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ZYRA RREGULLATORE PËR UJËSJELLËS DHE KANALIZIM
REGULATORNI URED ZA VODU I KANALIZACIJU
WATER AND WASTEWATER REGULATORY OFFICE
ZRRUK

ANNUAL REPORT ON THE PERFORMANCE OF KOSOVO WATER SERVICE PROVIDERS IN 2014

Report on the performance of licenced companies for water supply, wastewater services and bulk supply water of untreated water

September, 2015

Water and Wastewater Regulatory Office

Vision

"Water and Wastewater efficient, safe and quality services for all customers throughout Kosovo".

Mission

"Regulation of water services in an effective and transparent manner in accordance with good European practices, which ensures that water and wastewater services deliver qualitative, sustainable services with affordable prices throughout Kosovo, having into consideration environmental and public health protection"

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ACRONYMS AND ABBREVIATIONS

KAS	Kosovo Agency of Statistics
EU	European Union
SCO	Swiss Cooperation Office in Kosovo
BD	Board of Directors
WB	World Bank
RBP	Regulatory Business Plans
RWC	Regional Water Company
PR	Regional Water Company, 'Prishtina' (Prishtinë)
PZ	Regional Water Company 'Hidroregjioni Jugor' (Prizren)
PE	Regional Water Company 'Hidrodrini' (Pejë)
MIT	Regional Water Company 'Mitrovica' (Mitrovicë)
GJA	Regional Water Company 'Radoniqi' (Gjakovë)
FE	Regional Water Company 'Bifurkacioni '(Ferizaj)
GJI	Regional Water Company 'Hidromorava' (Gjilan)
KNIPH	Kosovo National Institute of Public Health
WC	Water Center (KNIPH)
IL	NH 'Ibër Lepenci'
IAWD Catchment Area	International Association of Water Supply Companies in the Danube River
PC-PMU	Public Companies Policy and Monitoring Unit
CCC	Customers Consultative Committee
MESP	Ministry of Environment and Spatial Planning
PC	Public Company
IMCW	Inter-Ministerial Council on Water
KPI	Key Performance Indicators
NRW	Non-Revenue Water
WWRO	Water and Wastewater Regulatory Office

PREFACE

In accordance with its mandate on informing the public of issues related to Providers of water services, WWRO publishes the ninth performance annual report that describes the processes and individual performances of WSC as well as the sector as a whole.

Water services provision responsibility is a very important issue, since it offers support for the overall welfare of population. This is not an easy task ant it faces numerous challenges.

This 2014 performance report identified weak spots in particular fields and those with the greatest potential for improvement, always aiming the motivation and dedication of service providers with the goal of improving their performance as well as stressing areas which might require Kosovo Government's intervention for the improvement of water services sector.

Invoicing and collection, as well as the high level of non-revenue water, still remain the biggest problems of service providers in the country. Currently, a quarter of debts for the provided services cannot be collected, and more than half of produced water is lost and does not bring any income to the companies. Service providers' management should have those two issues as a priority, engaging further its managerial capacities and acting in a planned and strategic manner. Around 76 mil.m3 is a quantity of NRW treated and distributed to the customers that did not bring any income to the company; on the contrary it created additional expenses and affected regular supplies of water. A clearer indication of this challenge on a local level is the fact that 76 mil.m3 of NRW is the annual reserve held jointly at three accumulation points (Batllava, Badovc and Perlepnica) used by the RWC (Prishtina and Hidromorava).

We also encourage service providers to use all legal mechanisms at their disposal in order to improve efficiency. On the other hand, customers are requested to act responsibly by paying for the services and using water rationally, not merely because the services provided have a large provisional cost but also because there are considerable deficiencies in fulfilling water supply requirements (over 40% of citizens do not receive regular water supply). **We are sure that continuous failure in paying for services and misuse of drinking water are key obstacles in providing sustainable services.**

Water service providers management should understand that they operate as a business, hence they should know how to manage costs, reduce the amounts of non-revenue water, measure the consumed water. For example: **"If consumed water is not measured, how is it possible to manage it?"** All water companies' staff should have this focus, i.e. offering services at reasonable cost and collecting payments for the water provision services.

In the last years there is a considerable spread in the coverage of water supply areas and wastewater services by the public operator, although they are still at low levels (84% for water supply and 62% for wastewater services). Wastewater treatment is at the same levels for a long time and it is possible that it can have a serious effect on public health. WWRO reminds all interested parties to engage actively in wastewater treatment, as it is of major interest for everyone involved in the water sector.

Public expectations regarding the quality of water supply and wastewater services is at a relatively high level, and the number of customer complaints towards service providers and the Regulator (CCC) has increased.

The biggest challenge of self-finance from the operational activities has been overcome by most RWC. They are currently able to finance everyday activities (energy, salaries, chemical materials and other maintenance expenses) from invoice collections. They should work intensively on financing infrastructure, since long periods of lack of investment will require large sums from internal and external sources, such as the

Government and international partners. Number of defects on the main water supply system is 279 defects per 100 km, with an improving trend, but yet far from European standards. Factors affecting the supply system include: type of pipes, network age, maintenance standards by the service provider, etc.

The 3-year tariff process 2012-2014 has ended, and business plans approved by the Regulator have been a type of a Contract through which the Regulator has agreed with the imposed tariffs which have been set based on the obligations from RWC. We stress that the objectives were challenging, but very achievable. We have continuously disagreed, especially with the lack of infrastructural investments and reduction of operational costs (unjustified costs), as we are certain that RWC had to try harder to fulfill the same.

2014 was also the year of assessment for tariffs requested for the future 3-year period (2015 - 2017), for water supply public service providers as well as for the services of wastewater collection. After a consultation and debate period with the service providers and customers, new tariffs were approved and applied from the beginning of 2015. Regulator's focus was the balancing of customers' interests in access to water services with the necessity of preserving financial integrity of RWCs, taking into consideration customers' ability to pay their bills. New tariffs envisaged a symbolic increase over three years for households, while decreasing the tariffs for non-domestic customers.

The publication of this report finds WWRO without its managerial staff (Director and Deputy Director), whose 5-year mandate has ended in April 2015. We are extremely thankful to them for their contribution in the development of the Regulator and Kosovo's water service sector. We also hope that Kosovo Assembly will soon reach the decision on naming the Director and Deputy Director of WWRO, as two key Regulatory decision-making positions.

Finally, we appreciate the efforts of RWC and WWRO staff for their input and cooperation in reporting, data analysis, discussions and comments presented in this report.

THE ROLE AND RESPONSIBILITIES OF WWRO

As an economic regulator of Kosovo water services, the role of WWRO is to help the development of service providers and the sector overall, at the same time protecting customers' interests. Regulator's role in the water supply sector and wastewater services is to ensure that public service providers do not abuse their monopolistic privileges, but offer a reasonable standard through a fair price and that their rights and obligations are balanced. Since the nature of this service is a natural monopoly and since there is a lack of encouragement for greater efficiency, there is a danger that users do not receive the desired service. WWRO has promoted efficient competition ensuring that water companies function as required and that they are able to finance their operations, especially ensuring adequate capital return.

WWRO's main responsibilities are as follows:

- Setting tariffs on desirable levels for service providers to be able to finance their activities in accordance with obligatory standards of service and desired service levels;
- Licensing water supply service providers and ensuring that they fulfill their duties in accordance with provided services;
- Setting standards for services provided to the customers and monitoring their application by the service providers;
- Providing mechanisms for customers to file complaints to the service providers;
- Setting mutual rights and obligations for service providers and customers, as well as monitoring its application.

Furthermore, one of the key regulatory functions is the encouragement of competition in water services sector through benchmarking as well as regular performance reporting. The role of monitoring and reporting by WWRO is also important as it provides believable and sustainable information that can be used for:

- Identification of good and poor performance for stimulating service providers to improve their services in due time;
- Allowing the comparison between service providers thus helping competition and encouraging service providers to improve their performance compared to the rest;
- Keeping all parties informed of the work and activities of service providers through information distributed to the public, customers, institutions (Regulator, Assembly and Kosovo Government) and donors, with the aim of simplifying decision-making in the public companies providing water services.

In order to exercise its role and responsibility as efficiently as possible, WWRO works closely with institutions and organizations involved in the sector, to allow waste companies to fulfill its vision for sustainable, effective and acceptable services.

1 INTRODUCTION

Water and Wastewater Regulatory Office has a mandate to regulate the water and wastewater service sector as an economic regulator based on Law Nr. 03/L-86, while the responsibility for drinking water supply and wastewater services lies with the Regional Water Companies (RWC). There are seven RWC offering their services in Kosovo's seven regions. Kosovo Government is their shareholder, monitoring its business affairs based on law Nr. 03/L-087 on Public Companies (PC).

WWRO uses several mechanisms, including performance monitoring, to challenge water service providers to improve their performance in all fields described above. We have continued collecting regulatory information and have published our findings on achieving objectives and quality of services, as agreed at the tariff deliberation on provided services.

Performance report outlines providers' performance in relation with service standards derived from Regulation on minimal service standards. On the other hand, benchmarking stimulates competition between RWCs, motivating one RWC to improve its performance and outperform other companies.

Report is comprised of 4 main parts (A, B, C and D), as well as several annexes:

PART A, is the core of this report, providing information, analysis and comments on the performance of seven RWCs. This part analyzes the relative performance of RWC with regard to water supply services, wastewater services and financial/commercial management. This part ends with overall performance assessment comparative to ideal performance levels.

Part B, water and wastewater service sector performance, describes their joint performance through important indicators for a 3-year period 2012-2014, with the aim of providing a clearer picture on development trends of these indicators.

Part C, as the report continues, explores and discusses performance of the only supplier providing untreated water (NH Ibër-Lepenci), while

Part D, reports on the role and performance of Customers Advisory Commissions (CCC). Parts of the report are also a number of annexes that offer additional information, detailed data on the performance of each RWC.

WWRO has licensed seven Regional Water Companies (RWC) that offer drinking water and wastewater services, as well as one company that offers water on bulk scale for water companies.

In this report of Regional Water Companies (RWC) various terms are also used depending on the context such as water and wastewater service providers or Public Companies.

We hope that water service providers, Regulator, Kosovo Government, policy-makers, donors and other interest groups will use the data (information) in this report as a reference point for continuous improvement of water and wastewater services as well as to help future planning in the water services industry in Kosovo.

2 SECTOR DEVELOPMENT

The year 2014 was also characterized by several important developments in both regulatory and general aspects of water service sector in Kosovo

Water tariffs (2015-2017)

WWRO set water and wastewater service tariffs to be applied by all seven RWC for the following three years (2015-2017) from 1 January 2015. When approving those tariffs, customers' ability to pay their bills and the overall financial sustainability of RWCs were taken into account. WWRO will monitor RWCs so that they operate efficiently. New tariffs envisaged the real increase of domestic invoices for water supply and wastewater for the first two years (2015-2016) by 1.74% in relation with 2014 tariffs, while tariffs for 2017 are set to be increased by 0.34%. Non-domestic tariffs will be decreased from 2015 to 2017 by 3.73% compared to applied tariffs during 2014, fully in compliance with regulatory policies on the reduction of subsidies to customers. These tariffs challenge the companies to become more efficient (by reducing operational expenses, improving bill collections and reducing NRW), increase capital investments (investments in water supply and wastewater services), as well as the increase in coverage of water and wastewater network. Tariffs approval was done upon careful analysis of costs in order to avoid unjustifiable expenses as well as to encourage operational efficiency and to improve services. WWRO will also monitor and ensure that the service provider meets set objectives.

WWRO Strategy (2015-2017)

WWRO has drafted the third strategic plan (2014-2017) which outlines its management's institutional and professional development plan, but also that of Companies under its jurisdiction. Goals, objectives and priorities approved in this strategic plan come from extensive consultations of WWRO management with the aim of coordinating WWRO's actions in the next three years. For the application of this strategic plan we are relying on human and professional resources of WWRO as well as the financial support from the Swiss Government (SCO). WWRO would also like to receive basic help for quality coordination of efforts by the RWC management and other parties involved in the sector as a catalyst and critic for guaranteeing results to be expected from this strategic approach. In general, Strategic Plan will focus on raising awareness on Regulator's functioning and advoCCCy for legal application of water and wastewater supply by other actors. So, through this plan WWRO will encourage improvement of services by the providers and sharing of knowledge in various regulatory aspects.

International Association of Water Supply Companies in the Danube River Catchment Area (IAWD)

Cooperation between Kosovo's water services sector and International Association of Water Supply Companies in the Danube River Catchment Area (IAWD) has continued with the assistance from the World Bank. Kosovo is also a participant in this program, along with 12 Danubian states (Austria, Albania, Ukraine, Romania, Moldavia, Bulgaria, Macedonia, Serbia, Croatia, Bosnia and Herzegovina and Montenegro). Program aims to assist those countries in providing viable and sustainable water and wastewater services. WWRO, besides other water services actors in Kosovo, was an active participant of all organized events (conferences, governing boards, trainings) through the participation of officials from sector institutions. Benefits from this program were enormous, especially in professional capacity building of participating officials. For WWRO, the program provided considerable participation and consultation, since the project managers deemed it as a consolidated institution, especially in the field of monitoring and performance assessment of water service providers, presented as a good example for cooperation. In addition, under the organization of World Bank / IAWD, Danubian Water Program in cooperation with the Public Municipal

Research Center from the Florida University organized a 5-day seminar between 23-27 February 2015 in Prishtina, Kosovo, under the topic: **Benchmarking Regulator - Performance Assessment and Improvement**. The aim of this meeting was capacity building and exchange of good practices between these countries in data collection and analysis on performance assessment and improvement. Through program's support the DANUBIS Platform was developed, as a joint webpage of all Danubian countries. Each member state has its own portal that should be managed and refreshed individually. WWRO has refreshed the data in the database for Kosovo, which was important for general information on services as well as for regional benchmarking cooperation. At the DANUBIAN 2015 water conference held between 6-8 May 2015 in Vienna, Austria, in attendance were several Kosovo officials from the water sector. We were informed that 'The Danubian Water Program' will continue further through phase II between 2015-2018 with the support of WB, with the aim of extending cooperation between Danubian countries beyond 2018. We would like to encourage local institutions involved in the water sector to be pro-active in the program, since the benefits are enormous.

