

GAZETTE NOTICE NO. 10547

## THE WATER ACT

(No. 43 of 2016)

## KAPSABET NANDI WATER AND SANITATION COMPANY

## APPROVED TARIFF STRUCTURE FOR THE PERIOD 2023/2024 TO 2025/2026

Kapsabet Nandi Water and Sanitation Company (KANAWASCO) applied to the Water Services Regulatory Board (WASREB) for a review of tariffs for water services, for the period 2023/2024 to 2025/2026 as per section 72 (1) b of the Water Act, 2016.

Public consultation on the application was carried out in accordance with the requirements of section 139 of the Water Act, 2016.

After considering the application, the written and oral submissions by all stakeholders during the consultation period, and based on latest available data, WASREB has determined an upward tariff review for KANAWASCO is justified to improve service delivery, operate sustainably and protect consumer interests by meeting the tariff conditions attached to the tariff.

WASREB gives a one (1) months' notice to all existing and potential customers of KANAWASCO that the approved tariffs for the three financial years, 2023/2024, 2024/2025 and 2025/2026 shall be as follows:

## 1.0 Approved Tariff Structure

## 1.1 Water Tariff Structure for the Period 2023/2024 to 2025/2026

Customer Category	Consumption Block in M <sup>3</sup>	Approved Tariff (KSh./M <sup>3</sup> )
Domestic/Residential	1-6	108
	7-20.	112
	21-50	120
	51-100	125
	101-300	135
	>300	150
Multi-Dwelling Units		112
Commercial/Industrial/Government/Institutions	1-50	112
	51-100	130
	101-300	140
	>300	155
Schools, Universities and Colleges	1-600	112
	601 - 1200.	120
	>1200	125
Bulk Water Supply	Per M <sup>3</sup>	72
Bowsing Points	Per M <sup>3</sup>	112
Water Kiosks	Per M <sup>3</sup>	35

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

## 1.2 Sewerage Tariff Structure for the period 2023/2024 to 2025/2026

## (a) Consumers with a Water Connection

Sewerage will be charged at 75% of the water volumes, billed at the tariff for water specified (in 1.1) 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. 350 per month.
- All other categories: 75% of the Volume of water consumed as per the metered source at the rates specified (in 1.1) above.

## 1.3 Miscellaneous Charges

This shall be as follows

Item/ Service	Charge (KSh.)
Water Deposit	
Category of Consumer	
Domestic	2,500
Retail shops less than 10m <sup>3</sup>	3,000
Retail shops more than 10m <sup>3</sup>	3,500
Bar, restaurants less than 15 m <sup>3</sup>	4,000
Bar, restaurants more than 15 m <sup>3</sup>	6,000
Hotel less than 150 m <sup>3</sup>	12,000
Hotel more than 150 m <sup>3</sup>	15,000
Hospitals more than 150 m <sup>3</sup>	20,000
Health centres less than 150 m <sup>3</sup>	12,000
Schools less than 200 m <sup>3</sup>	10,000
Schools and other institutions more than 200 m <sup>3</sup>	20,000
Minor construction sites more than 200 m <sup>3</sup>	15,000
Major construction sites more than 300 m <sup>3</sup>	50,000
Light industries less than 200 m <sup>3</sup>	30,000
Medium industrial between 200 m <sup>3</sup> and 300 m <sup>3</sup>	50,000
Heavy industries more than 300 m <sup>3</sup>	100,000
Water Kiosks	5,000
*Customers with only sewer connection to be charged a deposit equivalent to water deposit	
Other Charges	
Service	
New water connection fee	2,500
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 WSP Service Area for all consumers
Sale of water per m <sup>3</sup> at bowsing point (own tanker)	As per rates specified (in 1.1) above
Replacement of stolen or damaged meters	100% of the market cost of the meter
Meter testing on request	500
Sewer Connection– Residential/ Domestic	2,500
Sewer Connection– Commercial, Government, schools, Universities and Colleges	5,000
Sewer Connection– Industrial	15,000
Private sewer unblocking	2,500
Leak detection services	1,000
Sewer Reconnection fee (At mains)	15,000
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 the 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 and Colleges	30,000
Self-reconnection after cut off for non-payment	5,000 and billing to be backdated from date

Item/ Service	Charge (KSh.) 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

### 2.0 Analysis of Cost Structure

Below is the summary of the approved cost structure that makes up the total costs to be incurred by KANAWASCO during the tariff period:

