

**DETAILS OF PUBLIC CONSULTATION FOR RUNDA WATER LIMITED  
(FOR THE PERIOD 2024–2027)**

**1.0 Cost and Revenue Structure for the Tariff Period**

<b>Cost Subject to Annual Indexation</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
Operations and Maintenance costs	83,396,160	83,134,584	87,979,725	91,476,162
<b>Fixed Costs</b>				
Average Annual Investment Cost	20,945,000	23,049,047	22,532,005	24,472,005
Debt	12,110,170	12,147,605	12,147,605	12,147,605
Sub Total- Fixed Costs	33,055,170	35,196,651	34,679,609	36,619,609
Total Average Annual Cost	116,451,330	118,331,235	122,659,335	128,095,771
<b>Projected Average Annual revenue</b>	126,663,439	127,271,656	127,926,588	128,578,661
Average Annual Cost Coverage	<b>109%</b>	<b>108%</b>	<b>104%</b>	<b>100%</b>

**2.0 Proposed Change in Water Tariff Structure for the Period.**

<b>Recommended Tariff for Runda Water Ltd</b>				
<b>Consumer Categories</b>	<b>Consumption Block</b>	<b>Current Tariff</b>	<b>Consumption Block</b>	<b>Recommended Tariff</b>
	<b>(m<sup>3</sup>)</b>	<b>(Kshs/M<sup>3</sup>)</b>	<b>(m<sup>3</sup>)</b>	<b>(Kshs/M<sup>3</sup>)</b>
<b>Domestic/Residential</b>	1-6	95	1-6	160
	7-20	115	7-20.	180
	21-50	122	21-50	185
	51-100	129	51-100	190
	101-300	136	101-300	195
	>300	150	>300	210
<b>Other Consumers</b>	1-50	115	1-50	170
	51-100	122	51-100	185
	100-300	129	101-300	195
	>300	136	>300	210

Customers with non-functional meters shall be billed based on the average of the last three months' bills.

**3.0 Miscellaneous Charges**

<b>Service</b>	<b>Charge (Kshs)</b>
<b>3.1 Water Connection fee</b>	
Water Connection fee	30,000
Water deposit (Refundable)	6,000
<b>3.2 Re-connection fees</b>	
Normal	1,000
At Mains	5,000 and double deposit
<b>3.3 Other Charges</b>	
Leak detection services	1,000
Statement of account fees	200

<b>Service</b>	<b>Charge (Kshs)</b>
For cutting off the supply at the request of the consumer	200
For turning on the supply otherwise than in respect of a first connection	200
<b>3.4 Penalties</b>	
Illegal water connection, - Commercial/Industrial/Construction (Fraud)	100,000 plus estimated consumption during the period of illegality
Illegal water connection, (Fraud) – Domestic	30,000 plus estimated consumption during the period of the illegality
Self-reconnection after cut-off for non-payment	5,000 and billing to be backdated from the date of cut-off
Surcharge for tampering with meters (this to include meter removal, reversing of meter etc)	5,000
Surcharge for direct suction of water from the supply line using a pump	10,000
<b>3.5 Other Charges</b>	
Leak detection services	1,000
Statement of account fees	200
For cutting off the supply at the request of the consumer	200
For turning on the supply otherwise than in respect of a first connection	200

#### 4.0 Indexation

The utility's tariffs for water shall be eligible for annual indexation as per the regulations of the Water Services Regulatory Board (WASREB). The inflation adjustment shall come into effect after a full year of implementation, on the 15th day of January every year, and shall remain in force until the 14th day of January the following year.

#### 5.0 Service Delivery Conditions attached to the Tariff.

<b>Service Delivery Conditions</b>					
<b>Target</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>
Water Coverage (%)	100%	100%	100%	100%	100%
Water quality standards (%)	100% Compliance with Standards				
Personnel Expenditure as % of O&M	25%	21%	22%	22%	22%
Maintenance Expenditure as % of O&M	2%	10%	10%	10%	10%
Investment Expenditure as a % of Total Expenditure	3%	18%	19%	18%	19%
Non-Revenue Water	11%	11%	11%	11%	11%
Hours of Supply (Hrs.)	24	24	24	24	24
Staff per 1000 connections	18	18	18	18	18
Metering ratio (%)	100%	100%	100%	100%	100%
Collection Efficiency (%)	100%	95%	96%	97%	98%

#### 6.0 Other Conditions

The conditions attached to this approval, which shall form part of the license conditions of Runda Water Limited are:

- i. **Annual budgets:** The utility shall adhere to the budgetary levels set in the tariff.
- ii. **Surpluses:** the surpluses realised during the tariff period shall be used to implement priority service delivery capital projects approved by WASREB.
- iii. **Reporting:** The utility shall submit quarterly performance reports to WASREB in the prescribed format.
- iv. **Investments:** The utility shall undertake the investments as follows: -

