

**DETAILS OF PUBLIC CONSULTATION FOR KISUMU AND SANITATION COMPANY LTD
(FOR THE PERIOD 2025/2026 – 2029/2030)**

1.0 Cost and Revenue Structure for the Tariff Period

Expenditure Item	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Operations	829,398,749	889,090,467	937,435,916	992,610,229	1,051,254,983	1,109,477,444
Maintenance	256,843,411	256,843,411	154,106,046	155,647,107	157,203,578	158,775,614
Regulatory Levy	45,551,525	47,829,101	50,220,556	52,731,584	55,368,163	58,136,572
Total O&M Costs	1,131,793,685	1,193,762,979	1,141,762,519	1,200,988,920	1,263,826,724	1,326,389,629
Investment Costs	25,997,384	45,459,784	189,035,019	218,503,476	221,640,532	278,014,323
Debt Repayment	30,177,756	123,629,032	123,003,411	119,894,323	119,894,323	119,894,323
Total Costs	1,187,968,825	1,362,851,795	1,453,800,949	1,539,386,719	1,605,361,579	1,724,298,275
Total Billing (KShs)	1,178,916,804	1,422,732,460	1,567,819,962	1,638,290,226	1,694,780,937	1,753,370,033
Collection Efficiency (%)	105%	95%	95%	95%	95%	95%
Projected Revenue	1,233,677,101	1,351,595,837	1,489,428,964	1,556,375,715	1,610,041,890	1,665,701,532
O&M Cost Coverage	110%	113%	131%	130%	128%	126%
Total Cost Coverage	105%	99%	103%	101%	101%	97%

2.0 Proposed Change in Water Tariff Structure for the Period

2.1 Water Tariff

Proposed Tariff for Kisumu Water and Sanitation Co. Ltd.				
Consumer Categories	Consumption Block	Current Tariff	Consumption Block	Proposed Tariff
	(m3)	(Kshs/M³)	(m3)	(Kshs/M3)
Domestic/Residential	1-6	83	1-6	88
	7-20.	121	7-20.	132
	21-50	126	21-50	137
	51-100	143	51-100	148
	101-300	160	101-300	165
	>300	176	>300	182
Multi- Dwelling Units		n/a	Per M3	132
Commercial/Industrial	1-50	126	1-50	137
	51-100	143	51-100	148
	101-300	160	101-300	165
	>300	176	>300	182
Government/Institutions	1-50	126	1-50	137
	51-100	143	51-100	148
	101-300	160	101-300	165
	>300	176	>300	182
Public Schools, Colleges, and Universities	1-600	66	1-600	76
	601-1200	72	601-1200	80
	>1200m3	121	>1200m3	135
Unique Consumer Categories	Bulk	66	Per M3	70
	Kiosk	35	Per M3	50

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

2.2 Sewerage Tariff

a) Consumers with a Water Connection

Proposed Tariff for Kisumu Water and Sanitation Co. Ltd.				
Consumer Categories	Consumption	Current Tariff	Consumption	Proposed Tariff
	(m3)	(Kshs/M ³)	(m3)	(Kshs/M3)
Domestic/Residential	1-6	44	1-6	50
	7-20.	60	7-20.	66
	21-50	72	21-50	77
	51-100	77	51-100	82
	101-300	83	101-300	88
	>300	88	>300	95
Multi- Dwelling Units		n/a	Per M3	70
Commercial/Industrial	1-50	66	1-50	77
	51-100	77	51-100	82
	101-300	83	101-300	88
	>300	88	>300	95
Government/Institutions	1-50	66	1-50	77
	51-100	77	51-100	82
	101-300	83	101-300	88
	>300	88	>300	95
Public Schools, Colleges, and Universities	1-600	50	1-600	55
	601-1200	66	601-1200	72
	>1200m ³	77	>1200m ³	88

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 2.2 (a) above.

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

These shall be charged as per the approved miscellaneous charges approved by WASREB.

