

ANNEX 1
DETAILS OF PUBLIC CONSULTATION FOR NYAHURURU WATER AND SANITATION COMPANY LIMITED
(FOR THE PERIOD 2024/2025 – 2028/2029)

1.0 Cost and Revenue Structure for the Tariff Period

Expenditure Item	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Operations	245,205,270	275,139,652	285,062,230	300,175,971	310,201,779	321,879,660	331,824,676
Maintenance	14,393,434	16,424,115	19,687,571	22,094,578	24,824,907	27,926,661	31,455,795
Regulatory Levy	9,551,404	10,339,326	17,990,246	21,504,230	22,057,017	23,644,018	24,835,544
Total O&M Costs	269,150,108	301,903,093	322,740,047	343,774,778	357,083,702	373,450,340	388,116,014
Investment Costs	2,562,826	2,847,448	25,885,630	58,094,630	75,790,760	84,410,720	89,715,938
Debt Repayment	410,237	987,423	19,409,347	38,818,694	38,818,694	37,546,704	34,869,002
Total Costs	272,123,171	305,737,964	368,035,024	440,688,103	471,693,156	495,407,763	512,700,954
Total Billing (KShs)	236,296,509	245,558,996	449,756,147	537,605,742	551,425,418	591,100,456	589,844,162
Collection Efficiency (%)	84%	95%	95%	95%	95%	95%	95%
Projected Revenue	198,976,635	233,281,046	427,268,339	510,725,455	523,854,147	561,545,433	560,351,954
Total Cost Coverage	73%	76%	116%	116%	111%	113%	109%

2.0 Proposed Change in Water Tariff Structure for the Period.

Recommended Tariff for NYAHUWASCO				
Consumer Categories	Consumption Block (M ³)	Current Tariff (Kshs/M ³)	Consumption Block (M ³)	Proposed Tariff (Kshs/M ³)
Domestic/Residential	1-6	61	1-6	145
	7-20	92	7-20	160
	21-50	105	21-50	170
	51-100	117	51-100	180
	100-300	144	101-300	190
	>300	167	>300	200
Multi-Dwelling Units	Flat rate	-	Flat Rate	150
Commercial/Industrial	1-50	105	1-50	160
	51-100	117	51-100	170
	100-300	144	101-300	175
	>300	167	>300	200
Government/Institutions	1-50	105	1-50	160
	51-100	117	51-100	170
	100-300	144	100-300	175
	>300	167	>300	200
Public Schools/Colleges/Universities	1-600	67	1-600	150
	601-1200	95	601-1200	175
	>1200m ³	105	>1200m ³	180

Recommended Tariff for NYAHUWASCO				
Consumer Categories	Consumption Block (M ³)	Current Tariff (Kshs/M ³)	Consumption Block (M ³)	Proposed Tariff (Kshs/M ³)
Unique Consumer Categories	Water Projects	60	Per M ³	70
	Bowsing Point	60		145
	Bulk Sale	47		86
	Kiosk	35		70

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 2028/2029

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. 350 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.

Item/ Service	Charge (Ksh.)
Water Deposit	
Category of consumer	
Domestic	2,500
Retail shops less than 10m ³	3,000
Retail shops more than 10m ³	3,500
Bar, and restaurants less than 15 m ³	4,000
Bar, restaurants more than 15 m ³	6,000
Hotel class "A" and "B" less than 150 m ³	12,000
Hotel class "A" and "B" more than 150 m ³	15,000

