

WATER SUB COMMITTEE REPORT

Preamble

1. The HMWS&SB Board's new policy of free water upto 20 KI / DU has thrown in many challenges regarding the charges to be levied to JVHWA members. BOM discussed the issue on 25th Jun 2021 and it was decided to appoint a Board of Members to study the impact and recommend charges to be levied, in the changed circumstances.

2. A Board of Members consisting of the following is appointed as per JVHWA letter JVHWA/HYD/ dated 29 June 2021

- | | | |
|------|-----------------------------------|-------------------|
| I. | Cdr Ramu Dasari (Retired) DU 34 | Presiding Officer |
| II. | Cdr S Ashok Kumar (Retired) DU 85 | Member |
| III. | Ex Cpl URK Prasad DU 240 | Member |

3. Terms of Reference

- a. To study the fixed costs (Man Power, Electricity, Maintenance including annual cleaning) incurred over the last few years for which data is provided and to estimate possible expenditure for next three years taking into consideration possible increase due to inflation.
 - b. To take into consideration, the transmission losses and usage for common purposes.
 - c. To fix Tariff for the following categories by taking into consideration above two factors:
 - d. to fix the minimum amount to be charged to all.
 - e. The base for various categories of consumption and rates thereof to be fixed.
 - f. Amount to be charged for those who registered for free water if they are below the lowest limit.
 - g. Amount to be charged per KL for those who registered for free water if they are above the lowest limit.
 - h. Amount to be charged for those who did not register for free water if they are below the lowest limit.
 - i. Amount to be charged for those who did not register for free water if they are above the lowest limit
 - j. Recommendations if any.
4. The Board of Members studied the expenditures incurred on account of receiving water from HMWS&SB, storing in sumps, Pumping into Overhead tanks and finally distribution to DUs by gravity/ pumping.
5. Data is considered from the month of Dec 2020, the date from when free water supply of 20KL/ DU has been implemented by HMWS&SB. Based on the data, heads under which expenditure has been considered are as follows:

EXPENDITURES FOR WATER SUPPLY TO DU's CONSISTS OF FOLLOWING:

- a. Water Charges to HMWS&SB.
- b. Electricity Bill - for Pump House No 1
- c. Electricity Bill – for Pump House No 2
- d. Pump Operator Salaries
- e. Plumber Salaries
- f. Water Line Repairs
- g. Sewerage Line Maintenance
- h. Water Meter Reading Charges
- i. Water Tank Maintenance includes Electrical maintenance, Pumps Maintenance and Cleaning of Tanks & Sumps once in a year.
- j. Painting of Overhead Tanks and Sumps once in Five Years. (Approximately Rs 3,00,000/-)

Ch. Prasad

*S. Ashok Kumar
17 Oct 2021*

R. Dasari

The Expenditure's from the month of Oct 2018 to Sep 2021(36 Months) is being considered to calculate the average Expenditure. One Additional Expenditure of Overhead Tanks and Sumps Painting is added in calculation. Detailed Data is enclosed in Appendix – 'A' to this report.

The Average Expenditures of for 36 Months is as follows:-

EXPENDITURE TYPE	AVRAGE PER MONTH
WATER CHARGES TO HMWS&SB FROM DEC-20 TO SEP 2021 ***	6970
ELECTRICITY BILL FOR PUMP HOUSE - 1	15741
ELECTRICITY BILL FOR PUMP HOUSE - 2	15024
PUMP OPERATOR SALARY WITH ANNUAL BONUS	15452
PLUMBER SALARY WITH ANNUAL BONUS	11379
WATER LINE REPAIRS	2928
SEWERAGE LINE MAINTAINENCE	2500
WATER METER READING CHARGES	2000
WATER TANK MAINTENANCE INCLUDES ELECTRICAL MAINTENANCE, PUMPS MAINTENANCE AND CLEANING OF TANKS & SUMPS ONCE IN A YEAR.	8152
OVER HEAD TANKS & SUMPS PAINTING ONCE IN FIVE YEARS	5000
GRAND TOTAL EXPENDITURE	85146

Note:*** Bills from HMWS&B from Dec 2020 to Jun 2021 is received after freeregistration. Hence average of 7 months is considered in calculating the average HMWS&SB BILL per month. For the months Jul, Aug and Sep 2021 are yet to be received.