Support Program for Water an Wastewater in Rural Zones - Phase V

With the support of the Swiss Government (SCO) and the Kosovo Government and the implementers Dorsche Gruppe and CDI, in 2014 began the implementation of the "Support Program for Water and Wastewater in Rural Zones - Phase V". This program is part of the continuous support to the water sector from the end of the war by the Swiss Government, with the aim of increasing access to clean water and wastewater services. The main goal is to contribute in sustainable management of water and wastewater systems in all of Kosovo. Compared to the previous four phases, this program was focused on clean water supply and wastewater services in rural zones. The Government of Kosovo with considerable funds also supports the program. The program will continue through 2017 and is in direct support of the "Strategy for managing rural wastewater systems" drafted by the Government of Kosovo in 2014. From 1,262[1] villages of Kosovo with separate water supply systems not administered by RWC, there are also 242 villages (with 205,570 inhabitants) or 19% of rural population of Kosovo. Also there are additional 48 villages with 48,382 inhabitants that have separate water access but non-functional due to mismanagement. Few of the expected challenges are: lack of interest from the RWC to integrate those systems, community's opposition to granting management of "their" systems to RWC, as well as the transfer of assets from the municipality to RWC, etc. With a better coordination between relevant Government institutions, WWRO, KNIPH, Municipalities, Communities, as well as the RWSSP V, problems are being resolved. There is readiness from all sides (RWC, local administration and communities) to accept the conditions of the program for allowing investments

[1] Strategy for managing rural water systems

Part A:

Performance of Regional Water-Wastewater Companies

3 RWC PERFORMANCE

3.1 Water supply

This part of the report offers analysis and comments on the individual performance of RWC through its main indicators, while in ANNEX 1 detailed statistical performances were presented for each of the seven RWC. WWRO hereby presents RWC's performance for 2014 in key areas including: operational, financial and customer services, separate for both services (water supply and wastewater services), always comparing those with the performance during 2013. Where possible, the assessment of objectives reached in correlation with expectations was conducted, through Regulatory Business Plans (RBP) approved by the Regulator during tariff process.

3.1.1 Technical performance

Shows the quality of water supply service from the operational (technical) aspect, which companies offered to its customers. There are five (5) representative indicators including: water quality, network pressure, continuity of supplies and pipe bursting, as well as the non-revenue water, which best summarizes RWC's performance.

Water Quality

Water quality is a very important indicator due to its influence on customers' health. Water quality threshold takes into account total number of samples tested correlated to the total number of samples, whose tests do not pass national standards. In this case it is important that a low threshold means low quality of water. There are two components analyzed to determine the quality of water: bacteriological and physical-chemical aspect. Analysis and drinking water condition for the year 2014 as opposed to 2013 were provided by WWRO based on reported data from the Water Center (KNIPH) as the responsible institution for monitoring and guaranteeing that the distributed water is drinkable and in accordance with legal parameters.

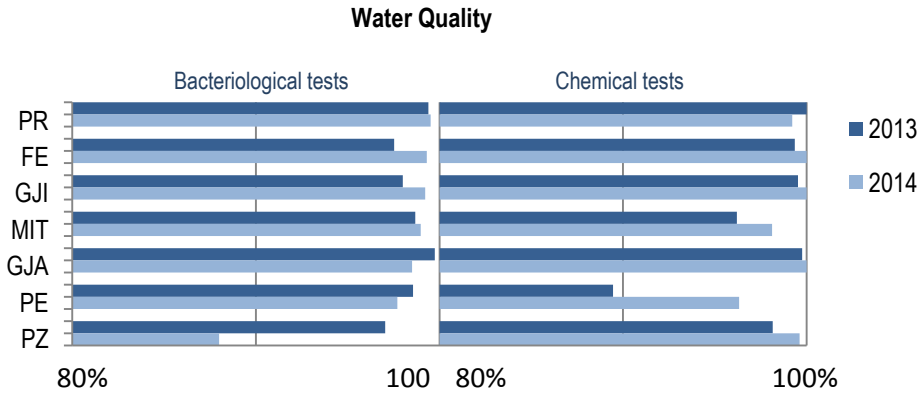

Figure 1, Water quality testing results

Figure 1 and table 1 show graphical presentation of the percentage of samples tested that correspond to drinking water quality standards.

In 2014, the quality of RWC was overall satisfactory and in accordance with the Administrative Directive 16/2012. However, there were occasional concerns at RWC (Prishtina and Hidromorava, Hidroregjioni Jugor), which were quickly addressed and the water quality was restored.

Table 1, Drinking water quality

Customers category	RWC Prishtina		RWC Hidroregjioni Jugor		RWC Hidrodrini		RWC Mitrovica		RWC Radoniqi		RWC Bifurkacioni		RWC Hidromorava	
Years	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014
% of passing bacteriological tests	99.4	99.5	97.0	88.0	98.6	97.7	98.7	99.0	99.8	98.5	97.5	99.3	98.0	99.2
% of passing Physical-Chemical tests	100.0	99.2	98.2	99.6	89.5	96.3	96.2	98.1	99.7	100	99.4	100	99.5	100

In total there are 11,286 samples analyzed by KNIPH in 2014, of which 7,794 were microbiological tests, including 221 or 2.8% that failed. This means that 97.2% of the samples are in line with national parameter standards. 3,492 physical-chemical test were conducted, resulting in 36 or 1.0% that did not pass parameter standards.

In total, average sector water quality fell from 98.4% in 2013 to 97.7% in 2014.

Most bacteriological failures during 2014 were registered in the service zone of RWC "Hidroregjioni Jugor" with 88% and compared to 2013 water quality fell considerable by 9%. WWRO in cooperation with KNIPH and IMWC have addressed this issue with the RWC "Hidroregjioni Jugor" management. It was a general consensus that there are several parts of the system that resulted in lower water quality and they continue to be monitored and analyzed until improved.

As far as microbiological aspects of the water quality during 2014 compared to 2013 is concerned, improvements were made at RWCs Prishtina, Hidromorava, Bifurkacioni, Mitrovica, while the best water in microbiological aspect was offered by RWC Prishtina with 99.5% of tests passed.

Currently the highest rate of physical-chemical test failure is registered at RWC Hidrodrini (O. U. Klina), with the presence of Magnesium (MG) and nitrites (NO2), with very high levels although there was a considerable progress in 2013/2014 from 89.5% to 96.3%. In the microbiological aspect this company had the worst performance in 2013/2014.

Water pressure

This indicator shows the number of properties that are affected by low pressure. Low pressure usually affects inhabited zones that have a continuous influx of population as well as zones at high geodesy quota. Insufficient pressure can happen when companies do not have pumping capacities or due to an old network.

Adequate pressure management, besides customer satisfaction, is one of the main elements in managing physical losses and water system maintenance. It is a legal obligation that local suppliers ensure the functioning of a 'referring level' over 25 w.m.p.

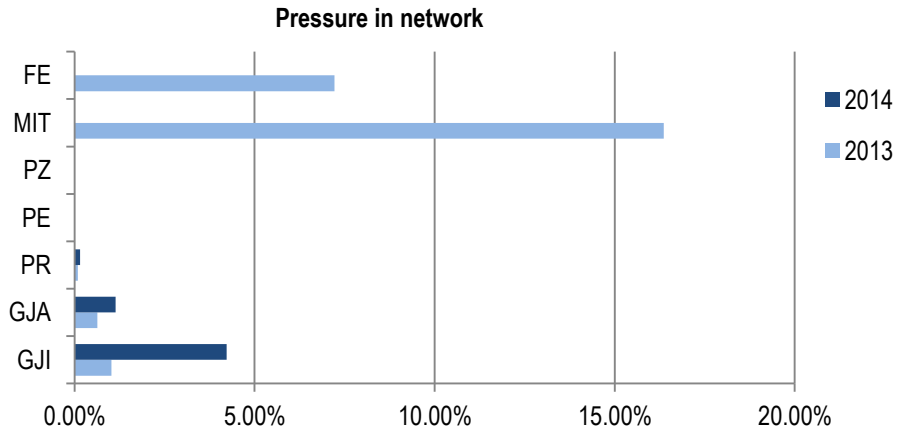

Figure 2, % of customers who were supplied through low pressure

During 2014, RWC Hidromorava, Radoniqi and Prishtina reported the properties that had problems with providing adequate water pressure. Other RWCs could not provide those data. In general, data on water pressure are still considered not accurate since no company has an adequate pressure managing, monitoring and registering system. It is possible that the situation is even worse than shown in figure 2, although no major concerns were reported based on the data provided for 2014. At the sector level, performance at this indicator has improved by 2% as compared with 2013.

So, 2% of customers still continue to expect their suppliers to provide them with water that is at a satisfactory pressure level for household use (drinking and cleaning water, for washing and cooking).

Continuation of supply

In figure 3 and table 2, we see the percentage of customers who were supplied with water during the reporting period. Continuation of water supply is divided into three groups: (i) customers with 24 hours a day, (ii) customers with 18-23 hours of supply a day and (iii) those with less than 18 hours of supply a day. This is an important indicator of the quality of service, trust and customer satisfaction.

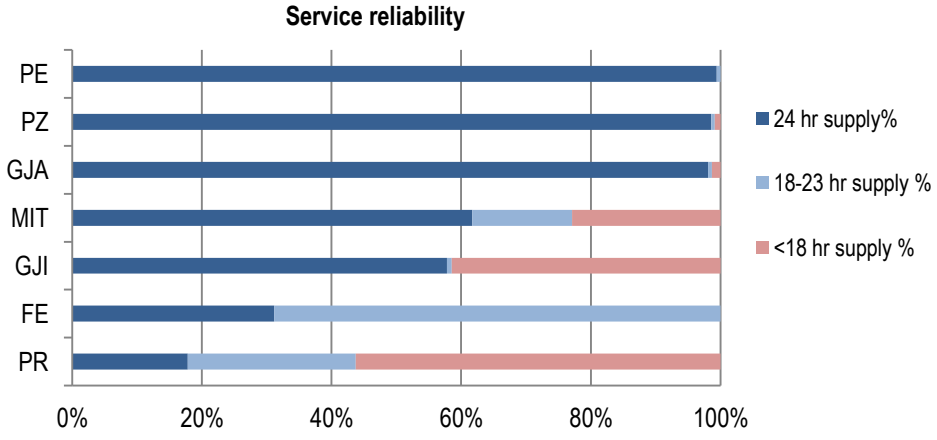

Figure 3, Continuation of water supply in 2014

In the first half of 2014, the country was characterized by a long and extreme drought. Service zones of RWC Prishtina and Hidromorava were most affected by this drought due to considerable deficit in water resources. This caused additional water shortages and also included other customers. So, there was a very low performance at these two RWCs. This resulted in the drop of sector performance from 59.2% in 2013 to 57.3% in 2014. This means that 43% of customers were faced with water shortages. Also, the category of 18-23 hours had the most customers (26.8%) who were supplied less than 18 hours.

Table 2, Drinking water supply

Supply in hours	24 hours water supply		18-23 hours water supply		<18 hours water supply	
Years	2013	2014	2013	2014	2013	2014
PR	22.3%	17.8%	38.4%	25.9%	39.2%	56.3%
FE	11.4%	31.2%	87.9%	68.8%	0.8%	0.0%
GJI	99.2%	57.8%	0.8%	0.7%	0%	41.5%
MIT	40.1%	61.7%	7.1%	15.4%	52.7%	22.9%
GJA	99.2%	98.1%	0%	0.6%	0.8%	1.3%
PZ	98.2%	98.6%	0%	0.6%	1.8%	0.9%
PE	99.3%	99.4%	0.7%	0.6%	0%	0.0%
AVG	**59.2%**	**57.3%**	**20.9%**	**15.8%**	**19.9%**	**26.8%**

Company which managed to supply its customers with drinking water almost 24 hours a day was RWC Hidrodrini, while RWCs Hidroregjioni Jugor and Radoniqi supplied its customers 24 hours over 98% of the time. There are occasional problems at these companies during summer season. Except RWC Prishtina and Hidromorava, during 2014 almost all companies showed progress in continuous supply. There is also improvement at the zone of RWC Mitrovica as a result of the addition of a new factory in Shipol that increased the capacity by 50%.

Pipe bursts

Indicates the number of defects (pipe bursts) on annual basis per 100 km of pipe length in the distribution system that is under company management. Level of defects in the primary supply network is mainly affected by factors such as the type of pipes, age of network, maintenance standard of the service provider, etc.

During 2014 number of defects per 100 km of length at the sector was reported to be lower (improved), from 363 (defects per 100 km) in 2013 to 279 in 2014.

Compared to 2013, level of bursts per 100 km of RWC Hidromorava network has fallen from 1,745 to 625.

Also at RWC Prishtina, number of defects has fallen drastically from 213 to 148 per 100 km of length, a the result of direct investment in the network.

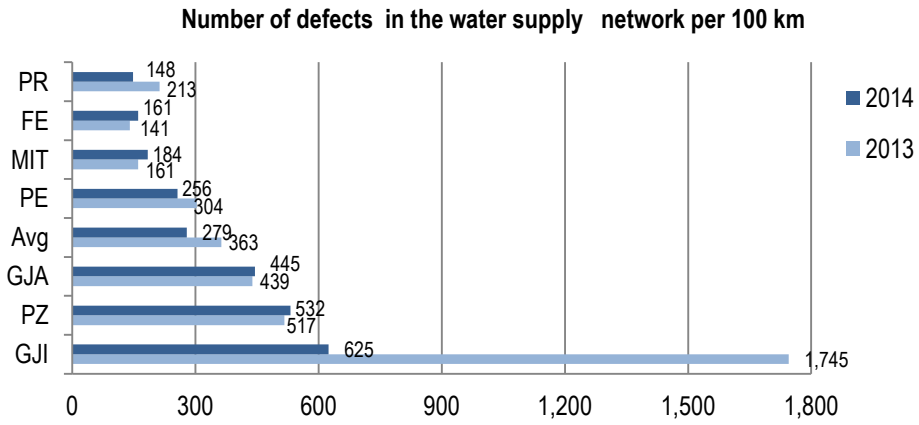

Figure 4, Pipe burst of water supply network

Improvements in this indicator during 2014 as compared to 2013 have been also noted for RWC Hidromorava, Prishtina ad Hidrodrini. RWC Bifurkacioni, Mitrovica, Radoniqi and Hidroregjioni Jugor have shown lower performance in 2014. This should be an indicator to those companies to invest in the maintenance and infrastructural renewal in order to avoid negative trends.

Non-revenue water (NRW)

Non-revenue water (absolute amount), it is the amount of lost water in the distribution system. This is the difference between the amount of treated water distributed in the system and the amount of billed water. NRW calculates technical losses (leaks) and commercial losses (unlawful connections, non-revenue customers, losses at meters, etc.)

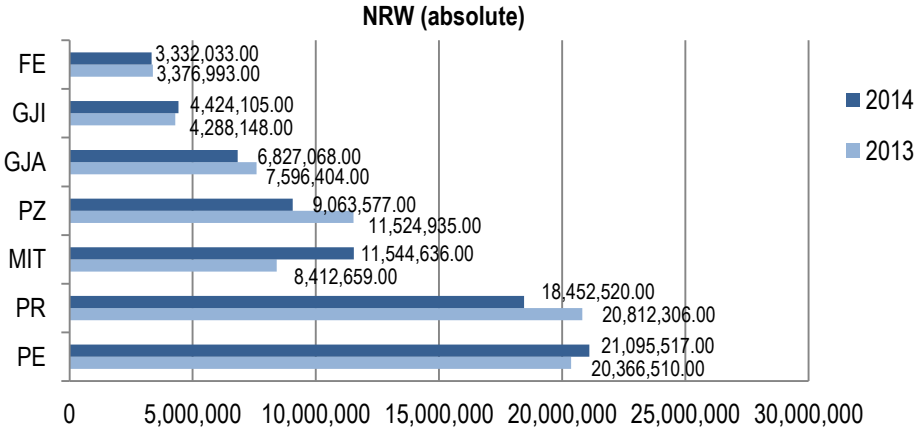

Figure 5, Non-revenue water (absolute amount)

At the sector level, water losses in quantities during 2013/2014 were lower by 1.6 million m^3. The reason for the decline in losses is lower production in most companies.

