

ANNEX 1
DETAILS OF PUBLIC CONSULTATION FOR KIRANDICH WATER COMPANY LTD
(FOR THE PERIOD 2025/2026 – 2028/2029)

1.0 Cost and Revenue Structure

Expenditure Item	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
Operations	90,121,278	102,066,572	110,541,811	120,303,514	130,530,914
Maintenance	1,025,566	5,524,000	6,045,000	6,362,000	6,680,000
Regulatory Levy	1,209,793	2,090,094	3,018,601	3,299,642	3,537,119
Total O&M Costs	92,356,636	109,680,666	119,605,412	129,965,156	140,748,033
Investment Costs	-	650,000	3,980,000	6,390,000	3,800,000
Total Costs	92,356,636	110,330,666	123,585,412	136,355,156	144,548,033
Total Billing (KShs)	29,247,733	52,252,340	75,465,020	82,491,053	88,427,967
Collection Efficiency (%)	95%	95%	95%	95%	95%
Projected Revenue	24,095,344	49,639,723	71,691,769	78,366,500	84,006,569
Operational Subsidy from the County Government	-	56,933,164	62,626,481	68,889,129	75,778,042
Projected Revenue - With Subsidy		106,572,887	134,318,250	147,255,629	159,784,611
O&M Cost Coverage	30%	97%	112%	113%	114%
Total Cost Coverage	30%	97%	109%	108%	111%

2.0 Proposed Change in Water Tariff Structure for the Period

Recommended Water Tariff for Kirandich Water Company				
Consumer Categories	Consumption Block	Current Tariff	Consumption Block	Proposed Tariff
	(M ³)	(Kshs/M ³)	(M ³)	(Kshs/M ³)
Domestic/Residential	0-6	Flat rate 200	1-6	85
	7-20.	50	7-20.	100
	21-50	65	21-50	105
	51-100	80	51-100	115
	101-300	100	101-300	130
	>300	130	>300	145
Multi-Dwelling Units	-	-	Flat rate	100
Commercial/Industrial	0-6	Flat rate 200		
	7-20.	50		
	21-50	65	1-50	100
	51-100	80	51-100	110
	101-300	100	101-300	130
	>300	130	>300	140
Schools, Universities, and Colleges	0-600	40	1-600	95
	601-1200	50	601-1200	110
	>1200M ³	90	>1200M ³	130
Water Kiosks	Per M ³	35	Per M ³	50

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

3.0 Sewerage Tariff Structure for the period 2025/2026 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. 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 with more than 10m ³	3,500
Bar and restaurants with less than 15 m ³	4000
Bar and restaurants more than 15 m ³	6,000
Hotel class "A" and "B" with less than 150 m ³	12,000
Hotel class "A" and "B" with more than 150 m ³	15000
Hotel class "C" and 'D', with less than 150 m ³	18000
Hotel class "C" and 'D' more than 150 m ³	20,000
Hospitals and Health centres with more than 150 m ³	20,000
Hospitals and Health centres with less than 150 m ³	12,000
Schools and other institutions have more than 200 m ³	20,000
Schools and other institutions with less than 200 m ³	10,000
Minor construction sites of more than 200 m ³	15,000
Major construction sites with more than 300 m ³	50,000
Light industries with 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 Browsing Point (own tanker)	95
Replacement of stolen or damaged meters	100% of the market cost of the meter

Item/ Service	Charge (Ksh.)
Meter testing on request	500
Special meter reading at the 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 the customer's statement on their 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 the 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 the cut-off
Surcharge for tampering with meters (this includes 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.

(a) Service Delivery Conditions attached to the Tariff.

