

Sumbawanga Water Supply and Sanitation Authority ("Sumbawanga Wssa") (Tariff Adjustment for Water Supply and Sanitation Services)

GOVERNMENT NOTICE NO. 256 Published On 3/4/2020

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

ORDER

(Made under section 29(1)(d))

THE SUMBAWANGA WATER SUPPLY AND SANITATION AUTHORITY ("SUMBAWANGA WSSA") (TARIFF ADJUSTMENT FOR WATER SUPPLY AND SANITATION SERVICES) ORDER, 2020

- | | |
|---------------------|---|
| Citation | 1. This Order shall be cited as the Sumbawanga Water Supply and Sanitation Authority ("Sumbawanga WSSA") (Tariff Adjustment for Water Supply and Sanitation Services) Order, 2020. |
| Commencement date | 2. This Order shall come into force on the date of publication in the Gazette. |
| Tariffs and charges | 3. Sumbawanga WSSA tariffs and charges are hereby adjusted as specified in the First Schedule. |
| Conditions | 4. The approved tariff shall be subject to the following conditions: (a) on or before 30 th June, 2020, Sumbawanga WSSA shall submit a revised Business Plan that incorporates the approved tariffs and action plan for implementation of conditions of this Order; (b) Sumbawanga WSSA shall ensure it complies with the requirement of remitting regulatory levy; (c) on or before 30 th May, 2020, Sumbawanga WSSA shall develop and share with EWURA customer's outreach program; (d) on or before 30 th April, 2020, Sumbawanga WSSA shall provide evidence to EWURA that it has notified its |

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customers of the new Tariff Order and it has conducted an intensive awareness to its customers including Government, political and religious representatives found in their area of services on the implementation of the new tariff Order;

- (e) Sumbawanga WSSA shall implement the projects as detailed in Second Schedule by using funds generated from the approved tariffs;
- (f) Sumbawanga WSSA shall attain the key performance indicators as shown in the Third Schedule;
- (g) Sumbawanga 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 conditions and each cost item of the revenue requirement set out in the Fourth Schedule; and
- (h) Sumbawanga WSSA shall continue to provide EWURA with information about its financial and operating condition in accordance with the requirements of EWURA. Such information will be used by EWURA to evaluate Sumbawanga WSSA's performance in comparison with other Water Supply and Sanitation Authorities and the improvement of its performance over time. This evaluation will be considered by EWURA in evaluating the reasonableness of all future requests for tariff adjustment.

Revocation of
Tariff
Adjustment
Order GN. No.
548 of 2019

5. This Order is hereby revokes the Sumbawanga WSSA Tariff Adjustment Order, 2019 in the area served by the Sumbawanga Water Supply and Sanitation Authority (Sumbawanga WSSA).

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SCHEDULE

FIRST SCHEDULE

(Made under paragraph 3)

APPROVED TARIFFS AND CHARGES

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

| Customer Class | Consumption Band | Current Tariff (TZS/m ³) | Proposed Tariff (TZS/ m ³) | | | Approved Tariff (TZS/m ³) | | |
|----------------|-------------------|--------------------------------------|--|---------|---------|---------------------------------------|---------|---------|
| | | | 2019/20 | 2020/21 | 2021/22 | 2019/20 | 2020/21 | 2021/22 |
| Domestic | 0-5m ³ | 1000 | 2,007.3 | 2,065. | 2,115.5 | 1,000 | 1,000 | 1,000 |
| | Above | 1,010 | 2,445.6 | 2,516. | 2,577.5 | 1,245 | 1,245 | 1,245 |
| Institution | | 1,040 | 2,503.3 | 2,575. | 2,638.3 | 1,280 | 1,280 | 1,280 |
| Commercial | | 1,040 | 2,503.3 | 2,575. | 2,638.3 | 1,280 | 1,280 | 1,280 |
| Industrial | | 1,200 | 2,895.6 | 2,979. | 3,051.6 | 1,480 | 1,480 | 1,480 |
| Kiosks | | 20 | 60 | 60 | 60 | 20 | 20 | 20 |

