

Water Services Act (119/2001)

Chapter 1 General provisions

Section 1 *Objective*

- (1) The objective of this Act is to ensure water services which provide a sufficient amount of impeccable household water with respect to health and otherwise as well as appropriate sewerage in terms of the protection of health and the environment.

Section 2 *Scope of application*

- (1) This Act applies to water services in settlements and, unless otherwise provided, business and leisure activities comparable with settlement.

Section 3 *Definitions*

- (1) In this Act:
 - 1) *water services* mean the acquisition of water, that is, the conveyance, treatment and delivery of water to be used as household water, as well as sewerage, that is, the disposal and treatment of wastewater, rainwater and drainage water from foundations;
 - 2) *household water* means water intended for human consumption as provided for in the Act on Health Protection (763/1994);
 - 3) *water supply plant* means plant which manages the water services of a community;
 - 4) *area of operation* means the area in which the water supply plant manages the water services as provided for in this Act;
 - 5) *customer* means the owner or occupier of a property or other party who enters into a contract with the water supply plant on connecting the property to the network of the plant or on the supply and use of the services of the plant;
 - 6) *consumer* means a person referred to in Chapter 1, section 4 of the Act on Consumer Protection (38/1978) who enters into a contract referred to in this Act with the water supply plant;
 - 7) *general supply conditions* mean the general conditions attached to the contract concerning the connection to the network of a water supply plant and the supply and use of the services of the plant.

Section 4 *Control authorities*

- (1) The control authorities referred to in this Act are the Regional Environment Centre, the municipal health protection authority and municipal environmental protection authority.

Chapter 2 **Development and organisation of water services**

Section 5 *General development of water services*

- (1) A municipality must develop the water supply and sewerage in its own territory in accordance with the development of communities so as to meet the objectives set out in this Act and to participate in the general regional planning of water services.
- (2) A municipality must draw up and sufficient development plans on water services for its territory in cooperation with the water supply plants and keep them up-to-date. When drawing up the development plans, the municipality must cooperate with other municipalities as necessary.
- (3) Special emphasis shall be given in the development plan on the organisation of water services in areas with a valid local master plan or local detailed plan referred to in the Land Use and Building Act (132/1999), or where the local master plan or detailed plan is pending as well as in areas covered by the environmental protection regulations laid down by virtue of section 19 of the Environmental Protection Act (86/2000).

Section 6 *Organisation of water services*

- (1) The owner or occupier of a property is responsible for its water services as laid down in this Act and other law.
- (2) When required due to the need of a relatively large number of inhabitants or health considerations or environmental protection, a municipality must make sure that appropriate measures are taken to establish a water supply plant to meet the need, to expand the area of operation or to otherwise secure the availability of sufficient water services.
- (3) Before taking the measures referred to in subsection 2, the municipality must reserve an opportunity for property owners and occupiers in the area to be heard.

Section 7 *Areas of operation of water supply plants*

- (1) Within the territory of a municipality, the areas of operation of water supply plants must cover areas where connecting the properties to the water pipes or sewers is necessary due to the quantity or type of settlement or business and leisure activities comparable with settlement in terms of water services.

Section 8 *Approval of the area of operation of a water supply plant*

- (1) A municipality will approve the area of operation for a water supply plant operating in its territory and, when necessary, will amend an approved area of operation on the submission of the water supply plant or, if the plant has presented no such submission, after hearing the plant. Before the approval or amendment of the area of operation, a statement on the matter must be requested from the control authority, and an opportunity must be reserved for the property owners and occupiers in the area to be heard.

- (2) An area of operation must be such that the water supply plant can be considered capable of managing the water supply services under its responsibility in an economical and appropriate manner.
- (3) When approving an area of operation, a municipality must determine areas to be included in the water main network of the plant as well as areas to be included in the sewage networks of the plant, taking into account the needs of the different parts of the area. A timetable for including the different parts of the area of operation into the networks must be set in connection with the decision on approval.

