

3.0 Conditions Attached to the Tariff Approval

The conditions attached to this approval which shall form part of the license conditions of TAVEVO Water and Sewerage Company are:

(i) Service Delivery Conditions attached to the Tariff.

Target	2023/2024	2024/2025	2025/2026
Water Coverage (%)	47%	48%	49%
Water Quality Standards (%)	100% Compliance with Standards		
Personnel Expenditure as % of O and M	26%	26%	25%
Non-Revenue Water	34%	32%	30%
Hours of Supply (Hrs.)	17	18	19
Staff per 1000 connections	12	11	11
Metering ratio (%)	100%	100%	100%
Collection Efficiency (%)	95%	95%	95%
Resale at Kiosk	KSh. 3.00 per 20 litres. Tariffs at kiosks must be displayed at strategic points for public awareness		

(ii) Annual budgets: The utility shall adhere to the budgetary levels set in the approved tariff.

(iii) Surplus: The surpluses projected to be realised shall be used on priority infrastructure projects identified by TAVEVO and approved by WASREB.

(iv) Customer re-categorisation for billing: TAVEVO will separate individual domestic accounts from Multi-Dwelling Units (MDU) accounts and bill as per the approved tariff.

(v) Repayment of Loans: TAVEVO shall remit equal monthly loan repayments to Coast Water Works Development Agency (CWWDA) as follows: -

Financing	2023/2024	2024/2025	2025/2026
WASSIP 1 and WASSIP AF (Kshs.)	11,406,600	11,406,600	5,703,300

Evidence of loan repayment to CWWDA shall be submitted to WASREB monthly by the 10th day of the following month.

(vi) Reporting: The utility shall submit to WASREB a quarterly tariff performance report in the format provided. WASREB will carry out tariff implementation review at the end of each year of implementation.

(vii) Investments: The utility shall undertake the investments in Annex 1 and submit quarterly progress reports.

Annex 1

INVESTMENT SUMMARY FOR TAVEVO WATER AND SEWERAGE COMPANY LIMITED (TAVEVO)

Targeted Outcome	Intervention	Targeted Area	2023/2024	2024/2025	2025/2026
Increased Water Coverage	Meters and Fittings - New Connections	Entire Service Area	5,772,000	6,060,000	6,366,000
	Network Extension	OD 110mm HDPE Rising main from Mwasinenyi-Mwatunge tank-2.0km with associated fittings	10,232,244		
		OD 110mm HDPE pipe from Mwatunge Tank to Landi-5.0km with associated fittings		8,805,804	8,805,804
	Drilling of boreholes	Construction of Mwasinenyi borehole and Piping	5,432,444		
Increased Quality of Service (Hrs of Supply)	5No. Grundfos SP 46-20 (30kW) Pump set (Pump and motor) submersible unit or an equivalent with a discharge of 70m ³ /h at a dynamic head of 300m complete with all the necessary fittings	Installation of stand by submersible Mwasinenyi, Voi pump, Ndii, Maungu and at Kaloleni.	3,846,328	5,769,492	-
Operational Efficiency	ICT Infrastructure	5 Laptops	450,000	-	-
		15 Desktops	480,000	-	420,000
		50 Smart phones	1,035,000	-	1,035,000
	Motor vehicles and cycles	8 Motor Bikes	720,000	-	720,000
Total _ Investments			27,968,016	20,635,296	17,346,804

MR/5166662

JULIUS ITUNGA,
Ag. Chief Executive Officer,
Water Services Regulatory Board.

Coast Water Works Development Agency (CWWDA) applied to the Water Services Regulatory Board (WASREB) for review of tariff for Bulk Water Supply, for the period 2023/2024 to 2025/2026 as per section 72 (1) (b) of the Water Act, 2016.

Public consultation on the application was carried out in accordance with the requirements of section 139 of the Water Act, 2016.

After considering the application, the written and oral submissions by all stakeholders during the consultation period, and based on latest available data, WASREB has determined a justified tariff to improve service delivery, operate sustainably and protect consumer interests by meeting the tariff conditions attached to the tariff.

WASREB gives a one (1) months' notice to all existing and potential customers of the CWWDA Bulk Water Supply that the approved tariff for the three financial years, 2023/2024, 2024/2025 and 2025/2026 shall be as follows:

1.0 Approved Tariff Structure

1.1 Water Tariff Structure for the period 2023/2024 to 2025/2026

	<i>Approved Tariff (KSh./M³)</i>
Sale per M ³	34

2.0 Approved Cost Structure

Below is the summary of the approved cost structure of the Bulk Water Supply.