Companies where NRW was higher in 2014 as compared to 2013 are RWC Mitrovica, Hidrodrini and Hidromorava. Despite increase in water production at RWC Mitrovica due to expansion of production capacities from mid 2014, level of NRW did not improve.

At RWC Hidrodrini, the quantity loss during 2013/2014 through NRW was higher due the increase in production, despite the increase of billings.

The non-revenue water in liters per customer a day, during supply hours (continuous supply), is the average NRW in correlation with total customers at the service zone.

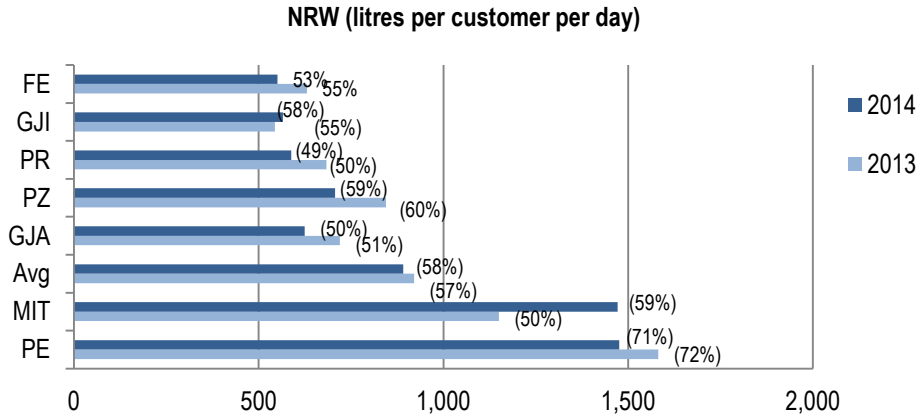

Figure 6, Comparative performance of NRW, presented (l/cons/d) and (%)[2]

At the sector level during 2013/2014, NRW liter per customer a day as an average has increased. Figure 6 shows that all companies except RWC Mitrovica and Hidromorava had lowered losses l/k/d.

Better performance in NRW, liters per customers a day for the supply hours was recorded at RWC Bifurkacioni, with the losses of 550 l/k/d.

NRW as a percentage of water production (%), at this section NRW was assessed as percentage of the quantity of water sold compared to the quantity of water produced. So, it is the ordinary indicator that is used to assess the level of water losses. Although it is easy to understand by the general public, there is a perception in various professional circles that this is not the most convenient indicator for the assessment of level of water losses. However, NRW remains a great challenge in this sector, for all RWCs without exceptions. The level of non-revenue water in percentage as the sector average in 2014 was at 57.6% as compared to 2013. Therefore, NRW was increased by 0.6%.

At RWC Mitrovica there is an increasing trend of NRW, from 50% in 2013 to 59% in 2014. The increase in NRW at this company comes from the increase in production capacities and the inefficiency in billing.

In most RWCs in 2013/2014 there was very little progress. RWC Prishtina with the NRW level of 49% during 2014 was better positioned than other companies although this level is still very high. Improvements in small percentages (not only in this company) can be attributed to the production fluctuations, not necessarily to the water billings.

[2] Value of NRW per connection per day is assigned so that it compensates hours of service per day.

On the other hand, the company with the highest level of NRW (71%) is again RWC Hidrodrini.

RWCs have to address this issue through planned action. Initially, they should reduce commercial losses which has the largest potential for eliminating shortages and also has the lowest cost, but also addressing physical losses which has a several times higher cost.

3.1.2 Commercial performance

This part of the report presents the analysis and discussion on the quality of service of RWC, conducted with the customers. Indicators which best present the performance are: water supply coverage, water measurement and customer complaints treatment.

Water service coverage

Coverage of water services is defined as the percentage of population within the service zone that gets water supply service. This indicator is analyzed through data from the last registration in 2011, on households from KSA and the number of active customers reported by the RWCs.

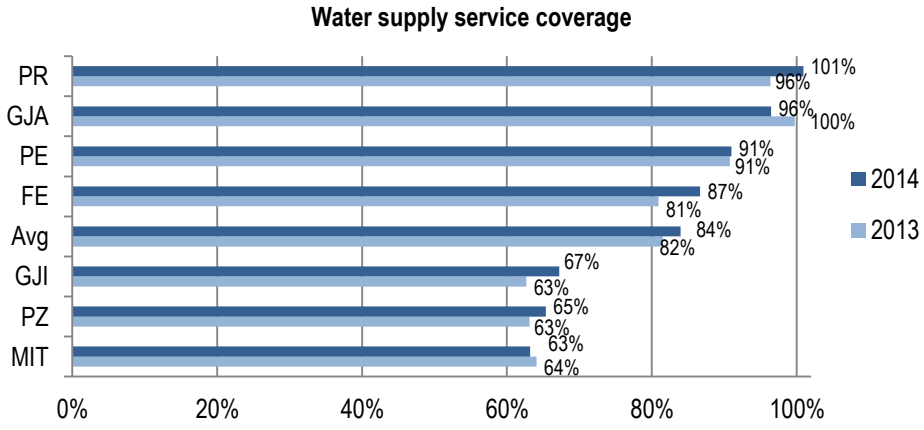

Figure 7, Coverage with water supply services

Coverage with water supply services has increased by 2%, and has reached 84% in 2014.

Inhabitants' influx from other towns to the capital and their non-registration as households despite their registration as customers by RWC Prishtina, means that this indicator for RWC Prishtina is not trustworthy. WWRO has requested from KSA to refresh the data on households but we received no response by the time of publishing this report.

RWC Mitrovica with 63% recorded the lowest level of coverage with water services during 2014, although the 2013 report shows the decrease of 1%. In general, most of RWCs have had good performance in 2014, with the exception of RWC Radoniqi and Mitrovica.

RWC Bifurkacioni showed the most progress in 2014 as compared to 2013, due to service area expansion. Number of customers in this company was increased by 1,500.

Water measurement

This indicator shows the proportion of customers equipped with a meter and the overall number of company customers in 2014. Water measurement is necessary in order to measure the amount of consumed water

and to bill customers accurately. It is also very important for managing the amount of produced and sold water.

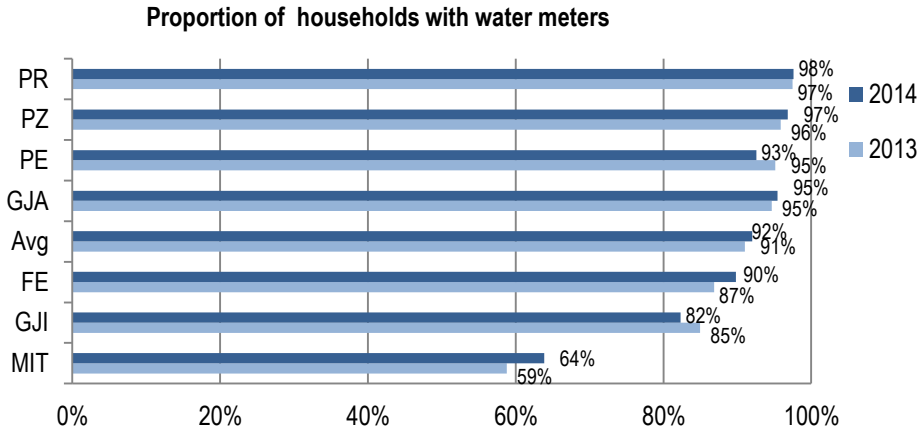

Figure 8, Proportion of households with water meters

Figure 8. shows the percentage of households with meters in correlation to the overall number of serviced customers.

The company that leads in 2014 with the highest proportion of household meters is RWC Prishtina with 98% of coverage. On the other hand, the company with the lowest level is RWC Mitrovica with 64%. It is encouraging that compared to 2013 there is a 5% improvement in supply of meters at this company.

Increase of coverage in meters during 2014 was recorded in all RWCs except RWC Hidromorava and Hidrodrini.

During 2014, all RWCs reported installing 6,000 new meters for households. Overall proportion of customers with meters has increased to 92% in 2014.

The slow increase in the proportion of customers with meters is also because of the need to replace old and damaged meters, which are present at all RWCs.

Complaints

Customers have the right to complain when they do not receive guaranteed service from their service provider. Complaints are crucial in measuring customer satisfaction. Service providers will treat those within a certain time period as well as keep the refreshed registry of customer complaints.

This indicator shows the overall number of complaints accepted by RWC about water and wastewater services and show written or verbal dissatisfaction. A reduction in the number of complaints can also show that the customers are loosing faith in the service providers because their complaints are not treated.

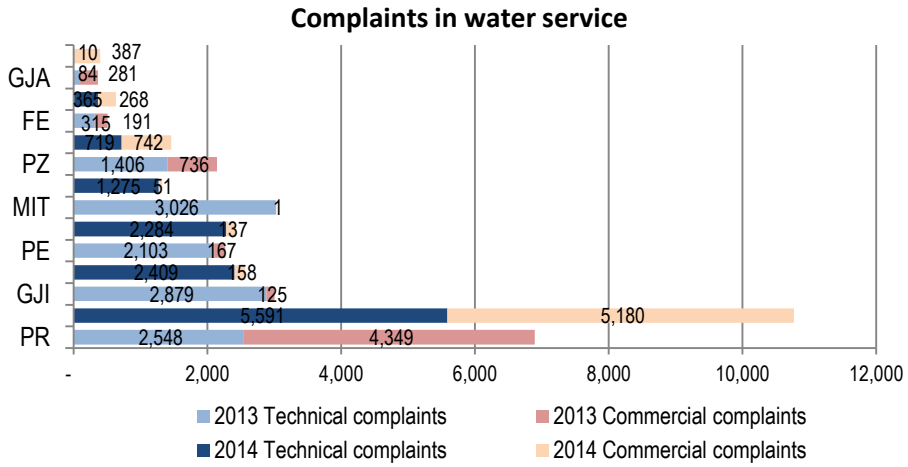

Figure 9, Complaints about water services

WWRO has requested that the companies report the total number of complaints specified in two categories: (i) Technical complaints, related to operational aspects and (ii) Commercial complaints, related to financial aspects.

Number of complaints about water services in 2014 totals 19,576, 12,653 or 2/3 of which are technical, related to the water leaks or other operational aspects, while 6,923 or 1/3 are commercial, related mainly to contesting invoices or other similar irregularities. Number of complaints by the customers both technical and commercial during 2014 has increased by 1,365 or 7%, The most number of complaints regarding water supply in 2014 were made to RWC Prishtina, with 10,771 or approximately 100 complaints per 1,000 customers.

The least complaints were addressed to RWC Radoniqi, 397 complaints in 2014, of which 10 technical complaints and 387 commercial complaints, or approximately 13 complaints per 1,000 customers.

Sector average in 2014 was approximately 68 complaints per 1,000 customers.

The increase in complaints was due to increase in customer awareness and the belief that it is worth complaining since most companies are dedicated to registering, considering and addressing regularly customer complaints. When one customer has a reason for complaint, those are usually not pleasant and sometimes even serious. Therefore it is of extreme importance that customer complaints are treated as required. The response should be prompt, relevant and easy to understand.

Volume of water sales

This indicator shows the volume of water sales in correlation with planned sales as set in tariff application at RWC, during tariff process (2012-2014).

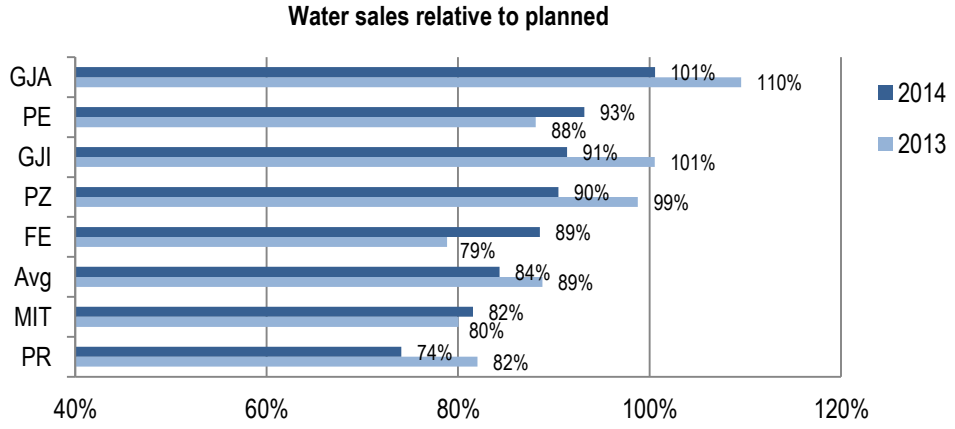

Figure 10, Water sales in correlation with planned sales during tariff assessment (2012-2014)

At the sector level, actual sales figures in correlation to planned sales have shown poor performance. From 89% in 2013, it dropped to 84% in 2014. All RWCs had planned the sales of 61 mil. m^3 water, while they only managed to sell 52 million m^3, which is lower by over 9.7 million m^3.

The company that had the poorest performance in water sales was RWC Prishtina with only 74%. As compared to 2013, this company's performance was lower by 8%.

Not reaching the planned objectives in water sales resulted in companies not fulfilling their financial quota, especially in making allowed capital investments.

3.1.3 Financial Performance[3]

This sub-section of the report assesses financial indicators that reflect financial sustainability of RWC in: invoicing, operational and capital cost for water supply services.

Value of sales (EUR)

Total water sales value is an important indicator of financial performance that covers operational expenses and capital maintenance. Around 90% of RWC income comes from water supply services. So, this is RWC's income from provision of water supply excluding other possible ad-hoc revenues.

Level of invoicing for water services as compared with the agreed objectives with RWB (2012-2014) for 2014 is shown on figure 11.

[3] All values are in EUR, regulated according to basic pricing for 2014, to ensure proper comparison between years.