Section 9

Management of water services

- (1) A water supply plant manages the water services in its area of operation in accordance with the needs of community development as set out in the decision on the approval of the area of operation referred to in section 8.

Chapter 3

Connection to the network of a water supply plant and management of water services

Section 10

Connection of a property to the network of a water supply plant

- (1) A property located in the area of operation of a water supply plant must be connected to the water main and sewer of the plant. However, the property need not be connected to the sewer for the removal of rainwater and drainage water from the foundations if there is no separate network for this purpose in the area and the rainwater and drainage water can be removed in an appropriate manner.
- (2) Notwithstanding the provisions of subsection 1, a water supply plant may refuse to connect to the network a property where the water consumption or quality or quantity of wastewater coming from the property would interfere with the operations of the plant or its ability to manage the water services of other properties satisfactorily.

Section 11

Exemption from the connecting obligation

- (1) The municipal environmental protection authority may upon application grant a property an exemption from the connecting obligation referred to in section 10 under the conditions provided in this section. Before granting the exemption, an opportunity must be reserved for the owner or occupier of the property and the Regional Environment Centre to be heard. In addition, the municipal environmental protection authority must request a statement on the exemption from the municipal health protection authority.
- (2) Exemption from the connecting obligation must be granted if:
 - 1) connecting to the network would cause unreasonable burden to the owner or occupier of the property, taking into account the costs of the connection, minimal need for water supply services or similar special reasons;
 - 2) exemption does not compromise the economical and appropriate management of water supply services in the area of operation of the water supply plant;
 - 3) and in addition to the above:
 - a) a property exempted from the connecting obligation has access to a sufficient amount of household water which meets the requirements, or

- b) the collection and treatment of wastewater of a property to be exempted from connection to a wastewater sewer can be organised so that there is no damage to health or risk of contaminating the environment, or
- c) rainwater and drainage water from the foundations of a property exempted from connection to a sewer intended for the removal of rainwater and drainage water from the foundations can otherwise be removed in an appropriate manner.

Section 12

Connection points

- (1) A water supply plant must establish the connection points for each property connected to its network; the connection points must be located in the immediate vicinity of the property.

Section 13

Design, construction, maintenance and use of water supply equipment

- (1) The owner or occupier of a property to be connected to the network of a water supply plant is responsible for the water supply equipment of the property up to the connection point. Equipment must be designed, located and constructed to be compatible with that of the water supply plant. The water supply equipment of the property must be maintained and used in a way which causes no risk or inconvenience to the use of the water supply plant equipment or health or the environment.
- (2) The owner or occupier connected to the network of a water supply plant must allow a representative of the plant to inspect the type, condition and functioning of the equipment connected or to be connected to the equipment of the plant. The inspection must be carried out in a way which causes minimum inconvenience to the use of the property.
- (3) The relevant provisions on the design, construction, maintenance, use and inspection of the water supply equipment of the property and the equipment of a water supply plant laid down in other law as well as the conditions set out in the contract concerning the connection of the property and the supply and use of the services of the plant shall be complied with.
- (4) In an area with a valid plan referred to in the Land Use and Building Act or an area where such a plan is being prepared, the equipment of a water supply plant may not be constructed in a way that would interfere with the preparation of the plan or the implementation of the existing plan.

Section 14

Obligation of a water supply plant concerning the quality of household water

- (1) A water supply plant must ensure that the household water supplied by the plant meets the quality requirements set out in the Act on Health Protection.

Section 15

Inspection obligation of a water supply plant

- (1) A water supply plant is responsible for inspecting the quantity and quality of the raw water it uses and for loss of water in the plant network.
- (2) The provisions laid down in subsection 1 also apply to the party supplying water to the water supply plant.

Section 16

Information obligation

- (1) When requested, a water supply plant and its customer must provide each other with the necessary information relating to the connection to the water supply plant network and the management of water supply services.
- (2) A water supply plant must provide sufficient information concerning the quality of household water supplied by the plant and level of wastewater purification and the composition of the charges collected for water services.