Average Monthly Expenditure of Rs85,146/- works out to be Rs 230/- per DU for 370 DU's.

OPTION - 1

It is proposed to generate the desired revenue by charging a **FIXED AMOUNT** of Rs 150/- per DU per Month for all Registered with HMWS&SB for Free Water, and Rs 250/- per Month for un registered DUs up to 20 KL, which works out to $[(Rs\ 150 * 353) + (Rs\ 250 * 17) = Rs\ 57,200/-]$

OPTION - 2

It is proposed to generate the desired revenue by charging a **FIXED AMOUNT** of Rs 125/- per DU per Month for all Registered with HMWS&SB for Free Water, and Rs 200/- per Month for un registered DUs up to 20 KL, which works out to $[(Rs\ 125 * 353) + (Rs\ 200 * 17) = Rs\ 47,525/-]$

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Revenue Generation Calculations for the last three years are enclosed in Appendix – 'B' to this report.

AVERAGE REVENUE GENERATION CALCULATION WITH AVERAGE CONSUMPTION FOR THE LAST 36 MONTHS WITH DIFFERENT WATER SLAB RATES										
			IF COLLECTED Rs 150/- AND Rs 250/- AS FIXED MINIMUM CHARGES				IF COLLECTED Rs 125/- AND Rs 200/- AS FIXED MINIMUM CHARGES			
	CONSUMPTION IN KL	DESCRIPTION	0 to 20 KL	21 to 35 KL	ABOVE 36 KL	TOTAL	0 to 20 KL	21 to 35 KL	ABOVE 35 KL	TOTAL
Average	6461	No of DU s	232	114	24	370	232	114	24	370
		Amount Rs	36283	34637	36858	107778	30111	31736	36257	98104

6. The working out are as below.

CALCULATIONS

OPTION – 1

a. If Collected @ of Rs 150/- and Rs 250/- per month as Minimum Fixed Charges up to 20 KL.

- I. Fixed Expenditure per DU = Average Expenditure divided by 370 DU s (85146/370) = Rs 230/-.
- II. Fixed Minimum Collections per month if every DU Consumes up to 20 KL = (150 x 353 = 52950) + (250 x 17 = 4250) = Rs 57200/-. Hence Fixed Minimum Collection per DU (57200/370) = Rs 155/-.
- III. Shortage of Income = Fixed Expenditure per DU – Fixed Minimum Income per DU = Rs 230 – Rs 155 = Rs 75/-.
- IV. Average Income for the last three years by considering the consumption of DU s = 107778/-.
- V. Average income per DU (107778/370) = 291/- which varies as per the consumption.
- VI. Shortage of Income is covered by the Consumers above 20 KL
- VII. Excess water consumers may vary from time to time.
- VIII. It is proposed to collect Rs 150/- for the DU s which are registered under free water scheme and Rs 250/- to be collected to the DU s which are not registered with HMWS&SB as Fixed Minimum charges up to 20 KL.

