

## THE WATER ACT

(No. 43 of 2016)

## HOMA BAY COUNTY WATER AND SANITATION COMPANY

## APPROVED TARIFF STRUCTURE FOR THE PERIOD 2024/2025 to 2028/2029

THE Water Services Regulatory Board (WASREB), under the powers granted by section 72 (1) (b) and (2) of the Water Act, 2016, has approved the regular tariff adjustment for the area served by Homa Bay County Water and Sanitation Company (HOMAWASCO).

HOMAWASCO applied to the Water Services Regulatory Board (WASREB) for a review of water services tariffs for the period 2024/2025 to 2028/2029 in line with section 72 (1) (b) of the Act. Public consultation on the HOMAWASCO application was carried out as per the requirements of section 139 of the Water Act, 2016.

Having considered the application, the written and oral submissions by all stakeholders and the current data, WASREB has determined that an upward tariff review is justified for HOMAWASCO to improve service delivery, operate sustainably and protect consumer interests by meeting the tariff conditions attached to the tariff.

WASREB hereby gives a one-month notice from the date of this communication to all existing and potential customers of HOMAWASCO that the structure of approved tariffs for water services for the four financial years 2024/2025, 2025/2026, 2026/2027, 2027/2028 and 2028/2029 shall be as follows:

## 1.0 Approved Tariff Structure for the period 2024/2025 to 2028/2029

## 1.1 Water Tariff

<i>Consumer Categories</i>	<i>Consumption Block</i>	<i>Approved Tariff</i>
	<i>(M<sup>3</sup>)</i>	<i>(KSh./M<sup>3</sup>)</i>
Domestic/Residential	1-6	100
	7-20	145
	21-50	165
	51-100	180
	101-300	195
	>300	205
Multi-Dwelling Units	Per M <sup>3</sup>	145
Commercial/Industrial/Government/Institutions		
	1-50	165
	51-100	180
	101-300	195

<i>Consumer Categories</i>	<i>Consumption Block</i>	<i>Approved Tariff</i>
	<i>(M<sup>3</sup>)</i>	<i>(KSh./M<sup>3</sup>)</i>
	>300	205
Public Schools, Colleges and Universities	1-600	110
	601-1200	180
	>1200m <sup>3</sup>	205
Water Kiosks	Per M <sup>3</sup>	145

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

## 1.2 Sewerage Tariff

### 1.2.1 Consumers with a Water Connection

- (a) 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) Disconnected water accounts shall be charged based on the average sewerage charges for the last three months before the disconnection.

### 1.2.2 Customer with no water connection

Sewerage consumers without a water connection shall be charged as follows:

- (a) Domestic customers without a metered water source (Per Single dwelling unit): KSh. 350 Per Month;
- (b) All other categories: 75% of the volume of water consumed as per the metered source of water, including boreholes, at the rates specified in (1.1) above

## 1.3 Indexation

The utility's approved 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 every July of the tariff period, commencing July, 2026.

## 1.4 Miscellaneous Charges

<i>Item/ Service</i>	<i>Charge (KSh.)</i>
<i>Water Deposit</i>	
<i>Category of consumer</i>	
Domestic	2,500
Retail shops less than 10m <sup>3</sup>	3,000
Retail shops more than 10m <sup>3</sup>	3,500
Bar and restaurants less than 15 m <sup>3</sup>	4,000
Bar and restaurants more than 15 m <sup>3</sup>	6,000
Hotel class "A" and "B" less than 150 m <sup>3</sup>	12,000
Hotel class "A" and "B" more than 150 m <sup>3</sup>	15,000
Hotel class "C" and "D" less than 150 m <sup>3</sup>	18,000
Hotel class "C" and "D" more than 150 m <sup>3</sup>	20,000
Hospitals and Health centres more than 150 m <sup>3</sup>	20,000
Hospitals and Health centres less than 150 m <sup>3</sup>	12,000
Schools and other institutions more than 200 m <sup>3</sup>	20,000
Schools and other institutions less than 200 m <sup>3</sup>	10,000
Minor construction sites of 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 industries between 200 m <sup>3</sup> and 300 m <sup>3</sup>	50,000
Heavy industries of more than 300 m <sup>3</sup>	100,000
Water Kiosks	5,000
Customers with only sewer connection are to be charged a deposit equivalent to a water connection.	
<i>Other Charges</i>	
<i>Service</i>	
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 3 inches	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 HOMAWASCO's area for all consumers
Sale of water per M <sup>3</sup> at Bowsing Point (own tanker)	KSh. 145
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
Cutting off the supply at the request of the consumer	200

Item/ Service	Charge (KSh.)
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
<i>Penalties</i>	
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

