

PORT VILA, 7th January 2011

Mr Carmine PIANTEDOSI
URA
PORT VILA
VANUATU

Our re. : N° 15/11/WT/AC

Dear Sir,

Subject : Price adjustment for water

Please find enclosed, the price adjustments for water, for the first semester 2011, in accordance with the Contract for the Management and Operation of the Water Supply Service in PORT VILA.

Yours faithfully,


William TUIKALEPA
Administrative & Financial Manager

CC : The Honourable Minister of Lands and Natural Resources

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WATER SUPPLY SERVICE IN PORT-VILA
PRICE ADJUSTMENT FOR WATER
January 2011

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 receiveing 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 preceeding 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 preceeding 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'Hawai 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	165,3	mars-10
To	101,2	juin-04
I	128,9	mars-10
Io	105,5	juin-04
E	36,52	juil-10
Eo	21,25	août-98
\$ AUD	96,92	juin-10
\$ AUDo	80,23	août-98

$$R = 0.1 + 0.30 * \frac{1216}{1118} + 0.30 * \frac{36,52}{21,25} + (0.25 * \frac{165,3}{101,2} + 0.05 * \frac{128,9}{105,5}) * \frac{96,92}{80,23}$$

R = 1,5090

Quarterly subscription:

$$A = A_o \times R$$

Size of meter	Ao	A
	Subscription in Vatu as at August 1998	Subscription in Vatu as at January 2011
15 mm	510	770
20 mm	820	1 237
25 mm	2050	3 093
30 mm	5 140	7 756
40 mm	7 200	10 865
above	10 290	15 528
Subscribers whose quarterly water consumption is less than 25m ³ for a quarter shall benefit from a subscription of:		385

Price of the m³:

$$P = P_o \times R$$

$$P = 62,13$$

Range of consumption		Vatu / m ³ as at August 1998	Vatu / m ³ as at January 2011
0 to 50 m ³ / quarter	P _o x R	41,17	62,13
51 to 100 m ³ / quarter	P x 1.3	53,52	80,77
101 to 200 m ³ / quarter	P x 1.4	57,64	86,98
more than 201 m ³ per quarter	P x 1.5	61,75	93,20

Water connection works

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

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

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

$$R_b = (0,4 * \frac{1216}{1118} + 0,6 * \frac{165,3}{101,2}) * \frac{96,92}{80,23} = 1,6190$$

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 2011		Supplement per meter above 10 meters January 2011
20	15 mm	15 000	24 285	700	1 133
25	20 mm	28 000	45 332	1 300	2 105
30	25 mm	33 000	53 427	1 500	2 429
40	30 mm	39 000	63 141	1 800	2 914
50	40 mm	47 000	76 093	2 200	3 562

Security deposit

$$= P \times M_3$$

Size of meter	m ³	Deposit in Vatu
15 mm	50	3 107
20 mm	100	6 213
25 mm	200	12 426
30 mm	500	31 065
40 mm	700	43 491
au delà	1 000	62 130

Intervention on water connection and penalties:

	m3	Vatu
Cancellation of a subscription	30	
Cutting off supply due to prolonged absence	30	1 864
Transfer without interruption of supply	30	
Cutting off of supply and reconnection including removal of meter	60	3 728
Cutting off of supply for non-payment	120	7 456
Intervention resulting from water service being unable to access the meter	120	
Reconnection of supply cut off following a breach of agreement	300	18 639

Frais d'établissement du dossier:

= 10 x P

621 Vatu

	Prix de base Vatu/m ³ hors TVA	Evolution
janv-94	40,00	
juil-94	40,00	0,00%
janv-95	41,20	3,00%
juil-95	41,65	1,09%
janv-96	42,84	2,86%
juil-96	43,57	1,70%
janv-97	44,42	1,95%
juil-97	44,63	0,47%
janv-98	44,18	-1,01%
juil-98	41,17	-6,81%
janv-99	41,61	1,07%
juil-99	42,06	1,08%
janv-00	42,37	0,74%
juil-00	43,36	2,34%
janv-01	44,44	2,49%
juil-01	43,70	-1,67%
janv-02	43,28	-0,96%
juil-02	42,31	-2,24%
janv-03	42,42	0,26%
juil-03	44,78	5,56%
janv-04	45,27	1,09%
juil-04	45,47	0,44%
janv-05	47,51	4,49%
juil-05	49,67	4,55%
janv-06	50,95	2,58%
juil-06	53,06	4,14%
janv-07	55,13	3,90%
juil-07	54,63	-0,91%
janv-08	57,21	4,72%
juil-08	61,04	6,69%
janv-09	56,68	-7,14%
juil-09	57,12	0,78%
janv-10	59,77	4,64%
juil-10	61,13	2,28%
janv-11	62,13	1,64%

Evolution du prix de base de l'eau à Port Vila