Investment	Project Area	Guide	Size	Sample Descriptions	Unit	Unit Cost	Quantity	TOTAL AMT KSHS	2024 (KSh.)	2025(KSh.)	2026(KSh.)	2027(KSh.)
<b>A. Increase water coverage</b>	New Connections	Purchase of New Meters	DN 15	Mechanical Cold Water Sensus and Kent meters	No. 360	6,000	360	2,160,000	540,000	540,000	540,000	540,000
<b>B. To reduce NRW</b>	Service Lines: Runda Grove, Runda Drive, Runda Close, Pan Africa Insurance Avenue	Renewal of Service Lines	Lot	Assorted Sizes	Length (M)	-	-	25,118,958	4,058,958	5,100,000	8,110,000	7,850,000
	Old Runda	New Zonal Meters	DN 100	Mechanical Cold Water Sensus and Kent meters	No.12	50,000	12	600,000	150,000	150,000	150,000	150,000
	Runda Meadows	New Zonal Meters	DN 100	Mechanical Cold Water Sensus and Kent meters	No.1	50,000	1	50,000	50,000	-	-	-
	Eagle Park	New Zonal Meters	DN 100	Mechanical Cold Water Sensus and Kent meters	No.1	50,000	1	50,000	50,000	-	-	-
	Runda Mimosa	Replacement of Zonal Meters	DN 100	Mechanical Cold Water Sensus and Kent meters	No.2	50,000	2	100,000	100,000	-	-	-
<b>C. Replacement of Pumps, Motors &amp; Filter Vessels</b>	Vertical Booster Pump	Pressure pump at Treatment works	150m3/hr	Supply, installation and commissioning of (Grundfos vertical multi stage) pump set with a rated capacity of 150 m3/h against a total head of 140m,	No.1	-	1	2,024,084	1,012,042	1,012,042	-	-
	Filter Vessels	Intake Works	50m3/hr	FC 708 domed filter c/w control valve	No. 2	-	2	5,436,014	-	1,812,005	1,812,005	1,812,005
	Borehole Pump	Treatment Works	100kw Grundfos pump of 50m3/hr	Supply, installation and commissioning of (Grundfos vertical multi stage) pump set with a rated capacity of 150 m3/h against a total head of 140m,	No. 1	-	1	1,500,000	-	1,500,000	-	-
	servicing of 46Kw motor and	Treatment Works	-	servicing of 46Kw motor and	No.1	Sum	1	450,000	450,000	-	-	-

	servicing of 75kw ABB motor	Treatments	-	servicing of 75kw ABB motor	No.1	Sum	1	200,000	200,000			-
	Replacement of Sluice Valves	Treatment Works	-	Replacement of Sluice Valves	No.2	Sum	2	200,000	100,000	100,000		-
	Replacement of NR Valve	Treatment Works	-	Replacement of NR Valve	No.1	Sum	1	115,000		115,000		-
	92 Runda Grove	Repair of wash-outs from raw water tanks and re-construction of waste water drainage lines	-	-	400m3	Sum	1	1,564,000	1,564,000			-
	Repair of Wash-out lines	Treatment Works	-	Repair of Wash-out lines		Sum	1	200,000		200,000		-
	Installation of a new 530m3 elevated tank	Treatment Works	-	Installation of a new 530m3 elevated tank	No.1	Sum	1	28,000,000	7,000,000	7,000,000	7,000,000	7,000,000
	Consultancy work to re-evaluate the effectiveness of the water recycling plant	Waste water	-	Consultancy work to re-evaluate the effectiveness of the water recycling plant	No.1	Sum	1	100,000	-	100,000		-
<b>D. Water Tanks</b>	92 Runda Grove	Sedimentation Tanks	(Dia. 6.5 X 6.0 Meters Deep)	Circular concrete tank	400m3	Sum	1	800,000	-	800,000		-
	Repair of 600m3 concrete tank	Treatment Works	-	-	600m3	Sum	1	300,000	300,000			
	Maintenance of	Treatment Works	-	-	270m3	Sum	1	750,000	750,000			

	270m3 steel tank											
<b>E.Bulk Supply Line</b>	Extension of AWWDA Bulk Supply Line	-	-	Extension of AWWDA Bulk Supply Line		Sum	1	18,480,000	4,620,000	4,620,000	4,620,000	4,620,000
<b>G. Purchase of movable assets</b>	Motor cycles	Motor cycles	125 cc	Stroke 54, Engine Displacement 123, Max Power 10.7 bhp@7500 rpm	No.1	Sum	1	300,000			300,000	-
	Leakage detector/pipe locator	Equipments and Accessories	-	-	No.	Sum	1	2,500,000		-	-	2,500,000
<b>TOTAL</b>								<b>90,998,056</b>	<b>20,945,000</b>	<b>23,049,047</b>	<b>22,532,005</b>	<b>24,472,005</b>