Item/ Service	Charge (Ksh.)
Hotel class "C" and 'D' less than 150 m ³	18,000
Hotel class "C" and 'D' more than 150 m ³	20,000
Hospitals more than 150 m ³	20,000
Health centres less than 150 m ³	12,000
Schools and other institutions more than 200 m ³	20,000
Schools less than 200 m ³	10,000
Minor construction sites of more than 200 m ³	15,000
Major construction sites more than 300 m ³	50,000
Light industries less than 200 m ³	30,000
Medium industrial between 200 m ³ and 300 m ³	50,000
Heavy industries of more than 300 m ³	100,000
Water Kiosks	5,000
Customers with only sewer connection are to be charged a deposit equivalent to a water connection	
Other Charges	
Service	
New water connection fee – Connection size: ½ inch to 1 inch	2,500
New water connection fee – Connection size: 1.5 inches to 3 inches	7,500
New water connection fee – Connection size above 3inches	15,000
Water Reconnection fee – at meter point	500
Water Reconnection fee – at mains	5,000 and double deposit
Tanker – 8000 & 16,000 litres	2,500 & 5,000 respectively per tanker within the WSP area for all consumers
Sale of water Per M ³ at bowsing point (own tanker)	145
Replacement of stolen or damaged meters	100% of the market cost of the meter
Meter testing on request	1,500
Special meter reading under customer's request	500
Sewer Connection- Residential/ Domestic	5,000
Sewer Connection- Commercial, Government, Schools, Universities and Colleges	7,500
Sewer Connection- Industrial	15,000
Private sewer unblocking	2,500
Leak detection services	1,000
Sewer Reconnection fee	15,000
Printing of customer's statement under own request	200
For cutting off the supply at the request of the consumer	500
For turning on the supply otherwise than in respect of a first connection	200
Exhauster Services (Company Exhauster)	5,000 for other customers and 4,000 for informal settlements within the WSP area for all consumers
Private Exhausters (Dumping into the company's sewer system)	15,000 per Truck per month
Penalties	
Illegal water connection, -Commercial, Industry, Construction (Fraud)	100,000 plus estimated consumption during the period of illegality

Item/ Service	Charge (Ksh.)
Illegal water connection, (Fraud) – Domestic	30,000 plus estimated consumption during the period of the illegality
Overcharging (fraud) at water kiosk	15,000
Illegal sewer connection- Commercial, Industry, Construction	100,000
Illegal sewer connection- Domestic, Government, Schools, Universities & Colleges	30,000
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

6.0 Service Delivery Conditions attached to the Tariff.

Service Delivery Conditions							
Target	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
Water Coverage (%)	90%	91%	92%	93%	94%	95%	96%
Water quality standards (%)	100% Compliance with Standards						
Personnel Expenditure as % of O&M	51%	46%	43%	41%	41%	40%	39%
Maintenance Expenditure as % of O&M	5%	5%	6%	6%	7%	7%	8%
Investment Expenditure as a % of Total Expenditure	1%	0	7%	13%	16%	17%	17%
Non-Revenue Water	38%	38%	36%	34%	32%	30%	28%
Hours of Supply (Hrs.)	23	23	23	23	24	24	24
Staff per 1000 connections	10	10	9	9	8	8	7
Metering ratio (%)	100%	100%	100%	100%	100%	100%	100%
Collection Efficiency (%)	98%	95%	95%	95%	95%	95%	95%
Resale at kiosk	Kshs. 5.00 per 20l Jerry Can						

6.1 Other Conditions

The conditions attached to this approval, which shall form part of the license conditions of Nyahururu Water and Sanitation Company 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. **Catchment Protection:** The utility shall undertake measures to conserve/ protect the catchment areas of their water source as part of Corporate Social Responsibility.
- iv. **Creation of distinct water and sewer cost centres:** NYAHUWASCO shall create separate water and sewer cost centres and maintains distinct record of operations of the two centres.
- v. **Reporting:** The utility shall submit quarterly performance reports to WASREB in the prescribed format and any challenge encountered in the implementation of the tariff.
- vi. **Regulatory Levy:** The utility to pay monthly regulatory levy based on 4% of turnover which is inclusive of billing of other services and interest income earned.