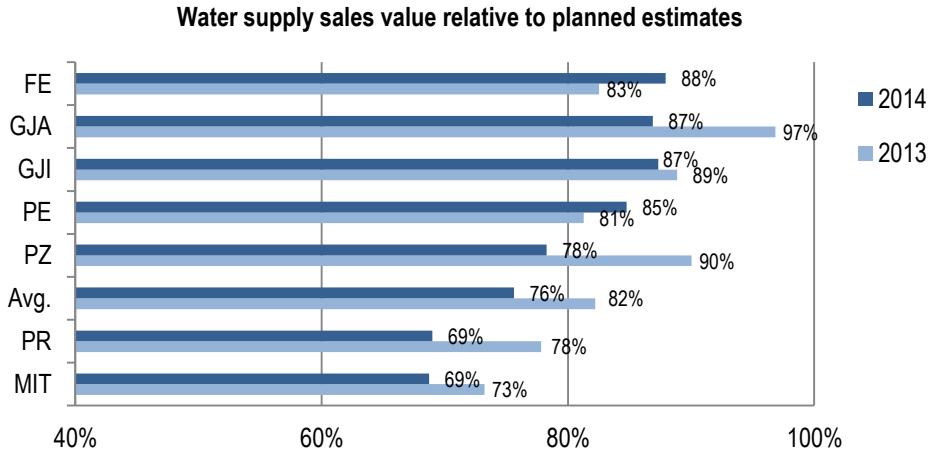

Figure 11, Sales value from water supply in correlation with planned sales

On both the individual level of RWC and the overall average, the trend of not reaching sales projection has continues. Total projected sales value in 2014 was 33.4 million EUR, while actual sales amounted to 25.4 million EUR or 76%, which was lower by 6% from what was achieved in 2013. While in 2013, the value of water sales was 25.94 million EUR, in 2014 all RWCs could invoice 25.24 million EUR which is 0.634 million EUR lower than in previous year.

Planned sales at RBP are naturally increasing for RWCs. In 2014, sales expectations were higher by 6% as compared to 2013. The lack of sales was mainly the result of inefficiency of RWC to increase the quantity of sales, but one part can be attributed to the decrease in production that was lower by 2% than in the previous year 2013.

The best sales performance of all companies was at RWC Bifurkacioni with 88% of planned sales target. Also planned sales were 5% higher in this company compared to 2013, followed by RWC Hidrodrini with the 85% of planned sales target and progress of 4%. RWC Mitrovica has the lowest percentage of only 69% of the targeted sales, 4% lower than in the previous year 2013, although there was an increase in production in 2014.

Relative sales value of water supply

Figure 12, reflects trends in actual sales in the reporting year 2014 as compared to 2013.

There are only seven RWCs that had shown progress in 2014. Highest sales of around 11.34% were made by RWC Hidrodrini, followed by RWC Bifurkacioni with 9.17%. RWC Prishtina, Hidroregjioni Jugor and Bifurkacioni, are below the sector average, with the fall in sales in 2013/2014. In the absolute value, sales in 2014 as compared t 2013 are 2.45% lower at the sector level.

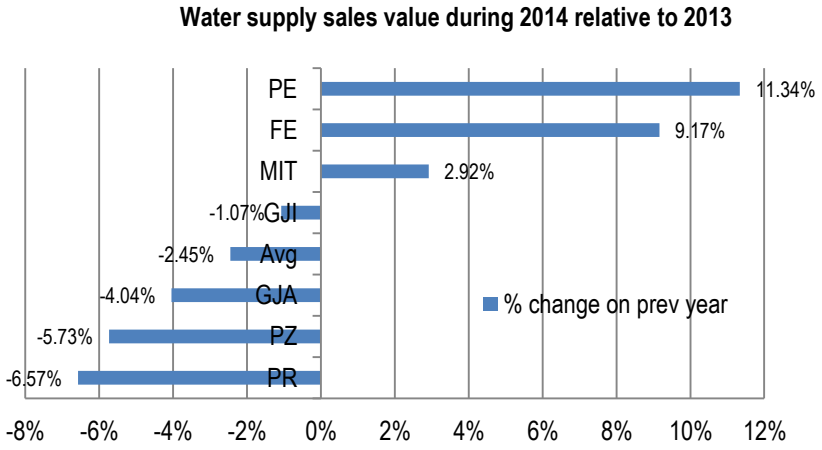

Figure 12, Value of sales of water supply during 2014 compared to2013

Costs per unit

In this part of the report costs were assessed and discussed as pertaining to: expenses in production unit, total costs per water supply unit, as well as total costs per water supply unit compared to planned costs.

Production costs, cost per produced water unit, is also an important financial indicator that assesses operational expenses for the production of one m^3 of water.

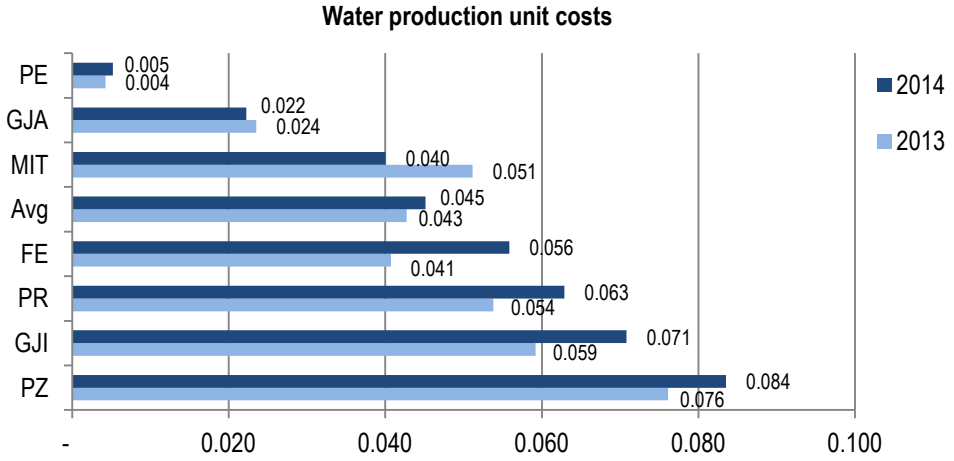

Figure 13, Cost per produced water unit during 2012 as compared to 2011

At the sector level, average cost of one produced water unit in 2014 had a marginal increase from 2013 of 0.01 EUR/m^3.

The lowest cost of water production varies between 0.001 EUR/m^3 at RWC Hidrodrini, to 0.08 EUR/m^3 at RWC Hidroregjioni Jugor. The cost of production usually depends on the type of supply system, e.g. gravity supply is cheaper to operate than the pump system and also the source of a higher water quality reduces costs of production, such as at RWC Hidrodrini.

This year's higher costs of produced water at RWC Hidroregjioni Jugor were affected by higher expenses for water treatment, especially by energy expenses and fuel for pump operation.

Total unit cost of water supply is a total expense including operational expenditures and expenses for capital maintenance of business activity for water supply, excluding capital return and bad debts, all in correlation to the water sales for the same reporting period.

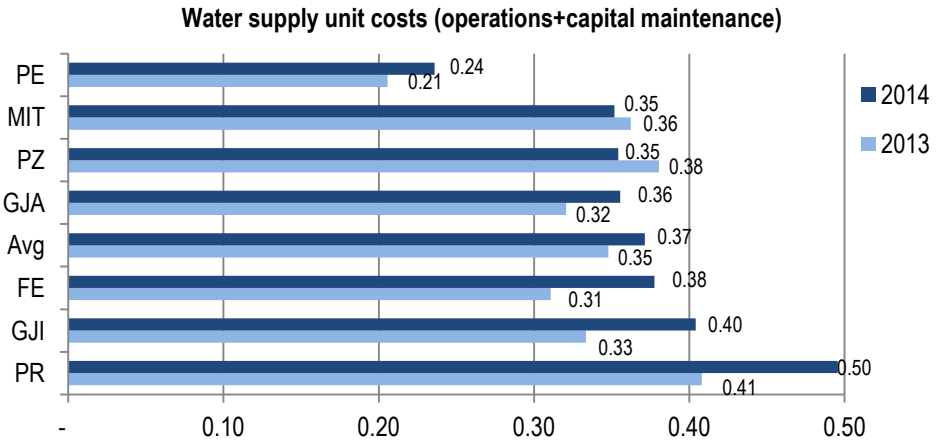

Figure 14, Unit of water supply, EUR per sold m^3

Unit cost of water supply at sector level in 2014 compared to 2013 was higher by 0.02 EUR/m^3.

As seen from above figure, RWC Hidrodrini had the lowest cost level of all other companies by 0.24 EUR/m^3, which is 100% lower than at RWC Prishtina at 0.50 EUR/m^3 per sold and paid water unit.

Costs in 2013/2014, except in RWC Hidroregjioni Jugor and Mitrovica, have shown an increase. The trend was especially significant in RWC Prishtina, with a 0.09 EUR/m^3 increase.

The increase in cost per unit of supplied water can be attributed to the decrease in volumetric sales and significant increase in total operational costs of water services and average sector level at most RWCs. High water losses had also a big impact on the raising costs of produced and sold water.

Total cost per unit of actual water supply compared to planned amounts, is one of the main financial indicators and as such it affects water supply performance. This indicator presents actual unit costs of water supply in correlation with planned costs[4] per water supply unit.

Achieving planned costs per unit as derived from the tariff assessment 2012-2014 (regulated according to price levels from 2014), were lower than planned at most RWCs, except RWC Mitrovica and Hidroregjioni Jugor.

At the sector level, reaching unit cost objectives for water supply in 2014 has moved from planned objectives of 90%. Norm of 123% was 14% higher than in 2013.

[4] Total costs and planned costs consider the costs of planned operating expenses including capital maintenance in relation to the quantitative value of billed water.

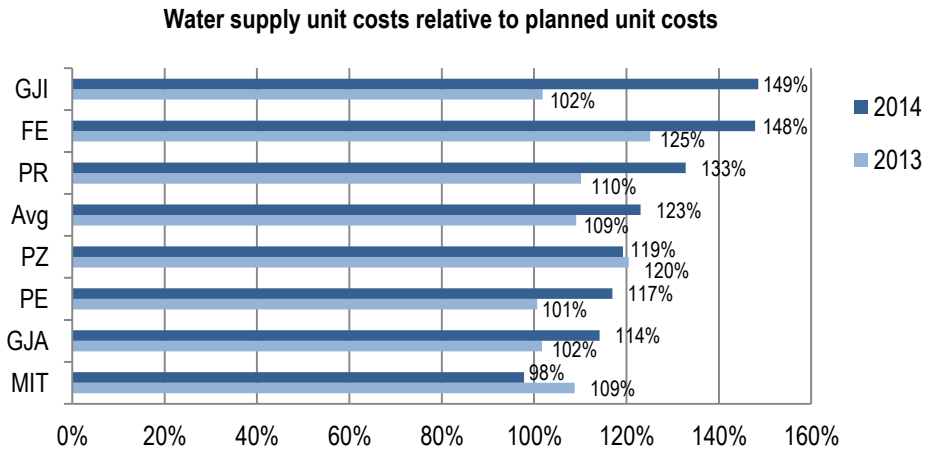

Figure 15, Cost per water supply unit in correlation with planned unit cost

The best performance in this indicator had RWC Mitrovica, with the unit cost realization of 98%, while the weakest performance was that of RWC Hidromorava and Bifurkacioni. The reason for poor performance was the high operational cost at RWC and non-implementation of capital investments, as well as water sales at planned values during tariff process. Current level of operational expenses is due to the operational inefficiency and high number of personnel at most RWCs.

Water capital investments

Those are total capital investments for maintenance and capital increase for water services in correlation with capital investments approved in the business plan (2012-2014) for the year 2014.

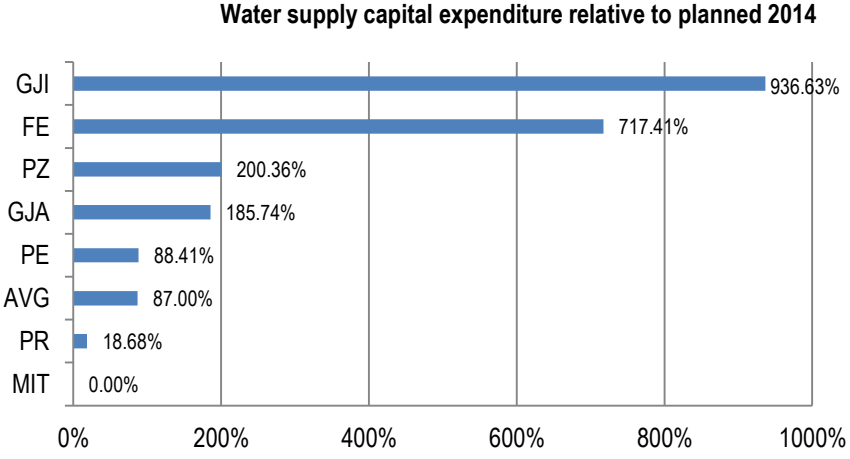

Figure 16, Actual capital expenses for water supply in correlation with planned ones

In total, RWC plans for 2014 from both internal finances and donor support were 10.65 mil. EUR. Most of the investments (8.8 mil EUR) were planned for capital maintenance, while the other 1.8 mil. EUR were planned for capital increase. Level of projected investments in total was 9.2 mil. EUR or 87%. Investment performance in correlation to planning of 87% has increased as compared to 2013, when the investment level was at 57%; however, planning for 2013 was more ambitious with 25.7 mil. EUR.

The highest percentage of investments were planned by RWC Prishtina, 8.1 mil. EUR, while only 1.5 mil EUR or 18.7% were realized. Other companies have envisaged lower levels of investment in water supply services, fluctuating between 0.2 to 0.8 mil EUR, or as was the case of RWC Mitrovica which has not planned any investment in 2014. Most of the high levels of investments were declared by RWC Hidromorava and RWC Bifurkacioni, but also by RWC Hidroregjioni Jugor, which were higher than those planned at RBP and were mostly donor investments (grants) than financed from internal resources. Budgeted amounts by the RWC continue to be lower than planned investments and the requests by the sector. However, there are encouraging signs that the RWC orientation in last years is the dedication to capital maintenance. This should in turn result in improving the asset base and service levels. High level of NRW and the number of network bursts is proof how necessary are the capital investments in network maintenance.

Table 3, Value of investment in water service

Investment in water services from internal resources and grants for 2014				
Company	Inv. in production	Inv. in distribution	Inv. in business activities	Total
Prishtina	358,976	719,319	382,730	1,461,025
Hidroregjioni Jugor	115,803	662,442	44,885	823,130
Hidrodrini	-	436,900	300,469	737,369
Mitrovica	-	-	-	-
Radoniqi	730,285	248,949	157,955	1,137,189
Bifurkacioni	182,000	2,881,758	6,942	3,070,700
Hidromorava	1,790,769	178,240	-	1,969,009
Total	**3,177,833**	**5,127,608**	**892,981**	**9,198,422**

3.2 Wastewater services

3.2.1 Technical performance

This part of the report presents analysis and comments on individual RWC performance in wastewater services including: operational aspects, customer and financial services, in few of the main performance indicators for this service. Since the treatment of wastewater has not begun, WWRO could not assess the indicators of wastewater discharge during this year and trust in the service. Below are the information only regarding the coverage and trust in wastewater operations that are influenced by failures in wastewater services per 100 km of main network.

