

SÃO PAULO STATE

ARSESP RESOLUTION 1,278, of March 16, 2022

Provides for the approval of the new tariffs of water supply and sewage services provided by Companhia de Saneamento Básico do Estado de São Paulo – SABESP.

<u>NT.F-0010-2022</u> <u>3rd OTR tariffs 2022</u> Tariff Table 2022

The Executive Board of the São Paulo State Utility Service Regulatory Agency - ARSESP, according to State Supplementary Law 1,025, of December 7, 2007, and State Decree 52,455, of December 7, 2007:

Considering that ARSESP has authority to regulate and oversight the provision of basic sanitation services in the municipalities, including regarding tariffs, according to Law 11,445, of January 5, 2007, and Supplementary Law 1,025/07, of December 07, 2007;

Considering the terms of the Cooperation Agreements entered into between the municipalities and the São Paulo State, which granted ARSESP the regulation, including tariff regulation, of said provision of services;

Considering the Program Contracts and the Service Agreements to operate basic sanitation services executed by Companhia de Saneamento Básico do Estado de São Paulo – Sabesp and the respective holders of the service;

Considering the guidelines of paragraph 1 of article 29 of Law 11,445, of January 5, 2007, for the creation of basic sanitation tariffs, specifically items: I, which addresses the priority to supply essential services related to public health; II, which addresses the expansion of access to provide services to low-income citizens and localities; IV, which addresses the restraint on superfluous consumption and waste of resources, and VIII, which addresses the recovery of costs incurred in the service provision, on an efficiency basis;

Considering ARSESP Resolution 870, of May 13, 2019, which established criteria and conditions for tariff recognition regarding the transfer of part of direct revenue from providers regulated by ARSESP to municipal basic sanitation funds;

Considering ARSESP Resolutions that qualified the Environmental Sanitation and Infrastructure Municipal Funds for the purposes of ARSESP Resolution 870/2019;

Considering ARSESP Resolution 920, of November 22, 2019, which created the Four-Year Technological Research and Development Program for Innovation in Basic Sanitation Services;

Considering ARSESP Resolution 1,107, of December 29, 2020, which established the classification and criteria for approval of Sabesp's alternative revenue-generating activities;

Considering the postponements of the effects of ARSESP Resolution 979/2020, by ARSESP Resolutions 1,005, of June 3, 2020, 1,017, of June 30, 2020, and 1,038, of August 13, 2020;

Considering ARSESP Resolution 1,068, of December 2, 2020, which postponed to May 2021 the application of the tariff adjustment to water supply and sewage services provided by Sabesp in the municipalities of Santo André, Mauá, Guarulhos, and Tapiratiba;

Considering ARSESP Resolution 106, of November 13, 2009, which established the general conditions for the provision and use of water supply and sewage services;

Considering ARSESP Resolution 818, of November 1, 2018, which provided for the criteria for executing and oversighting water supply and sewage contracts for large users in the non-residential categories;

Considering ARSESP Resolution 1,150, of April 8, 2021, which provides for the results of the 3rd Ordinary Tariff Revision and the Tariff Structure Revision of Companhia de Saneamento Básico do Estado de São Paulo – Sabesp;

Considering Technical Note NT.F-0010-2022, which presented the calculation of the tariffs to be applied as of May 10, 2022,

RESOLVES TO:

Article 1 - Approve the total adjustment of twelve point eight zero one nine percent (12.8019%) on the tariffs applied by Sabesp, according to the exhibits to this resolution, which consists of:

- I Inflation from February 2021 to February 2022, measured by the IPCA, of 10.5437%
- II Efficiency factor (X Factor) to be discounted, of 0.2142%.
- III Compensatory adjustment of 2.3932%, according to the calculation provided in NT.F.0010-2022.

IV – GQI 2020 to be discounted, of 0.1490%, according to the calculation provided in NT.F.0010- 2022.

Paragraph 1 - The amounts in the exhibits consist of ceiling tariffs, and any discounts may preserve the economic-financial balance of the contracts and equality among users, including all those who are part of the same category, except in the event of paragraph 2.

Paragraph 2 - The maximum limit of water supply and sewage service tariffs for users with monthly consumption higher than 500 m³/month, from the non-residential categories, are those included in the tables for non-residential consumption higher than 50 m³/month, whereby Sabesp has the option to charge lower prices, according to ARSESP Resolution 818/2018.

Paragraph 3 - Tariffs lower than the fixed ceiling tariffs are deemed as goodwill and cannot be a burden to other users nor generate future compensations in favor of Sabesp.

