



WWRO/STO -07/05/2014

December, 31 2014

Pursuant to the authority granted by the *Law no. 03/L-086, on the Activities of Water, Waste Water and Waste Service Providers*, dated on June, 13 2008, by which was amended the *Regulation 2004/49* ("Law").

In conformity with Section 15 of the *Rule for the Service Tariff Setting of Water and Wastewater Service Providers and Bulk Water Suppliers in Kosovo*, dated on 24 December, 2012 ("Rule of WWRO R- 02/W&W"),

Based on application data for Service Tariff provided by RWC "MITROVICA" J.S.C, and subsequent review process and evaluation of this data,

Water and Waste Regulatory Office (WWRO) hereby issues this:

SERVICE TARIFF ORDER

ON SETTING OF TARRIF FOR WATER AND WASTE WATER SERVICES THAT SHOULD BE APPLIED BY RWC "MITROVICA" J.S.C MITROVICA FOR TARIFF PERIOD 2015 AND 2017

1. Interpretation

In this Service Tariff Order (STO), unless the context requires differently, the words and expressions with capital letters shall have the meaning attributed to the Rule of WWRO R-2/W&W.

2. Applicability

This Service Tariff Order is applicable and enforceable to RWC "MITROVICA" J.S.C., upon billing of Water and Wastewater Services, which provides to its customers throughout its designated Service Area.

WWRO can make regular and exceptional adjustments of Service Tariff, based on request of RWC "MITROVICA" J.S.C. in compliance with section 16. of WWRO Rule R-02 / W&W.

3. Service Tariff List

Annexes to this Service Tariff Order include:

- 3.1 *Appendix 1: Service Tariff List*, with appropriate explanations, and
- 3.2 *Appendix 2: Target operational, financial and capital investments determined to be achieved by the company during 2015.*

The tariffs determined under this STO are without VAT.

4. Timeline

Service Tariffs determined under this Service Tariff Order shall be applicable for period, respectively from **January 1, 2015 until December 31, 2015**, as of the regulatory process for period 2015-2017.

5. Publication and Distribution of Service Tariff List

- 5.1 RWC "MITROVICA" J.S.C. should distribute the Service Tariff List as approved under this (STO) to each customer upon signing the Service Contract, or at least once at the beginning of its application to attach it with the invoice, by which customer are billed.
- 5.2 The Service Tariff List approved by WWRO under this Service Tariff Order shall be published by the RWC "MITROVICA" J.S.C., at least on one of the daily newspapers with the comprehensive general circulation throughout Kosovo, within seven (7) business days after announcement and publication of WWRO on its official website www.wwro-ks.org

6. Appeals

RWC "MITROVICA" J.S.C has the right to appeal this order or its parts within 15 calendar days since the date of publication to the Review Commission which was established under the section 34., Review Commission, point 34.1, Law Nr.03/L-086 *on the Activities of Water, Wastewater and Waste Service Providers*, dated June 13, 2008.

7. Official Language of Service Tariffs Order

This Service Tariff Order (STO), is issued and published in three (3) languages, two of which are official languages used in Kosovo, and in English Language.

In case of discrepancies between of any of the versions of STO, the Albanian language shall prevail.

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Raif Preteni
Director of WWRO

APPENDIX 1: LIST OF SERVICE TARIFFS

1. Fixed and Volumetric Tariffs for Water and Wastewater Services

Applicability deadline: January 1, 2015 - December 31, 2017

Customer Category	Fixed Tariff (EURO/month)	Volumetric Tariff for Water Services (EURO/m ³)	Volumetric Tariff for Wastewater Services (EURO/m ³)
1.1. TARIFFS WITHOUT INFLATION DETERMINED FOR 2015 (JANUARY 1, 2015 – DECEMBER 31, 2015)			
Household	1.0	0.3500	0.0900
Institutional and Industrial/Commercial	3.0	0.7175	0.2250
1.2. APPLICABLE TARIFFS FOR 2015, BASED ON THE CONSUMER INDEX PRICES PUBLISHED BY FMN FOR 2015, Applicable as of (JANUARY 1, 2015 – DECEMBER 31, 2015)			
Household	1.0	0.36	0.09
Institutional and Industrial/Commercial	3.0	0.73	0.23
2.1 TARIFFS WITHOUT INFLATION DETERMINED FOR 2016 (JANUARY 1, 2016 – DECEMBER 31, 2016)			
Household	1.0	0.3470	0.0887
Institutional and Industrial/Commercial	3.0	0.7114	0.2218
2.2 APPLICABLE TARIFFS FOR 2013, BASED ON THE CONSUMER INDEX PRICES PUBLISHED BY KAS FOR THE PERIOD 12/2014-11/2015 (JANUARY 1, 2016 – DECEMBER 31, 2016)			
Household	1.0		
Institutional and Industrial/Kommercial	3.0		
3.1. TARIFFS WITHOUT INFLATION DETERMINED FOR 2017 (JANUARY 1, 2017 – DECEMBER 31, 2017)			
Household	1.0	0.3440	0.0874
Institutional and Industrial/Kommercial	3.0	0.6991	0.2186
3.2. APPLICABLE TARIFFS FOR 2017, BASED ON THE INDEX PRICES PUBLISHED BY KAS 12/2015-11/2016 (JANUARY1, 2017 – DECEMBER 31, 2017)			
Household	1.0		
Institutional and Industrial/Commercial	3.0		

Clarification:

- For 2015, the customer applicable tariffs for consumers are those with inflation, section 1.2.
- The customer applicable tariffs in 2016 point 2.2. shall be determined based on the movement of Consumer Price Index in Kosovo published by KAS for period of December /2014 - November/2015.
- The customer applicable tariffs for 2017, point 3.2 shall be determined based on the movement of Consumer Price Index in Kosovo published by KAS for the period December/2015 – November /2016.
- Fixed tariffs are not subject to the adjustment for inflation in any year.