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

| Customer Category | Current Fee | Proposed Fees | | | Approved Fees | | |
|-------------------|--|--|--|--|--|--|--|
| | | 2019/20 | 2020/21 | 2021/22 | 2019/20 | 2020/21 | 2021/22 |
| Domestic | 20% of recoverable expenditure as stipulated in section 26 of Water Supply Regulations, 2019 | 20% of recoverable expenditure as stipulated in section 26 of Water Supply Regulations, 2019 | 20% of recoverable expenditure as stipulated in section 26 of Water Supply Regulations, 2019 | 20% of recoverable expenditure as stipulated in section 26 of Water Supply Regulations, 2019 | 20% of recoverable expenditure as stipulated in section 26 of Water Supply Regulations, 2019 | 20% of recoverable expenditure as stipulated in section 26 of Water Supply Regulations, 2019 | 20% of recoverable expenditure as stipulated in section 26 of Water Supply Regulations, 2019 |
| Commercial | | | | | | | |
| Institution | | | | | | | |
| Industrial | | | | | | | |
| Kiosk | | | | | | | |

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

| Customer Category | Current Fee | Proposed Fees | | | Approved Fees | | |
|-------------------|-------------|---------------|---------|---------|---------------|---------|---------|
| | | 2019/20 | 2020/21 | 2021/22 | 2019/20 | 2020/21 | 2021/22 |
| Domestic | 15,000 | 20,000 | 22,000 | 25,000 | 15,000 | 15,000 | 15,000 |
| Commercial | 15,000 | 35,000 | 37,000 | 39,000 | 15,000 | 15,000 | 15,000 |

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| | | | | | | | |
|-------------|--------|--------|--------|--------|--------|--------|--------|
| Institution | 15,000 | 35,000 | 37,000 | 39,000 | 15,000 | 15,000 | 15,000 |
| Industrial | 15,000 | 35,000 | 37,000 | 39,000 | 15,000 | 15,000 | 15,000 |

Schedule 1(d): Current, Proposed and Approved Multi-Year Cesspit Emptying Charges

| Customer category | Current Fee | Proposed Charges | | | Approved Charges | | |
|-------------------|-------------|------------------|---------|---------|------------------|---------|---------|
| | 2019/20 | 2019/20 | 2020/21 | 2021/22 | 2019/20 | 2020/21 | 2021/22 |
| Domestic | 60,000 | 80,000 | 80,000 | 90,000 | 80,000 | 80,000 | 90,000 |
| Institution | 73,000 | 90,000 | 100,000 | 120,000 | 90,000 | 90,000 | 120,000 |
| Commercial | 73,000 | 90,000 | 100,000 | 120,000 | 90,000 | 90,000 | 120,000 |
| Industrial | 73,000 | 120,000 | 150,000 | 160,000 | 100,000 | 100,000 | 160,000 |

Schedule 1(e): Current, Proposed and Approved Private Truck Charge for Dumping Sludge at SUWASA Ponds

| Customer category | Current Charge | Proposed Charge | | | Approved Charge | | |
|-------------------|----------------|-----------------|---------|---------|-----------------|---------|---------|
| | 2019/20 | 2019/20 | 2020/21 | 2021/22 | 2019/20 | 2020/21 | 2021/22 |
| Domestic | 8,000 | 10,000 | 15,000 | 20,000 | 10,000 | 10,000 | 20,000 |
| Institution | 11,000 | 15,000 | 20,000 | 25,000 | 15,000 | 15,000 | 25,000 |
| Commercial | 21,000 | 25,000 | 30,000 | 35,000 | 25,000 | 25,000 | 35,000 |

SECOND SCHEDULE

(Made under paragraph 4(e))

PROJECTS TO BE IMPLEMENTED

Sumbawanga Water Supply and Sanitation Authority ("Sumbawanga Wssa") (Tariff Adjustment for Water Supply and Sanitation Services)

GN No.256 (contd.)

