

GOVERNMENT NOTICE NO. 546 published on 26/7/2019

**THE WATER SUPPLY AND SANITATION ACT
(CAP. 272)**

ORDER

(Made under section 28(1)(d))

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

Citation 1. This Order may be cited as the Water Supply and Sanitation (Makambako Water Supply and Sanitation Authority ("Makambako WSSA") (Tariff Adjustment) Order, 2019.

Commencement 2. This Order shall be deemed to have into force on 1st July 2019.

Tariffs and charges 3. Makambako WSSA tariffs and charges are hereby adjusted as specified in the First Schedule to this Order.

Conditions 4. The approved tariff shall be subject to the following conditions:
(a) On or before 30th September 2019, Makambako WSSA shall submit a revised Business Plan that incorporates the approved tariffs and action plan for implementation of conditions of this Order;
(b) Makambako WSSAs shall ensure it complies with the requirement of remitting

- regulatory levy;
- (c) On or before 30th September 2019, Makambako WSSA shall develop customer's outreach program and share the same with EWURA;
 - (d) Makambako WSSA shall implement the project by using funds generated from the approved tariffs as prescribed the Second Schedule of this order;
 - (e) Makambako WSSA shall attain key performance indicators as prescribed in the Third Schedule of this Order;
 - (f) Makambako 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 specified in the Fourth Schedule;
 - (g) Makambako WSSA shall continue to provide EWURA with information about its financial and operating condition in accordance with the requirements of EWURA. This information will be used by EWURA to evaluate Makambako WSSA's performance in comparison with other Water Supply and Sanitation Authorities and the improvement of its performance over time. The evaluation will be considered by EWURA in evaluating the reasonableness of all future requests for tariff adjustment.

Water Supply and Sanitation (Makambako Water Supply and Sanitation Authority ("Makambako Wssa"))

GN. No. 546 (Contd.)

Revocation of
GN.NO.472 of
2017

5. The Makambako Water Supply and Sanitation Authority Tariff Adjustment Order of 2017 is hereby revoked.

SCHEDULE

FIRST SCHEDULE: APPROVED TARIFFS AND CHARGES

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

Customer Category	Current Tariff	Proposed Tariff				Approved Tariff		
	2018/19	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22	
Domestic	580	1,140	1,269	1,422	1,000	1,100	1,300	
Institutional	730	1,431	1,592	1,784	1,400	1,500	1,700	
Commercial	745	1,466	1,631	1,828	1,400	1,500	1,700	
Industrial	1045	2,048	2,279	2,553	2,000	2,200	2,400	
Kiosk	500	1,164	1,295	1,451	1,000	1,000	1,000	
Construction	1,460	2,862	3,185	3,568	2,000	3,000	3,000	

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

Customer Category	Current Fees	Proposed Fees			Recommended Fees		
	2018/19	2019/19	2020/21	2021/22	2019/20	2020/21	2021/22
All Customer Categories	20% of Recoverable Expenditure as Stipulated in Section 24 of Water Supply Regulations, 2013	20% of Recoverable Expenditure as Stipulated in Section 24 of Water Supply Regulations, 2013			20% of Recoverable Expenditure as Stipulated in Section 24 of Water Supply Regulations, 2013		

Water Supply and Sanitation (Makambako Water Supply and Sanitation Authority ("Makambako Wssa"))

GN. No. 546 (Contd.)

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

Customer Category	Current Tariff	Proposed Fees			Recommended Fees		
	2018/19	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Domestic	16,000	25,000	30,000	35,000	15,000	15,000	15,000
Institution	22,000	35,000	40,000	45,000	15,000	15,000	15,000
Commercial	22,000	35,000	40,000	45,000	15,000	15,000	15,000
Kiosk	22,000	35,000	40,000	45,000	15,000	15,000	15,000
Constructions	22,000	35,000	40,000	45,000	15,000	15,000	15,000
Industrial	22,000	35,000	40,000	45,000	15,000	15,000	15,000

SECOND SCHEDULE
PROJECTS TO BE IMPLEMENTED

Description of the Activity	TZS (million)			Remarks/Details
	2019/20	2020/21	2021/22	
Replacement/Rehabilitation				
Rehabilitation of part of Fukulwa main line from Mtwango to makambako(In 2019/20 is 0.402km for Ilunda, Nziva and Emerberg Area , In 2020/21 is 0.126km for Korogo la wanajeshi Area and Korongo la Mtati Area, In 2021/22 is 0.108km for Mbugani Area)	67.00	31.5	31.5	To be implemented by 30 th June 2022
Procure and install customer water meters & Bulk water meters	21.8	10.2	6.7	To be implemented by 30 th June 2022
Subtotal (Replacement)	88.8	41.7	38.2	
New Investment				
Construction of New Distribution line from Mizani new riser water tank to Maguvani street 9.4km.	250	200		To be implemented by 30 th June 2021

Water Supply and Sanitation (Makambako Water Supply and Sanitation Authority ("Makambako Wssa"))

Gn. No. 546 (Contd.)

Description of the Activity	TZS (million)			Remarks/Details
	2019/20	2020/21	2021/22	
Replacement/Rehabilitation				
Partition of new constructed office building and purchase of office facilities, Laboratory, Equipment, Motor cycle	138.1			To be implemented by 30 th June 2020
Subtotal - (New Investments)	388.1	200		
Total Investment Cost	476.9	241.7	38.2	

THIRD SCHEDULE
KEY PERFORMANCE INDICATORS FOR 2019/20 – 2021/22

Description	Unit	Performance Target		
		2019/20	2020/21	2021/22
Proportion of population living within the area with water network	%	70	72	74
Proportion of population served with water	%	65	66	68
Non Revenue Water (NRW)	%	25	24	23
Average hours of supply	%	16	18	20

FOURTH SCHEDULE
APPROVED REVENUE REQUIREMENTS

Cost Items	2019/20		2020/21		2021/22	
	Proposed	Adjusted	Proposed	Adjusted	Proposed	Adjusted
Water Production	77.70	77.70	81.70	81.70	86.20	86.20
Distribution	184.4	184.4	179.0	193.62	184.40	203.30
Maintenance And Repair	72.50	72.50	76.10	76.10	79.90	79.90
Personnel	291.00	291.00	345.10	345.10	419.70	419.70
Administration	398.70	184.11	422.70	193.32	445.60	202.99
Business Promotion	4.10	4.10	4.60	4.60	5.00	5.00
Events And Donations	7.50	7.50	8.30	8.30	9.20	9.20

*Water Supply and Sanitation (Makambako Water Supply and Sanitation
Authority ("Makambako Wssa"))*

Gn. No. 546 (Contd.)

Board	27.10	27.10	28.40	28.40	29.80	29.80
Financial	0.00	0.00	0.00	0.00	0.00	0.00
Total O&M	1,063.0	1,006.0	1,160.5	1,144.6	1,259.8	1,296.59
Depreciation Allowance	157.80	157.80	213.50	213.50	260.00	260.00
ROI		124.84		137.79		148.34
Total RR		1,288.76		1,495.9		1,705.4
Less Other Income		41.900		44.90		45.50
RR from Water Sales		1,246.8		1,451.0		1,659.9

Dodoma
....., 2019

NZINYANGWA E. MCHANY
Director General