

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

1.0 Cost and Revenue Structure for the Tariff Period

Expenditure Item	2024/25	2025/26	2026/27	2027/28	2028/29
Total O&M Costs	83,292,045	90,519,055	95,516,021	100,684,224	106,293,224
Investment Costs	-	-	23,825,000	17,400,000	33,562,500
Total Costs	83,292,045	90,519,055	119,341,021	118,084,224	139,855,724
Total Billing (KSh)	8,517,832	19,102,026	21,650,811	24,619,597	27,852,555
Collection Efficiency (%)	79%	80%	85%	90%	95%
Projected Revenue - Without Subsidy	6,690,237	15,281,621	18,403,189	22,157,637	26,459,927
O&M Cost Coverage (%) - Without Subsidy	8%	17%	19%	22%	25%
Total Cost Coverage (%) - Without Subsidy	8%	17%	15%	19%	19%
Operational Subsidy from the County Government of Mandera	46,537,000	109,660,000	109,660,000	109,660,000	109,660,000
Projected Revenue - With Subsidy	53,227,237	124,941,621	128,063,189	131,817,637	136,119,927
O&M Cost Coverage (%) - With Subsidy	64%	138%	134%	131%	128%
Total Cost Coverage (%) - With Subsidy	64%	138%	107%	112%	97%

2.0 Proposed Change in Water Tariff Structure for the Period.

Proposed Tariff for Elwak Water Sewerage Co. Ltd.					
Current Customer Categories			Proposed Customer Categories		
Individual and Other Consumers	Consumption Block	Current Tariff	Domestic/Residential	Consumption Block	Proposed Tariff
	(m3)	(KSh/M³)		(m3)	(KSh/M³)
	0-6	193		1-6	200
	7-20.	193		7-20.	250
	21-50	193		21-50	260
	51-100	193		51-100	280
	101-300	193		101-300	300
	>300	193		>300	350
			Commercial/Industrial/Gov ernment/Institutions	1-50	350
				51-100	380
				101-300	400
				>300	500
Public Schools, Colleges, and Universities	0-600	280	Public Schools, Colleges, and Universities	1-600	350
	601-1200	280		601-1200	380
	>1200	280		>1200	400
Unique Consumer Categories	Water Kiosks per m3	35	Unique Consumer Categories	Water Kiosks per m3	200
	Bowsing Point			Bowsing Point	250

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 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 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)	250
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 Elwak Water & Sewerage Company Ltd, are:

Target	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
Water Coverage	12%	13%	14%	15%	16%
Water quality standards	37%	100% Compliance with Standards			
Personnel Expenditure as % of O&M	51%	51%	50%	49%	48%
Non-Revenue Water	36%	34%	32%	30%	28%
Hours of Supply (Hrs.)	14	15	15	16	16
Staff per 1000 connections	64	21	19	18	16
Metering ratio	91%	100%	100%	100%	100%
Collection Efficiency	78%	80%	85%	90%	95%
Resale at Kiosk		KSh. 5per 20l Jerry Can			

6.1 Other Conditions

- Annual budgets:** The utility shall adhere to the budgetary levels set in the tariff.
- Operational Subsidy:** For the period 2025/2026 to 2028/2029, the County Government of Mandera is required to provide OPEX and CAPEX subsidies of KSh. 109,660,000 annually to Elwak Water & Sewerage Company
- Reporting:** The utility shall submit quarterly performance reports to WASREB in the prescribed format.
- Metering** ELWASCO shall progressively enhance the metering ratio to attain 100% as per condition (6.0) above
- Investments:** The utility shall undertake the investments as follows: -