Paragraph 4 - Tariffs lower than the fixed ceiling tariffs are subject to analysis by ARSESP, which may request spreadsheets to evaluate the cost of services.

Article 2 - The adjusted tariffs will become effective as of May 10, 2022.

Article 3 - Users evaluated by Sabesp's commercial areas, based on the Company's normative rulings, who meet the criteria below will be entitled to the social tariff:

I - have a family income of up to three minimum wages, live in single-family subnormal housing with a usable floor area of up to 60m², and use up to 170 kWh/month; or

II - be unemployed with the last salary corresponding to at the most three (3) minimum wages (3); or

III - live in social collective housing (slums and vertical housing), such as the Vertical Social Unit resulting from the urbanization of slums.

Paragraph 1 - In the event of item II, the social tariff will be granted for twelve (12) months at the most;

Paragraph 2 - The parameters required for being eligible to the Residential Social are those contained in the respective program contracts or Sabesp's normative instructions defined until the date of this resolution.

Article 4 - Users who provide the following services and activities will be entitled to the "Commercial /Social Welfare Entity" tariff:

I - children and adolescent care;

II - shelter for children and adolescents;

III - assistance to people with disabilities;

IV - elderly care;

V - assistance to sick people in general: Santas Casas de Misericórdia, health care centers, outpatient clinics, and social assistance hospitals;

VI - shelters;

VII - therapeutic communities - care for drug addicts;

VIII - support groups and/or shelters that offer continued treatment to all sick patients; and

IX - food programs registered with the federal, state, or municipal governments.

Paragraph 1 - The classification of the user unit as a social welfare entity will be made after evaluation by Sabesp's commercial areas, according to the Company's normative rulings.

Paragraph 2 - Users are required to present the certifications and other documents under Sabesp's regulatory procedures.

Paragraph 3 - Users must honor their obligations with Sabesp.

Article 5 - Direct Federal Public Government Entities, State Secretariats, and Municipal Governments that execute agreements with Sabesp will be entitled to the tariff of the "Public with Contract" category.

Sole Paragraph. The entities referred to in the main section of this article must not be in default when executing the contract, and honor their obligations with Sabesp.

Article 6 - Sabesp's current tariff structure remains unchanged.

Paragraph 1 - Any definitions that depend on the implementation of the new tariff structure are postponed until they become effective.

Article 7 - This Resolution shall come into effect on the date of its publication.

Marcus Vinicius Vaz Bonini Chief Executive Officer

Published in the Official Gazette of March 17, 2022

This text does not replace the one published in the Official Gazette on March 17, 2022.

EXHIBIT 1 – SABESP's TARIFFS

The following tariff tables include the 6.9% PIS/PASEP and Cofins rate

Table 1 - Metropolitan Executive Board (GT-M):

Includes the municipalities of the following business units: MC, ML, MO, MN (except the municipalities of Bragança Paulista, Joanópolis, Nazaré Paulista, Pedra Bela, Pinhalzinho, Piracaia, Socorro, and Vargem), MS, in addition to the municipalities of Guararema and Santa Isabel

Residential Social	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	10.21	10.21
11 to 20	R\$/m³	1.75	1.75
21 to 30	R\$/m³	6.24	6.24
31 to 50	R\$/m³	8.89	8.89
+50	R\$/m³	9.83	9.83
Residential Vulnerable	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	7.78	7.78
11 to 20	R\$/m³	0.88	0.88
21 to 30	R\$/m³	2.94	2.94
31 to 50	R\$/m³	8.88	8.88
+50	R\$/m³	9.82	9.82
Residential	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	32.71	32.71
11 to 20	R\$/m³	5.12	5.12
21 to 50	R\$/m³	12.78	12.78
+50	R\$/m³	14.07	14.07
Commercial / Industrial / Public with	Unit	Water Tariff	Sewage Tariff
no contract			
0 to 10	(R\$/month)	65.69	65.69
11 to 20	R\$/m³	12.78	12.78
21 to 50	R\$/m³	24.50	24.50
+50	R\$/m³	25.51	25.51
Commercial: Social Welfare Entities	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	32.83	32.83
11 to 20	R\$/m³	6.37	6.37
21 to 50	R\$/m³	12.28	12.28
+50	R\$/m³	12.77	12.77
+50 Public with contract	R\$/m ³ Unit	12.77 Water Tariff	12.77 Sewage Tariff
Public with contract	Unit	Water Tariff	Sewage Tariff
Public with contract 0 to 10	Unit (R\$/month)	Water Tariff 49.22	Sewage Tariff 49.22