## 2.0 Cost Summary

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

Expenditure Item	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Operations	89,418,079	132,442,077	141,140,827	144,741,328	149,643,748	154,197,536
Maintenance	25,697,780	14,149,602	14,857,080	15,599,934	16,379,931	17,198,927
Regulatory Levy	1,553,080	4,306,631	6,082,626	6,596,160	7,145,838	7,733,995
Total O&M Costs	116,668,939	150,898,310	162,080,533	166,937,422	173,169,517	179,130,458
Investment Costs	-	480,000	18,715,200	26,806,730	34,383,475	38,682,850
Total Costs	233,337,878	302,276,620	342,876,266	360,681,574	380,722,509	396,943,766
Total Billing (KSh.)	77,351,041	138,838,512	191,539,202	207,346,421	224,258,704	242,343,812
Collection Efficiency (%)	95%	95%	95%	95%	95%	95%
Projected Revenue	73,483,489	131,896,586	181,962,242	196,979,100	213,045,769	230,226,621
O&M Cost Coverage	63%	87%	112%	118%	123%	129%
Total Cost Coverage	63%	87%	101%	102%	103%	106%

## 3.0 Conditions attached to the tariff approval

The conditions attached to this approval, which shall form part of the license conditions of HOMAWASCO are:

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

Target	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
Water Coverage	48%	50%	52%	54%	56%	58%	60%
Water quality standards	93%	100% Compliance with Standards					
Personnel Expenditure as % of O&M	43%	33%	30%	29%	29%	29%	28%
Non-Revenue Water	42%	43%	41%	39%	37%	35%	33%
Hours of Supply (Hrs.)	15	16	16	17	17	18	18
Staff per 1000 connections	12	14	12	12	12	12	11
Metering ratio	95%	95%	100%	100%	100%	100%	100%
Resale at Kiosk	KSh. 2.00 per 20l Jerry Can		KSh. 5.00 per 20l Jerry Can				

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

(iii) Surpluses: The surpluses realised during the tariff period shall be used to implement priority service delivery capital projects approved by WASREB.

(iv) Reporting: The utility shall submit quarterly performance reports to WASREB in the prescribed format.

(v) Catchment protection: The utility shall undertake measures to conserve/ protect catchment areas of their water source as part of corporate social responsibility.

(vi) Creation of distinct water and sewer cost centres: HOMAWASCO will ensure that separate water and sewer cost centres are created and that different records of operations of the two centres are maintained.

(vii) Regulatory Levy: The Utility is to pay a monthly regulatory levy based on 4% of total turnover which is inclusive of billing of other services and interest income earned.

(viii) Investments: The utility shall undertake the investments in Table 1:

Table 1:

Internally Funded Investments During the Proposed Tariff Period										
S/No.	Investment	Location	Specifications	QTY	Unit Price (KSh.)	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
1	Regional Master meters	Homa Bay Scheme-Rangwe	93mm	1	150,000	150,000				
		Homa Bay Scheme-Kogelo	93mm	1	150,000	150,000				
		Homa Bay Scheme-Kpedo	110mm	1	180,000	180,000				

		Mbita Scheme-Rusinga Island	150mm	1	200,000		200,000			
		Oyugis Scheme-Kosele	110mm	1	180,000			180,000		
			Sub Total			480,000	200,000	180,000		
2	Water System Extension/rehabilitation	Kogelo Area	Laying a total of 3.9km Diameter 63 HDPE PN20 Kogelo Area water distribution line	1	12,251,750		12,251,750			
		Kendu Bay, Nyahera Area	Laying a total of 3 km HDPE pipes ranging from 63mm to 90mm Nyerhera, Ka-Police water distribution line	1	8,407,600					8,407,600
		Ka-Pita Area	Laying a total of 9.9 km HDPE pipes ranging from 63mm to 90mm Nyerhera, Ka-Pita water distribution line	1	10,385,850			10,385,850		
		Kombe/Gera, Kodoyo/lala, Gamba Areas	Laying a total of 9.2 km HDPE pipes ranging from 63mm to 90mm Kombe/Gera, Kodoyo/lala, Gamba Distribution Line	1	9,937,100				9,937,100	
		Makongeni & Rang'wena, Ndhiwa, Upper milimani and Mjini Area	Laying a total of 11km HDPE pipes ranging from 63mm to 90mm Makongeni&Rang'wena, Ndhiwa, Upper milimani and Mjini Distribution Line	1	12,099,750					12,099,750
			Sub-Total				12,251,750	10,385,850	9,937,100	20,507,350
3	Treatment Works	Mbita Station	Supply and installation pump set Q 83m3, 150H, 60kw, Including Soft Starter Unit	1	7,293,380			7,293,380		
			Sub-Total			-	-	7,293,380	-	-
4	Sewer Improvement	Ka-Pita Line	Laying Ka-Pita 0.5km, Shauri yako/Tourist-0.25km sewer lines	1	1,750,083				1,750,083	
		Shauri Yako Line	Laying Shauri yako/Tourist-0.35km Rehabilitation and 0.15m extension	1	2,249,292				2,249,292	
		Exhauster discharge point	Construction exhauster discharge point	1	1,950,000				1,950,000	
		Perimeter wall construction	Perimeter wall construction	1	4,130,000				4,130,000	
			Sub-Total			-	-	5,949,375	10,079,375	-
5	Non-Revenue Water (NRW) Management	WSPs Service Area	NRW Management Interventions	Lot		9,221,600	6,263,450	8,947,500	14,367,000	18,175,500
		GRAND TOTAL				21,953,350	18,715,200	26,806,730	34,383,475	38,682,850

Dated the 24th March, 2025.

MR/6522468

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Ag. Chief Executive Officer, Water Services Regulatory Board.