%
mm	Rand	Rand
12	13,16	15
25	17,54	20
50	21,93	25
100	26,32	30
150	30,70	35
200	35,09	40
250	39,47	45
300	43,86	50
350	48,25	55
400	52,63	60
450	57,02	65
500	61,40	70
600	70,18	80
700	78,95	90
800	87,72	100
900	96,49	110

1 000	105,26	120
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1.2.2 Where a combination meter has been installed, the service charge is the sum of the amounts due for the two meters and the valve. For example, the monthly rental for a 100 mm x 12 mm combination meter with a 100 mm automatic control valve is R30 + R15 + R30 = R75.

1.2.3 The annual increment in monthly service charges shall be determined by Rand Water based on Rand Water's internal rate of inflation. Such annual increment will be communicated to the Customer.

1.3 **Limitation, cutting off of a supply and removal of a meter**

1.3.1 The Customer will be charged for the limitation of a supply, cutting off of a supply and removal of the meter. In determining the charge, Rand Water shall take the following into consideration, but not necessarily limited thereto:

- 1.3.1.1 the mileage rate as per Rand Water's rates;
- 1.3.1.2 the actual mileage from the depot that will cut off the supply to the Customer's meter;
- 1.3.1.3 hourly rate of Rand Water's employee that will be cutting off the supply and the actual time it took Rand Water's employee to cut off the supply and;
- 1.3.1.4 travelling time of Rand Water's employee that will cut off the supply.

1.4 **Reinstatement of a supply (Condition 22.2)**

1.4.1 The Customer will be charged R548, 00 for the reinstatement of supply.

1.4.1 In determining the charge, Rand Water shall take the following into consideration, but not necessarily limited thereto:

- 1.4.1.1 the mileage rate as per Rand Water's rates;
- 1.4.1.2 the actual mileage from the depot that will cut off the supply to the Customer's meter;
- 1.4.1.3 hourly rate of Rand Water's employee that will be cutting off the supply and the actual time it took Rand Water's employee to cut off the supply and;
- 1.4.1.4 travelling time of Rand Water's employee that will reinstate the supply.

2. **Payment of charges**

2.1 Payment of all charges is due in advance except in the case of the installation charges for larger meters (Paragraph 1.2) where 20% is payable with order and the balance on installation.

2.2 Payment for reconnection charges is due in advance prior to the reinstatement of supply.

3. **Deposit (Condition 8.4)**

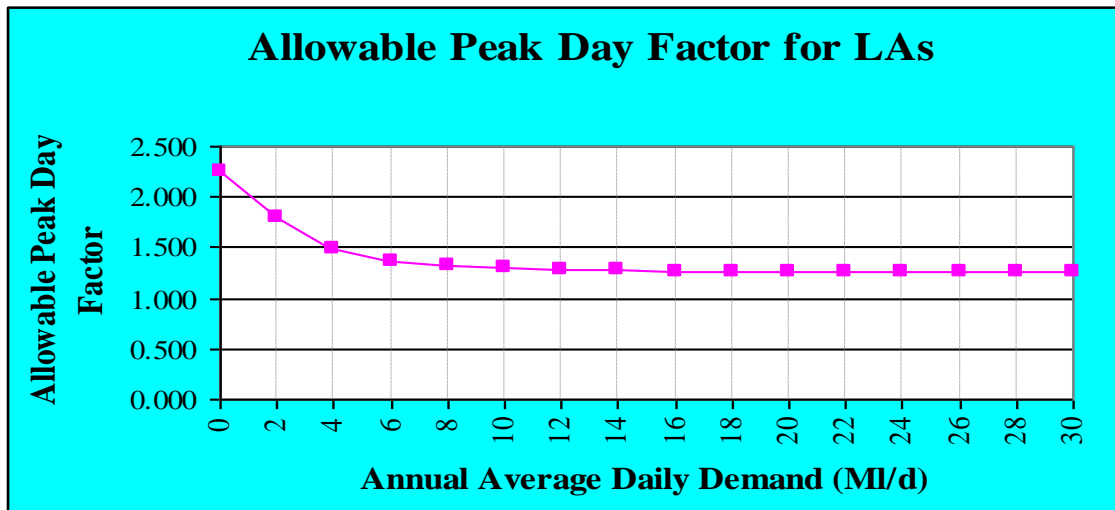
The cash deposit in terms of Condition 8.4 is a minimum of R1 000,00, unless Rand Water specifies another amount.