INVESTMENTS SCHEDULE – TO BE FUNDED EXTERNALLY								
2025/2026								
TARGETTED INVESTMENT	PROJECT AREA	GUIDE	SIZE	SAMPLE DESCRIPTIONS	UNIT	UNIT COST	QUANTITY	PROJECT COST (KSH)
A. Regional Master meters	Replacement and installation of consumer meters and bulk meters across all schemes (Elwak, Wargadud, and Borehole Eleven.	25mm Dia consumer plastic water meter piston type, PSM Elser KENT or approved equivalent. The meters to include built-in meter strainers & a non-return mechanism.	25mm	25mm Dia consumer plastic water meter piston type, PSM Elser KENT or approved equivalent. The meters to include in-built meter strainers & non-return mechanisms.	No.	2,500	1,000	2,500,000
		institution/BULK consumers	50mm	institution/BULK consumers	N0.	7,500	100	750,000
		zonal meter	100mm	zonal meter	No.	28,000	50	1,400,000
	Sub -Total							
B.NRW Reduction Plan	To reduce NRW from 36.33% to 34%	Replacement of aged pipes and fittings		HDPE PIPE 6"	m	600	1,000	600,000
				4"	m	450	2,000	900,000
				3"	m	360	500	180,000
				2"	m	150	3,000	450,000
				hard seal concealed stem Gate valves				-
				4"	pcs	18,000	10	180,000
	3"	pcs	12,000	5	60,000			
			2"	pcs	7,000	15	105,000	
		NRW Reduction Activities		Automation of the bill system	items	2,500,000	1	3,500,000
				Capacity building of staff on proper installation of meters and data analysis	items	1,200,000	1	1,200,000
Sub -Total								7,175,000
D. Rehabilitation of Service Lines	pipeline extension at borehole eleven	10000m pipeline extension across all zones	distribution line Of various diameter (50mm-70mm)	hdpe pipes	m	1,200	10,000	12,000,000
	Sub Total							12,000,000
TOTAL								23,825,000
2026/2027								
TARGETTED INVESTMENT	PROJECT AREA	GUIDE	SIZE	SAMPLE DESCRIPTIONS	UNIT	UNIT COST	QUANTITY	PROJECT COST (KSH)
A. Regional Master meters	Replacement and installation of consumer meters and bulk meters across all schemes	25mm Dia consumer plastic water meter piston type, PSM Elser KENT or approved equivalent. The meters to include in-built meter strainers & non-return mechanisms.	25mm	25mm Dia consumer plastic water meter piston type, PSM Elser KENT or approved equivalent. The meters to include in-built meter strainers & non-return mechanisms.	No.	2,500	800	2,000,000
		institution/BULK consumers	50mm		N0.	7,500	50	375,000

	Sub -Total					10,000	850	2,375,000
B.NRW Reduction Plan	To reduce NRW from 34% to 33%	installation of DMAs, which enable us to pinpoint leaks with high accuracy						
		100mm Dia consumer flanged master water meter, Elser KENT.	NO.	35,000	15	525,000		
	NRW Reduction Activities							
	Sub -Total							525,000
C. Capital Works	elevated steel storage tank and masonry reservoirs at El Wak and Wargadud	construction steel elevated tank	2NO. Construction of a steel elevated tank	2NO. 100m and 50m3 Construction of a steel elevated tank	no.	6,000,000	2	12,000,000
		Rehabilitation of masonry reservoir	Rehabilitation of 1NO. Mansory tank	Rehabilitation of 1NO. Mansory tank 225m3	no.	2,500,000	1	2,500,000
		Replacement OF high lift multi-stage pumping system (service pump) 60m3/hr	Replacement OF high lift multi-stage pumping system (service pump) 60m3/hr	Replacement OF high lift multi-stage pumping system (service pump) 60m3/hr	no.	3,000,000	1	3,000,000
	Sub Total							
								17,400,000
2027/2028								
TARGETTED INVESTMENT	PROJECT AREA	GUIDE	SIZE	SAMPLE DESCRIPTIONS	UNIT	UNIT COST	QUANTITY	PROJECT COST (KSH)
A. Regional Master meters	Replacement and installation of consumer meters and bulk meters across all schemes	25mm Dia consumer plastic water meter piston type, PSM Elser KENT or approved equivalent. The meters to include inbuilt meter strainers & non-return mechanisms.	25mm	25mm Dia consumer plastic water meter piston type, PSM Elser KENT or approved equivalent. The meters to include inbuilt meter strainers & non-return mechanisms.	no.	2,500	750	1,875,000
		institution/BULK consumers	2"		NO.	7,500	45	337,500
		zonal meter	4"		no.	35,000	10	350,000
	Sub -Total							2,562,500
B. Capital Works	expansion of water coverage to low-income areas like Bulla Wajir and Bulla Nguvu through the construction of water kiosks and pipeline extension	construction 3NO water kiosk with piping networks	construction 3NO water kiosk with piping networks	construction 3NO water kiosk with piping networks	no	3	2,000,000	6,000,000
		pipeline extension	pipeline extension	pipeline extension	km	10	2,500,000	25,000,000
	Sub Total							
Total								33,562,500