



GOVERNMENT OF ASSAM
PUBLIC HEALTH ENGINEERING DEPARTMENT
BLOCK-B, SECOND FLOOR, JANATA BHAWAN, DISPUR, GUWAHATI-06

No. 663311/21

ORDER BY GOVERNOR OF ASSAM

NOTIFICATION

In pursuance of the decision of the Hon'ble Cabinet taken in its meeting held on 31.07.2025, the following guidelines are hereby issued for the implementation of the Uniform Operation & Maintenance (OPEX) Policy for Town and other State-funded Water Supply Schemes under the Public Health Engineering Department (PHED):

1. Water Supply Schemes under the PHE Department, intended to be provisioned with Operation and Maintenance (O&M) scope, shall be procured with both Capital Expenditure (CAPEX) and Operational Expenditure (OPEX) bundled together under a single contract. The O&M period to be provided under such contracts shall be a minimum of five years.
2. Accordingly, CAPEX and OPEX costs is to be discovered separately, and there should be clear distinction of scopes in the contract.
3. Responsibility of funding and implementation of the Capital Works shall be on the PHE Department, whereas the municipalities shall be responsible for the Operation & Maintenance of the schemes. Upon successful completion of the construction works, the assets shall be transferred to the respective municipalities.
4. As part of project planning, a unanimous resolution is to be passed by the respective Urban Local Bodies (ULBs) endorsing their acceptance of the project and their commitment to participate in the Operation & Maintenance of the water supply schemes.
5. The OPEX cost is to be entirely borne by the municipalities through collection of user charges and/or by utilizing their tied/untied grants or own revenue, in case of any gaps.
6. The primary objective shall be to recover the OPEX cost through user charge collection to ensure sustained and uninterrupted service delivery.
7. A formal agreement shall be executed by the municipalities with the identified contracting agency responsible for Operation & Maintenance, in order to ensure performance of the O&M contract in accordance with the prescribed Service Level Benchmarks and Payment Terms.
8. The municipalities may operate the schemes on their own or entrust them to specialized agencies such as PHED/ Assam Urban Water Supply & Sewerage Board, or any other suitable agency, as the case may be, for supporting scheme operations.

9. The role of such specialized agencies shall be limited to technical supervision, monitoring & evaluation; however, the responsibility for making payments and overall contract management for the O&M scope shall rest with the municipalities.
10. Corresponding provisions under the effect of the above stipulations is to be clearly stated and incorporated in the bid document.
11. This OPEX Policy shall be uniformly applied across all water supply projects under PHED that include Operation and Maintenance scope.

This will come into force from the date of issue of this Notification.

Special Chief Secretary, Assam
Public Health Engineering Department

Memo No. 663311/21-A

Copy for information and necessary action to:

1. The Mission Director, Jal Jeevan Mission, Assam, Hengrabari, Ghy-36.
2. The Mission Director, Swachh Bharat Mission (Grameen), Assam, Hengrabari, Ghy-36.
3. The District Commissioner, All Districts.
4. The Staff Officer to the Chief Secretary, Assam, Dispur, Ghy-06.
5. The Chief Engineer (PHE), Water, Hengrabari, Ghy-36.
6. The Chief Engineer (PHE), Sanitation, Hengrabari, Ghy-36.
7. The Director, BTAD, Kokrajhar
8. The Principal Secretary, Karbi Anglong Autonomous Council/Dima Hasao Autonomous Council
9. The Addl. Chief Engineer (PHE), All Zones.
10. The Superintending Engineer (PHE), All Circles.
11. The Executive Engineer (PHE), All Divisions.
12. P.S. to the Hon'ble Minister, PHE Deptt, Dispur, Ghy-06.
13. P.S. to the Spl. Chief Secretary/ Addl. Chief Secretary/ Principal Secretary/ Commissioner & Secretary/ Secretary.....Department.
14. P.S. to Principal Secretary to Hon'ble Chief Minister, Assam, Dispur, Ghy-6.

By order, etc.

Deputy Secretary to the Govt. of Assam,
Public Health Engineering Department