Section 17

Use of the customer's property

- (1) When necessary, a representative of the water supply plant has the right to gain access to a customer's property in order to carry out necessary measures relating to the construction, maintenance and use of the water supply equipment of the plant. Unless otherwise provided, such need must be notified to the owner or occupier of the property in advance.
- (2) A water supply plant must ensure that entry to the customer's property and the measures undertaken cause minimum inconvenience to the property or its use. A water supply plant is liable to compensate the customer for any inconvenience or damage.
- (3) Separate provisions are issued on gaining right of use and ownership to areas needed for water supply buildings, equipment and constructions. Provisions on the right to extract groundwater and conveyance of water and on research needed to examine the feasibility of a measure referred to in the Water Act are laid down in the Water Act (264/1961).

Chapter 4

Charges and costs for water services

Section 18

General criteria for the charges

- (1) The charges for water services must be such that they cover the investments and costs of the water supply plant in the long term. The charges may include only a minimum return on the capital.
- (2) Charges must be reasonable and equitable for all users. The need to regulate the consumption of water, special use of water and exceptional quality or quantity of wastewater may be taken into account in the charges. As considered necessary, the charges must be such that they promote the sparing use of water and reduction in the amount of wastewater and prevent the entry of harmful substances into the sewers.
- (3) Water services may be subsidised by municipal, national or Community funds. The subsidy must be taken into account when covering the costs as set out in subsection 1. The subsidies for water services are subject to other relevant provisions on such subsidies.

Section 19

Charges

- (1) A water supply plant must collect charges for the use of water supply services. Charges are collected on the basis of the amount of water used by the property and the amount and quality of the wastewater to be disposed of.
- (2) A plant may also collect a connection charge and a basic charge and other charges for the services supplied by the plant. The amounts of these charges may vary in different areas if this is necessary in terms of appropriate cost allocation or implementation of the polluter pays

principle or other similar cause. The use of the property may also be taken into account when establishing the connection charge.

Section 20

Accounting of a municipal water supply plant

- (1) The accounting of a municipal water supply plant must be separated from the accounting of the municipality and the plant must draw up separate financial statements for each accounting period.

Chapter 5

Water services contract

Section 21

Making the contract

- (1) A contract on connecting a property to the network of a water supply plant or supply and use of the services of a plant must be made in writing or electronically so that the contents cannot be altered unilaterally and the contract remains available to both parties.

Section 22

General supply conditions

- (1) The general supply conditions for water services must be fair and equitable.
- (2) The Consumer Ombudsman will control the compliance with the law of the general supply conditions in respect of consumer protection.

Section 23

Modification of contractual conditions

- (1) A water supply plant may modify the charges within a contract referred to in section 21 and other contractual conditions only:
 - 1) for reasons specified in the contractual conditions, provided that the content of the contract as a whole does not change in an essential way;
 - 2) on the basis of an amendment to the legislation or a decision by an authority based on such an amendment;
 - 3) for other special reasons due to essential changes in the circumstances.
- (2) A water supply plant also has the right to make minor modifications to the contractual conditions which have no major impact on the main content of the contract.
- (3) A water supply plant must notify the customer well before any modifications to the contract of how and when the charges and other conditions will change and what is the reason for the modification. If the modification is not based on an amendment to the legislation or decision by an authority based on such an amendment, the modification may become effective no sooner than one month from the date the notification was sent.

Section 24

Termination of a contract

- (1) A water supply plant may terminate a contract concerning a connection to its network referred to in section 21 only if the continuation of the contract would be unreasonable due to the water

consumption of the property or the amount or quality of the wastewater, rainwater or drainage water from the foundations entering the sewers from the property.

- (2) A customer may terminate a contract concerning the connection to the network referred to in section 21 in the area of operation of a water supply plant only if the property has been granted an exemption to the connecting obligation under section 11.
- (3) A water supply plant may terminate a contract concerning the supply and use of the services of a water supply plant referred to in section 21 only if the water service has been discontinued on grounds laid down in section 26 and the continuation of the contract is unreasonable.
- (4) In addition to the provisions laid down in subsection 3, a contract concerning the supply and use of the services of a water supply plant may be terminated if the contract concerning the connection to the network required for the use of the services is terminated on grounds set out in subsection 1 or 2.