Frequency of wastewater blockage

This shows the number of reported incidents regarding wastewater blockages from RWC per 100 km of the wastewater system. The aim of this indicator is to report the number of blockages in the wastewater system. One blockage is partial or complete blockage that causes spills outside of the system. It is an important indicator of wastewater services, linked to the costumer satisfaction regarding offered services.

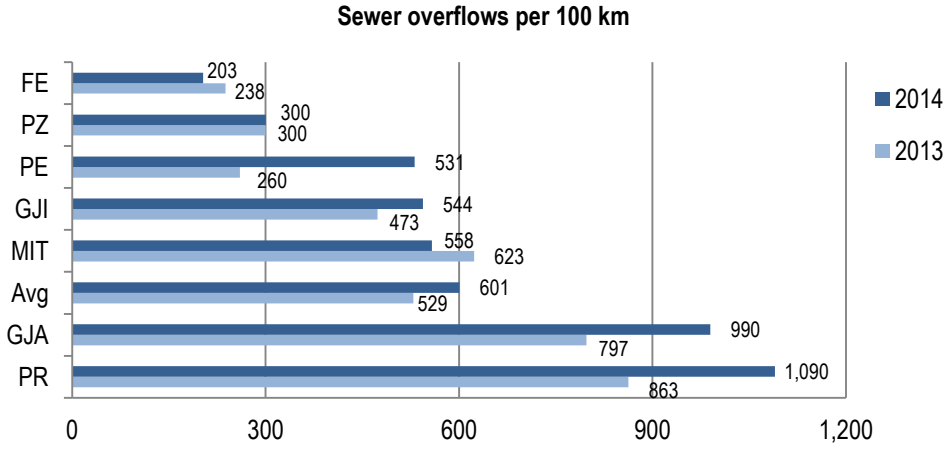

Figure 17, number of wastewater blockages

Figure 17, shows that during 2014 the number of blockages in the wastewater system per 100 km was 19% higher than during 2013.

RWC Prishtina and Radoniqi had the highest levels of blockages, RWC Prishtina had 1,090 while RWC Radoniqi had 990 blockages per 100 km of network. On the other hand, RWC Bifurkacioni with 203 blockages and RWC Mitrovica had improved in comparison to previous year.

Low performance levels of the national wastewater system, which does not fulfill European standards, is the result of lack of maintenance (cleaning) and insufficient investments in the wastewater system. Lack of an adequate program by most RWCs for cleaning the wastewater system resulted in the increase of blockages every year.

In 2014, a dry period (first half of the year) was followed by intensive rain (second half of the year), which resulted in floods in almost all of Kosovo. This led to the complete halt of the wastewater system, with wastewater spilling outside of the system and causing considerable damage especially in urban areas.

Wastewater services coverage

Coverage with wastewater and wastewater services is defined as the percentage of population within the service zone that have access to adequate wastewater.

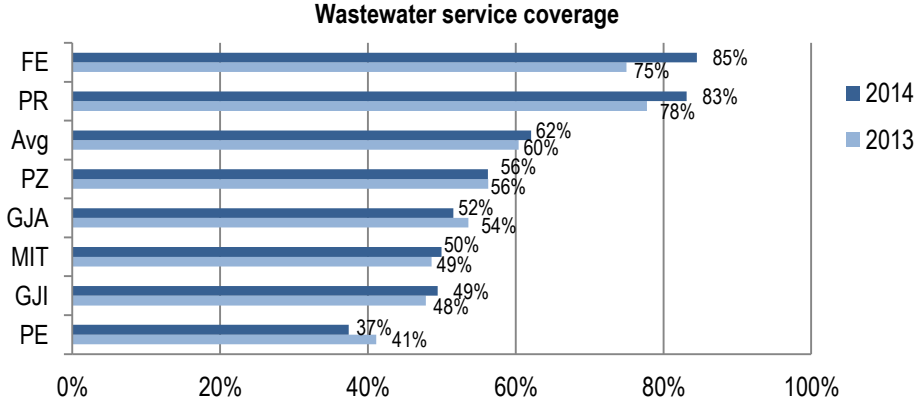

Figure 18, Wastewater coverage services

Wastewater services coverage at the sector level has continued to grow gradually and in 2014 reaches 62% that means that it has improved by 2% compared to 2013.

Considerable increase in wastewater coverage was noted in the RWC Bifurkacioni area, 10% higher than in 2013. RWC Prishtina has also improved in 2014, 5% more than in previous year.

Lowest wastewater services coverage of all RWCs has RWC Hidrodrini, with only 37% of coverage in its area.

3.2.2 Commercial performance

Complaints

This indicator reports the overall number of complaints accepted by RWC from its customers about wastewater services. It is a form of customer dissatisfaction towards service providers in written and verbal form. So, the number of complaints is an indicator of a level of customer services and customer satisfaction in the offered services.

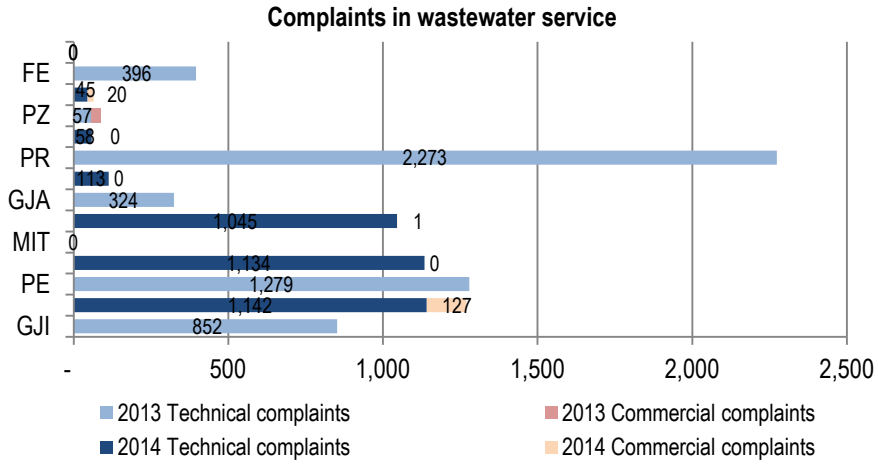

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Figure 19, Complaints in wastewater services

Figure 19, given above, reflects the total number of registered technical and commercial complaints in wastewater services. Technical complaints deal mainly with operational issues such as wastewater blockages. Commercial complaints are more due to contests regarding the accuracy of invoicing.

Number of complaints by the customers in 2014, both technical and commercial, have fallen by 32% in 2014 compared to 2013. Total number of complaints for wastewater services during 2014 was 3,685, out of which 3,537 were technical while only 148 were of commercial nature. The company that hasn't reported any complaints on wastewater services was RWC Bifurkacioni, as customer complaints were not refreshed as needed by the company.

The lower number of customer complaints on wastewater services in 2013/2014, contradicts the fact that in 2014 there was a high number of wastewater incidents (blockages), and it is most likely the result of non-refreshment of data as in the case of RWC Bifurkacioni.

3.2.3 Financial Performance[5]

In this sub-section of the report, financial indicators show financial sustainability of RWCs, such as: sales, operational and capital costs for wastewater services.

Sales value of wastewater services (EUR)

Figure 20, as shown below, indicates sales performance of wastewater services in comparison with planned assessments as set through the applicable tariffs at RWC, in the tariff process 2012-2014.

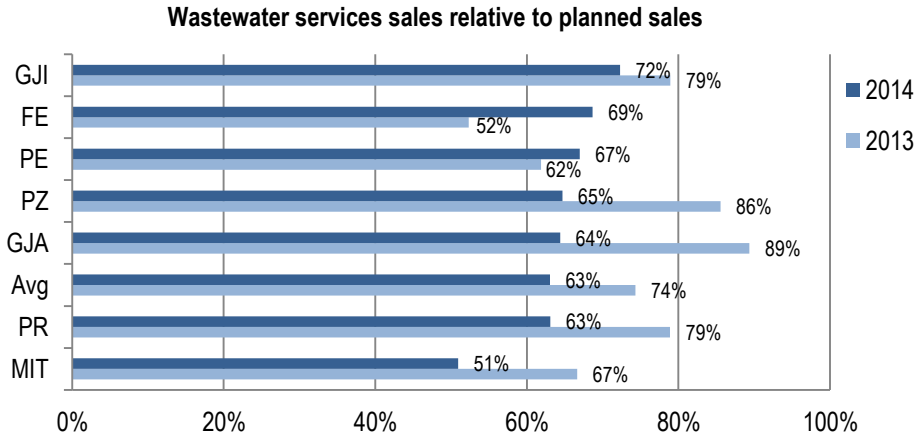


Figure 20, Sales of wastewater services in comparison with planning

Sales of wastewater services are linked with the quantity of water sales. Due to considerable under-performance of current water sales compared to planned sales, the actual value of wastewater services sales is also below the planned sales.

As seen from figure 20, none of the RWC could reach wastewater sales objective during 2014. Moreover, those were lower than in 2013 for all RWCs, excluding RWC Bifurkacioni and Hidrodrini.

Sector objectives for 2014 were at 63%, which is 11% lower than in 2013. RWC Bifurkacioni had the highest percentage of sales in comparison with other companies at 17%. Also RWC Hidrodrini has improved the wastewater services sales for 5%.

Relative value of sales of wastewater services - there are only three companies, RWC Bifurkacioni, Hidrodrini and Mitrovica, which had a higher wastewater services sales percentage than in 2013. RWC Bifurkacioni had a 35% increase in sales, followed by RWC Hidrodrini with 25%.

[5] As in the performance report on water supply, all amounts are in EUR and regulated in accordance with the basic price for 2014.

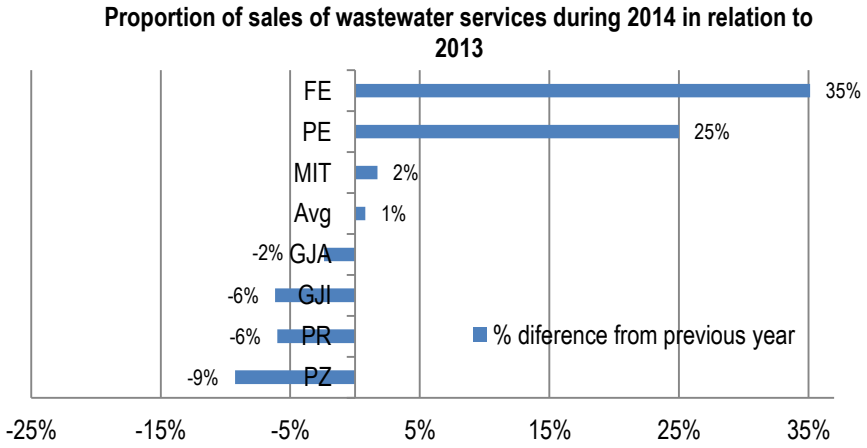


Figure 21, Relative value of sales of wastewater services during 2013 in comparison to 2012

At the national level, in 2014 sales were higher by 0.8% as compared to 2013.

RWC Radoniqi, Hidromorava and Hidroregjioni Jugor had negative sales values, which were also below the average sector level for wastewater sales.

The total sales per unit for wastewater services realized in relation to planning

Total unit cost for wastewater services is a financial indicator that, along with water supply, is one of the main indicators for measuring RWC performance for wastewater services. This indicator shows cost efficiency (cost per water unit sales compared with expectations and business plan).

Level of reaching planned unit costs derived from tariff assessment (2012-2014) was lower or equal than 90%.

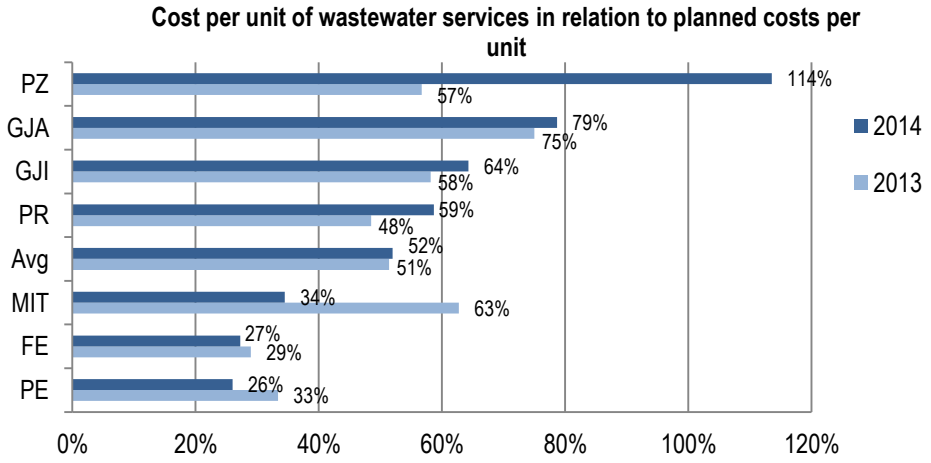


Figure 22, Unit cost for wastewater services in correlation with planned unit costs

Performance indicated at figure 22 was lower than planned for all RWCs. However, this is not an indicator of better than planned efficiency since planned unit costs include operational expenses that were 23% higher than planned, as well as the low investments on capital maintenance.

Total unit cost for wastewater services

Unit costs for wastewater services are defined as annual costs (total operational costs for wastewater, including capital maintenance of wastewater) in correlation with served[6].
Unit costs for years 2013 and 2014 are shown in figure 23.

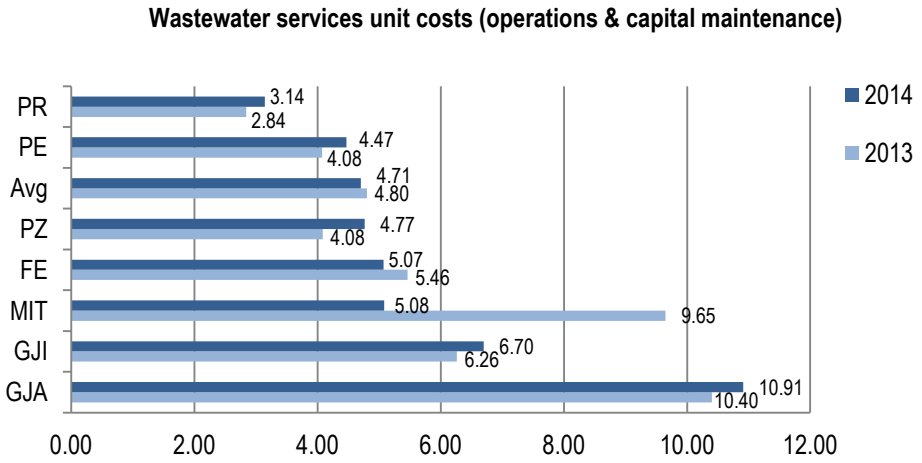


Figure 23, Unit costs for wastewater services (operational + capital maintenance)

Unit cost for wastewater services at the sector level for 2014 compared to 2013 was 4.71 EUR/customer, a downward trend, mainly because of lack of investment in capital maintenance of the network during the reporting period.

