ANNEX 1

DETAILS OF PUBLIC CONSULTATION FOR MACHAKOS COUNTY WATER & SANITATION COMPANY PLC (FOR THE PERIOD 2026/2027 – 2027/2028)

1.0 Cost and Revenue Structure for the Tariff Period

Expenditure Item	2026/2027	2027/2028
Operations	559,417,275	748,167,733
Maintenance	60,386,519	61,594,250
Regulatory Levy	29,571,238	38,762,193
Total O&M Costs	**649,375,033**	**848,524,176**
Investment Costs	-	-
Debt Repayment	-	-
Total Costs	**649,375,033**	**848,524,176**
Total Billing (KSh)	**739,280,960**	**969,054,820**
Collection Efficiency (%)	**90%**	**92%**
Projected Revenue	**665,352,864**	**891,530,434**
O&M Cost Coverage	**102%**	**105%**
Total Cost Coverage	**102%**	**105%**

2.0 Proposed Change in Tariff Structure for the Period

2.1 Water Tariff

Recommended Tariff for MACWASCO			
Consumer Categories	**Consumption Block (m3)**	**Consumption (m3)**	**Proposed Tariff (KSh/M3)**
Domestic/Residential	0-6	1-6	115
	7-20	7-20	120
	21-50	21-50	130
	51-100	51-100	138
	100-300	101-300	146
	>300	>300	155
Multi-Dwelling Units/ Gated Communities	Flat Rate	Flat Rate	120
Yard Taps	Flat Rate	Flat Rate	120
Commercial/Industrial			
	1-50	1-50	130
	51-100	51-100	138
	100-300	101-300	146
	>300	>300	155
Government/Institutions	1-50	1-50	130
	51-100	51-100	138
	100-300	100-300	146
	>300	>300	155
Schools	1-600	1-600	120
	601-1200	601-1200	146
	>1200m3	>1200m3	155
Unique Consumer Categories	Bulk Sale to Public WSPs	Per M3	70
	Kiosk		70

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

Sewerage will be charged at 75% of the water volumes, billed at the tariff for water specified (in 2.1) 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 2.1(a) above.

3.0 Miscellaneous Charges

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

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 MACWASCO's area for all consumers
Sale of water per m³ at bowsing point (own tanker)	Ksh. 120
Replacement of stolen or damaged meters	100% of the market cost of the meter

Item/ Service	Charge (Ksh.)
Meter testing on 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
Statement of account fees	200
For cutting off the supply at the request of the consumer	200
For turning on the supply other 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 illegality
Overcharging (fraud) at water kiosk	15,000
Illegal sewer connection- Commercial, Industry, Construction	100,000
Illegal sewer connection- Domestic, Government, Schools, Universities & Colleges	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 of meter, etc)	5,000
Surcharge for direct suction of water from the supply line using a pump	10,000

4.0 Service Delivery Conditions attached to the Tariff.

The conditions attached to this approval, which shall form part of the license conditions of Machakos County Water & Sanitation Company PLC, are:

Target	2025/2026	2026/2027	2027/2028
Water Coverage (%)	57%	58%	59%
Water quality standards (%)	100% Compliance with Standards		
Personnel Expenditure as % of O&M	39%	34%	27%
Non-Revenue Water	36%	32%	31%
Hours of Supply (Hrs.)	13	14	14
Staff per 1000 connections	10	10	9
Metering ratio (%)	78%	100%	100%
Collection Efficiency (%)	87%	90%	92%
Resale at kiosk	5kshs/20 litres Jerrican		

6.0 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. **Catchment Protection:** The utility shall undertake measures to conserve/ protect the catchment areas of its water source as part of Corporate Social Responsibility.
iv. **Reporting:** The utility shall submit quarterly performance reports to WASREB in the prescribed format.

v. **Creation of distinct water and sewer cost centres:** MACWASCO will ensure it creates separate water and sewer cost centres and maintains distinct records of operations of the two centres.
vi. **Metering:** MACWASCO shall progressively enhance the metering ratio to attain 100% as per condition (5.0) above