- vii. **Multi dwelling units** : The utility to conduct customer identification survey to map out multi dwelling units.
- viii. **Investments**: The utility shall undertake the investments as follows:

NYAHUWASCO PROPOSED INVESTMENTS													
TARGETED INVESTMENT	PROJECT AREA	GUIDE	SIZE	SAMPLE DESCRIPTIONS	UNIT	UNIT COST	QUANTITY	PROJECT COST (KSH)	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
Customer Meters (New Connections)	Nyahururu Scheme	Class C meters	15MM	Volumetric R 200 and above	No.	5,500.00	1,600	8,800,000	1,760,000	1,760,000	1,760,000	1,760,000	1,760,000
	Marmanet Scheme	Class C meters	15MM	Volumetric R 200 and above	No.	5,500.00	1,250	6,875,000	1,375,000	1,375,000	1,375,000	1,375,000	1,375,000
	Rumuruti Scheme	Class C meters	15MM	Volumetric R 200 and above	No.	5,500.00	1,000	5,500,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
	Igwamiti Scheme	Class C meters	15MM	Volumetric R 200 and above	No.	5,500.00	375	2,062,500	412,500	412,500	412,500	412,500	412,500
	Sub-Total								23,237,500	4,647,500	4,647,500	4,647,500	4,647,500
NRW Reduction Activities	District Meter Areas (DMAs) bulk metering	-	-	-	-	-	-	18,470,000	5,110,000	3,990,000	3,040,000	3,090,000	3,240,000
	Bursts and Leak Control	-	-	-	-	-	-	23,585,290	-	5,040,800	5,064,250	8,275,800	5,204,440
	Commercial NRW Management	-	-	-	-	-	-	59,340,000	2,140,000	12,900,000	14,500,000	14,800,000	15,000,000
	Sub-Total							101,395,290	7,250,000	21,930,800	22,604,250	26,165,800	23,444,440
Water Network Extensions	Nyahururu Scheme	HDPE	50-110 MM	PN10-PN12.5	KM	1,050,000	10.25	9,930,010	3,148,130			3,144,180	3,637,700
	Marmanet Scheme	HDPE	50-160MM	PN10-PN16	KM	1,500,000	29.8	21,150,930	-	4,500,500	12,150,410	4,500,020	-
	Rumuruti Scheme	HDPE	50-110MM	PN 10	KM	1,050,000	17.05	20,144,536	-	2,101,100	2,106,100	12,110,820	3,826,516
	Igwamiti Scheme	HDPE	50-110MM	PN 10-PN16	KM	1,200,000	7.55	9,386,582	-	2,393,800	2,400,600	-	4,592,182
	Sub-Total							60,612,058	3,148,130	8,995,400	16,657,110	19,755,020	12,056,398
Sewerage Improvement programmes	Sewer Network Extension/Rehabilitation	DWP (HDPE) DN 200-415mm SN4-SN8			Length in meters	-	-	35,000,000	-	-	-	-	-
	Ndurururi/ Muthaiga extension				1,105	-	-		-	1,978,100	7,000,000	-	-
	Jua kali extension				1,455	-	-		-	-	3,231,900	7,000,000	1,177,600
	Core site extension				1,063	-	-		-	-	-	1,598,250	7,000,000
	Choices area extension				473	-	-		1,790,000	-	-	-	-
	Maina extension				904	-	-			-	-	4,224,150	-
	Disludging of lagoons and ponds and annual maintenance	3 no Anaerobic ponds 2No. Facultative ponds and 1no. maturation pond	SUM	1					10,000,000	5,000,000.00	5,000,000	-	-