Item/ Service	Charge (Ksh.)
Water Deposit	
Category of consumer	
Domestic	2500
Retail shops less than 10m ³	3000

Item/ Service	Charge (Ksh.)
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' 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 a 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 KIWASCO service area for all consumers
Sale of water per M ³ at Browsing Point (own tanker)	132
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
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

5.0 Service Delivery Conditions attached to the Tariff.

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

Target	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030
Water Coverage (%)	93%	94%	95%	96%	97%	98%
Sewerage Coverage (%)	19%	21%	23%	25%	27%	29%
Water quality standards (%)	100%	100% Compliance With Standards				
Personnel Expenditure as % of O&M	30%	30%	30%	30%	30%	30%
Non-Revenue Water	32%	32%	31%	29%	28%	27%
Hours of Supply (Hrs.)	24	24	24	24	24	24
Staff per 1000 connections	5	5	5	5	5	5
Metering ratio (%)	100%	100%	100%	100%	100%	100%
Collection Efficiency (%)	102%	95%	95%	95%	95%	95%
Resale at Kiosk	Kshs. 2.00 per 20l Jerry Can		Kshs. 5.00 per 20l Jerry Can			

5.1 Other Conditions

- i. **Annual budgets:** The utility shall adhere to the budgetary levels set in the tariff.
- ii. **Surpluses:** The surpluses projected to be realised shall be set aside to implement priority service delivery capital projects. KIWASCO shall be required at the end of every financial year to identify the priority project to be implemented and obtain approval from WASREB.
- iii. **Reporting:** The utility shall submit quarterly performance reports to WASREB in the prescribed format.
- iv. **Creation of distinct water and sewer cost centres:** KIWASCO shall create separate water and sewer cost centres and maintain a distinct record of operations of the two centres.
- v. **Catchment Protection:** The utility shall undertake measures to conserve/ protect the catchment areas of their source of water as part of Corporate Social Responsibility.
- vi. **Repayment of Loans:** KIWASCO shall remit monthly loan repayments to LVSWWDA for AFD (STAP & LTAP) Loans as detailed below.

	2026/2027	2027/2028	2028/2029	2029/2030
Amount (KSh)	5,864,671	5,864,671	5,864,671	5,864,671

Evidence of loan repayment to LVSWWDA shall be submitted to WASREB every month by the 10th day of the following month

- vii. **Phase-out of the Delegated Management Model (DMM):** The WSP shall progressively phase out the DMMs and transition to direct service provision by the end of the current tariff period, to safeguard consumer interests and ensure protection of their rights.
- viii. **Investments:** The utility shall undertake the investments as follows: -

