

ANNEX 1
DETAILS OF PUBLIC CONSULTATION FOR NYASARE WATER SUPPLY AND SANITATION COMPANY
(FOR THE PERIOD 2025/2026 – 2028/2029)

1.0 Cost and Revenue Structure of the Proposed Tariff

Expenditure Item	FY 2023/2024	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/2028	FY 2028/2029
Operations	6,424,053	8,618,952	9,681,363	9,912,117	10,634,546	11,163,748
Maintenance	22,756	82,810	110,200	110,200	110,200	110,200
Regulatory Levy	309,502	298,319	316,237	461,127	524,471	597,894
Total O&M Costs	6,756,311	9,000,081	10,107,800	10,483,445	11,269,218	11,871,842
Investment Costs	-	-	280,000	443,250	845,000	2,030,000
Debt Repayment	-	-	-	-	-	-
Total Costs	6,756,311	9,000,081	10,387,800	10,926,695	12,114,218	13,901,842
Total Billing (KShs)	7,897,899	7,428,832	7,905,932	11,528,187	13,111,786	14,947,352
Collection Efficiency (%)	87%	95%	95%	95%	95%	95%
Projected Revenue	6,871,172	7,057,390	7,510,636	10,951,778	12,456,196	14,199,984
O&M Cost Coverage	102%	78%	74%	104%	111%	120%
Total Cost Coverage	102%	78%	72%	100%	103%	102%

2.0 Proposed Change in Water Tariff Structure for the Period

Consumer Categories	Recommended Water Tariff for Nyasare			
	Consumption Block (M ³)	Current Tariff (Kshs/M ³)	Consumption Block (M ³)	Proposed Tariff (Kshs/M ³)
Domestic/Residential	1-6	85	1-6	120
	7-20.	105	7-20.	135
	21-50	125	21-50	150
	51-100	160	51-100	180
	101-300	180	101-300	200
	>300	200	>300	220
Multidwelling Units	-	105	-	135
Commercial/Government Institutions	1-50	125	1-50	150
	51-100	160	51-100	200
	101-300	180	101-300	220
	>300	200	>300	240
Schools, University and Colleges	1-600	100	1-600	150
	601-1200	200	601-1200	220
	>1200M ³	300	>1200M ³	300
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 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.

4.0 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)	120
Replacement of stolen or damaged meters	100% of the market cost of the meter
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	

Item/ Service	Charge (Ksh.)
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 Nyasare Water Supply and Sanitation Company Ltd, are:

Target	Service Delivery Conditions					
	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
Water Coverage (%)	74%	74%	72%	70%	68%	65%
Water Quality Standards	93%	93%			100%	
Personnel Expenditure as % of O&M	40%	42%	39%	38%	37%	35%
Non-Revenue Water	36%	38%	37%	36%	35%	35%
Hours of Supply (Hrs.)	10	10	11	12	14	16
Staff per 1000 connections	8	8	8	7	7	6
Metering ratio (%)	100%	100%	100%	100%	100%	100%
Collection Efficiency (%)	89%	95%	95%	95%	95%	95%

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

PROPOSED INVESTMENTS – INTERNALLY GENERATED FUNDS

TARGETTED INVESTMENT	ITEM	SIZE	DESCRIPTIONS	UNIT	UNIT COST	QUANTITY	PROJECT COST (KSH)	2025/2026	2026/2027	2027/2028	2028/2029
Metering	15 mm dia Meters	15mm	Kent brass	No	4,000	300	1,200,000	200,000	300,000	400,000	300,000
	15 mm dia, GI Union	15mm	-	No	150	120	18,000	-	18,000	-	-
	15 mm dia, GI Nipples	15mm	-	No	100	120	12,000	-	12,000	-	-
	15 mm dia, GI Sockets		-		100	120	12,000	-	12,000	-	-
	25 mm dia Meters	25mm	-	No	4,000	25	100,000	20,000	25,000	25,000	30,000
	25 mm dia, Gate Valve	25mm	-	No	1,200	15	18,000.00	-	18,000	-	-
	25 mm dia, GI Union	25mm	-	No	250	15	3,750.00	-	3,750	-	-
	25 mm dia, GI Nipples	25mm	-	No	100	15	1,500.00	-	1,500	-	-
	25 mm dia, GI Sockets	25mm	-	No	100	30	3,000.00	-	3,000	-	-
	Master meters 2"	50mm	-	No	40,000	10	400,000.00	-	-	200,000	200,000
Sub- Total					160,000	761	1,518,250	220,000	393,250	625,000	530,000
Movable Assets	Procurement of Motorbikes	-	Honda		150,000.00	1	150,000	-	-	150,000	-
	Motor vehicle	-	Toyota Probox	no	1,500,000	1	1,500,000	-	-	-	1,500,000
	Pipe wrench size 12' Record	-	-	-	7,500	10	75,000	15,000	20,000	20,000	-
	Pipe wrench size 14' Record	-	-	-	10,000	10	100,000	20,000	30,000	50,000	-
	Adjustable Spanner	-	-	-	2,500	10	25,000	25,000	-	-	-
Sub- Total					1,670,000	32	1,850,000	60,000	50,000	220,000	1,500,000
TOTAL					1,720,000	797	3,418,250	280,000	443,250	845,000	2,030,000