

Makete Water Supply and Sanitation Authority
("Makete Wssa") Tariff Adjustment

GOVERNMENT NOTICE NO. 545 published on 26 Jul 2019
THE WATER SUPPLY AND SANITATION ACT
(CAP. 272)

ORDER

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

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

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| Citation | 1. This Order shall be cited as the Makete Water Supply and Sanitation Authority ("Makete WSSA") Tariff Adjustment Order, 2019. |
| Commencement date | 2. This Order shall come into force on 1 st August 2019. |
| Tariffs and charges | 3. Makete 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) on or before 31st October 2019, Makete WSSA shall submit a revised Business Plan that incorporates the approved tariffs and action plan for implementation of conditions of this Order;(b) Makete WSSA shall attain a 100% metering ratio by 2020/21;(c) Makete WSSAs shall ensure it complies with the requirement of remitting regulatory levy;(d) on or before 31st October 2019, Makete WSSA shall develop a program to identify disadvantageous groups and propose support mechanism to ensure affordable water service and the same be shared to EWURA; |

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- (e) Makete WSSA shall implement the projects by using funds generated from the approved tariffs as detailed in the Second Schedule to this Order;
- (f) Makete WSSA shall attain key performance indicators as shown in the Third Schedule to this Order;
- (g) Makete 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; and
- (h) Makete 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 Makete 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.

Revocation of
Tariff Order No.
11-014

5. This Order hereby revokes the Makete WSSA Tariff Adjustment Order, 11-014 in the area served by the Makete Water Supply and Sanitation Authority (Makete WSSA).

SCHEDULE

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FIRST SCHEDULE

(Made under paragraph 3)

APPROVED TARIFFS AND CHARGES

Schedule 1(a): Current and approved metered water tariff (TZS/m³)

Customer category	Bands	Current tariff	Approved tariff		
		2018/19	2019/20	2020/21	2021/22
Domestic	0-5	345	800	900	1000
	>5	345	900	950	1000
Commercial		395	1,000	1,000	1,100
Institution		345	1,000	1,090	1,100
Industrial		500	1,400	2,100	2,100
Kiosk		300	700	800	1,000

Schedule 1(b): Current and approved unmetered water tariff (TZS/month)

Customer category	Current tariff	Approved tariff		
	2018/19	2019/20	2020/21	2021/22
Domestic	4,500	7,000	Dissallowed	
Institution	15,000	36,000		
Commercial	7,500	14,000		
Industrial	17,000	44,000		
Kiosk	22,000	28,000		

Schedule 1(c): Current and approved multi-year water connection fee (TZS/connection)

Customer category	Current fee	Approved fees		
		2019/20	2020/20	2021/22
Domestic	20,000	20% of recoverable expenditures as stipulated in section 24 of the Water Supply Regulation, 2013		
Institution	30,000			
Commercial	30,000			
Industrial	35,000			
Kiosk	22,500			

Schedule 1(d): Current, proposed and approved water reconnection fee (TZS/reconnection)

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Customer category	Current tariff	Approved fees		
	2018/19	2019/20	2020/21	2021/22
Domestic	5,500	12,000	12,000	12,000
Institution	5,500	15,000	15,000	15,000
Commercial	5,500	15,000	15,000	15,000
Industrial	5,500	20,000	15,000	15,000
Kiosk	5,500	15,000	15,000	15,000

SECOND SCHEDULE

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

Description of the activity	TZS (million)			Remarks/details
	2019/20	2020/21	2021/22	
Replacement/rehabilitation				
Rehabilitation transmission main from Ludihani to Ngiu Ndulamo tank Construction 3 Washout chamber, construction 3 air valve chamber, change water pipe 1.2km, pipe water Mack	5.0	6.0	5.0	To be implemented by 30 th June 2022
Rehabilitations transmission main from Kidwiva to Mwongolo tank Construction 4 washout chamber, Construction 4 washout chamber, construction 3 air valve chamber, pipe water mack	6.0	7.0	5.0	To be implemented by 30 th June 2022
Rehabilitation transmission main from Ivalalila to Mwongolo tank, Construction 1 washout chamber, Construction 1 washout chamber, construction 1 air valve chamber, pipe water Mack, reallocate water pipe 800m	6.0	5.0	8.0	To be implemented by 30 th June 2022
Water Tanks Rehabilitation at: Mwongolo A Tank Plastering, Fencing and roofing Treatment facilities, Mwongolo B, Renovations Plastering, Security House, Ngiu Tank Dosage facilities, Fence Gate for in trace,	18.0	20.0	24.0	To be implemented by 30 th June 2022

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Description of the activity	TZS (million)			Remarks/details
	2019/20	2020/21	2021/22	
Replacement/rehabilitation				
ladder				
REHABILITATIONS (4) BPTs and 1 Small Storage Tank (Mpangala, Mwongolo BPT, Rehabilitations Plastering, Ludihani BPT fencing renovation, Kitunuli, Ndulamo small Tanks (BPTS) new construction)	10.0	14.0	16.0	To be implemented by 30 th June 2022
Subtotal (Replacement/Rehabilitation)	40.0	46.0	53.0	
New Investment				
Extension water pipes line 9.2km;Kona to Chamani 1.25km, Hospital to Manzese 1.6km, Sabasaba to mahakama 1.5km. Ndulamo 1.6km, Mpangala 0.65km, Kitunuli 1.5km	20.0	24.0	22.44	To be implemented by 30 th June 2022
New office construction Project (Roofing with finishing materials, furniture, fencing, Title deed)	50.0	50.0		To be implemented by 30 th June 2020
Procure 4pcs office Computer and accessories, Furniture, 2 motorcycles, intangible assets, workshop tools	10.0		20.0	
Subtotal - (new investments)	80	74.0	59.0	
Total proposed investment cost	120.0	120.0	112.0	
Approved investment cost	120.0	120.0	112.0	

THIRD SCHEDULE

(Made under paragraph 4(f))

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	%	66	74	80

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Proportion of population served with water	%	68	67	71
Non-Revenue Water (NRW)	%	32	30	28
Average hours of supply	hrs	20	22	24
Revenue collection efficiency	%	90	95	98
Metering ratio	%	95	100	100

FOURTHS CHEDULE

(Made under paragraph 4(g))

APPROVED REVENUE REQUIREMENTS (TZS)

Description	2018/2019	2019/2020	2020/2021	2021/2022
O&M	138,420,000	194,260,000	213,920,000	240,610,000
Depreciation	55,000,000	94,520,000	92,980,000	84,310,000
Return of investment	3,180,000	25,480,000	27,020,000	27,690,000
Total revenue requirement	196,600,000	312,250,000	333,930,000	352,610,000
Less: Other Income	1,700,000	12,000,000	12,000,000	12,000,000
RR - Water	194,900,000	300,250,000	321,930,000	340,610,000
Water Production (m ³)	310,000	430,000	450,000	450,000
NRW (%)	38	32	30	28
Billed Water (m ³)	192,200	292,400	315,000	324,000
Average tariff (TZS/m ³)	1,014	1,020	1,020	1,050

Dodoma,
, 2019

NZINYANGWA E. MCHANY
Director General

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