Expenditure Item	2023/2024	2024/2025	2025/2026
Operations	86,968,906	92,262,890	99,532,355
Maintenance	4,723,900	5,395,400	5,225,900
Regulatory Levy (WASREB)	4,241,309	4,826,864	5,357,201
Operation and Maintenance (O and M)	95,236,052	101,671,204	109,224,857
Investments	5,024,940	8,528,530	13,707,430
Total Costs	100,260,992	110,199,734	122,932,287
Total Billing (KShs)	103,929,810	118,543,666	131,759,146
Collection Efficiency (%)	93%	95%	95%
Projected Revenue	96,654,723	112,616,483	125,171,189
Subsidy from County Government	5,000,000	-	-
Total Projected Revenue including Subsidy	101,654,723	112,616,483	125,171,189
O+M Cost Coverage with Subsidy	107%	102%	102%
Total Cost Coverage with Subsidy	101%	102%	102%

### 3.0 Conditions Attached to the Tariff Approval

The conditions attached to this approval which shall form part of the license conditions of Kapsabet Nandi Water and Sanitation Company are:

#### (i) Service Delivery Conditions attached to the Tariff.

Target	2023/2024	2024/2025	2025/2026
Water Coverage (%)	35%	36%	37%
Water Quality Standards (%)	100% Compliance with Standards		
Personnel Expenditure as % of O and M	36%	36%	34%
Non-Revenue Water	35%	33%	30%
Hours of Supply (Hrs.)	14	15	16
Staff per 1000 connections	8	8	7
Maintenance Expenditure as % of O and M	5%	5%	5%
Metering ratio (%)	100%	100%	100%
Collection Efficiency (%)	95%	95%	95%
Resale at Kiosk	KSh. 2.00 per 20 litres. Tariffs at kiosks must be displayed at strategic points for public awareness		

Performance targets to be met and ascertained by WASREB. Appropriate enforcement measures shall be taken against non-achievement of the set targets.

(ii) Annual budgets: The WSP shall adhere to the budgetary levels set in the tariff.

(iii) County Subsidy: The County Government of Nandi will support the WSP with an operational subsidy to meet electricity costs.

	2023/2024	2024/2025	2025/2026
Operational Subsidy (Electricity Cost)- KSh.	5,000,000	-	-

(iv) Surplus: The surpluses projected to be realised shall be used on priority infrastructure projects identified by KANAWASCO and Approved by WASREB.

(v) Reporting: The utility shall submit to WASREB a quarterly tariff performance report in the format provided. WASREB will carry out a tariff implementation review at the end of each year.

(vi) Investments: The utility shall undertake the investments in Annex 1 and submit quarterly progress reports.

#### Annex 1: Investments

SUMMARY OF CAPITAL INVESTMENTS TO BE CARRIED OUT BY KAPSABET NANDI WATER AND SANITATION COMPANY LIMITED FOR THE PERIOD 2023/24 – 2025/26			
	2023/2024	2024/2025	2025/2026
<b>A. Non-Revenue Water (NRW) Reduction</b>			
1. Consumer Metering (New Connections and Replacements)	2,190,000	3,000,000	3,200,000
2. Installation of Zonal Meters	170,000	500,000	850,000
3. Network Rehabilitation	813,590	3,867,180	4,955,080
Sub-Total	3,173,590	7,367,180	9,005,080
<b>B. Construction of Buildings</b>			
1. Security house	150,000		
2. Sanitation Block		200,000	
3. Water Kiosk			500,000
Sub-Total	150,000	200,000	500,000
<b>C. Purchase of Movable Assets (Administration)</b>			
• Motor Vehicles			2,801,000
• Motorcycles (2 Per Annum)	586,350	586,350	586,350
• Office Furniture	575,000	375,000	225,000
• ICT Equipment	540,000	-	590,000
Sub-Total	1,701,350	961,350	4,202,350
Total	5,024,940	8,528,530	13,707,430

JULIUS ITUNGA,  
Ag. Chief Executive Officer,  
Water Services Regulatory Board.  
MR/5166662

GAZETTE NOTICE No. 10548

#### THE WATER ACT

(No. 43 of 2016)

#### APPROVED REGULAR TARIFF FOR KERICHO WATER AND SANITATION COMPANY

#### CORRIGENDUM

IN the Gazette Notice No. 1305 of 2023, insert the following clause to provide for annual tariff indexation:

#### 1.4. Indexation of the Approved Tariff

The utility's approved 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 every July of the tariff period commencing July, 2024.

JULIUS ITUNGA,  
Ag. Chief Executive Officer,  
Water Services Regulatory Board.  
MR/5166662