NO	STRATEGIC OBJECTIVE	STRATEGIC ACTIVITY	YEAR 1	YEAR 2	YEAR 3	YEAR 4
			2026/27	2027/28	2028/29	2029/30
INCREASE WATER PRODUCTION CAPACITY						
1	SP1 (1.1): Increase Water Coverage and Access from 91% to 95% (Water Production Capacity)	ESTABLISH AND FULLY RESOURCE KIWASCO ELECTRO-MECHANICAL WORKSHOP			14,400,000	
		REDUCE COST OF POTABLE WATER PRODUCTION AND WATER RESOURCE RECOVERY: SOLARIZE DUNGA PLANTS	8,213,675	8,213,675.22		
		REPLACE 2No DUNGA BULK SALE TANKS	5,000,000	5,000,000		
		EQUIP MICROBIOLOGICAL/CENTRAL LABORATORY	5,909,388	4,387,180		
NETWORK MAINTENANCE						
2	SP1 (1.1): Increase Water Coverage and Access from 91% to 95% (Water Network Infrastructure)	40KM EXTENSIONS TO UNSERVED: NYAMASARIA; BUOYE; OMUNGI; CHIGA; MASAWA OBINO; MARIWA (LIAs Focus & Minimal Urban (Settlements) - LIA	7,126,990	10,690,485.63	21,380,971	32,071,456.89
		60KM DENSIFY UNDERSERVED (Both LIA and Non-LIA Areas)	10,690,486	16,035,728.45	32,071,457	48,107,185.34
		100KM OVERHAUL DILAPIDATED (Both LIA and Non-LIA Areas)	17,817,476	26,726,214.08	53,452,428	80,178,642.23
		CONSTRUCT CHAMBERS	1,023,750	1,535,625.00	3,071,250	4,606,875.00
LIA-SPECIFIC INVESTMENTS						
3	SP I: Increase Water and Sanitation Access and Coverage (1.2 - Increase Sanitation Coverage and Access from 55% to 65%)	SUPPORT CONSTRUCTION OF 300 TOILETS IN LIAs	2,600,000.00	5,200,000	7,800,000	10,400,000
		CAPACITY BUILDING: ON-BOARD, NURTURE AND GROW SANITATION SPECIALISTS AMONG STAFFS	1,200,000			
WASTEWATER						
4	SP I: Increase Water and Sanitation Access and Coverage (1.2 - Increase Sanitation Coverage and Access from 55% to 65%)	EXTENSION AND OVERHAULS OF 15KM SEWER NETWORKS (Both LIA and Non-LIA Areas)	16,555,575	41,388,938	49,666,725	57,944,513
		REHABILITATE SUNSET, AIRPORT, KENDU LANE PUMPING STATIONS	2,700,000	6,750,000	8,100,000	9,450,000
		REPLACE TOM MBOYA STATION INLET LINE (14") - 300M (EPOXYCOATED AND LINED STEEL PIPES)	6,000,000			
NON-REVENUE WATER INVESTMENTS						
5	SP II: Improve Operational Efficiency (Reduce NRW from 37% to 20%)	INVEST IN 1,200 IN-HOUSE LAST MILE CONNECTIONS (Both LIA and Non-LIA Areas)	1,397,850	1,863,800	2,795,700	3,261,650
		AOD PROJECT (TO ACCOMMODATE ELEVATED TANK AT WATSON BANK)	41,301,749	41,301,749		

		INSTALL BULK METERS (RESERVOIRS) - 16No	8,097,080	8,097,080		
		NRW-SPECIFIC SPECIAL PROJECTS	35,301,000	26,093,000	14,802,000	21,094,000
	ICT					
6	Smart TV flastscreen 85", 60"		400,000	700,000		
	Air Conditoner (AC) - List of offices to be installed with Ac		700,000	2,400,000	700,000	700,000
	Desktop Computer 15" LCD (i7 and above) with OS		2,400,000	3,600,000	2,400,000	2,400,000
	Laptop Computer (i7 and above) with OS		3,600,000	1,050,000	3,600,000	3,600,000
	HP 3 in 1 Printer (Printer, Scanner, Coppier) Up to A3 Model			600,000		
	Kyocera 3 in 1 Printer (Printer, Scanner, Coppier) Up to A3 Model			250,000		
	CCTV Central Unit			1,920,000		
	CCTV Cameras			4,200,000		
	Smartphones for Meter Readers & Plumbers			120,000		4,200,000
	Samsung Galaxy Tab for GIS			180,000		
	Samsung Galaxy Tab for Board Members and Commercial					
	IT Automation and Communication Improvement					
	Integration of all field automated services into the SCADA system		1,000,000			
	Asset tagging Implementation		1,000,000		4,000,000	
	Biometric Register		2,500,000			
	Water Hydraulic Modelling Software (Water GEMS)				300,000	
	GIS Software(ARC GIS Pro)				500,000	
	Civil Design and Survey Software (AutoCAD Civil 3D)				300,000	
	Graphics Design Software				200,000	
	Picture Editing Software				100,000	
	Automated Genarator					
	SD-WAN (Software-Defined Wide Area Network) Interlinking all the sites		1,000,000			
	Enterprise Server - RAM: 64GB, Processor: Intel Xeon Silver (12 core, 2.4GHz) 4214R, Storage: two (2) 300GB SAS SFF HDD (15k rpm); three (3) 1.2TB SAS SFF HDD (10k rpm), Network: 1Gb Ethernet 4-Port		1,500,000			
	Customer Care Ticketing System		2,000,000	200,000		
	Camera (Nikon D750 24MP 3.2" LCD DSR)					
	Technology Research and Development		2,000,000		2,000,000	
		TOTAL	189,035,019	218,503,475	221,640,531	278,014,322