### ANNEXURE 3 - PEAK DAY FACTORS (Condition 3.4)

The peak day factors (PDF) to determine the maximum allowable flow rate for the purposes of Condition 3.4 will be determined in accordance with the formulae set out below (which give the graphs set out):

- Local authorities where the apportionment of flow among the categories of use set out in Paragraph 2 is not furnished:

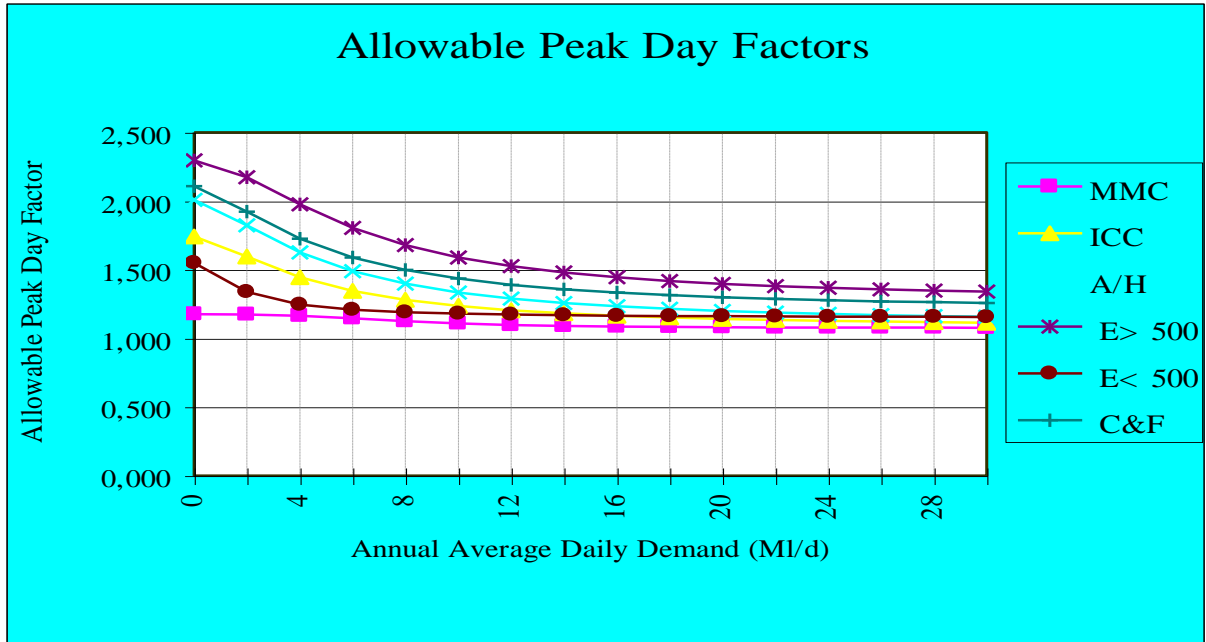
**Formula:**  $PDF = 1,25 + \frac{1}{0,21 \times Q^2 + 1}$  where Q = rate of flow in Mℓ per day



- Local authorities where the apportionment of flow is furnished and other Customers:

**Formulae:**

Category of use	Formula
Mining, Minerals and Cooling - MMC	$PDF = 1,075 + \frac{1}{0,02 \times Q^3 + 10}$
Industry, Commerce and CBD - ICC	$PDF = 1,075 + \frac{1}{0,15 \times Q^{1,5} + 1,5}$
Agricultural Holdings - A / H	$PDF = 1,1 + \frac{1}{0,1 \times Q^{1,5} + 1,1}$
Erven > 500 m <sup>2</sup> - E > 500	$PDF = 1,28 + \frac{1}{0,04 \times Q^{1,75} + 0,985}$
Erven < 500 m <sup>2</sup> - E < 500	$PDF = 1,15 + \frac{1}{Q^{1,5} + 2,5}$
Clusters and flats - C&F	$PDF = 1,2 + \frac{1}{0,1 \times Q^{1,5} + 1,1}$



**Notes:**

- (a) If the use for which the Customer requires the water falls into more than one of the above categories, the PDF is determined by taking the weighted average of the PDF for all the categories of use.
- (b) Where the Customer has more than one meter, the flow through all the meters is added together in applying the PDF.
- (c) If Rand Water considers that the water loss downstream of the Customer Connection is likely to exceed an acceptable level, the excess as determined by Rand Water will be included in the maximum allowable flow rate without being multiplied by a PDF.