

ANNEX 1
DETAILS OF PUBLIC CONSULTATION FOR MARSABIT WATER & SEWERAGE COMPANY LTD
(FOR THE PERIOD 2024/2025 – 2027/2028)

1.0 Cost and Revenue Structure for the Tariff Period

Expenditure Item	2023/24	2024/25	2025/26	2026/27	2027/28
Operations	42,939,299	47,613,313	47,308,029	48,584,496	49,774,782
Maintenance	4,198,543	1,710,000	1,744,200	1,779,084	1,814,666
Regulatory Levy	618,365	1,125,905	1,519,741	1,679,459	1,712,664
Total O&M Costs	47,756,208	50,449,217	50,571,970	52,043,039	53,302,112
Investment Costs	-	-	1,275,000	2,250,000	2,350,000
Debt Repayment	-	-	-	-	-
Total Costs	47,756,208	50,449,217	51,846,970	54,293,039	55,652,112
Total Billing (KShs)	15,459,135	28,147,616	37,993,514	41,986,478	42,816,608
Collection Efficiency (%)	76%	81%	86%	91%	93%
Projected Revenue - Without Subsidy	11,765,824	22,830,306	32,715,911	38,253,545	39,866,201
O&M Cost Coverage (%) - Without Subsidy	25%	45%	65%	74%	75%
Total Cost Coverage (%) - Without Subsidy	25%	45%	63%	70%	72%
Operational Subsidy from the County Government of Marsabit	21,958,994	22,277,774	22,604,700	22,940,103	23,284,328
Projected Revenue - With Subsidy	33,724,818	45,108,080	55,320,611	61,193,648	63,150,529
O&M Cost Coverage (%) - With Subsidy	71%	89%	109%	118%	118%
Total Cost Coverage (%) - With Subsidy	71%	89%	107%	113%	113%

2.0 Proposed Change in Water Tariff Structure for the Period.

Proposed Tariff for Marsabit Water Sewerage Co. Ltd.					
Current Customer Categories	Current Tariff		Proposed Customers Categories	Proposed Tariff	
Individual and Other Consumers	Consumption Block	Current Tariff	Domestic/Residential	Consumption Block	Proposed Tariff
	(m3)	(Kshs/M ³)		(m3)	(Kshs/M3)
	0-6	33		1-6	270
	7-20	50		7-20	290
	21-50	65		21-50	310
	51-100	80		51-100	320
	101-300	100		101-300	330
>300	130	>300	340		
			Commercial/Industrial/Government/Institutions	1-50	310
				51-100	320
				101-300	330
				>300	340
Public Schools, Colleges and Universities	0-600	40	Public Schools, Colleges and Universities	1-600	280
	601-1200	50		601-1200	310
	>1200	90		>1200	340
Unique Consumer Categories	Water Kiosks per m3	35	Unique Consumer Categories	Water Kiosks per m3	250
	Bulk sales to a WSP for resale per m3	20			

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

Item/ Service	Charge (Ksh.)
Water Deposit	
Category of consumer	
Domestic	2500
Retail shops less than 10m ³	3000
Retail shops more than 10m ³	3,500
Bar and restaurants less than 15 m ³	4000
Bar and 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	15000
Hotel class "C" and 'D' less than 150 m ³	18000
Hotel class "C" and 'D' more than 150 m ³	20,000
Hospitals and Health centres more than 150 m ³	20,000
Hospitals and Health centres less than 150 m ³	12,000
Schools and other institutions more than 200 m ³	20,000
Schools and other institutions 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 industries 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	1,000
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)	290
Replacement of stolen or damaged meters	100% of the market cost of the meter
Meter testing on request	500
Special meter reading under customer's request	500
Sewer Connection- Residential/ Domestic	5,000

Item/ Service	Charge (Ksh.)
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	200
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
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
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 &	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)	5,000
Surcharge for direct suction of water from the supply line using a pump	10,000

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 Marsabit Water & Sewerage Company Ltd, are:

Target	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2026/2028
Water Coverage	0%	10%	11%	12%	13%	14%
Water quality standards	64%	93%	93%	100% Compliance With Standards		
Personnel Expenditure as % of O&M	N.C.D	46%	45%	43%	43%	43%
Non-Revenue Water	59%	48%	43%	38%	33%	31%
Hours of Supply (Hrs.)	8	9	9	10	10	11
Staff per 1000 connections	113	113	41	19	13	13
Metering ratio	0%	20%	20%	40%	65%	75%
Collection Efficiency	99%	76%	81%	86%	91%	93%
Resale at Kiosk	Kshs. 2.00 per 20l Jerry Can			Kshs. 7.00 per 20l Jerry Can		

6.1 Other Conditions

- i. **Annual budgets:** The utility shall adhere to the budgetary levels set in the tariff.
- ii. **Operational Subsidy:** For the period 2024/2025 to 2027/2028, the County Government of Marsabit is required to continue to provide operational subsidy to Marsabit Water & Sewerage Co. (MARWASCO) to be directed towards payment of production electricity and Salaries for Seconded Staffs.
- iii. **Surpluses:** the surpluses realised during the tariff period shall be used to implement priority service delivery capital projects approved by WASREB
- iv. **Reporting:** The utility shall submit quarterly performance reports to WASREB in the prescribed format.
- v. **Metering** MARWASCO shall progressively enhance the metering ratio to attain 100% as per condition (6.0) above
- vi. **Investments:** The utility shall undertake the investments as follows: -

NRW Reduction Plan	Specifications	Qty	Unit Cost	2025/2026	2026/2027	2027/2028
Metering						
Replacement of Faulty Consumer Metres	1/2 Inch Mechanical Cold-Water Metre	150	6,500	975,000		
Replacement of Faulty Consumer Metres		300	6,500		1,950,000	
Replacement of Faulty Consumer Metres		300	6,500			1,950,000
Movable Assets						
Laptops	15.60-inch; Display resolution: 1920×1080 pixels; Processor: Core i5; RAM: 8GB; OS: Windows 11; SSD:1TB	10	100,000	300,000	300,000	400,000
SUM				1,275,000	2,250,000	2,350,000