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

Service Delivery Conditions						
Target	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
Water Coverage (%)	30%	29%	32%	33%	35%	40%
Water quality standards (%)	100% Compliance with Standards					
Personnel Expenditure as % of O&M	24%	25%	22%	21%	20%	19%
Maintenance Expenditure as % of O&M	3%	1%	10%	11%	10%	10%
Non-Revenue Water	67%	59%	52%	50%	48%	47%
Hours of Supply (Hrs.)	12	13	14	15	16	16
Staff per 1000 connections	7	10	10	9	9	9
Metering ratio (%)	92%	97%	100%	100%	100%	100%
Collection Efficiency (%)	95%	95%	95%	95%	95%	95%

Other Conditions

- Annual budgets:** The utility shall adhere to the budgetary levels set in the tariff.
- Surpluses:** the surpluses realised during the tariff period shall be used to implement priority service delivery capital projects approved by WASREB
- Reporting:** The utility shall submit quarterly performance reports to WASREB in the prescribed format.
- Subsidy:** The county government of Baringa shall support the WSP by meeting electricity costs annually as per the table below during the proposed tariff period

Expenditure Item	2025/2026	2026/2027	2027/2028	2028/2029
Operational Subsidy for Electricity (KSh)	56,933,164	62,626,481	68,889,129	75,778,042

- Investments:** The utility shall undertake the investments as follows: -

PROPOSED INVESTMENTS – INTERNALLY GENERATED FUNDS

FY 2025/26					
TARGETTED INVESTMENT	DESCRIPTIONS	UNIT	UNIT COST	QUANTITY	PROJECT COST (KSH)
A. Metering	Procurement of consumer volumetric water meters sizes 15mm,20mm,25mm, R200, plastic body, AMR Enabled	NO	6,500	100	650,000
	Sub -Total		6,500	100	650,000

FY 2026/27						
TARGETTED INVESTMENT	GUIDE		SAMPLE DESCRIPTIONS	UNIT	UNIT COST	PROJECT COST (KSH)
B.NRW Reduction Plan	To reduce NRW from 59% to 52%		Procurement of consumer volumetric water meters sizes 15mm,20mm,25mm, R200.plastic body, AMR ENABLED	NO	6,500	650,000
			Desktop computers HP i7 8th generation computer min 8GBRAM 750 GB storage	NO	75,000	150,000
			Desktop computers HP i5 8th generation computer min 8GBRAM 750 GB storage	NO	30,000	60,000
	Sub-Total				104	860,000
C. Rehabilitation of Service Lines	Replacement of the pipeline	Kapkut, Kapsoo, Ngusuria, Kapotimbpor-2KM	50mm -90mm	GI/HDPE	KM	1,560,000
	Total				2	3,120,000
	Sub-Total					3,980,000

FY 2027/28								
TARGETTED INVESTMENT	PROJECT AREA	GUIDE	SIZE	SAMPLE DESCRIPTIONS	UNIT	UNIT COST	QUANTITY	PROJECT COST (KSH)
D.Regional Master meters	RAW MASTER METER-Kirandich Treatment Inlet>>Inclusive of installation fittings	Kirandich T/. WORKS	400MM	ULTRASONIC METER	NO	1,800,000	1	1,800,000
E.NRW Reduction Plan	To reduce NRW from 52% to 50%			Procurement of consumer volumetric water meters sizes 15mm,20mm,25mm, R200,plastic body, AMR ENABLED	NO	6,500	400	2,600,000
				District water meter, Volumetric multi jet water meters size 50mm, 75mm, 100mm, R200, plastic body, AMR ENABLED	NO	40,000	7	280,000
				Ultrasonic tank level sensor	NO	75,000	2	150,000
F. Rehabilitation of Service Lines	Replacement of pipeline	Kapkut, Kapsoo,Ngusuria,Kapotimbpor -1km	50mm -90mm	GI/HDPE	KM	1,560,000	1	1,560,000
Sub-Total						1,806,500	411	6,390,000

FY 2028/29								
	PROJECT AREA	GUIDE	SIZE	SAMPLE DESCRIPTIONS	UNIT	UNIT COST	QUANTITY	PROJECT COST (KSH)
G.NRW Reduction Plan	To reduce NRW from 50% to 48%		15mm,20mm,25mm, R200.plastic body, AMR ENABLED	Procurement of consumer volumetric water meters	NO	6,500	400	2,600,000
		Kirandich T/. WORKS-MASTER METER-Kirandich Treatment Inlet>>Inclusive of installation fittings	250MM	Ultrasonic meter	NO	1,200,000	1	1,200,000
	Sub -Total					6,500	400	3,800,000
TOTAL								14,820,000