

ANNEX 1
DETAILS OF PUBLIC CONSULTATION FOR KERICHO WATER AND SANITATION COMPANY LTD
(FOR THE PERIOD 2025/2026 – 2029/2030)

1.0 Cost and Revenue Structure

Proposed Tariff for Kericho Water and Sanitation Co. Ltd.						
Expenditure Item	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030
Operations	226,186,687.00	261,002,120.07	302,970,474.95	322,304,386.50	339,334,647.55	357,206,149.54
Maintenance	-	13,352,950.00	15,741,787.50	18,411,265.63	22,657,332.03	30,753,141.60
Regulatory Levy	9,764,506.00	11,531,667.30	16,658,150.40	18,038,266.53	19,934,701.34	22,052,575.27
Total O&M Costs	235,951,193.00	285,886,737.37	335,370,412.85	358,753,918.65	381,926,680.91	410,011,866.41
Investment Costs	-	2,000,000.00	22,445,713.00	48,732,256.79	55,327,508.39	60,329,417.78
Debt Repayment	-	-	-	-	29,225,360.18	29,225,360.18
Total Costs	235,951,193.00	287,886,737.37	357,816,125.85	407,486,175.45	466,479,549.48	499,566,644.37
Total Billing (KShs)	258,868,651	288,291,682	416,453,760	450,956,663	498,367,533	551,314,382
Collection Efficiency (%)	90%	90%	90%	95%	95%	95%
Projected Revenue	232,981,786	259,462,514	374,808,384	428,408,830	473,449,157	523,748,663
O&M Cost Coverage	99%	91%	112%	119%	124%	128%
Total Cost Coverage	99%	90%	105%	105%	101%	105%

2.0 Proposed Change in Water Tariff Structure for the Period

Proposed Tariff for Kericho Water and Sanitation Co. Ltd.				
Consumer Categories	Consumption Block	Current Tariff	Consumption Block	Proposed Tariff
	(m3)	(Kshs/M ³)	(m3)	(Kshs/M ³)
Domestic/Residential	1-6	50	1-6	85
	7-20	88	7-20	115
	21-50	95	21-50	125
	51-100	110	51-100	135
	101-300	125	101-300	145
	>300	145	>300	150
Multi- Dwelling Units		90	All	115
Commercial/Industrial	1-50	88	1-50	125
	51-100	110	51-100	135
	101-300	125	101-300	145
	>300	145	>300	150
Government/Institutions	1-50	88	1-50	125
	51-100	110	51-100	135
	101-300	125	101-300	145
	>300	145	>300	150
Public Schools, Colleges, and Universities	1-600	53.00	1-600	100
	601-1200	88.00	601-1200	115
	>1200m3	90.00	>1200m3	120
Unique Consumer Categories	Water Kiosks	35		50
	Bowsing Points	90		115

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 2029/2030

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)	115
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

Item/ Service	Charge (Ksh.)
For turning on the supply otherwise than in respect of a first connection	200
Exhauster Services (Company Exhauster)	4,000 for informal settlements. All Other Customers are to be charged based on distance as below
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

(a) Service Delivery Conditions attached to the Tariff.

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

Service Delivery Conditions						
Target	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030
Water Coverage (%)	38%	57%	58%	59%	60%	61%
Water quality standards (%)	100%					
Personnel Expenditure as % of O&M	60%	46%	42%	41%	40%	39%
Non-Revenue Water	61%	59%	58%	56%	52%	48%
Hours of Supply (Hrs.)	18	19	20	21	22	23
Staff per 1000 connections	7	10	9	9	9	8
Metering ratio (%)	100%	100%	100%	100%	100%	100%
Collection Efficiency (%)	80%	90%	95%	95%	95%	95%
O&M Cost Coverage	104%	91%	112%	119%	124%	128%
Total Cost Coverage	99%	90%	105%	105%	101%	105%
Resale at kiosk	Kshs. 5.00 per 20l jerry can					

Other Conditions

- i. **Annual budgets:** The utility shall adhere to the budgetary levels set in the tariff.
- ii. **Metering:** The utility shall progressively realize the metering levels set in (a) above
- 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 FOR KEWASCO

APPENDIX 1: MINOR INVESTMENTS SCHEDULE - INTERNALLY GENERATED FUNDS- Proposed Tariff for Kericho Water and Sanitation Co. Ltd.