<i>Expenditure Item</i>	<i>2023/2024</i>	<i>2024/2025</i>	<i>2025/2026</i>
Direct Operating Costs	793,893,669	870,958,036	951,755,576
Personnel Costs	82,326,300	84,384,458	86,494,069
Training Expenditure	2,192,586	2,247,400	2,303,585
General Administration expenses	34,581,141	35,445,670	36,331,812
Board of Directors Expenses	9,000,000	9,000,000	9,000,000
Maintenance Expenses	95,891,072	100,685,626	105,719,907
Total O and M Costs	1,017,884,768	1,102,721,189	1,191,604,949
Loan Repayment	356,549,012	350,629,296	190,635,742
Minor Investments	15,000,000	17,000,000	39,300,000
Total Costs	1,389,433,781	1,470,350,486	1,421,540,691
Total Billing. (KSh.)	1,442,931,824	1,492,122,681	1,524,916,586
Collection Efficiency (%)	95%	95%	95%
Projected Rev. (KSh.)	1,370,785,232	1,417,516,547	1,448,670,757
O and M Cost Coverage (%)	135%	129%	122%
Total Cost Coverage	99%	96%	102%

3.0 Conditions Attached to the Tariff Approval

The conditions attached to this approval which shall form part of the license conditions for Coast Bulk Water Supply are:

(i) Service Delivery Conditions Attached to the Tariff

<i>Target</i>	<i>2023/2024</i>	<i>2024/2025</i>	<i>2025/2026</i>
Non-Revenue water	12%	9%	7%
Water Quality Standards	100% Compliance with all standards		
Hours of Supply	24	24	24
Metering Ratio	100%	100%	100%
Staff per 1 Million M ³ billed (No.)	96	96	96
Collection Efficiency (%)	95%	95%	95%
O and M Cost Coverage (%)	135%	129%	122%
Total Cost Coverage	99%	96%	102%

Performance targets to be met and ascertained by WASREB. Appropriate enforcement measures shall be taken against non-achievement of the set targets.

(ii) Annual Budgets

The approved cost structure shall form the annual budget for the Bulk Water Supply System for each of the financial years of the tariff period.

(iii) Reporting:

CWWDA shall submit to WASREB a quarterly tariff performance report in the prescribed format. WASREB will carry out a tariff implementation review at the end of each year.

(iv) Loan Repayment

CWWDA shall open a separate bank account where it shall deposit equal monthly equal instalments for the semi-annual loan repayments. CWWDA shall then remit the semi-annual loan repayment to the National Treasury as per the subsidiary loan agreements.

	<i>2023/2024</i>	<i>2024/2025</i>	<i>2025/2026</i>
Loan Repayment Amount (KSh.)	356,549,012	350,629,296	190,635,742

(v) Investments:

The utility shall undertake the following investments within the tariff period and submit quarterly progress reports.

(a) Non-Revenue Water Management - Smart Bulk Meters

<i>Water Service Provider (WSP) Area</i>	<i>Amount (KSh.)</i>
1. Malindi	2,510,000
2. Tavevo	2,195,000
3. Kilifi - Mariakani	2,680,000
4. Kwale	2,790,000
5. Mombasa	5,000,000
Total Approved Budget (KSh.)	15,175,000

(b) Rehabilitation of Bulk System Infrastructure

<i>Kwale and Kilifi WSPs</i>	<i>Amount (KSh.)</i>
1. Repair of leaking Magodzeni Reservoir tank	1,000,000
2. Harmonisation of off-takes i.e., Kwale WSP; Tavevo WSP; Kilifi - Mariakani WSP; Mombasa WSP.	800,000
3. Repair of leaks of main service from Tiwi Boreholes to Kaya Bombo	2,000,000
<i>Malindi WSP</i>	
1. Rehabilitation of Baricho-Kakuyuni raising main	25,000,000
2. Solar Energy Meter – Baricho	1,500,000
Total Costs	30,300,000

(c) Measures for Protection of Critical Infrastructure along the Bulk System

<i>Details</i>	<i>No.</i>	<i>Name of WSP</i>	<i>Amount (KSh.)</i>
Protection/securing of off-takes Chambers	100	Kwale WSP	20,000,000
	30	Tavevo WSP	6,000,000
Total Cost			26,000,000

JULIUS ITUNGA,
Ag. Chief Executive Officer,
Water Services Regulatory Board.

GAZETTE NOTICE NO. 10546

THE WATER ACT

(No. 43 of 2016)

KARURI WATER AND SANITATION COMPANY

APPROVED TARIFF STRUCTURE FOR THE PERIOD 2023/2024 TO 2025/2026

Karuri Water and Sanitation Company applied to the Water Services Regulatory Board (WASREB) for a review of tariffs for water services, for the period 2023/2024 to 2025/2026 as per section 72 (1) (b) of the Water Act, 2016.

Public consultation on the application was carried out in accordance with the requirements of section 139 of the Water Act, 2016.

After considering the application, the written and oral submissions by all stakeholders during the consultation period, and based on latest