

PORT VILA, 07th January 2013

Mr Johnson NAVITI
URA
PORT VILA
VANUATU

Our ref.: N°72/13/PME/aw

Dear Sir,

Subject: Price adjustment for WATER

Please find enclosed the price adjustments for water, for the first semester 2013, in accordance with the Contract for the Management and Operation of the Water Supply Service in PORT VILA.

Yours faithfully,



Philippe MEHRENBARGER
Managing Director

CC: The Honourable Minister of Lands and Natural Resources

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WATER SUPPLY SERVICE IN PORT-VILA

PRICE ADJUSTMENT FOR WATER

January 2013

Prices are adjusted in accordance with addendum 3 of the Contract for the Management and Operation of the Water Supply Service in Port-Vila.

The base rates **A₀** and **P₀** above shall be adjusted sixmonthly by application of the rise and fall formula:

$$A = A_0 \times R$$

and

$$P = P_0 \times R$$

where

$$R = 0.10 + 0.30 \times \frac{M}{M_0} + 0.30 \times \frac{E}{E_0} + \left(0.25 \times \frac{T}{T_0} + 0.05 \times \frac{I}{I_0} \right) \times \frac{\$AUD}{\$AUD_0}$$

Description of the indices:

- M** Average of the daily wage for a single male not receiving board or lodging in PORT-VILA at IFIRA WHARF and STEVEDORING, (IW), classified as an "inexperienced labourer", and of the classification "PO2" with the Public Service, (PO2).
- T** The price index of articles produced by manufacturing industries – Fabricated metal products (274-276), published by the Australian Bureau of Statistics, for the first quarter of the semester preceding the adjustment of tariffs
- I** The price index of articles produced by manufacturing industries – Electronic equipment and other machinery (283-286), published by the Australian Bureau of Statistics, for the first quarter of the semester preceding the adjustment of tariffs
- E** Price of the kWh (excluding fixed fee) for high voltage applicable on the day of adjustment of tariffs
- AUD** is the Average of the daily currency exchange rate for the three months period preceding the date of adjustment of tariffs, as published by the Banque d'Hawaï in the column "selling rate", for the Australian dollar (AUD) to Vatu in Vatu/AUD)

The indices applicable are as follows:

INDEX	VALUE	DATE
IW	872	déc-03
IWo	872	août-98
PO2	1560	janv-09
PO2o	1365	août-98
M	1216	janv-09
Mo	1118	août-98
T	99,7	sept-12
To	59,9	juin-04
I	99,5	sept-12
Io	83,0	juin-04
E	39,21	janv-13
Eo	21,25	août-98
\$ AUD	99,58	déc-12
\$ AUDo	80,23	août-98

$$R = 0.1 + 0.30 * \frac{1216}{1118} + 0.30 * \frac{39,21}{21,25} + (0.25 * \frac{99,7}{59,87567568} + 0.05 * \frac{99,5}{82,97006}) * \frac{99,58}{80,23}$$

R = 1,571084

Quarterly subscription:

$$A = A_0 \times R$$

Size of meter	A ₀	A
	Subscription in Vatu as at August 1998	Subscription in Vatu as at January 2013
15 mm	510	801
20 mm	820	1 288
25 mm	2050	3 221
30 mm	5 140	8 075
40 mm	7 200	11 312
above	10 290	16 166
Subscribers whose quarterly water consumption is less than 25m ³ for a quarter shall benefit from a subscription of:		401

Price of the m3:

$$P = P_o \times R$$

$$P = 64,68$$

Range of consumption		Vatu / m3 as at August 1998	Vatu / m3 as at January 2013
0 to 50 m3 / quarter	P _o x R	41,17	64,68
51 to 100 m ³ / quarter	P x 1.3	53,52	84,08
101 to 200 m ³ / quarter	P x 1.4	57,64	90,55
more than 201 m3 per quarter	P x 1.5	61,75	97,02

Water connection works

The price adjustment coefficient for water connections is calculated as follows:

$$R_b = M.O. * \frac{M}{M_o} + (Mat. * \frac{T}{T_o} * \$AUD)$$

with: M.O.= 40%
Mat.= 60%

$$R_b = (0,4 * \frac{1216}{1118} + 0,6 * \frac{99,7}{59,8756757}) * \frac{99,58}{80,23} = 1,6752$$

Diameter of the connection	Size of the meter	Lump sum cost of connection for a length of not great than 10 meters August 1998	x R _b	Supplement per meter above 10 meters August 1998	x R _b
			Lump sum cost of connection for a length of not great than 10 meters January 2013		Supplement per meter above 10 meters January 2013
20	15 mm	15 000	25 128	700	1 173
25	20 mm	28 000	46 906	1 300	2 178
30	25 mm	33 000	55 282	1 500	2 513
40	30 mm	39 000	65 333	1 800	3 015
50	40 mm	47 000	78 734	2 200	3 685

Security deposit

$$= P \times M3$$

Size of meter	m3	Deposit in Vatu
15 mm	50	3 234
20 mm	100	6 468
25 mm	200	12 936
30 mm	500	32 340
40 mm	700	45 276
au delà	1 000	64 680

Intervention on water connection and penalties:

	m3	Vatu
Cancellation of a subscription	30	
Cutting off supply due to prolonged absence	30	1 940
Transfer without interruption of supply	30	
Cutting off of supply and reconnection including removal of meter	60	3 881
Cutting off of supply for non-payment	120	7 762
Intervention resulting from water service being unable to access the meter	120	
Reconnection of supply cut off following a breach of agreement	300	19 404

Frais d'établissement du dossier:

= 10 x P

647 Vatu