

*Muheza Water Supply and Sanitation Authority ("Muheza Wssa") Tariff
Adjustment*

GOVERNMENT NOTICE NO. 542 published on 26 Jul 2019

THE WATER SUPPLY AND SANITATION ACT
(CAP. 272)

ORDER

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

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

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|---------------------|---|
| Citation | 1. This Order shall be cited as the Muheza Water Supply and Sanitation Authority ("Muheza WSSA") (Tariff Adjustment for Water Supply and Sanitation Services) Order, 2019. |
| Commencement date | 2. This Order shall be deemed to have come into force on 1 st July 2019. |
| Tariffs and charges | 3. Muheza 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: <ul style="list-style-type: none">(a) Muheza WSSA shall implement the projects as detailed in Second Schedule by using funds generated from the approved tariffs;(b) MuhezaWSSA shall attain key performance indicators as shown in Third Schedule;(c) Muheza WSSA shall adhere to the section 43 of the EWURA Act, Cap. 414 and rule 6 of the EWURA (Fees and Levies Collection Procedure) Rules, GN.193 of 2010;(d) On or before 1st October 2019, Muheza WSSA shall submit a revised Business Plan that incorporates the approved tariffs and action plan for implementation of conditions of this Order; and(e) Muheza WSSA shall cause its financial reports to be |

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audited by a CAG or any authorized person as per section 33 (1) of the Public Audit Act and submitting copies of the audited financial statements to EWURA.

- (f) Muheza 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;

Disapplication
of Tariff Order
No. 11-014

5. This Order hereby disapplies the applicability of the (Tariff Adjustment) Order No. 11 - 014 in the area served by the Muheza Water Supply and Sanitation Authority (Muheza WSSA).

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SCHEDULES

FIRST SCHEDULE

(Made under paragraph 3)

APPROVED TARIFFS AND CHARGES

Schedule 1.1 : Current, Proposed and Approved Metered Water Tariff (TZS/m³)

Customer Category	Bands	Current		Proposed Tariff		Recommended Tariff		
		2018/19	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Domestic	0-10	450	1,390	1,410	1,450	1,100	1,150	1,200
	>10	495	1,530	1,550	1,590	1,200	1,250	1,300
Commercial		510	1,570	1,650	1,700	1,300	1,400	1,400
Institution		500	1,540	1,560	1,620	1,300	1,300	1,300
Industrial		500	1,700	1,720	1,770	1,400	1,400	1,400
Kiosk	Uniform	500	1,500	1,500	1,500	1,000	1,000	1,000

Schedule 1.2 : Current , Proposed and Approved Flat Rate Tariff

Customer Category	Current	Proposed Tariff			Approved Tariff		
	2018/19	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Domestic	4,500	15,300	NA	NA	10,000	10,000	NA
Institution	9,500	28,260	NA	NA	NA	NA	NA
Commercial	10,000	30,800	NA	NA	NA	NA	NA
Industrial	13,000	42,500	NA	NA	NA	NA	NA

Schedule 1.3 : Current, Proposed and Approved Service Charges

Customer Category	Current	Proposed Tariff			Recommended Tariff		
	2018/19	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Domestic	500						
Institution	500	Not Applicable			Not Applicable		
Commercial	500						
Industrial	500						

Schedule 1.4 : Current, Proposed and Approved New Connection Fees

Customer Category	Current	Proposed Tariff			Approved Tariff		
	2018/19	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Domestic	160,000	20% of recoverable			20% of recoverable		

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Institution	160,000	expenditures as stipulated in	expenditures as stipulated in
Commercial	160,000	Section 24 of Water Supply	Section 24 of Water Supply
Industrial	160,000	Regulation, 2013	Regulation, 2013

Schedule 1.5 : Current, Proposed and Approved Reconnection Fees

Customer Category	Current 2018/19	Proposed Tariff			Approved Tariff		
		2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Domestic	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Institution	10,000	15,000	15,000	15,000	15,000	15,000	15,000
Commercial	10,000	15,000	15,000	15,000	15,000	15,000	15,000
Industrial	10,000	15,000	15,000	15,000	15,000	15,000	15,000

SECOND SCHEDULE

(Made under paragraph 4(a))
PROJECTS TO BE IMPLEMENTED

Description of New Investments	Period of implementation (TZS '000,000)		
	2019/ 20	2020/21	2021/ 22
Purchase and install 1,330 customer water meters for unmetered customers	86.30	26.75	-
Procure and install billing software	-	-	20.00
Acquire land for construction of sludge disposal facilities	-	7.50	7.50
Procure appropriate inspection facilities and other working tools.	-	3.00	3.00
Procurement of office furniture.	-	3.00	3.00
Procurement of 3 new computers and one printer	-	10.00	12.50
Procurement of three (3) photocopy machines	-	10.00	11.00
Procurement of 3 motor cycles	-	3.00	6.00
Total Value of New Investment	86.30	63.25	63.00
Description of Replacement and Rehabilitation Costs			
Renovation of the existing intake chamber at Mkulumuzi intake	-	-	5.00
Rehabilitate and replace 5 km of the water distribution network which is highly dilapidated.	-	94.58	94.58
Purchase and install 300 water meters to replace old and faults meters	-	12.75	12.75
Purchase and install 7 bulk water meters to replace the existing meters	-	2.25	2.25
Plastering and replacement of steel covers	-	0.70	0.70
Replacement of 10km of the distribution mains and 20 Gate Valves. Rehabilitation of Valves Chambers	-	47.29	47.29
Replacement of the 2 km of Mkulumuzi gravity main	-	75.66	-

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Construction of fence at Sokoni Pump House and Rehabilitation of Utility Office building	-	3.50	-
Procure and replace office furniture, table, chairs and cabinet	-	10.00	13.00
Procure two motorcycle to replace the existing	-	3.00	8.00
Procure three computers to replace the existing	-	5.13	2.76
			186.3
Total Value of Replacement and Rehabilitation Costs	-	254.85	2
Total Value of New Investment, Replacement and Rehabilitation Costs	86.30	318.10	2

THIRD SCHEDULE

(Made under paragraph 4(b))

KEY PERFORMANCE INDICATORS

Description	Unit	Performance Target		
		2019/20	2020/21	2021/22
Proportion of population served with water	%	75	78	82
Non-Revenue Water	%	45	40	35
Metering Ratio	%	80	100	100
Revenue Collection efficiency (without arrears)	%	92	94	95
Water Quality Compliance (E-coli)	%	100	100	100
Water Quality Compliance (Turbidity)	%	60	70	80
Average Service Hours	Hours	12	12	12

FOURTH SCHEDULE

(Made under paragraph 4(f))

APPROVED REVENUE REQUIREMENT FOR 2019/20 – 2021/22

Description / FY	Adjusted Revenue Requirement (Million TZS)		
	2019/20	2020/21	2021/22
O & M Expenses	724.07	996.02	1,018.61
Depreciation	104.34	89.90	101.94
Return on Investment (ROI)	73.94	84.62	74.21
Revenue Requirement	902.36	1,170.54	1,194.76
Less			
Other Income	37.79	38.35	40.21
Revenue Requirement from water	864.57	1,132.18	1,154.54

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NZINYANGWA E. MCHANY
Director General