

**DETAILS OF PUBLIC CONSULTATION FOR NAROMORU WATER & SANITATION COMPANY LIMITED
(FOR THE PERIOD 2024/2025 – 2026/2027)**

1.0 Cost and Revenue Structure for the Tariff Period

Cost Subject to Annual Indexation	FY 2024/2025	FY 2025/2026	FY 2026/2027
Operations and Maintenance costs	25,849,040	27,641,879	29,171,265
Fixed Costs			
Average Annual Investment Cost	1,412,000	1,750,000	2,400,000
Debt	-	-	-
Sub Total- Fixed Costs	1,412,000	1,750,000	2,400,000
Total Average Annual Cost	27,261,040	29,391,879	31,571,265
Projected Average Annual revenue	27,884,999	29,772,106	31,557,620
Average Annual Cost Coverage	102%	101%	100%

2.0 Proposed Change in Water Tariff Structure for the Period.

Recommended Tariff for Narowasco				
Consumer Categories	Consumption Block	Current Tariff	Consumption Block	Proposed Tariff
	(m3)	(Kshs/M³)	(m3)	(Kshs/M3)
Domestic/Residential	0-6	200(Flat Rate)	1-6	90
	7-20.	50	7-20.	100
	21-50	65	21-50	110
	51-100	80	51-100	115
	100-300	100	101-300	125
	>300	130	>300	130
Multi-Dwelling Units	0-6	200(Flat Rate)	Flat Rate	100
	7-20.	50		
	21-50	65		
	51-100	80		
	100-300	100		
	>300	130		
Commercial/Industrial	0-6	200(Flat Rate)		
	7-20.	50		
	21-50	65	1-50	100
	51-100	80	51-100	115
	101-300	100	101-300	120
	>300	130	>300	135
Government/Institutions	0-6	200(Flat Rate)		
	6-20	50		
	21-50	65	1-50	100
	51-100	80	51-100	115
	101-300	100	100-300	120
	>300	130	>300	135
Schools	0-600	40	1-600	90
	601-1200	50	601-1200	100
	>1200m3	80	>1200m3	110

Unique Consumer Categories	Water Kiosks	35	Per M ³	70
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Customers with non-functional meters shall be billed based on the average of the last three months' bill.

3.0 Indexation

The utility's tariffs for water and sewerage 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 July every year, and shall remain in force until the 14th day of July the following year.

4.0 Miscellaneous Charges

These shall be charged as per the approved miscellaneous charges approved by WASREB.

5.0 Service Delivery Conditions attached to the Tariff.

Service Delivery Conditions					
Target	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
Water Coverage (%)	81%	82%	83%	84%	85%
Water quality standards (%)	100% Compliance with Standards				
Personnel Expenditure as % of O&M	43%	39%	36%	36%	36%
Maintenance Expenditure as % of O&M	17%	22%	21%	22%	21%
Investment Expenditure as a % of Total Expenditure	0%	0%	5%	6%	8%
Non-Revenue Water	28%	27%	26%	26%	25%
Hours of Supply (Hrs.)	22	23	24	24	24
Staff per 1000 connections	10	9	9	9	9
Metering ratio (%)	100%	100%	100%	100%	100%
Collection Efficiency (%)	93%	95%	95%	95%	95%
Resale at Kiosk	Kshs. 5.00 per 20l Jerry Can				

5.1 Other Conditions

The conditions attached to this approval, which shall form part of the license conditions of Naromoru Water and Sanitation Company Ltd, 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. **Catchment Protection:** The utility shall undertake measures to conserve/ protect the catchment areas of their water source as part of Corporate Social Responsibility.
- iv. **Reporting:** The utility shall submit quarterly performance reports to WASREB in the prescribed format.
- v. **Investments:** The utility shall undertake the investments as follows: -

	Olive	50MM		No	15,000	1	15,000	-	-	-	-	-	-	-	-	-
	Full Gospel J17	50MM		No	15,000	1	15,000	-	-	-	-	-	-	-	-	-
	Slaughter	50MM		No	15,000	1	15,000	-	-	-	-	-	-	-	-	-
	Mureru	50MM		No	15,000	1	15,000	-	-	-	-	-	-	-	-	-
	Sub -Total						612,000									
Rehabilitation of Service Lines	St Stephen Line	4,000m	63mm,50mm and 32mm hdpe Pn 12.5m	-	-	-	500,000	-	-	-	-	-	-	-	-	-
	Kandara upper line			-	-	-	300,000	-	-	-	-	-	-	-	-	-
	Sub Total						800,000	-	-	-	-	-	-	-	-	-
TOTAL							1,412,000	-	-	-	-	-	-	1,750,000	-	2,400,000