Highest unit costs for wastewater services are still those of RWC Radoniqi, while lowest costs were those of RWC Prishtina.

Unit costs for wastewater services in Kosovo are very low compared to those of the European nations due to the lack of treatment of wastewater.

It will remain at those levels for not much longer, as there is a need and warning for improvement in wastewater services in Kosovo and building of plants for wastewater treatment and expansion of service network.

Capital expenses for wastewater

These are total capital expenses for maintenance and capital increase in the wastewater service, in correlation with capital expenditures approved by RBP for 2014.

[6] Domestic customer served are defined as the current number plus number of not domestic customer converted to equivalent domestic customer based on proportional allocation of water consumed.

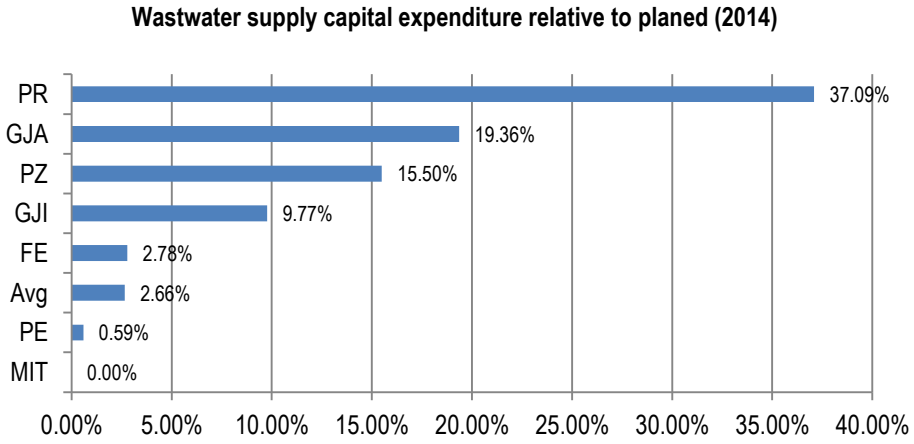


Figure 24, Capital expenses for wastewater services compared to plans for 2014

General projections of RWC for capital investments in wastewater services for 2014 were 13.47 mil. EUR in total, to be secured through internal revenues and donors, but in reality expenditures were way lower than expected at 0.355 mil. EUR or 2.66%.

The total amount of 13.4 mil. EUR was presented due to ambitious projections of RWC Hidrodrini, with a total of 11.7 mil. EUR. A smaller amount was meant to rehabilitate wastewater network while most of it was dedicated to wastewater plant. RWC Hidrodrini projections were welcomed by WWRO, also because wastewater (wastewater) services offered by this company are at the lowest level. Realized projections for 2014 by this company are the lowest at 1%/ KRU Prishtina and Hidroregjioni Jugor are leaders in capital investments in the wastewater services with 37% (Prishtina) and 30.1% (Hidroregjioni Jugor), while RWC Mitrovica did not make any investment as they did not project any investment in this sector.

It is disappointing that despite huge requests for investment in these services, budgeted amounts by RWC and national development agencies continue to be very low compared with the demand.

Table 4, Value of investments in wastewater service

Realization of investments in wastewater services from internal revenues and grants in 2014

RWC	Inv. in collection	Inv. in treatment	inv. in discharge	inv. in business activities	Total
Prishtina	130,559.00	0.00	-	9,748.00	140,307.00
Hidroregjioni Jugor	0.00	86,003.19	-	4,987.00	90,990.19
Hidrodrini	35,599.00	0.00	-	33,385.00	68,984.00
Mitrovica	0.00	0.00	-	0.00	0.00
Radoniqi	0.00	0.00	-	35,889.00	35,889.00
Bifurkacioni	5,222.80	0.00	-	858.00	6,080.80
Hidromorava	0.00	0.00	-	13,644.36	13,644.36
Total	**171,381**	**86,003**	**-**	**98,511**	**355,895**

3.3 Financial performance of RWC

Income collection

It is a proportion between collected and the total of invoiced amount. Calculation considers only invoices for water and wastewater (fixed tariff, water and wastewater volumetric). So, those do not include other possible company income. This is one of the main indicators that besides water losses has a direct impact on company's financial sustainability.

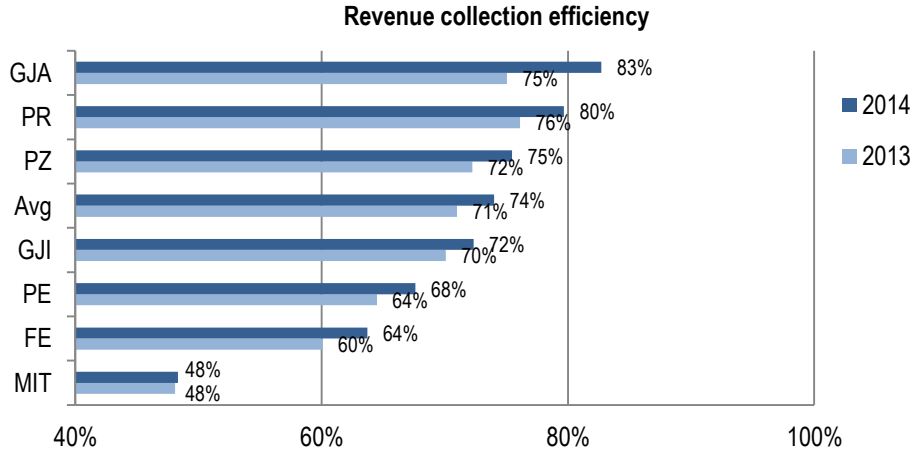


Figure 25, Efficiency in revenue collection

Figure 25, reflects the individual efficiency of RWC in revenue collection for offered services. In 2014, there is an improvement in the efficiency of debt collection for water supply and wastewater services. The improvement sector average is 3%. This means that sector collection average for 2014 is at 74%. In 2014, all RWCs had a positive trend in collection indicator, except RWC Mitrovica that had similar performance (48%) with 2013. In 2014 there was an improvement for RWC Radoniqi by 8%, RWC Prishtina by 4% and RWC Hidroregjioni Jugor by 3%. This percentage is even higher as the water sales at those three companies were lower than in 2014, so the collected amount (in cash) is considerable lower than one year before.

Set objectives through regulatory processes (tariffs) cannot be reached this year. At the sector level, there is a 1% difference with the planned norm of 76%.

Although the improvement is gradual, the efficiency in collection from households is a challenge for all RWCs. Low commercial under-performance and failure to reach targets in revenue collection has resulted in the lack of expected cash for investment. This was the main reason for failing to fulfill planned investment objectives for RWCs.

In 2014 there was a general dedication by all RWCs in increasing the efficiency of revenue collection for offered services. Operational measures (disconnections) and case proceedings through private bailiffs seems to have brought results.

Capital return

Defined as the return on regulatory asset base presented through annual income and capital increase from investments as percentage of the original investment. In the tariff process 2012-2014, we have appropriated a real return value (after inflation) of 5.3%, on the asset regulatory basis (RAB).

Capital return is necessary to ensure that investors trust the sectors, if companies want to attract investments to improve the assets in order to reach necessary service levels. Real norm of return on capital is based on good practices from the Western Europe.

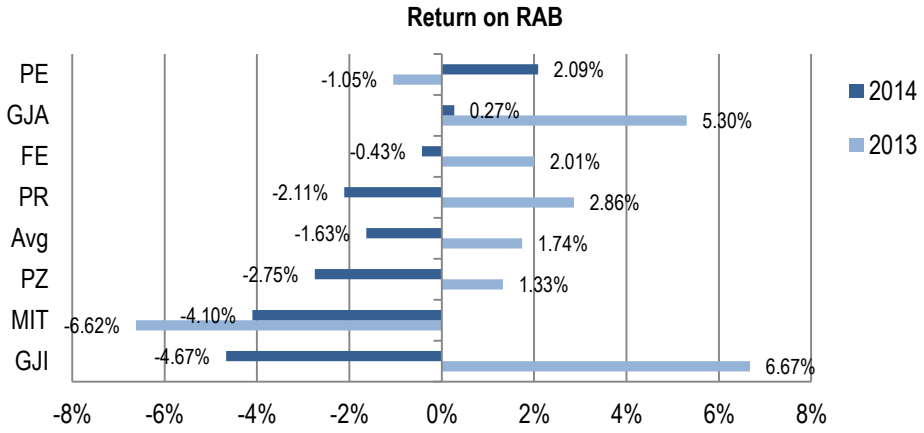


Figure 26, Return on the regulatory basis of assets (RAB)

Capital return on sector level is negative at 1.63% for 2014, as opposed to 2013 when it was a positive figure. Only two RWCs (Hidrodrini and Radoniqi) had positive returns, although capital return is lower than planned at 5.30%. In comparison to previous year, RWC Mitrovica showed improvement, although the return was still negative. Despite this other RWCs (Hidromorava, Hidroregjioni Jugor, Prishtina and Bifurkacioni) have shown negative trends, which means that they could not hold their expenses including depreciation through actual costs and infrastructural maintenance at BRA, within their income.

3.4 Overall performance of RWC

Reasonability

Monitoring performance and benchmarking are essential for the development and policy application, aimed at improving performance of water service providers. If a decision-maker does not know where they were and how they are currently positioned, it will be impossible to set reasonable objectives for going forward. Information about RWCs on operational and financial aspects, as well as customer services are important for good management and monitoring. Reporting framework and performance assessment methodology by WWRO requires from RWCs reporting on regulatory requests that have costumers' benefits as focus. Performance assessment measures and compares the following areas:

i) Relative performance towards business plans 'promises' (performance comparison against tariff proposals/goals)

ii) Absolute/relative performance towards ideal performance expectations

iii) Relative comparative performance between RWCs and performances from previous years and

iv) Sector performance (information for policy-makers and donors, etc.)

Performance reporting framework (data, indicators and definitions) are harmonized with other regulatory means (company business plans, regulatory accounts, tariff process, service standards), which were needed for measuring performance not only between previous years, but more importantly between agreed performance goals in tariff applications.

Performance assessment

Performance assessment of RWC is done based on Key Performance Indicators which meet the criteria of being important, reflect trust in the service, as well as promote financial efficiency in two services: water and wastewater supply. Performance assessment is in line with good international practices applied by sector regulators, where in focus are specific regulatory requests at special service levels and cost implications for the customer. In use is a performance assessment concept which functions well and offers efficient services (ideal performance) in water and wastewater supply based on the quality of water, service levels, coverage and commercial and financial efficiency.

Criteria for measuring water and wastewater supply performance are such that 100% reflects offering a level of service comparative to the performance of a modern, well-functioning water and wastewater service provider.

Based on performance results in 2014, WWRO has made the assessment and ranking of RWCs in three aspects: water supply, wastewater services and RWC's overall performance. Main reference used was their performance in correlation to ideal performance objectives.

3.4.1 Water supply services

Performance assessment and RWC ranking in water supply services was made through five (5) Key Performance Indicators:

(i) **Service coverage**, aiming total coverage (100%) in particular service zones;

(ii) **Quality of supplied water**, which is 100% in accordance with specified national standards;

(iii) **Water pressure,** within national legal references with specified minimal (25 m.sh.u) and maximum levels (70 m.sh.u);

(iv) **Water supply availability**, continuous water for all customers, 24 hours a day;

(v) **Cost efficiency,** efficient cost for water unit sold, in accordance with expectation as per business plan.

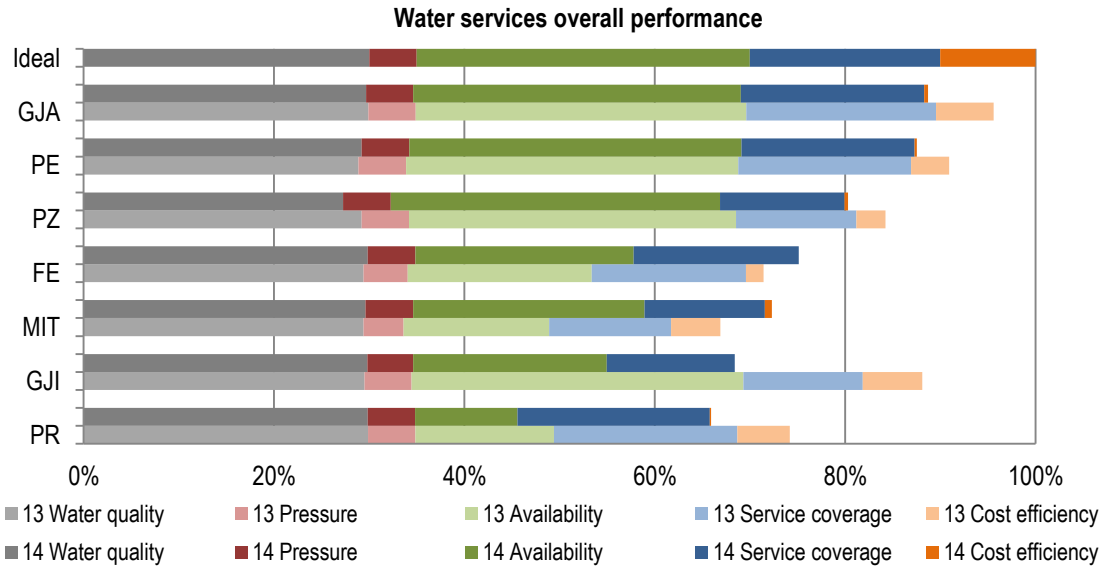


Figure 27, Water supply performance assessment results and RWC ranking

In general average performance level of water supply in 2014 is at 34.6%. This is lower for 2.13% compared to previous year (36.7%). Level shown in 2014 is 10.4% from the maximum 45%, which is the level for water supply performance.

Service standards' indicators are mainly sustainable, though are still at unsatisfactory levels. Few improvements were noticed in service coverage and pressure in the network. In two other indicators, water quality (0.13%) and supply continuity (0.82%) there is deterioration.

Financial performance of water supply represented through cost efficiency, irrespective of particular RWC, was lower by 4.3% in 2014 compared to 2013. This means that no RWC has reached projections in reducing operating expenses and increasing capital investments in correlation to water sales, as agreed and approved by the regulator in RBP (2012-2014).