NYAHUWASCO PROPOSED INVESTMENTS													
TARGETED INVESTMENT	PROJECT AREA	GUIDE	SIZE	SAMPLE DESCRIPTIONS	UNIT	UNIT COST	QUANTITY	PROJECT COST (KSH)	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
	Repair of damaged manholes and replacement of Manhole covers	Number of Manholes repaired/covered	12000x1200	Composite manhole covers 600x600 mm medium to heavy duty	No.	250	30,000	7,500,000	500,000	500,000	2,500,000	2,500,000	1,500,000
	Sub -Total							52,500,000	7,290,000	7,478,100	12,731,900	15,322,400	9,677,600
Acquisition of Movable Assets	Official MD's Vehicle	SUV,2400CC, Diesel	-	-	No.	7,000,000	1	7,000,000	-	-	7,000,000	-	-
	Motorbikes	Boxer 1500cc	-	-	No.	250,000	10	2,500,000	500,000	500,000	500,000	500,000	500,000
	Electrofusion machine	-	-	-	No.	2,711,150	1	2,711,150	-	2,711,150	-	-	-
	Furniture & fixtures	-	-	Chairs, Tables etc	No.	2,820,000	1	2,820,000	-	100,000	150,000	200,000	2,370,000
	Computers & Accessories	-	-	Desktops, Laptops	No.	3,000,000	1	3,000,000	350,000	350,000	350,000	1,600,000	350,000
	Sub Total							18,031,150	850,000	3,661,150	8,000,000	2,300,000	3,220,000
ERP Software Upgrade	Human Resource module	-	-	-	-	-	-	2,050,000	-	-	2,050,000	-	-
	Finance & Accounting	-	-	-	-	-	-	5,050,000	-	-	5,050,000	-	-
	Technical & GIS module	-	-	-	-	-	-	4,050,000	-	-	4,050,000	-	-
	Ndovu pay module	-	-	-	-	-	-	2,050,000	-	-	-	2,050,000	-
	Supply Chain module	-	-	-	-	-	-	5,050,000	-	-	-	5,050,000	-
	Billing And CRM Module	-	-	-	-	-	-	4,050,000	-	-	-	4,050,000	-
	Sub Total							22,300,000			11,150,000	11,150,000	
Construction of office Buildings	Customer care center (HQ)	Main office			No	7,000,000	1	7,000,000		-	-	-	7,000,000
	Marmamet/Kinamba Stores						1	4,000,000	-	-	-	-	4,000,000
	Rumuruti Office	Elevated tank site	-	-	No	4,000,000	1	4,000,000	-	-	-	-	4,000,000
	Igwamiti office	Acquired plot	-	-	No	3,500,000	1	3,500,000	-	-	-	-	3,500,000
	Sub Total							18,500,000					18,500,000
Increase production capacity	Drilling and equipping of one borehole	-	-	-	L. Sum	12,000,000	1	12,000,000	-	-	-	-	12,000,000
	Construction of second intake	-	-	-				10,000,000	-	10,011,680	-	-	-
	Acquisition of new pumps for Nyahururu intake, Rumuruti intake and	3 no. 110 kwp pumps for intake	Caprari pump discharge 315	-	No	850,000	3	2,550,000	-	850,000	-	850,000	850,000

NYAHUWASCO PROPOSED INVESTMENTS													
TARGETED INVESTMENT	PROJECT AREA	GUIDE	SIZE	SAMPLE DESCRIPTIONS	UNIT	UNIT COST	QUANTITY	PROJECT COST (KSH)	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
	Production booster stations in Nyahururuand Rumuruti		m3 per hour 80 meters dynamic head										
		2 no. 11 kw pumps for Rumuruti booster station	KSB pumps	-	No	320,000	2	960,000	-	320,000	-	320,000	320,000
		2 No. 5.5 kw pumps for Rumuruti Intake station	-	-	NO	200,000	2	800,000	200,000	200,000	-	200,000	200,000
	Motors Replacements	110 Kw motors	-	-	NO	1,200,000	2	1,800,000	-	-	-	600,000	1,200,000
		55 kw motor for Losogua	-	-	NO	600,000	1	1,200,000	-	-	-	600,000	600,000
	Rehabilitation of filter media	-	-	-		2,500,000	2	5,000,000	2,500,000	-	-	2,500,000	-
	Recycling of water at water treatment plant	-	-	-	No	3,000,000	1	3,000,000	-	-	-	-	3,000,000
	Sub -Total							37,310,000	2,700,000	11,381,680	-	5,070,000	18,170,000
				TOTAL				333,885,998	25,885,630	58,094,630	75,790,760	84,410,720	89,715,938