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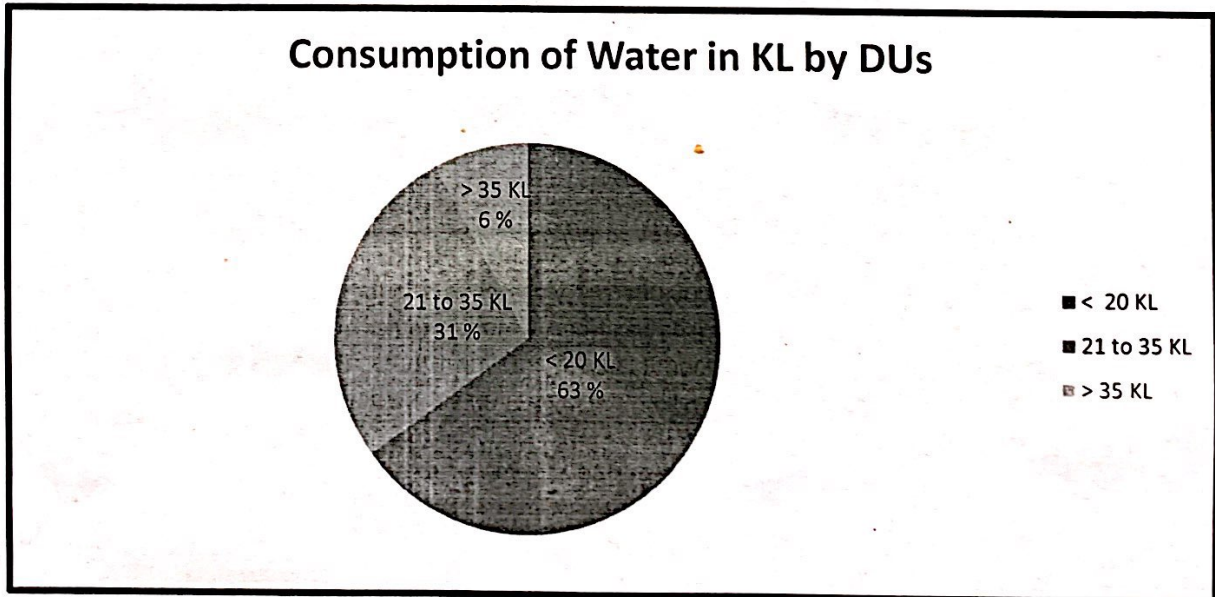
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OPTION - 2

b. If Collected @ of Rs 125/- and Rs 200/- per month as Minimum Fixed Charges up to 20 KL.

- I. Fixed Expenditure per DU = Average Expenditure divided by 370 DU s (85146/370) = Rs 230/-.
 - II. Fixed Minimum Collections per month if every DU Consumes up to 20 KL = (125 x 353=44125) + (200 x 17=3400)=Rs 47525/-. Hence Fixed Minimum Collection per DU (47525/370) = Rs 128/-.
 - III. Shortage of Income = Fixed Expenditure per DU – Fixed Minimum Income per DU (Rs 230 – Rs 128) = Rs 102/-.
 - IV. Average Income for the last three years by considering the consumption of DU s = 98104/-.
 - V. Average income per DU (98104/370) =265/- which varies as per the consumption.
 - VI. Shortage of Income is covered by the Consumers above 20 KL
 - VII. Excess water consumers may vary from time to time.
 - VIII. It is proposed to collect Rs 125/- for the DU s which are registered under free water scheme and Rs 200/- to be collected to the DU s which are not registered with HMWS&SB as Fixed Minimum charges up to 20 KL.
7. Even though HMWS&SB is supplying free water upto 20 KL for each DU registered with HMWS&SB, a minimum expenditure of Rs 85146.00to be borne by JVVHOWA members.
8. Existing Tariff prior to Free Water supply up to 20 KI / DU is as given below:
- I. Consumption <15 KL : Rs 200 (Only Fixed Charges)
 - II. Consumption >15 and < 35 KL : Rs 200 + Rs 23 per KL in excess of 15 KL up to 35 KL
 - III. Consumption > 35 KL : Rs 660 + Rs 135 per KL in excess of 35 KL

9.It is seen from the above data that fixed charges @ Rs 150.00 (Registered under free water scheme) and Rs 250.00(Unregistered) from DUs as per option- 1 and fixed charges @ Rs 125.00 (Registered under free water scheme) and Rs 200.00(Unregistered) from DUs as per option- 2. Further slab rates for water consumption above 20KL/monthwill suffice thus passing the benefit of collection received from excess consumption DU's to eligible DUs. There is no need to collect actual average of fixed charges of Rs 230/- when current tariff is continued with free water allowance given by HMWS&SB. This will benefit about 63 % of the DUs as shown below.



