

ANNEX 1
DETAILS OF PUBLIC CONSULTATION FOR NAIVASHA WATER AND SANITATION COMPANY LTD
(FOR THE PERIOD 2024/2025 – 2028/2029)

1.0 Cost and Revenue Structure for the Tariff Period

Expenditure Item	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Operations	204,923,778	232,638,508	257,884,245	277,158,326	290,721,902	305,051,165
Maintenance	14,675,772	25,106,331	30,860,021	25,142,751	31,013,825	29,270,544
Regulatory Levy	8,615,951	13,493,172	13,886,507	15,141,321	16,208,682	17,204,504
Total O&M Costs	228,215,501	271,238,011	302,630,773	317,442,398	337,944,408	351,526,213
Investment Costs	-	37,881,527	13,316,847	29,349,950	37,211,171	48,608,858
Debt Repayment	1,766,487	12,235,394	12,235,394	12,235,394	9,791,144	7,723,275
Total Costs	229,981,988	321,354,933	328,183,014	359,027,742	384,946,723	407,858,346
Total Billing (KShs)	215,398,769	337,329,303	347,162,682	378,533,025	405,217,054	430,112,601
Collection Efficiency (%)	97%	95%	95%	95%	95%	95%
Projected Revenue	208,936,806	320,462,838	329,804,548	359,606,374	384,956,201	408,606,971
O&M Cost Coverage	92%	118%	109%	113%	114%	116%
Total Cost Coverage	91%	100%	100%	100%	100%	100%

2.0 Proposed Change in Water Tariff Structure for the Period

Proposed Tariff for Naivasha & Water Sanitation Co. Ltd.				
Consumer Categories	Consumption Block	Current Tariff	Consumption	Proposed Tariff
	(m3)	(Ksh./M ³)	(m3)	(Ksh./M3)
Domestic/Residential	1-6	60	1-6	110
	7-20.	72	7-20.	120
	21-50	90	21-50	130
	51-100	105	51-100	140
	101-300	125	101-300	150
	>300	150	>300	160
Multi- Dwelling Units		75	Per M3	130
Commercial/Industrial	1-50	75	1-50	130
	51-100	110	51-100	140
	101-300	130	101-300	150
	>300	150	>300	160
Government/Institutions	1-50	75	1-50	130
	51-100	110	51-100	140
	101-300	130	101-300	150
	>300	150	>300	160
Public Schools, Colleges and Universities	1-600	75	1-600	120
	601-1200	80	601-1200	140
	>1200m3	100	>1200m3	160
Unique Consumer Categories	Post -Paid Water Kiosks	35	Per M3	100
	Pre-Paid Water Kiosks	100	Per M3	100

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 2024/2025 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. 350 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 Water Services Regulatory Board (WASREB) regulations. 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

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

Item/ Service	Charge (Ksh.)
Sanitation Levy (% of water bill)	5%
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, 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 more than 150 m ³	20,000
Health centres less than 150 m ³	12,000
Schools and other institutions more than 200 m ³	20,000
Schools 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 industrial between 200 m ³ and 300 m ³	50,000
Heavy industries of more than 300 m ³	100,000
Water Kiosks	5,000

Item/ Service	Charge (Ksh.)
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 NAIVAWASCO's area for all consumers
Sale of water Per M ³ at bowsing point (own tanker)	Ksh. 130
Replacement of stolen or damaged meters	100% of the market cost of the meter
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 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 & 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

6.0 Service Delivery Conditions attached to the Tariff.

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

Target	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
Water Coverage	91%	91%	92%	93%	94%	95%	96%
Water quality standards	99%	100% Compliance with Standards					
Personnel Expenditure as % of O&M	44%	39%	35%	33%	33%	32%	32%
Non-Revenue Water	25%	25%	25%	25%	24%	24%	23%
Hours of Supply (Hrs.)	24	24	24	24	24	24	24
Staff per 1000 connections	8	8	7	7	6	6	5
Metering ratio	100%	100%	100%	100%	100%	100%	100%
Collection Efficiency	85	97%	95%	95%	95%	95%	95%
Resale at Kiosk				Kshs. 5.00 per 20l Jerry Can			

6.1 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. **Creation of a Separate Bank Account for Sanitation Levy:** NAIVAWASCO shall open and maintain a separate bank account for sanitation levy.
- v. **Ring-Fencing Sanitation Levy:** WSP shall ring fence sanitation levy funds and seek concurrence from WASREB whenever it wants to use the funds.
- vi. **Creation of distinct water and sewer cost centres:** NAIVAWASCO shall create separate water and sewer cost centres and maintains distinct record of operations of the two centres.
- vii. **Investments:** The utility shall undertake the investments as follows: -

Internally Funded Investments During the Proposed Tariff Period										
S/N	Investment	Location	Specifications	Quantity	Unit Price (Ksh)	2024/25	2025/26	2026/27	2027/28	2028/29
1	Metering	Purchase of New Meter for new connections (Within WSP Service Area)	Cold Water Meter DN 0.5" R200	822	6,032	4,958,304				
				902	6,032		5,440,864			
				1,454	6,032			8,770,528		
				1,294	6,032				7,805,408	
				1,294	6,032					7,805,408
2	Purchase of pumps & Motors	DTI	Centrifugal booster surface pump for DTI Complete with motor, panel, and dry run protection for the following characteristics: Discharge Q: 120 cmh, head 100m.	1	2,800,000	2,800,000				
		Karate Police post	Laying a total of 7.7km HDPE pipes ranging from 32mm to 50mm at Karate police post	1	3,280,896	3,280,896				
		Governor	Laying a total of 13.445km HDPE pipes ranging from 32mm to 63mm at Governor area in Kinungi Zone	1	8,045,599	8,045,599				
		DTI production upgrade	Procure and Instal; (i)1. No. vertical centrifugal pump sets: Flow 110 m3/hr, total head 100m. (ii) 2. No. Grundfoss submersible pumps: Flow 60m3/hr, total head 105m.	1	9,325,420		9,325,420			
4	Sewer Network expansions (Small project)	Subericol sewer project	Laying 4.98km UPVC pipes and 165 Sewer Manholes at Subericol Naivasha from Deliverance to Milimani Primary	1	31,412,377			-		31,412,377
		Lower CCCR Sewer Project	Laying 1.55km DWC pipes and 103 Sewer Manholes at Threeways Naivasha from Gem Hotel to Sewer Pumping Station	1	21,221,089				21,221,089	
5	Non-Revenue Water (NRW) Management	WSPs Service Area	NRW Management Interventions	Lot		18,796,728	7,875,983	11,254,002	8,184,674	9,391,074
GRAND TOTAL						37,881,527	13,316,847	29,349,950	37,211,171	48,608,858