TARGETED INVESTMENT	PROJECT AREA	GUIDE	SIZE	SAMPLE DESCRIPTIONS	UNIT	UNIT COST	QUANTITY	PROJECT COST (KSH)	25-26	26-27	27-28	28-29	29-30	Sum		
A. New Connections and Meter Replacements	Kericho West	Kipsitet	6" (Bulk)		No	419440	2	838,880	-	419,440	419,440	-	-	838,880		
		Meter	3/4" (Plastic,R160)		No	8000	60	480,000	-	-	-	-	-	480,000		
		Meter	1/2" (Plastic,R160)		No	4000	1,200	4,800,000	-	400,000	800,000	1,600,000	2,000,000	4,800,000		
	Kipkelion	Forc Ternan	6" (Bulk)		No	419440	2	838,880	-	419,440	-	-	-	-	838,880	
		Meter	4" (Bulk)		No	240924	5	1,204,620	-	-	1,204,620	-	-	-	1,204,620	
		Meter	3" (Bulk)		No	181468	10	1,814,680	-	-	907,340	907,340	-	-	1,814,680	
		Meter	2" (Bulk)		No	146188	20	2,923,760	-	-	730,940	2,192,820	-	-	2,923,760	
		Meter	1" (Bulk)		No	55224	25	1,380,600	-	-	1,380,600	-	-	-	1,380,600	
		Meter	3/4" (Plastic,R160)		No	8000	80	640,000	-	-	640,000	-	-	-	640,000	
		Meter	1/2" (Plastic,R160)		No	4000	2,000	8,000,000	-	400,000	1,200,000	2,000,000	-	4,400,000	8,000,000	
			Timbillil	12" (Bulk)		No	107483	1	1,074,836	-	1,074,836	-	-	-	-	1,074,836
	Kericho East	Meter	4" (Bulk)		No	240924	10	2,409,240	-	-	1,204,620	1,204,620	-	-	2,409,240	
		Meter	3" (Bulk)		No	181468	20	3,629,360	-	-	907,340	907,340	1,814,680	-	3,629,360	
		Meter	2" (Bulk)		No	146188	35	5,116,580	-	-	1,461,880	2,923,760	730,940	-	5,116,580	
		Meter	1" (Bulk)		No	55224	35	1,932,840	-	-	552,240	1,104,480	276,120	-	1,932,840	
		Meter	3/4" (Plastic,R160)		No	8000	40	320,000	-	-	320,000	-	-	-	320,000	
		Meter	1/2" (Plastic,R160)		No	4000	1,500	6,000,000	-	400,000	800,000	2,000,000	2,800,000	-	6,000,000	
		Meter	4" (Bulk)		No	240924	2	481,848	-	-	481,848	-	-	-	481,848	
		Meter	3" (Bulk)		No	181468	5	907,340	-	-	907,340	-	-	-	907,340	
	CBD	Meter	2" (Bulk)		No	146188	12	1,754,256	0	730940	1023316	-	-	-	1,754,256	
		Meter	1" (Bulk)		No	55224	17	938,808	-	-	938,808	-	-	-	938,808	
		Meter	3/4" (Plastic,R160)		No	8000	120	960,000	-	-	960,000	-	-	-	960,000	
		Meter	1/2" (Plastic,R160)		No	4000	2,000	8,000,000	-	800000	1600000	2,000,000	3,600,000	-	8,000,000	
		Meter	4" (Bulk)		No	240924	1	240,924	-	-	240,924	1600000	2,000,000	3,600,000	-	240,924
		Meter	3" (Bulk)		No	181468	2	362,936	-	-	362,936	-	-	-	-	362,936
	Litein	Meter	2" (Bulk)		No	146188	8	1,169,504	0	-	730940	438564	-	-	1,169,504	
		Meter	1" (Bulk)		No	55224	10	552,240	-	-	552,240	-	-	-	552,240	
		Meter	3/4" (Plastic,R160)		No	8000	50	400,000	-	-	400,000	-	-	-	400,000	
		Meter	1/2" (Plastic,R160)		No	4000	1,000	4,000,000	0	400,000	1,200,000	2,400,000	-	-	4,000,000	
										25-26	26-27	27-28	28-29	29-30	Sum	
							4,468,932	8,272	63,172,132	-	5,274,640	20,634,704	21,641,048	15,621,740	63,172,132	
			Sub -Total													
		B. NRW Reduction Activities		Procurement and Installation of 4" Pressure Reducing Valves (PRVs)			No	7	180,000	1,260,000	-	360,000	900,000	-	-	1,260,000
			Procurement and Installation of Sluice Valves (6") PN16			No	10	75,000	750,000	-	150,000	600,000	-	-	750,000	
			Procurement and Installation of Sluice Valves (4") PN16			No	20	42,000	840,000	-	420,000	420,000	-	-	840,000	
			Procurement and Installation of Sluice Valves (3") PN16			No	30	24,000	720,000	-	240,000	480,000	-	-	720,000	
			Procurement and Installation of Sluice Valves (2") PN16			No	40	15,000	600,000	-	300,000	300,000	-	-	600,000	
			Procurement and Installation of Gate Valves (1") PN16			No	75	3,500	262,500	-	262,500	-	-	-	262,500	
			Procurement and Installation of Single-Orifice Air Valves (4") PN16			No	5	35,000	175,000	-	175,000	-	-	-	175,000	
			Procurement and Installation of Single-Orifice Air Valves (3") PN16			No	10	28,000	280,000	-	280,000	-	-	-	280,000	
	Procurement and Installation of Single-Orifice Air Valves (2") PN16				No	15	15,000	225,000	-	225,000	-	-	-	225,000		
	Procurement and Installation of Single-Orifice Air Valves (1") PN16				No	20	10,000	200,000	-	200,000	-	-	-	200,000		
	Purchase and Installations of 20 No. (4" & 3") Ball valves				No	12	70,000	840,000	-	420,000	420,000	-	-	840,000		
	Test and service production meters				LS	1	600,000	600,000	-	600,000	-	-	-	600,000		
	Investigate and regularize illegal connections				LS	1	960,000	960,000	-	960,000	-	-	-	960,000		
	Rehabilitation of 7.6 Km in CBD				LS	1	6,060,096	6,060,096	-	909,014	1,212,019	1,515,024	2,424,038	6060096		
	Rehabilitation of 7.8 Km in Kericho East			LS	1	7,190,316	7,190,316	-	1,078,547	1,438,063	1,797,579	2,876,126	7190316			
	Rehabilitation of 17.22 Km in Kericho West			LS	1	11,257,218	11,257,218	-	1,688,583	2,251,444	2,814,305	4,502,887	11257218			