Table 5, Overall performance results for water supply in 2013

RWC	Water quality	Pressure	Availability	Coverage	Cost Effic.	Total
GJA	30%	5%	35%	20%	6.04%	43.02%
PE	29%	5%	35%	18%	4.02%	40.92%
GJI	30%	5%	35%	13%	6.25%	39.65%
PZ	29%	5%	34%	13%	3.08%	37.91%
PR	30%	5%	15%	19%	5.53%	33.39%
FE	29%	5%	19%	16%	1.85%	32.14%
MIT	29%	4%	15%	13%	5.20%	30.11%
Ideale	30%	5%	35%	20%	10.00%	45.00%
Sector-Realization	29.5%	4.8%	26.9%	15.9%	4.6%	36.7%

Table 6, Overall performance results for water supply in 2014

RWC	Water quality	Pressure	Availability	Coverage	Cost Effic.	Total	Change 2013/2014
GJA	30%	5%	34%[7]	19%	0.40%	39.9%	-3.1%
PE	29%	5%	35%	18%	0.23%	39.4%	-1.5%
PZ	27%	5%	35%	13%	0.36%	36.1%	-1.8%
FE	30%	5%	23%	17%	0.00%	33.8%	1.7%
MIT	30%	5%	24%	13%	0.76%	32.5%	2.4%
GJI	30%	5%	20%	13%	0.00%	30.8%	-8.9%
PR	30%	5%	11%	20%	0.13%	29.7%	-3.7%
Ideale	30%	5%	35%	20%	10%	45.0%	
Sector	29.3%	5.0%	26.0%	16.3%	0.3%	**34.6%**	
Change 2013/2014	-0.13%	0.14%	-0.82%	0.38%	-4.30%	**-2.13%**	**- 10.4%**

All RWCs, except Mitrovica and Bifurkacioni, have shown poor performance in the reporting year. Poorest performance was shown by RWC Hidromorava and Prishtina, where besides the lack of cost efficiency, supply continuity affected badly general supply at those two companies, mainly because of the drought. RWC Mitrovica and Bifurkacioni have shown improvement in service standards. Also, supply continuity has improved in those two companies. At RWC Mitrovica, water supply has improved with the opening of a new factory that increased overall production capacities. Management of this company should note that cost efficiency was lower than in 2013.

[7] Highlighted numerical values in the red table show poorer performance in 2014 in relation to 2013.

3.4.2 Wastewater services

RWC performance assessment in wastewater services is done through four (4) main Key Performance Indicators:

(i) **Wastewater service coverage**, for performance reporting purposes 95% is considered ideal expectation;

(ii) **Quality of discharged wastewater[8],** in accordance with 100% of specified environmental standards;

(iii) **Trust in wastewater services,** zero houses affected by wastewater floods;

(iv) **Cost efficiency,** efficient cost per service unit for wastewater in households.

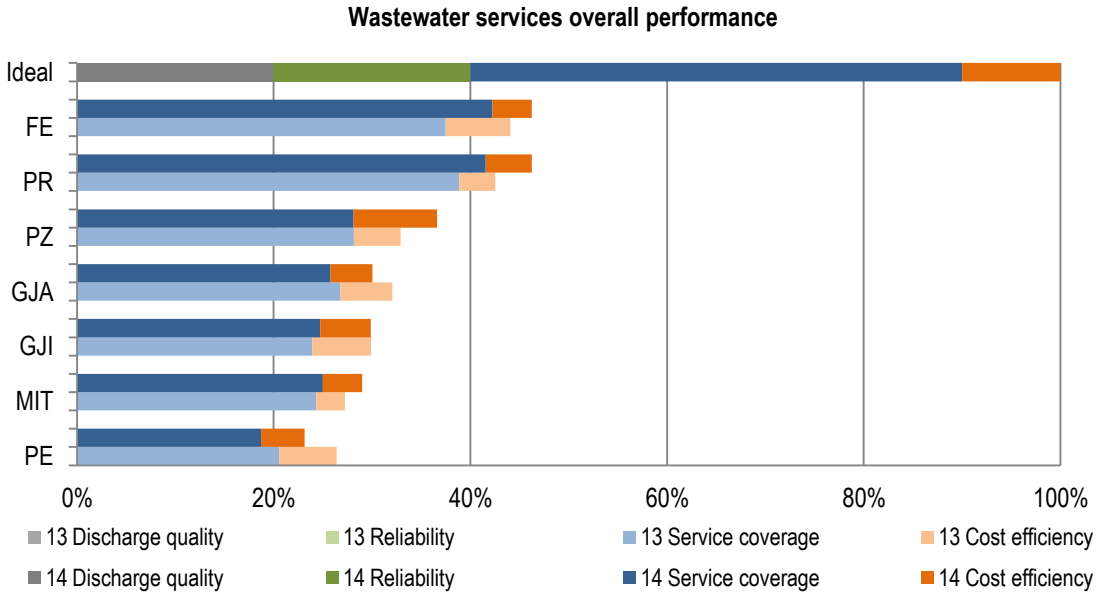


Figure 28, presents the results in the performance evaluation of wastewater supply and ranking of RWC

This year again WWRO could not assess the performance of two out of four indicators of wastewater services regarding its treatment. Two of the main standards have an important impact on environment. In general, in 2013/2014 there was little improvement (0.3%), mainly with regard to wastewater coverage. Overall performance level was only 12.1%. So, RWCs have a lot of room for improvement (22.9%) to reach the aimed level of 35% in this service.

Sector performance was poor also due to the fact that RWCs, local institutions and development agencies have offered limited financial support for the development of this sector.

[8]We cannot yet estimate quality and reliable disscharged indicators of wastewater treatment as there is no treatement of wastewater.

Table 7, Resuls of total performanse in wastewater service in 2013

RWC	Quality of Disscharged	Reliability	Coverage	Cost Effic.	Total
FE	0.0%	0.0%	37.49%	6.58%	**15.43%**
PR	0.0%	0.0%	38.88%	3.67%	**14.89%**
PZ	0.0%	0.0%	28.15%	4.75%	**11.52%**
GJA	0.0%	0.0%	26.80%	5.25%	**11.22%**
GJI	0.0%	0.0%	23.92%	6.00%	**10.47%**
MIT	0.0%	0.0%	24.32%	2.92%	**9.53%**
PE	0.0%	0.0%	20.58%	5.83%	**9.24%**
Ideale	20.0%	20.0%	50.00%	10.00%	**35.00%**
Sector	0.0%	0.0%	28.6%	5.0%	11.8%

Table 8, Results of total performance in wastewater service in 2014

RWC	Quality of Disscharged	Reliability	Coverage	Cost effic.	Total	Change 2013/2014-
FE	0.0%	0.0%	42.3%	4.0%	**16.19%**	**0.8%**
PR	0.0%	0.0%	41.6%	4.7%	**16.18%**	**1.3%**
PZ	0.0%	0.0%	28.1%	8.5%	**12.82%**	**1.3%**
GJA	0.0%	0.0%	25.8%	4.3%	**10.51%**	**-0.7%**
GJI	0.0%	0.0%	24.7%	5.2%	**10.46%**	**0.0%**
MIT	0.0%	0.0%	25.0%	4.0%	**10.15%**	**0.6%**
PE	0.0%	0.0%	18.7%	4.4%	**8.10%**	**-1.1%**
Ideale	20.0%	20.0%	50.0%	10.0%	**35.00%**	20.0%
Sector	0.0%	0.0%	29.5%	5.0%	**12.1%**	
Change 2013/2014-	**0.0%**	**0.0%**	**0.9%**	**0.0%**	**0.3%**	**-22.9%**

Cost efficiency at the average level was the same as in 2013 at 5%, with few negative performance changes in RWC Bifurkacioni, Radoniqi, Hidromorava and Hidrodrini. Compared to 2013, only two RWCs (Radoniqi and Hidrodrini) have shown negative performance trends.

RWC ranking in individual performance in 2014 has remained the same as in the previous year. RWC Bifurkacioni leads with the best performance from all other companies, followed by RWC Prishtina. Wastewater coverage is at a higher level at those two companies, while they also have low-level cost efficiency.

RWC Hidrodrini continues with poor performance in wastewater services without any improvement in the last two years. Wastewater service coverage is at a low level, followed by non-efficient costs.

3.4.3 Overall RWC performance

Overall performance is not based on each other's comparative performance, but it is compared to the 'ideal' expected performance of the well-functioning company that offers efficient water supply and combines results from three business categories:

(i) Water supply performance;

(ii) Wastewater supply performance; and

(iii) Overall business performance for water and wastewater (financial efficiency).

Assessment results and RWC ranking on general performance is shown on the table and in graphical form.

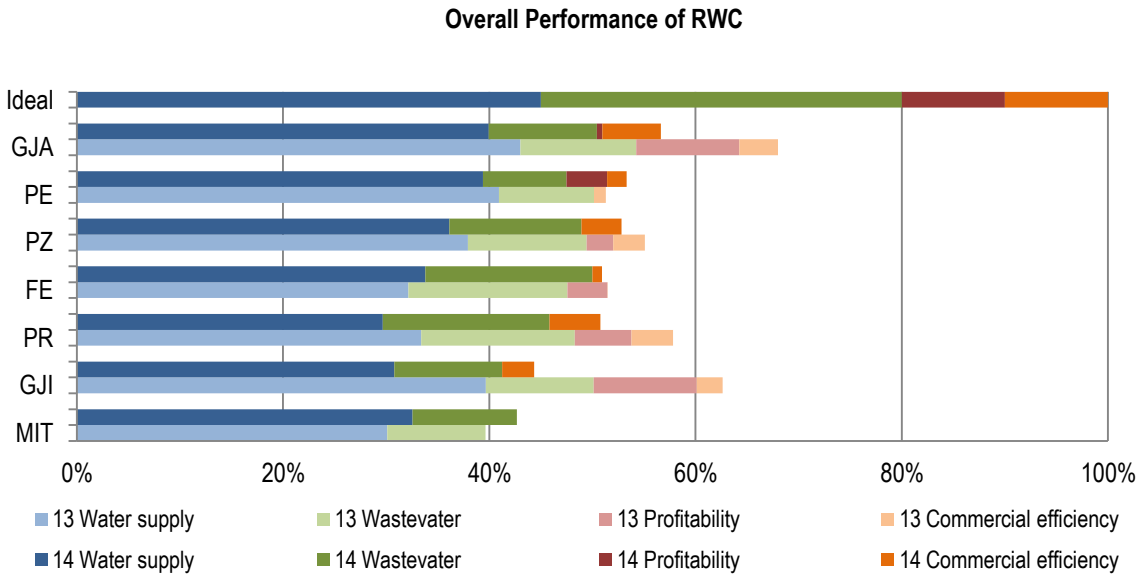


Figure 29, Overall performance assessment results of RWC

Overall RWC performance for 2014 was lower by 4.9%, which means that the general performance level has dropped from 55.1% in 2013 to 50.2% in 2014. It is water supply service and the profitability indicator where RWCs have shown poor performance. While at water supply deteriorating indicators were the quality of water, supply continuity and especially cost efficiency, in the overall RWC performance profitability has dropped drastically by 3.9% compared to 2013, although in 2014 only 0.6% were collected in this indicator. There are only two RWCs (Radoniqi and Hidrodrini) that had a positive return in BRRA. Hence, overall performance of RWCs is not satisfactory and currently stands below 50% of targeted performance.

Collection efficiency has improved at all RWCs, 2014 norm is 0.8% higher than in 2013. Despite improvement this is mainly attributed to the lower invoicing amounts than to quality improvement, noticed especially at RWC Prishtina, Hidroregjioni Jugor, Radoniqi and Hidromorava. Effective collection norm increase was noted also at RWC Bifurkacioni, Hidrodrini and Mitrovica.

Table 9, Results of RWCs overall performance in 2013

RWC	Water Supply	Wastewater	Profitability	Collection	Total points
Ideale	45%	35%	10%	10%	**100%**
GJA	43.0%	11.2%	10.0%	3.8%	**68.0%**
GJI	39.6%	10.5%	10.0%	2.5%	**62.6%**
PR	33.4%	14.9%	5.5%	4.0%	**57.8%**
PZ	37.9%	11.5%	2.6%	3.1%	**55.1%**
FE	32.1%	15.4%	3.9%	0.0%	**51.5%**
PE	40.9%	9.2%	0.0%	1.1%	**51.3%**
MIT	30.1%	9.5%	0.0%	0.0%	**39.6%**
Sector	**36.7%**	**11.8%**	**4.6%**	**2.1%**	**55.1%**

Table 10, Results of total performance in wastewater service in 2014

RWC	Water supply	Wastewater	Profitability	Collection	Total points	Change 2014/2013
Ideal	45%	35%	10%	10%	100%	
GJA	39.9%	10.5%	0.5%	5.7%	**56.6%**	**-11.4%**
PE	39.4%	8.1%	3,9%	1.9%	**53.3%**	**2.0%**
PZ	36.1%	12.8%	0.0%	3.9%	**52.8%**	**-2.3%**
FE	33.8%	16.2%	0.0%	0.9%	**50.9%**	**-0.6%**
PR	29.7%	16.2%	0.0%	4.9%	**50.8%**	**-7.0%**
GJI	30.8%	10.5%	0.0%	3.1%	**44.3%**	**-18.3%**
MIT	32.5%	10.1%	0.0%	0.0%	**42.7%**	**3.0%**
Sector	**34.6%**	**12.1%**	**0.6%**	**2.9%**	**50.2%**	
Change 2014/2013	**-2.1%**	**0.3%**	**-3.9%**	**0.8%**	-4.9%	**-49.8%**

There are only two RWCs, Hidrodrini and Mitrovica, which had overall positive performance, while other companies' performance was worse compared to 2013 and in correlation with targeted performance.

Also in 2014, RWC Radoniqi was the company with the best performance, collecting 56.6% of points, although its own performance was lower by 11.4%. There are three areas in which RWC Radoniqi showed negative performance trends: water supply, wastewater and especially profitability.

RWC Mitrovica is a company that has shown performance improvement in 2014 as compared to 2013, improvement areas being water supply and wastewater services. Currently, this company collected 42.7% of points and its performance was improved in 2014 by 3%.

Lower performance in 2014 was noted in RWC Hidromorava, which dropped in water supply and profitability indicator.

Part B:

Water and Wastewater Sector Performance

4 SECTOR PERFORMANCE

This part of the report assessed sector performance for a three-year period. It is interesting to assess sector achievements at this point, including several important indicators in the three-year tariff process (2012-2014). So, it is an important discussion about achievements in correlation with RBP objectives.

4.1 Produced water, sales and non-revenue water

In figure 30, there are information on quantities of produced, sold and non-revenue water in total.