Chapter 6

Discontinuation and error

Section 25

Binding nature of the provisions

- (1) No deviations from the provisions laid down in this Chapter may be made by contract to the detriment of the consumer. Unless otherwise provided below, the provisions laid down in this Chapter apply between the water supply plant and the customer unless otherwise agreed.

Section 26

Discontinuation of water supply service

- (1) A water supply plant may discontinue the supply of water or disposal of wastewater, rainwater or drainage water from foundations if the customer has in an essential way neglected the payments referred to in section 19 or otherwise in an essential way breached the obligations based on the provisions or contract.
- (2) A water supply plant may discontinue the supply of water or disposal of wastewater, rainwater or drainage water from foundations no less than five weeks from the first notification of the threat of discontinuation referred to in subsection 1 to the customer and if the neglect or breach of an obligation has not been corrected in time before the notified time of discontinuation. If an action which breaches the provisions or contract is such that it may cause danger or significant damage to the use of the plant or health or the environment, the supply of water or disposal of wastewater, rainwater or drainage water from foundations may be discontinued immediately.
- (3) If the neglect of payment referred to in subsection 1 is due to financial difficulties caused by serious illness or unemployment or similar special cause through no fault of the customer and the customer has notified the water supply plant of such difficulties, the supply of water or disposal of wastewater, rainwater or drainage water from foundations may be discontinued no less than ten weeks from the first notification of the threat of discontinuation.

Section 27

Error and price reduction

- (1) There is an error in water services when the quality of water or the way it is supplied or the services of the water supply plant do not meet the requirements set out in the provisions or contract. There is also an error in water services when it is continuously or repeatedly

discontinued unless the discontinuation can be considered a minor one in view of its cause and relevant circumstances.

- (2) The customer is entitled to a price reduction corresponding to the error. If an error is based on discontinuation of water services the amount of the price reduction must correspond to at least a two-week share of the annual basic charge. A claim for price reduction must be presented to the water supply plant within a reasonable time from detecting the error or when the error should have been detected.

Section 28

Compensation for damage

- (1) A water supply plant is obliged to compensate for damages due to an error in water services to a person or property intended for private use or consumption and mainly used for such purpose by the party suffering the damage. A condition included in a contract made before the damage was found which restricts the right of the party suffering the damage to compensation under this subsection is null and void.
- (2) A water supply plant is obliged to compensate for financial loss to the customer due to an error in water services. A water supply plant is obliged to compensate for indirect damage only if the error or damage is caused by negligence of the plant.
- (3) The following are to be considered indirect damage:
 - 1) loss of earnings caused by an error in water services or measures due to such error;
 - 2) damage caused by an obligation based on another contract;
 - 3) significant loss of benefits based on the use of the water services which cause no direct financial loss, and similar essential damage;
 - 4) other similar damage which is difficult to anticipate.
- (4) If damage referred to in subsection 3 is caused by efforts to restrict other kinds of damage, the damage is not considered indirect in this respect.

Chapter 7

Control, administrative compulsion and appeal

Section 29

Correction of a breach or neglect

- (1) The control authority may prohibit a party which violates this Act or provisions issued under it from continuing or repeating the procedure which breaches the rules or order the party concerned to meet its obligations.
- (2) A prohibition or order directed at a municipality will be issued by the Regional Environment Centre.
- (3) Prior to issuing a prohibition or order, the control authority must, as far as possible, negotiate with the party which violated this Act or provisions issued under it.

Section 30

Penalty payment, threat to order measures taken at the defaulter's expense and threat of interruption

- (1) The control authority may intensify a prohibition or order issued under section 29 by a penalty payment or threat that the neglected measure is taken at the defaulter's expense or that the operations are interrupted or prohibited.