Ch. Prasad

R. S. Sankaranarayanan
17 Oct 2021
R. S. Sankaranarayanan

SAVINGS WITH THE NEW RECOMMENDED TARIFFS COMPARED WITH OLD TARIFF IS SHOWN BELOW IN THE TABLE

AS PER OPTION -1

Consumption in KL	REDUCTION IN TARIFF REGISTERED FOR FREE WATER SCHEME			REDUCTION IN TARIFF NOT REGISTERED FOR FREE WATER SCHEME		
	Existing Tariff in Rs	Recommended Tariff if Registered DUs at Min. Rs 150	Tariff Reduction in %	Existing Tariff in Rs	Recommended Tariff if not Registered DUs at Min. Rs 250	Tariff Reduction in %
20	315.00	150.00	52.4 %	315.00	250.00	20.6 %
35	660.00	495.00	25.0 %	660.00	595.00	9.8 %
40	1335.00	1170.00	12.4 %	1335.00	1270.00	4.9 %

AS PER OPTION -2

Consumption in KL	REDUCTION IN TARIFF REGISTERED FOR FREE WATER SCHEME			REDUCTION IN TARIFF NOT REGISTERED FOR FREE WATER SCHEME		
	Existing Tariff in Rs	Recommended Tariff if Registered DUs at Min. Rs 150	Tariff Reduction in %	Existing Tariff in Rs	Recommended Tariff if not Registered DUs at Min. Rs 250	Tariff Reduction in %
20	315.00	125.00	60.3 %	315.00	200.00	36.5 %
35	660.00	470.00	28.8 %	660.00	545.00	17.4 %
40	1335.00	1145.00	14.2 %	1335.00	1220.00	8.6 %

10. RECOMMENDATIONS:

OPTION-1

a. The recommended tariff is as follows for DUS registered with HMWS&SB for 20 KL per month under free water Scheme.

- | | |
|---------------------------------|---|
| I. Consumption <20 KL | :Rs 150 (Minimum Fixed Charges) |
| II. Consumption >20 and < 35 KL | :Rs 150 + Rs 23 per KL in excess of 20 KL up to 35 KL |
| III. Consumption > 35 KL | : Rs 495+ Rs 135 per KL in excess of 35 KL |

b. DUs not registered with HMWS&SB

- | | |
|----------------------------------|--|
| I. Consumption < 20 KL | : Rs 250 (Minimum Fixed Charges) |
| II. Consumption > 20 and < 35 KL | : Rs 250 + Rs 23 per KL in excess of 20 KL up to 35 KL |
| III. Consumption > 35 KL | : Rs 595 + Rs 135 per KL in excess of 35 KL |

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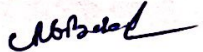
*Ashok Kumar
17/02/2021*