KAS – Kosovo Agency of Statistics

CPI - Consumer Price Index

IMF – International Monetary Fund

1. Administration tariffs and expenditures for connection to the Water Services

Applicability deadline: January 1, 2015 - December 31, 2015

2.1. Administrative Tariff for Service Connection *	Diameter of connection pipe /water meter	Water connection tariff (€)	Wastewater connection tariff (€)	Amount (EURO)
For all Customer Categories <i>(*) Administration tariff is refundable and means the customer right to be connected in water service network, and its holding in the register of active customers for various administrative matters</i>	(13 – 25) mm	30.00	20.00	50.00
	32 mm	90.00	60.00	150.00
	40 mm	150.00	100.00	250.00
	50 mm	240.00	160.00	400.00
	65 mm	300.00	200.00	500.00
	80 mm	420.00	280.00	700.00
	100 mm	570.00	380.00	950.00
	150 mm	840.00	560.00	1,400.00
2.2. Connection Expenditures in Water Services	Diameter of connection pipe /water meter			Amount (EURO)
For all Customer Categories <i>(*) – Service Connection Expenditures include the following work and material expenditures: dollar, connection devices, connection pipes in length of 15 meters, water meter and two valvules. Ground and concrete Works are not included.</i>	(13 – 20) mm			120.00
	(25 – 32) mm			160.00
	(40 – 50) mm			220.00
	> 50mm			Shall be calculated on the basis of material and work prices
2.3. Connection Expenditures in Waste Water Services	Diameter of connection pipe /water meter			Amount (EURO)
For all Customer Categories <i>(*) – Service Connection Expenditures include the following work and material expenditure: fazonic elements for connection in length of 15 meters.</i>	DN 110 mm			120.00
	DN 160 mm			120.00
	DN 200 mm			160.00
	> 200 mm			Shall be calculated on the basis of material and work prices

2. Tariff's for Other Services

Applicability period: January 1, 2015 – December 31, 2015

Service Type	Amount (EURO)
3.1. Delivery of Disconnection Notice is accounted only once after sending it for the second time within the calendar year based on Law No 03/L-086, Section 28 paragraph 28.1 (i) and WWRO Regulation -04/U&K, 16.07.2010	3.00
3.2. Water Services Disconnection	20.00
3.3. Water Services Reconnection	20.00
3.4. Reparation of leakages at customer's premises	Shall be calculated based on material and work prices.
3.5. Fine for illegal connections	100.00
3.6. Fine for failure to repair leakages on customer premise is applied after the first warning	100.00
3.7. Sales of water with water tankers – transport up o 5 km	20.00 EURO/5m3
3.8. Water meter reparation by water meter price when the company installs its water meter	Max. 60% of water meter price
3.9. Water meter check - Verification of the accuracy	15.00

Some aspects of these services are regulated also by the WWRO Rule R-03/ W&W

APPENDIX 2: OPERATIONAL GOALS, FINANCIAL, CAPITAL INVESTMENTS DETERMINED TO BE REACHED BY COMPANY DURING 2015

These targets represent a contractual obligation between RWC and WWRO to comply during business calendar year 2015, adjustments made to inflationary movements of a given period.

Targets approved for compliance during 2014	Units	2015
1. Operational data		
1.1 Produced water	m ³ /year	17,934,196
1.2 Water lost	m ³ /year	7,052,994
1.3 Billed water for south	m ³ /year	6,181,202
1.4 Billed water for north	m ³ /year	4,700,000 ⁱ
1.5 Total of billed water	m ³ /year	10,881,202
1.6 Numbers of customers	No	25,024
2. Financial data		
2.1 Operating costs for water services	€/year	1,588,271
2.2 Operating costs for wastewater services	€/year	195,992
2.3 Annual operating costs	€/year	1,784,263
2.4 Billing for water services	€/year	2,795,254
2.5 Billing for wastewater services	€/year	503,393
2.6 Amount of billing for both services	€/year	3,298,647
2.7 Collection for water services	€/year	1,630,308
2.8 Collection for wastewater services	€/year	308,708
2.9 Amount of collection for both services	€/year	1,939,016
3. Capital Investment Data		
3.1 Capital investments for water services from company's own sources	€/year	-
3.2 Capital investments for wastewater services from company's own sources	€/year	
3.3 Amount of own capital investments	€/year	50,000
3.4 Capital investments for water services from donors	€/year	3,894,801
3.5 Capital investments for wastewater services from donors	€/year	
3.6 Amount of capital investments from donors	€/year	3,894,801

WWRO during 2015 will monitor achieved data on key indicators by companies to assess the level of fulfillment of the objectives set out which will be published in two periodic reports, six and first nine months of 2015 and the annual report after concluding the business year 2015.

ⁱ Amount of water billed in m³ for Mitrovica north was taken from data planned for 2014