TARGETTED INVESTMENT	PROJECT AREA	GUIDE	SIZE	SAMPLE DESCRIPTIONS	UNIT	UNIT COST	QUANTITY	PROJECT COST (KSH)	25-26	26-27	27-28	28-29	29-30	Sum
				2025Kericho West Rehabilitations Tariff Review 2025.xlsx										
	Rehabilitation of 4.3 Km in Kericho West			Minor Investments BoQ Pipeline Rehabilitation Works Tariff Review 2025Kipkelion Rehabilitations Tariff Review 2025.xlsx	LS	1	5,980,590	5,980,590	-	897,089	1,196,118	1,495,148	2,392,236	5980590
	Rehabilitation of 6.2 Km in Litein			Minor Investments BoQ Pipeline Rehabilitation Works Tariff Review 2025Litein Rehabilitations Tariff Review 2025.xlsx	LS	1	7,285,600	7,285,600	-	1,092,840	1,457,120	1,821,400	2,914,240	7285600
		NRW Reduction Activities												
	Sub -Total							45,486,320	-	10,258,573	10,674,764	9,443,455	15,109,528	45,486,320
C. Sewer Improvement	Rehabilitation of the sewer system to improve service.	CBD		Rehabilitate dilapidated 9" Sewer lines & manhole chambers	LS	1	2,425,000	2,425,000		1,212,500	1,212,500			2,425,000
				Procurement of Sewer line Rodding Machine	No	1	200,000	200,000		200,000				200,000
	Sub Total					2	2,625,000	2,625,000	-	1,412,500	1,212,500	-	-	2,625,000
D. Lastmile Connectivity	Kericho West	Lastmile Pipeline Extension		Minor Investments BoQKericho West Kipchichim-Telanet Tank Main water project.xlsx	LS	1	10,876,678	10,876,678			2,175,336	3,806,837	4,894,505	10,876,678
	Kericho East			Minor Investments BoQKericho East Belgut Lastmile connectivity water project.xlsx	LS	1	9,729,460	9,729,460			1,945,892	3,405,311	4,378,257	9,729,460
	Kipkelion			Minor Investments BoQKipkelion Londian i Lastmile connectivity water project.xlsx	LS	1	11,211,220	11,211,220			2,242,244	3,923,927	5,045,049	11,211,220
	CBD			Minor Investments BoQCBD Kericho Town Lastmile Conenctivity Water Project.xlsx	LS	1	12,650,758	12,650,758			2,530,152	4,427,765	5,692,841	12,650,758
	Litein			Minor Investments BoQLitein Lastmile connectivity water project.xlsx	LS	1	9,083,327	9,083,327			1,816,665	3,179,165	4,087,497	9,083,327
	Sub Total					5	53,551,444	53,551,444	-	-	10,710,289	18,743,005	24,098,150	53,551,444
E. Revenue Improvements	Procurement and Integration of ERP System				LS	1	24000000	24,000,000						
	Sub Total					1	24,000,000	24,000,000	2,000,000	5,500,000	5,500,000	5,500,000	5,500,000	24,000,000
F. Capital Works														
				TOTAL				188,834,896	2,000,000	22,445,713	48,732,257	55,327,508	60,329,418	188,834,896

Summary Worksheet

S/NO	DETAILS	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	GRAND TOTAL
A.	New Connections and Meter Replacements	-	5,274,640	20,634,704	21,641,048	15,621,740	63,172,132
B.	NRW Reduction	-	10,258,573	10,674,764	9,443,455	15,109,528	45,486,320
C.	Sewer Improvement	-	1,412,500	1,212,500	-	-	2,625,000
D.	Last-mile Connectivity	-	-	10,710,289	18,743,005	24,098,150	53,551,444
E.	Revenue Improvements	2,000,000	5,500,000	5,500,000	5,500,000	5,500,000	24,000,000
	SUM	2,000,000.00	22,445,713	48,732,257	55,327,508	60,329,418	188,834,896