

ANNEX 1
DETAILS OF PUBLIC CONSULTATION FOR EMBU WATER AND SANITATION COMPANY LTD
(FOR THE PERIOD 2024/2025 – 2027/2028)

1.0 Cost and Revenue Structure for the Tariff Period

Expenditure Item	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Operations	346,230,869	364,996,954	371,474,239	371,474,239	371,474,239	371,474,239
Maintenance	49,929,716	38,763,302	52,963,203	52,963,203	52,963,203	52,963,203
Regulatory Levy	15,249,274	16,568,215	26,636,305	26,636,305	26,636,305	26,636,305
Total O&M Costs	411,409,859	420,328,472	451,073,747	451,073,747	451,073,747	451,073,747
Investment Costs	-	-	62,756,714	55,283,450	59,879,785	39,415,000
Debt Repayment	-	11,680,000	11,680,000	20,704,622	109,151,550	169,456,274
Total Costs	411,409,859	432,008,472	525,510,461	527,061,818	620,105,082	659,945,021
Total Billing (KShs)	381,231,843	414,205,381	665,907,630	687,102,322	707,873,197	728,676,375
Collection Efficiency (%)	105%	95%	95%	95%	95%	95%
Projected Revenue	399,131,517	393,495,112	632,612,249	652,747,206	672,479,537	692,242,556
Total Cost Coverage	97%	91%	120%	124%	108%	105%

2.0 Proposed Change in Water Tariff Structure for the Period.

Proposed Tariff for Embu Water Sanitation Co. Ltd.				
Consumer Categories	Consumption Block	Current Tariff	Consumption Block	Proposed Tariff
	(m3)	(Kshs/M ³)	(m3)	(Kshs/M3)
Domestic/Residential	1-6	46	1-6	93
	7-20	62	7-20	100
	21-50	72	21-50	105
	51-100	82	51-100	110
	101-300	98	101-300	120
	>300	134	>300	140
Multi- Dwelling Units		60	Per M3	100
Commercial/Industrial	1-50	72	1-50	105
	51-100	82	51-100	110
	101-300	98	101-300	120
	>300	134	>300	140
Government/Institutions	1-50	72	1-50	105
	51-100	82	51-100	110
	101-300	98	101-300	120
	>300	134	>300	140
Public Schools	1-600	51	1-600	100
	601-1200	62	601-1200	120
	>1200m3	93	>1200m3	140
Unique Consumer Categories	Water Kiosks	35	Per M3	50

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

3.0 Sewerage Tariff Structure for the period 2024/2025 to 2027/2028

a) Consumers with a Water Connection

Sewerage will be charged at 75% of the water volumes, billed at the tariff for water specified (in 2.0) above for all customer categories.

b) Consumers without a Water Connection

Sewerage consumers without a water connection shall be charged as follows:

- Single dwelling Domestic unit: Ksh. 300 Per Month
- All other categories: 75% of the Volume of water consumed as per the metered source at the rates specified (in 2.0) above.

4.0 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.

5.0 Miscellaneous Charges

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

6.0 Service Delivery Conditions attached to the Tariff.

The conditions attached to this approval, which shall form part of the license conditions of Embu Water and Sanitation Company Ltd, are:

Target	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
Water Coverage (%)	82%	83%	84%	85%	86%	87%
Water quality standards (%)	100% Compliance with Standards					
Personnel Expenditure as % of O&M	44%	46%	44%	44%	44%	43%
Non-Revenue Water	39%	37%	35%	33%	31%	29%
Hours of Supply (Hrs.)	23	23	23	24	24	24
Staff per 1000 connections	5	5	4	4	3	3
Metering ratio (%)	100%	100%	100%	100%	100%	100%
Collection Efficiency (%)	98%	95%	95%	95%	95%	95%
Resale at Kiosk	Kshs. 3.00 per 20l Jerry Can					

6.1 Other Conditions

- 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. **Creation of distinct water and sewer cost centres:** EWASCO shall create separate water and sewer cost centres and maintains distinct record of operations of the two centres.
- v. **Investments:** The utility shall undertake the investments as follows: -