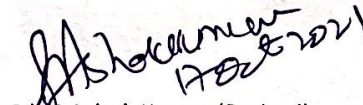
R. D. Datta


OPTION-2

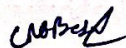
- c. The recommended tariff is as follows for DUS registered with HMWS&SB for 20 KL per month under free water Scheme.
- | | |
|----------------------------------|--|
| I. Consumption < 20 KL | : Rs 125 (Minimum Fixed Charges) |
| II. Consumption > 20 and < 35 KL | : Rs 125 + Rs 23 per KL in excess of 20 KL up to 35 KL |
| III. Consumption > 35 KL | : Rs 470 + Rs 135 per KL in excess of 35 KL |
- d. DUs not registered with HMWS&SB
- | | |
|----------------------------------|--|
| I. Consumption < 20 KL | : Rs 200 (Minimum Fixed Charges) |
| II. Consumption > 20 and < 35 KL | : Rs 200 + Rs 23 per KL in excess of 20 KL up to 35 KL |
| III. Consumption > 35 KL | : Rs 545 + Rs 135 per KL in excess of 35 KL |
- e. DUs not registered with HMWS&SB and Extra Rooms which have separate independent water connection and also extra rooms not part of any DU are to be charged tariffs as mentioned above as per actual consumption. It may be noted here that extra rooms does not have any PTIN No/ Door Number of GHMC and hence cannot claim any free water allowance.
- f. All Water tanks i.e. sumps and Overhead tanks are to be cleaned annually with pressure cleaning and subsequent irradiation with Ultra violet light or any other modern method economically available.
- g. External painting of tanks and sumps to be undertaken once in five years.

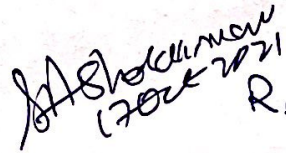

Enclosures: Appendix 'A'
Appendix 'B'


Ex Cpl URK Prasad
DU-240
Member
Date: 17 Oct 2021


Cdr S Ashok Kumar (Retired)
DU-085
Member
Date: 17 Oct 2021


Cdr Ramu Dasari (Retired)
DU-034
Presiding Officer
Date: 17 Oct 2021



EXPENDITURE INCURRED FOR WATER DISTRIBUTION FROM OCT 2018 TO SEP 2021

MONTH	AMOUNT PAID TO HMWS&SB	ELECTRICITY BILL PUMP HOUSE NO-1	ELECTRICITY BILL PUMP HOUSE NO-2	PUMP OPERATOR SALARIES WITH BONUS	PLUMBER SALARIES WITH BONUS	WATER LINE REPAIRS	SEWERAGE LINE MAINTENANCE	WATER METER READING CHARGES	WATER TANK MAINTENANCE	WATER TANK PAINTING ONCE IN FIVE YEARS	TOTAL EXPENDITURE
Oct-18	111781.00	17817	17106	18081	18806	8988	2500	2000		5000	202079.00
Nov-18	107381.00	16299	16902	9900	9817	720	2500	2000	15700	5000	186219.00
Dec-18	180771.00	18217	18247	9290	10419	4160	2500	2000	9100	5000	259704.00
Jan-19	110148.00	16115	13167	14619	12532	3400	2500	2000	56589	5000	236070.00
Feb-19	90870.00	15823	13077	13611	10275	9300	2500	2000	32505	5000	194961.00
Mar-19	150527.00	16660	14246	14619	10227	2200	2500	2000	24100	5000	242079.00
Apr-19	116237.00	15098	11677	13562	9450	572	2500	2000	22172	5000	198268.00
May-19	110297.00	15674	13600	21948	9823	1200	2500	2000	9000	5000	191042.00
Jun-19	116156.00	13863	12022	17278	11375	1900	2500	2000	1900	5000	183994.00
Jul-19	100590.00	15789	13606	15622	9484	5656	2500	2000	5656	5000	175903.00
Aug-19	102250.00	15171	12928	13789	8468	8370	2500	2000	8370	5000	178846.00
Sep-19	105288.00	13501	13581	14077	9450	1930	2500	2000	1930	5000	169257.00
Oct-19	102089.00	13914	12777	14952	9145	1500	2500	2000	1500	5000	165377.00
Nov-19	106020.00	14617	13228	13047	8750	910	2500	2000	910	5000	166982.00
Dec-19	103709.00	15050	13340	13290	10161	2500	2500	2000		5000	167550.00
Jan-20	101939.00	15506	14168	14710	10477	2500	2500	2000		5000	168800.00
Feb-20	107610.00	14065	12536	15724	11200	2660	2500	2000	2660	5000	175955.00
Mar-20	116404.00	8692	7485	16548	6735	1930	2500	2000	2730	5000	170024.00
Apr-20	125632.00	22694	20015	17480	11987	2500	2500	2000		5000	209808.00
May-20	121491.00	15208	13095	17881	12012	2500	2500	2000		5000	191687.00
Jun-20	115673.00	14456	13300	16340	10827	2500	2500	2000	2150	5000	184746.00
Jul-20	100590.00	15485	17065	15767	11226	2500	2500	2000		5000	172133.00
Aug-20	100590.00	14899	16054	16181	10852	2500	2500	2000		5000	170576.00
Sep-20	97350.00	15896	16550	29600	21827	2500	2500	2000		5000	193223.00
Oct-20	100590.00	14847	17043	29236	22955	2500	2500	2000		5000	196671.00
Nov-20	97350.00	14758	16499	2613	6791	2500	2500	2000		5000	150011.00
Dec-20	6658.00	16419	17717	15493	11694	2500	2500	2000	38400	5000	118381.00
Jan-21	6658.00	15873	18206	16750	11319	2500	2500	2000	32317	5000	113123.00
Feb-21	6658.00	17605	18862	16584	9943	2500	2500	2000	3250	5000	84902.00
Mar-21	6658.00	17493	18499	15409	10103	2500	2500	2000		5000	80162.00
Apr-21	6658.00	20773	15984	2845	10827	2500	2500	2000		5000	69087.00
May-21	6657.00	16457	17724	9716	10290	2500	2500	2000	900	5000	73744.00
Jun-21	8843.00	15634	16841	12341	10827	2500	2500	2000	10127	5000	86613.00
Jul-21	***	15292	15906	12752	10103	2500	2500	2000	11500	5000	77553.00
Aug-21	***	15868	14128	16497	10477	2500	2500	2000		5000	68970.00
Sep-21	***	15152	13683	28133	18973	2500	2500	2000		5000	87941.00
AVERAGE	6970	15741	15024	15452	11379	2928	2500	2000	8152	5000	85146