- (2) In matters concerning penalty payment, threat to order measures taken at the defaulter's expense and threat of interruption, the relevant provisions laid down in the Penalty Payment Act (1113/1990) apply.

Section 31

Right to institute proceedings

- (1) If a municipality has neglected an obligation referred to in section 6(2) and no action has been instituted by the control authority, action may be instituted in writing by a party whose right or interests may be involved, or by an authority supervising the public interest in the matter.

Section 32

Appeal

- (1) A decision issued by a control authority under this Act or a municipal environmental protection authority under section 11 may be appealed to the Administrative Court as laid down in the Administrative Judicial Procedure Act (586/1996).
- (2) A decision of the Administrative Court may be appealed to the Supreme Administrative Court as laid down in the Administrative Judicial Procedure Act.
- (3) A decision issued by a municipal authority under section 8 may be appealed as provided in the Local Government Act (365/1995). The control authority also has the right of appeal.

Section 33

Right of appeal

- (1) The right of appeal is held by the following parties:
 - 1) a party whose interests or right may be concerned;
 - 2) a municipality;
 - 3) a control authority;
 - 4) an authority supervising the public interest in the matter.
- (2) The control authority also has the right to appeal against a decision by which the Administrative Court has amended or repealed a decision made by the control authority.

Section 34

Hearing before the District Court

- (1) A civil matter between a water supply plant and its customer concerning the water supply of a property is heard before the District Court. Further provisions on the forum are issued separately.

Chapter 8 – **Miscellaneous provisions**

Section 35

Confidentiality

- (1) The provisions laid down in the Act on the Openness of Government Activities (621/1999) apply to the confidentiality of a party carrying out a task pursuant to this Act.
- (2) Notwithstanding the confidentiality laid down in the Act on the Openness of Government Activities, information on the financial position of a private person or corporation, business or

professional secret or personal circumstances of a private person obtained when carrying out tasks pursuant to this Act may be disclosed to:

- 1) a control authority for carrying out tasks pursuant to this Act;
- 2) prosecuting and police authorities for solving an offence.

Section 36 *Further provisions*

- (1) Further provisions may be issued by Government Decree concerning:
 - 1) the maximum distance of the connection point referred to in section 12 from the boundary of the property or the nearest building belonging to the property to be connected;
 - 2) quality requirements for the raw water, implementation of the inspection obligation and communication of inspection information as well as communication of other information collected when carrying out tasks pursuant to this Act;
 - 3) general criteria for establishing charges referred to in section 18;
 - 4) implementation of this Act.

Section 31 *Entry into force*

- (1) This Act enters into force on 1 March 2001.
- (2) However, the provisions on the accounting of a municipal water supply plant shall apply for the first time to the accounting period which begins on 1 January 2002 or later.
- (3) This Act repeals the Act on Public Waterworks and Sewerage Systems of 23 December 1977 (982/1977) and the Act on Wastewater Charge of 13 July 1973 (610/1973), as amended.
- (4) However, the Government Decision concerning the treatment of wastewater conveyed to waters from public sewers and certain branches of industry as well as to public sewers from industrial plants (365/1994) remains in force until otherwise provided under section 11 of the Environmental Protection Act. This decision shall be complied with when making a contract referred to in section 21.
- (5) Measures necessary for the implementation of this Act may be undertaken before the Act's entry into force.

Section 38 *Transitional provisions*

- (1) A municipality must approve the water supply development plans referred to in section 5 within three years from the entry into force of this Act. The provisions concerning the area of operation of a water supply plant also apply to an area of operation established by virtue of section 3 of the Act on Public Waterworks and Sewerage Systems until a municipality establishes an area of operation for the water supply plant by virtue of section 8 of this Act.
- (2) General provisions issued under section 11 of the Act on Public Waterworks and Sewerage Systems, as far as they do not violate this Act or provisions issued under it, remain in force as general supply conditions for no more than two years from the entry into force of this Act.
- (3) The provisions in force upon the entry into force of this Act apply to matters pending in an administrative body or court of law upon the entry into force of this Act.