

GOVERNMENT NOTICE NO. 351 published on 26/4/2019

THE WATER SUPPLY AND SANITATION ACT
(CAP. 272)

ORDER

(Made under section 28(d))

THE BABATI WATER SUPPLY AND SANITATION AUTHORITY ("BABATI WSSA") TARIFF
ADJUSTMENT ORDER, 2019

- Citation 1. This Order may be cited as the Babati Water Supply and Sanitation ("Babati WSSA") (Tariff Adjustment for Water Supply and Sanitation Services) Order, 2019.
- Commencement Date 2. This Order shall come into force on 1st May, 2019.
- Tariffs and charges 3. Babati WSSA tariffs and charges are hereby adjusted as specified in the First Schedule to this Order.
- Conditions 4.-(1) The approved tariff shall be subject to the following conditions:
- (a) On or before 31st May 2019, Babati WSSA shall submit a revised business plan that incorporates the approved tariffs and action plan for implementation of conditions of this Order;
 - (b) Babati WSSA shall implement the projects as detailed in Second Schedule by using funds generated from the approved tariffs.
 - (c) Babati WSSA shall attain the key performance indicators as shown in the Third Schedule of this Order;
 - (d) Babati WSSA shall, on annual basis as part of its annual performance report, submit to EWURA reports on the implementation of each of the Tariff Order condition and each cost item of the revenue requirement as presented in the Fourth Schedule;
 - (e) Babati WSSA shall continue to provide EWURA with information about its financial and operating condition in accordance with the requirements of EWURA.
- (2) The information provided under paragraph (1)(g) be used by EWURA to evaluate Babati WSSA's performance in comparison with other water supply and sanitation authorities and the improvement of its performance over time
- (3) The evaluation undertaken this rule shall be considered by EWURA in evaluating the reasonableness of all future requests for tariff adjustment.

Water Supply And Sanitation Authority ("Babati Wssa") Tariff Adjustment

SCHEDULE

FIRST SCHEDULE: APPROVED TARIFFS AND CHARGES

Schedule 1(a): Current and Approved Water Tariff (TZS/m³)

Customer Category	Current Tariff	Approved Tariffs		
	2017/18	2018/19	2019/20	2020/21
Domestic				
Band 1 (0-5m ³)	925	1,520	1,560	1,600
Band 2 (6-10m ³)	1,085	1,600	1,650	1,700
Band 3 (>10 m ³)	1,195	1,670	1,770	1,800
Institutional	1,610	2,250	2,300	2,350
Commercial	1,890	2,350	2,400	2,450
Industrial	1,890	2,400	2,500	2,580
Bottling Plant	-			
Kiosk	500	845	865	910
Weighted Average Tariff	1,287	1,748	1,825	1,863

Schedule 1 (b): Current and Approved Multi-Year Water Connection Fee (TZS/Connection)

Customer Category	Current Fee	Approved Fee		
	2017/18	2018/19	2019/20	2020/21
Domestic	20% of Recoverable Expenditure as Stipulated in Section 24 of Water Supply and Sanitation Regulations, 2013	20% of Recoverable Expenditure as Stipulated in Section 24 of Water Supply and Sanitation Regulations, 2013		
Institution				
Commercial				
Industrial				
Kiosk				
Bottling Plant				

Schedule 1 (c): Current and Approved Water Reconnection Fee (TZS/Reconnection)

Customer Category	Current Fee	Approved Fees		
	2017/18	2018/19	2019/20	2020/21
Domestic	10,000	15,000	15,000	15,000
Institutional	10,000	15,000	15,000	15,000
Commercial	10,000	15,000	15,000	15,000
Industrial	10,000	15,000	15,000	15,000
Bottling Plant	-	15,000	15,000	15,000
Kiosk	10,000	15,000	15,000	15,000