NOTE: 1. From Jul 2021 to Sep 2021 Bills from HMWS & SB yet to be received.


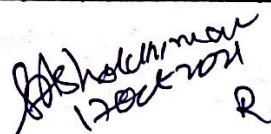
2. Average of HMWS & SB bills Considered for Seven Months after Free Scheme Bills.

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REVENUE GENERATION CALCULATION FOR ACTUAL CONSUMPTION WITH WATER SLAB RATES FROM OCT 2018 TO SEP 2021

MONTH	TOTAL CONSUMPTION IN KL	DESCRIPTION	IF MINIMUM CHARGE IS 200 EXISTING TARIFF UP TO 20 KL				IF MINIMUM CHARGES ARE 150 AND 250 UP TO 20 KL				IF MINIMUM CHARGES ARE 125 AND 200 UP TO 20 KL				
			0 to 20 KL	21 to 35 KL	ABOVE 35 KL	TOTAL	0 to 20 KL	21 to 35 KL	ABOVE 35 KL	TOTAL	0 to 20 KL	21 to 35 KL	ABOVE 35 KL	TOTAL	
			No of DU s												
		Amount Rs													
Oct-18	6740	No of DU s	221	121	28	370	221	121	28	370	221	121	28	370	
		Amount Rs	48248	57136	50070	155454	34650	37371	45450	117471	28750	34296	44750	107796	
Nov-18	6574	No of DU s	220	131	19	370	220	131	19	370	220	131	19	370	
		Amount Rs	47864	62908	27660	138432	34500	41493	24525	100518	28625	38168	24050	90843	
AVERAGE	6471	No of DU s	232	114	24	370	232	114	24	370	232	114	24	370	
		Amount Rs	50442	52030	40399	142871	36283	34637	36858	107779	30111	31736	36257	98104	


 12 Oct 2021