EWASCO PROPOSED INTERNALLY FUNDED INVESTMENTS

S/NO	DESCRIPTION	QTY	RATE	2024/25	2025/26	2026/27	2027/28
1	Ena market -EWASCO VAT Contribution Upscaling Basic Sanitation for the Urban Poor EWASCO VAT component of Kes 2,490,448.29	1	2,490,448	2,490,448			
2	Mwiria intake office and store	1	2,000,000	500,000	1,500,000		
3	Kanothi land acquisition	1	2,500,000	2,500,000			
4	Kathageri Water T. Works - land acquisition				2,500,000		
5	Safety barriers for New sewer treatment works ponds	3,080	1,500	620,000	4,000,000		
6	Kangaru offices improvement works	1	500,000	500,000			
7	Welding machine and grider	1	50,000	50,000			
8	Chain block 10 tonnes	1	50,000	50,000			
9	Butt fusion machine max 200 mm diameter	1	350,000	350,000			
10	Accreditation of mukangu Laboratory	1	1,200,000	1,200,000			
11	Filter media replenishment WTP2	1	3,000,000	3,000,000			
12	Sluice valves for WTP1	24	250,000			6,000,000	
13	Rehabilitation of assorted pipelines	20	3,500,000		17,500,000	17,500,000	17,500,000
14	Relocation of Mbita, Gikiro and Gituburi pipelines (15.8km)	1.0	10,500,000	4,851,266	2,325,950	3,322,785	
15	Data base clean up	4	300,000		300,000	300,000	300,000
			Sub Totals 1	16,111,714	28,125,950	27,122,785	17,800,000
16	Handheld Ultra modern GPS	10	50,000	500,000			
17	Network Access Storage	2	100,000	200,000			
18	Purchase of Mobile phones for GIS.	2	15,000	30,000			
19	Greasing gun	1	15,000	15,000			
20	power connection, mwiria and karigiri plants	2	750,000	1,500,000			
			Sub Totals 2	2,245,000	-		
	EQUIPMENTS						
21	Digital electronic weighing scale machine, 10 Kg	3	1,500	4,500			
22	Steel & plastic rods	240	10,000	1,200,000		1,200,000	
23	Sewerage Partitioning & Equipping lab	1	1,000,000	1,000,000			
			Sub Totals 3	2,204,500	-	1,200,000	-
24	NRW Management						
			Sub Totals 4	38,300,000	15,987,500	20,037,500	19,387,500
	Motor Cycle						
25	Motor cycle 150 cc HLX 150X 4 GEARS	24	180,000	1,080,000	180,000	1,080,000	900,000
26	Motor vehicle - Double cabin	2	10,000,000		10,000,000	10,000,000	
			Sub Totals 5	1,080,000	10,180,000	11,080,000	900,000
27	Laptops-HP ProBook 430G8 -Core i7-1165g7	36	110,000	990,000	990,000		990,000

EWASCO PROPOSED INTERNALLY FUNDED INVESTMENTS

S/NO	DESCRIPTION	QTY	RATE	2024/25	2025/26	2026/27	2027/28
28	Desktop Computers -11TH Generation Intel Core i7 processor	15	90,000	337,500		337,500	337,500
		Sub Totals 6		1,327,500	990,000	337,500	1,327,500
	Furniture						
29	Office Seats for staff	12	17,000	102,000		102,000	
30	Seats for customers - reception	3	15,000	45,000			
31	Bench Seats for customers - waiting bay outside	8	17,000	136,000			
32	Reception coffee table	1	25,000	25,000			
33	Admin Assistant Chair	1	15,000	15,000			
34	Table - Desk HARC / Meeting table HTS	1	75,000	75,000			
		Sub Totals 7		398,000	-	102,000	-
	Equipment						
35	Customer care phones for satellite offices	5	10,000	50,000			
36	Printer - Coloured Epson printer duplex	1	80,000	80,000			
37	Shredder	1	60,000	60,000			
38	Power Inverter (For power backup DR Site server room main office	1	350,000	350,000			
39	Printer-HP LaserJet pro	2	50,000	100,000			
40	Intruder alarm system (Gachoka, Kiritiri, Ena, Kanyuambora	4	100,000	400,000			
41	Cash Box	1	50,000	50,000			
		Sub Totals 8		1,090,000	-	-	-
	Capital through internally generated funds			62,756,714	55,283,450	59,879,785	39,415,000