Water Supply And Sanitation Authority ("Babati Wssa") Tariff Adjustment

SECOND SCHEDULE
PROJECTS TO BE IMPLEMENTED

Description of Activity	TZS			Deadline
	2018/19	2019/20	2020/21	
Rehabilitation and Replacement				
Replace 2000 underregistering water meters from authorized dealers		105.00	52.50	30 th June 2021
Rehabilitation of Mrara, Old Majengo and Maisaka Water Network, Customer Connections and replacement of water meters	100.00	109.40	80.00	30 th June 2021
Procure and install 30 bulk meters	14.50	17.40	20.88	30 th June 2021
Replace 3 pumps and 3 motors annually	30.00	30.00	30.00	30 th June 2021
Upgrade Billing and Accounting System (SBM and Purelogic)		6.25	6.25	30 th June 2021
Subtotal (Replacement and Rehabilitation cost)	144.50	268.05	189.63	
New Investment				
Procure and install meter reading system	12.40	6.40	6.40	30 th June 2021
Procure and replace 4 motor cycles for Technicians	2.00	2.00	2.00	30 th June 2021
Procure and Install call center and toll-free number	26.1	26.1	26.1	30 th June 2021
Procure and install 8 variable speed drivers at 8 boreholes	30.0	60.0	60.0	30 th June 2021
Procure and Install 2850 new customer meters	10.00	121.00	125.50	30 th June 2021
Construction of 5 toilets to 5 different pumping stations at Bagara Ziwani, Maisaka, Nangara, Kiongozi and Bonga	7.50	7.50	7.50	30 th June 2021
Establish hygiene education program to residents and stakeholders	1.20	1.44	1.73	30 th June 2021
Establish programs for customer awareness on bills payment	2.40	2.88	3.46	30 th June 2021
Procure 6 motorcycles for sales Assistants	5.00	5.00	5.00	30 th June 2021
Create a program to collect account receivables (by Installation of Prepaid Water Meters for Bad debtors)	20.00	24.00	28.80	30 th June 2021

Water Supply And Sanitation Authority ("Babati Wssa") Tariff Adjustment

Description of Activity	TZS			Deadline
	2018/19	2019/20	2020/21	
Rehabilitation and Replacement				
Integration of Billing System and GePG	2.40	1.92	1.54	30 th June 2021
Procure and Install computerized Human Resouce system	8.05	2.01	2.01	30 th June 2021
Procure one standby server computer and 10 computers (5 for replacement and 5 new staff)	21.00	12.00	9.00	30 th June 2021
Procure staff working tools and safety gear	4.52	5.43	6.51	30 th June 2021
Develop own water quality testing lab.	12.00	14.40	17.28	30 th June 2021
Subtotal (New Investment cost)	165	292	303	
Total Investment Costs	309	560	492	

THIRD SCHEDULE
KEY PERFORMANCE INDICATORS FOR 2018/19 – 2020/21

Description	Unit	Performance Target		
		2018/19	2019/20	2020/21
New Connections (water)	No.	100	500	1000
Non-Revenue Water	%	35	30	25
Revenue Collection efficiency (without arrears)	%	90	90	95

FOURTH SCHEDULE
APPROVED REVENUE REQUIREMENTS (TZS MILLION)

ITEM	2018/19	2019/20	2020/21
Water production	595.13	728.06	926.08
Water Distribution	216.54	227.37	238.74
Sewerage Disposal	0.00	0.00	0.00
R&M	650.10	695.24	751.15
Personnel	1,023.32	1,234.75	1,524.30
Administration	633.20	633.27	658.10
Business promotion	11.15	15.07	17.91
Events and Donation	18.17	19.08	20.04
Financial	5.23	5.49	5.77
Total O & M	3,152.84	3,558.33	4,142.08
Depreciation	459.00	530.00	372.00
Return on Investment	0.00	0.00	0.00
Total RR	3,611.84	4,088.33	4,514.08
Less: Other Income	66.65	72.75	76.02

Water Supply And Sanitation Authority ("Babati Wssa") Tariff Adjustment

ITEM	2018/19	2019/20	2020/21
Less: Government Grants	851.19	851.19	851.19
RR from Water Sales	2,694.00	3,164.40	3,586.87

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11th April, 2019

NZINYANGWA E. MCHANY,
Director General