Residential Social	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	10.20	8.15
11 to 20	R\$/m³	1.59	1.27
21 to 30	R\$/m³	3.44	2.73
31 to 50	R\$/m³	4.90	3.96
+50	R\$/m³	5.83	4.70
Residential	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	32.71	26.23
11 to 20	R\$/m³	4.55	3.59
21 to 50	R\$/m³	7.00	5.59
+50	R\$/m³	8.38	6.66
Commercial / Industrial / Public with no contract	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	65.69	52.54
11 to 20	R\$/m³	7.77	6.17
21 to 50	R\$/m³	12.55	10.04
+50	R\$/m³	14.74	11.76
Commercial: Social Welfare Entities	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	32.83	26.27
11 to 20	R\$/m³	3.91	3.08
21 to 50	R\$/m³	6.32	5.06
+50	R\$/m³	7.38	5.90
Public with contract	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	49.22	39.40
11 to 20	R\$/m³	5.79	4.65
21 to 50	R\$/m³	9.46	7.53
+50	R\$/m³	11.03	8.85
Other Services	Unit	Water Tariff	Sewage Tariff
Tank Car: Third Parties	R\$/m³	51.06	-
Tank Car: Sabesp	R\$/m³	125.30	-
Permissionaires	R\$/1,000 m³	2,815.28	1,813.85

Table 2 - Metropolitan Executive Board (GT-M):Includes the municipalities of Bragança Paulista, Joanópolis, Nazaré Paulista, Pedra Bela,
Pinhalzinho, Piracaia, Socorro, and Vargem

Residential Social	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	10.20	10.20
11 to 20	R\$/m³	1.59	1.59
21 to 30	R\$/m³	2.95	2.95
31 to 50	R\$/m³	4.20	4.20
+50	R\$/m³	5.72	5.72
Residential	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	32.71	32.71
11 to 20	R\$/m³	4.55	4.55
21 to 50	R\$/m³	6.02	6.02
+50	R\$/m³	8.17	8.17
Commercial / Industrial / Public with no contract	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	65.69	65.69
11 to 20	R\$/m³	8.55	8.55
21 to 50	R\$/m³	18.69	18.69
+50	R\$/m³	20.18	20.18
Commercial: Social Welfare Entities	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	32.83	32.83
11 to 20	R\$/m³	4.29	4.29
21 to 50	R\$/m³	9.39	9.39
+50	R\$/m³	10.13	10.13
Public with contract	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	49.22	49.22
11 to 20	R\$/m³	6.40	6.40
21 to 50	R\$/m³	14.03	14.03
+50	R\$/m³	15.16	15.16
Other Services	Unit	Water Tariff	Sewage Tariff
Tank Car: Third Parties	R\$/m³	51.06	-
Tank Car: Sabesp	R\$/m³	125.30	-
Ferries and Ships	Unit	Water Tariff	Sewage Tariff
Santos Coastal Area (<i>Baixada Santista</i>) - RS	R\$/m³	22.46	-
North Coast (<i>Litoral</i> <i>Norte</i>) - RN	R\$/m³	34.42	-

Table 3 - Regional Systems Executive Board (RS and RN):Includes the municipalities of the business units: RS and RN

Residential Social	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	10.20	10.20
11 to 20	R\$/m³	1.59	1.59
21 to 30	R\$/m³	3.44	3.44
31 to 50	R\$/m³	4.90	4.90
+50	R\$/m³	5.83	5.83
Residential	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	32.71	32.71
11 to 20	R\$/m³	4.55	4.55
21 to 50	R\$/m³	7.00	7.00
+50	R\$/m³	8.38	8.38
Commercial / Industrial / Public with no contract	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	65.69	65.69
11 to 20	R\$/m³	7.77	7.77
21 to 50	R\$/m³	13.10	13.10
+50	R\$/m³	16.63	16.63
Commercial: Social Welfare Entities	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	32.83	32.83
11 to 20	R\$/m³	3.91	3.91
21 to 50	R\$/m³	6.61	6.61
+50	R\$/m³	8.37	8.37
Public with contract	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	49.22	49.22
11 to 20	R\$/m³	5.79	5.79
21 to 50	R\$/m³	9.86	9.86
+50	R\$/m³	12.52	12.52
Other Services	Unit	Water Tariff	Sewage Tariff
Tank Car: Third Parties	R\$/m³	51.06	-
Tank Car: Sabesp	R\$/m³	125.30	-