| Description of the Activity | TZS (million) | | |
|--|---------------|---------|---------|
| | 2019/20 | 2020/21 | 2021/22 |
| WATER METERS | | | |
| Water Meters For New Connections | 43.0 | 47.2 | 51.9 |
| Prepaid Water meters | 12.0 | 32.0 | 56.0 |
| Water Meters For Replacement | 39.0 | 117.0 | 117.0 |
| Procure and Install 10 Bulk Meters at Water Sources and major distribution areas | 4.5 | 4.5 | 6.0 |
| Procure Portable meter test equipment | 50.0 | 0.0 | 0.0 |
| Sub Total | 148.5 | 200.7 | 230.9 |
| PIPES | | | |
| Extension of Distribution Network | 120.0 | 126.0 | 264.6 |
| Rehabilitation of Water Infrastructure | 120.0 | 63.0 | 132.3 |
| Rehabilitate mainline and distribution networks | 56.0 | 58.8 | 61.7 |
| Sub Total | 296.0 | 247.8 | 458.6 |
| BUILDINGS | | | |
| Rehabilitation of Office Buildings | 50.0 | 0.0 | 0.0 |
| Rehabilitation of Other Store building and other w/Quarters | 90.0 | 105.0 | 15.0 |
| Construction of toilets for watchmen at Boreholes | 45.0 | 75.6 | 59.5 |
| Construction of house for watchmen at Boreholes sites | 95.0 | 0.0 | 0.0 |
| Sub Total | 280.0 | 180.6 | 74.5 |
| TANKS | | | |
| Rehabilitate 3 tanks | 80.0 | 70.0 | 60.0 |
| Complete the fencing work for sewerage disposal area-79 acres | 50.0 | 50.0 | 50.0 |
| Complete the fencing work for 7 tanks | 50.0 | 50.0 | 50.0 |
| Fencing work of Makao Makuu tank | 50.0 | 50.0 | 0.0 |
| Complete the fencing work for Katandala tank | 50.0 | 50.0 | 0.0 |
| Sub Total | 280.0 | 270.0 | 160.0 |
| PLANT | | | |
| Procurement of potable welding generator | 0.0 | 50.0 | 0.0 |
| Optical Time Domain Reflectometer | 30.0 | 0.0 | 0.0 |
| OFC Splicing Machine | 0.0 | 40.0 | 0.0 |
| VFD Starter | 90.0 | 0.0 | 90.0 |

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| | | | |
|---|----------------|----------------|----------------|
| AC-DC Invertor for media Converter for PLC system | 0.0 | 0.0 | 28.0 |
| Sub Total | 120.0 | 90.0 | 118.0 |
| MOTOR VEHICLES & CYCLES | | | |
| Procurement of Tricycle(Bajaj) | 16.0 | 16.0 | 16.0 |
| Procurement of Motor vehicles | 150.0 | 75.0 | 0.0 |
| Procurement of One Truck | 0.0 | 150.0 | 0.0 |
| Sub Total | 166.0 | 241.0 | 16.0 |
| COMPUTERS AND PRINTERS | | | |
| Procurement of Computers | 8.0 | 16.0 | 10.0 |
| Printers | 1.5 | 1.5 | 0.0 |
| Sub Total | 9.5 | 17.5 | 10.0 |
| GRAND TOTAL | 1,300.0 | 1,247.6 | 1,068.1 |

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 |
| New Connections (water) | No. | 551 | 605 | 665 |
| Hours of service | hrs | 22 | 23 | 24 |
| Non-Revenue Water | % | 31 | 28 | 25 |
| Revenue Collection efficiency (without arrears) | % | 85 | 90 | 95 |

FOURTH SCHEDULE

(Made under paragraph 4(g))

REVENUE REQUIREMENT

| Description | 2019/20 | 2020/21 | 2020/22 |
|---------------------|---------|---------|---------|
| | TZS Mil | TZS Mil | TZS Mil |
| Production expenses | 654.3 | 808.3 | 847.1 |
| Water Distribution | 76.9 | 79.2 | 79.6 |

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| | | | |
|--|---------|---------|---------|
| Sanitation Costs | 8.0 | 29.0 | 30.0 |
| Repair and Maintenance | 57.9 | 84.4 | 99.3 |
| Personnel | 1,410.6 | 1,427.3 | 1,446.8 |
| Administration | 336.2 | 499.2 | 549.1 |
| Business promotion | 11.0 | 19.8 | 21.0 |
| Events and Donation | 15.3 | 32.3 | 33.3 |
| Finance Costs | 36.4 | 77.9 | 83.3 |
| Statutory charges | 83.9 | 86.0 | 88.2 |
| Total OM without D | 2,690.4 | 3,143.4 | 3,277.6 |
| Depreciation and Amortisation (Million TZS) | 1,300 | 1,248 | 1,068 |
| Return on Investment (Million TZS) | - | - | - |
| Total Revenue Requirement (Million TZS) | 3,990 | 4,391 | 4,346 |
| Less: Other Income | 53 | 58 | 67 |
| Revenue Requirement from Water Sales (Million TZS) | 3,937 | 4,333 | 4,278 |

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NZINYANGWA E. MCHANY
Director General