Table 4 - Regional Systems Executive Board (RR):Includes the municipalities of the RR unit, except for: Apiaí, Barra do Chapéu, Itaóca,
Itapirapuã Paulista, and Ribeira

Table 5 - Regional Systems Executive Board (GT - Countryside):

Includes the municipalities of the following units: RA (except for the municipality of Tejupá), RB, RG (except for the municipalities of Aguaí and Tapiratiba), RJ (except for the municipality of Saltinho), RM, RR (only for the municipalities of Apiaí, Barra do Chapéu, Itaóca, Itapirapuã Paulista and Ribeira), and RT (except for the municipality of Lins)

Residential Social	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	10.20	8.15
11 to 20	R\$/m³	1.59	1.27
21 to 30	R\$/m³	3.44	2.73
31 to 50	R\$/m³	4.90	3.96
+50	R\$/m³	5.83	4.70
Residential	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	32.71	26.23
11 to 20	R\$/m³	4.55	3.59
21 to 50	R\$/m³	7.00	5.59
+50	R\$/m³	8.38	6.66
Commercial / Industrial / Public with no contract	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	65.69	52.54
11 to 20	R\$/m³	7.77	6.17
21 to 50	R\$/m³	12.55	10.04
+50	R\$/m³	14.74	11.76
Commercial: Social Welfare Entities	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	32.83	26.27
11 to 20	R\$/m³	3.91	3.08
21 to 50	R\$/m³	6.32	5.06
+50	R\$/m³	7.38	5.90
Public with contract	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	49.22	39.40
11 to 20	R\$/m³	5.79	4.65
21 to 50	R\$/m³	9.46	7.53
+50	R\$/m³	11.03	8.85
Other Services	Unit	Water Tariff	Sewage Tariff
Tank Car: Third Parties	R\$/m³	51.06	-
Tank Car: Sabesp	R\$/m³	125.30	-

Residential Social	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	10.20	8.15
11 to 20	R\$/m³	1.59	1.27
21 to 30	R\$/m³	3.44	2.73
31 to 50	R\$/m³	4.90	3.96
+50	R\$/m³	5.83	4.70
Residential	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	32.71	26.23
11 to 20	R\$/m³	4.55	3.59
21 to 50	R\$/m³	7.00	5.59
+50	R\$/m³	8.38	6.66
Commercial / Industrial / Public with no contract	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	65.69	52.54
11 to 20	R\$/m³	7.77	6.17
21 to 50	R\$/m³	12.95	10.36
+50	R\$/m³	16.43	13.09
Commercial: Social Welfare Entities	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	32.83	26.27
11 to 20	R\$/m³	3.91	3.08
21 to 50	R\$/m³	6.50	5.17
+50	R\$/m³	8.13	6.57
Public with contract	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	49.22	39.40
11 to 20	R\$/m³	5.79	4.65
21 to 50	R\$/m³	9.69	7.80
+50	R\$/m³	12.34	9.87
Other Services	Unit	Water Tariff	Sewage Tariff
Tank Car: Third Parties	R\$/m³	51.06	-
Tank Car: Sabesp	R\$/m³	125.30	-

Table 6 - Regional Systems Executive Board (RV):Includes the municipalities of the RV unit (except for the municipalities of Guararema and
Santa Isabel)

Table 7 - Regional Systems Executive Board

Special Commercial	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	49.27	39.41
11 to 20	R\$/m³	5.82	4.58
21 to 50	R\$/m³	12.55	10.04
+50	R\$/m³	14.74	11.76

For the municipalities of Adamantina and Pirapozinho

Note: The tariffs of Table 5 apply to the remaining categories

Table 8 - Regional Systems Executive BoardFor the municipality of Presidente Prudente

Special Residential	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	27.80	22.29
11 to 20	R\$/m³	3.89	3.06
21 to 50	R\$/m³	7.00	5.59
+50	R\$/m³	8.38	6.66
Special Commercial	Unit	Water Tariff	Sewage Tariff
0 to 10	(R\$/month)	49.27	39.41
11 to 20	R\$/m³	5.82	4.58
21 to 50	R\$/m³	12.55	10.04
+50	R\$/m³	14.74	11.76

Note: The tariffs of Table 5 apply to the remaining categories

Table 9 - Metropolitan Board - Wholesale water supply and sewage treatment for permissionaires municipalities in the Metropolitan Region of São Paulo (actual tariff in R\$/1,000 m³)

Municipality	Wholesale water	Sewage treatment
Mogi das Cruzes	2,815.28	1,813.85
São Caetano do Sul	2,815.28	1,813.85