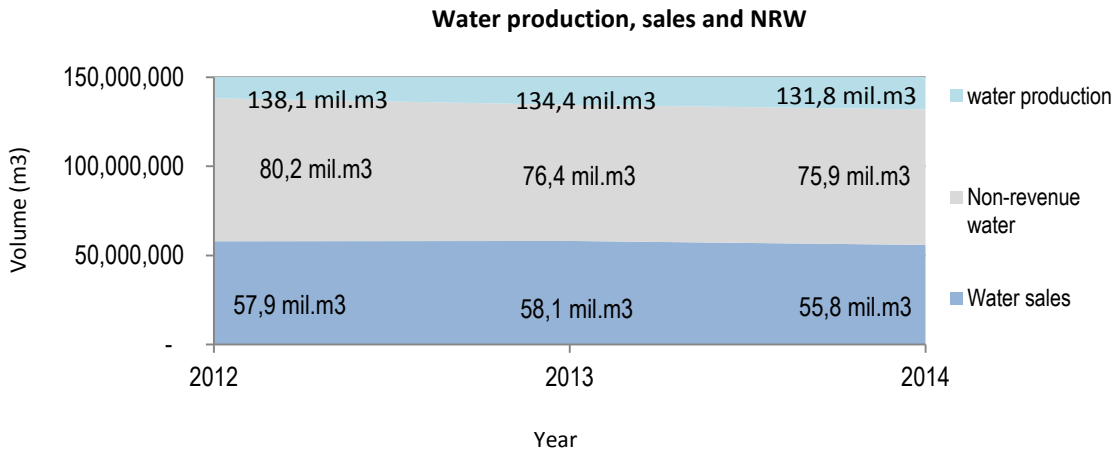


Figure 30, Produced water, sales and non-revenue water

Water production, there was a drop during analyzed years 2012-2014. At all RWCs during 2014, there were 131 mil.m^3 of drinking water produced and distributed. If compared to 2012, there is 5% less production. This is also 10% lower than planned by the RWCs, 146.7 mil.m^3 for 2014 in order to reach the consumer base and improve supply continuity.

One of the reasons for the drop was drought that was present several times during this period. Emergency was declared in RWCs Prishtina and Hidromorava, which were most affected and could not fulfill customers' water requirements. In the first half of 2014, those two RWCs had to impose further restrictions on supply due to the drought, at all service zones. This was done for rational use of water resources. Produced and sold water levels at RWC Radoniqi had also dropped mainly because of eliminating defects, improvements in meter reading and spotting illegal connections.

Three RWCS, namely RWC Mitrovica with 2.6 mil.m^3, Hidrodrini with 1.3 mil.m^3, and Bifurkacioni, have increased the quantities of produced water.

Water sales, have continuously failed to improve and in 2014 those have dropped further. Currently from 131 mil.m^3 of drinking and distributed water, only 55.8 mil.m^3 can be invoiced to the customers, which is 16% less than the targeted amount of 66.6 mil.m^3 of sold water at the end of tariff process (2012-2014).

Non-revenue water, during 2014 sector average stands at 57.6% or 75.9 mil.m^3, while if we compare it to 2013 there is a drop by 0.6%. Only RWC Prishtina had over 18.4 mil.m^3 NRW, from its annual production of 37.5 mil.m^3.

Loss of earnings due to lost water, through leaks, illegal connections, non-functional meters or not-registered consumption, continues to be a sector problem. around 76.0 mil.m^3 is non-revenue water or water which did not provide any earnings for the company, on the contrary it only caused expenditure for

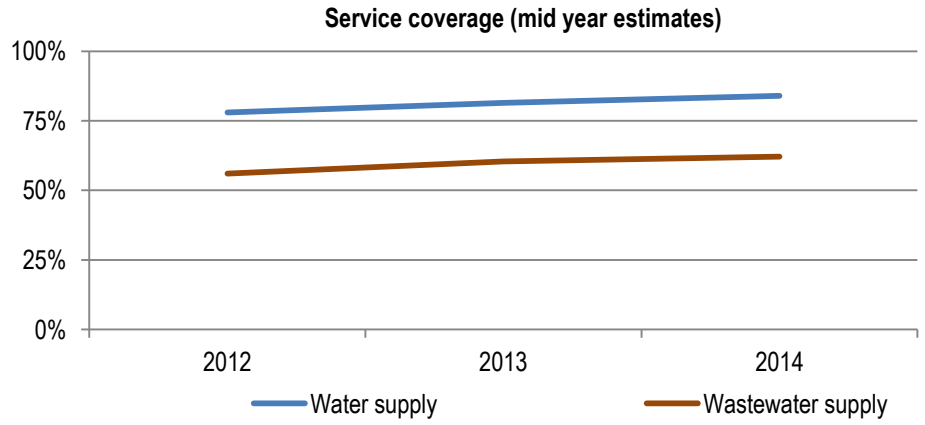
production and distribution. So we consider that there are two areas in which RWCs need capital investments to return to previous performances of the distribution network.

Despite very little planning in infrastructural repair in the process of tariff reconsideration 2012-2014, which we believed would reduce NRW, finances spent for infrastructural maintenance and repair for 2012-2014 were low by all RWCs, hence we were not surprised that NRW was not reduced.

We hope that there will be progress soon if RWCs are dedicated in reaching their investment projections as presented in their business plans for the 2015-2017 period and by adopting a strategic tactic in reducing NRW, otherwise the situation will deteriorate.

4.2 Service coverage

Coverage increase trends for two business activities (water supply and wastewater services) are presented in figure 31. Service coverage means the level of population covered by wastewater services from the Central Public Companies (RWCs) in their respective zones.



Figre 31, Coverage of water and wastewater service

Population coverage with wastewater services continued an increasing trend during the three-year reporting period. Water coverage indicator had increased from 78% in 2012 to 84% in 2014. During this period, 6% of the population in RWC areas have received water supply through public supply system. During three years of the tariff process 2012-2014, WWRO has approved RWC projections for the increase in customer base on annual basis to 10,000 customers. Expectations were met and in 2014 RWC offers water services to 279,000 inhabitants.

While in urban zones the coverage with water supply is complete, there are still people in rural zones that are not connected to the central water supply system. A considerable part of the population which lives in rural areas are supplied with water through separate water services managed by the communities, although a percentage of population lives mainly in deep rural zones of Kosovo and are supplied from unsafe sources (wells).

Coverage with wastewater services (wastewater), similar to the water supply coverage, there is an improvement in wastewater coverage, from 56% in 2012 to 62% in 2014. Progress during this period (2012-2014) was around 6%. RWC projections at RBP (2012-2014) were similar as with water supply that were also met. Considering that around 40% of the population still wait to be connected to the public wastewater system, there is a need for more focus in this direction with more investment in wastewaters in order to

avoid its negative consequences. Low development of wastewater systems is a serious public issue and a health hazard to our country, which in turn contributes to lower quality of distributed water from natural resources. There is a real chance to see improvements in wastewater and wastewater coverage in the coming years due to intensive investments from donor money, which are directed in creating a new wastewater system in villages that still don't have this service. Kosovo Government has drafted a strategy for integrating rural wastewater systems in respective RWCs.

4.3 Planned revenues, turnover and collected cash

Turnover means revenues from regular invoicing and other operating income for water and wastewater services.

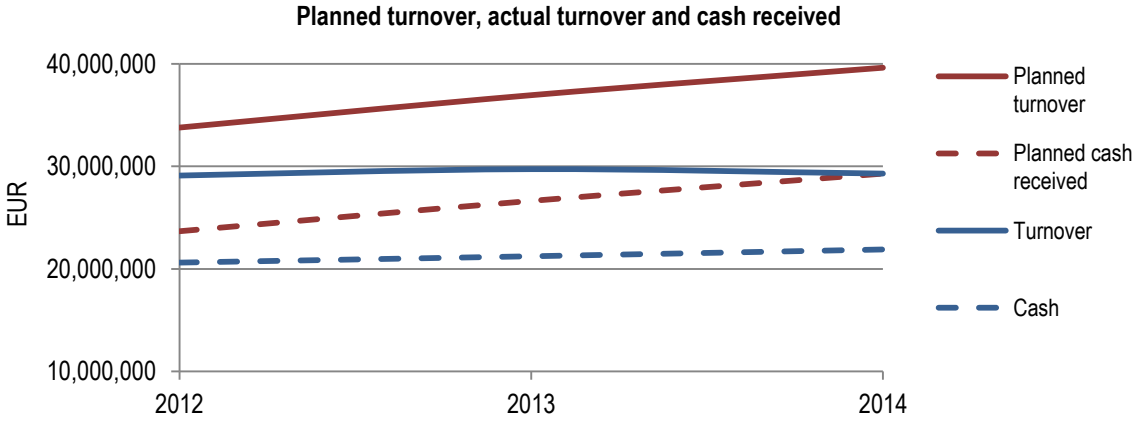


Figure 32, Sector's financial performance

Figure 32 shows average efficiency in turnover and collection during the last three years (2012-2014).

Monetary turnover for provided services at the sector level (water supply and wastewater services) is an area that is not improving. While turnover (invoicing) for 2012/2013 has improved marginally by 0.6 mil. EUR, 2014 has dropped as compared with 2013 by 0.4 mil. EUR.

Collection efficiency (cash) has increased slightly by 1.3 mil EUR or 6%. Collection efficiency in correlation with the turnover in 2014 has reached 75%. This is an improved figure as the turnover value has dropped in 2014 compared to 2013. However, this level is still not satisfactory, since 1/4 of customer debts are not collected. All RWCs have applied disconnections and addressed debts through private bailiffs from 2014.

Table 11. Turnover and collection through years

Years	Turnover	Collection/Cash	Cash/ Turnover
2012	29,111,469.23	20,609,696.24	71%
2013	29,715,954.43	21,225,741.79	71%
2014	29,296,792.70	21,890,722.67	75%

4.4 Capital expenses for water supply and wastewater services

Another important factor in this sector are capital investments. Those are expenses for assets that were built to offer water supply and wastewater services for customers. This section presents capital expenses analysis of seven RWCs, real and planned through tariff process (2012-2014). All RWCs were expected to make considerable investments in water supply and wastewater services, 95 mil. EUR from the total planned amount for the three-year period (2012-2014), 2/3 in water supply and 1/3 in wastewater services. From RWC funds 25 mil EUR were to be invested in capital expenses for the two services (water supply and wastewater services), while the other part from the donor.

Table 12. Capital Investiments 2012-2014

Total amount of capital expenditure for water and wastewater			
Company	2012	2013	2014
RWC 'Prishtina'	5,079,692	8,989,021	1,601,332
RWC 'Hidroregjioni Jugor'	3,388,493	1,546,082	914,120
RWC 'Hidrodrini'	4,742,893	897,677	806,353
KRU 'Mitrovica'	21,851	2,052,107	0
KRU 'Radoniqi'	397,359	1,342,832	1,173,078
RWC 'Bifurkacioni'	702,392	58,209	3,076,781
RWC 'Hidromorava'	1,367,080	32,211	1,982,653
Total	**15,699,759**	**14,918,139**	**9,554,317**

Investment value through these three years was 40.2 mil EUR of investments, mainly from donors and a small part from RWC. Compared to the planned investments this stands at 42%.

From the overall amount around 15.7 mil. EUR were used by RWC Prishtina, while less capital expenditures were used by RWC Mitrovica in those three years (2.2 mil EUR). From RWC resources, 5.4 mil EUR were spent for capital investments, which in RBP planned terms of 25 mil EUR is a 22% norm.

Although there were funds used for the investments in this sector, there is still a lot to be done, considering investment requirements. Water and wastewater sector needs further investment support and help from various parties.

Part C

Performance of Bulk Water Supply

5 BULK WATER SUPPLY PROVIDER'S PERFORMANCE

WWRO is responsible for regulating NHE Iber Lepenci's business affairs, regarding bulk supply of water for RWC Mitrovica and Prishtina. Below are statistical data and several performance indicators for development trends of NHE Iber Lepenci in 2014..

Table 13, Statistical data for HEE 'Ibër-Lepenc'

Statistical data for 2013 / 2014	**2013**	**2014**
Billed bulk water volume of (m3)	17,817,840	19,288,948
Billing of bulk water (€)	383,399	547,657
Collection of bulk water (€)	100,934	817,770
Operating cost of bulk water supply (€)	358,495	466,258
Number of engaged workers in bulk water supply services	27	33

Volume of water supplied to RWC Mitrovica in total and one part for RWC Prishtina has increased in 2014. RWC Prishtina receives 1.5 mil. m^3 more water in 2014 compared to 2013. Collected cash was considerable since the company collected RWC Mitrovica's debts for previous years (2012, 2013 and 2014). Operational costs were higher for the water supply than in 2013, mainly because of the staff number increase.

Table 14, Performance indicators for HEE 'Ibër-Lepenc'

Performance Indicators	**2013**	**2014**
Collection ratio	26%	149%
Working ratio	1.07	1.17
Working coverage ratio	0.28	1.75
Operating cost per unit (€/m3)	0.02	0.02

Since the nature of water services is different than the activities of drinking water supply, the possibility of assessment is limited to only several indicators. At table 10 there is a spread of financial indicators that help assess the performance of NHE Iber Lepenci in 2013 compared to 2012.

All these financial indicators have excelled in 2014 compared to 2013, with the exception of unit expenditures that remained at the same level. Collection in 2013 was higher by 149%. As said above, this was the result of collection of debts for 2012, 2013 and 2014.

There is an increase at the labor norm which compared to the previous year has increased by 1.47. This increase is due to high collection, despite the increase in operational expenses.

Part D

Activities of CCC

6 CCC ACTIVITIES

From its founding, WWRO acknowledges the right of customers to connect and contribute to improving water services. For 9 years WWRO has institutionalized this customers' right by creating CCC in seven regions where RWCs offer their services. During this period there was an increase in sector transparency and in raising public awareness on customer rights and obligations. New members of CCC in seven Kosovo regions were named in June and July 2014, in accordance with Regulation (R-8/U&M). In total there are 32 members of CCC, with one representative from all municipalities, excluding the north of Kosovo. During this reporting period, CCC with the help of WWRO have undertaken various activities:

Customer Manual, made in order to simplify the complaint process for the customers at Customers Advisory Commission.

"Customer Interests Protection" Brochure, made in cooperation with "KIWER Consulting" - implementer of the project financed by SDC (Swiss Agency for Development and Cooperation), printed 2,000 brochures on 'Customer Interest Protection", distributed to customers. Brochure aimed at informing customers about WWRO, role of CCC, manner in submitting a complaint due to unsatisfactory service by RWC, complaint procedures, complaint treatment by CCC and other issues.

Meetings with Regional Water Companies, with the aim of changing the format and content of decisions/responses and obtaining information on customers' complaint treatment by CCC. During 2014, 77 meetings were held which treated customer complaints. CCC meetings were open to the public and RWCs representatives, customers, NGOs and media also participated. Those meetings also discussed other issues of interest to customers.

Table 15, Number of complaints submitted to CCC

REGION	2013		2014	
	Filed complained	Resolved complaints	Filed complained	Resolved complaints
CCC -Prishtinë	42	23	130	111
CCC -Mitrovicë	1	-	0	-
CCC - Pejë	-	-	0	-
CCC -Gjakovë	6	5	18	22
CCC - Prizren	3	2	11	8
CCC -Ferizaj	7	7	13	10
CCC -Gjilan	3	3	5	5
Gjithsejtë	62	40	177	156

In all CCC in 2015, 177 complaints were addressed, out of which 156 were resolved. Most complaints were accepted by CCC in Prishtina region. There is a considerable increase in complaints to RWC Prishtina, mainly financial (debt contests, reduction/erasing of debts, inaccurate invoicing and high invoicing). It appears that addressing debt issues with private bailiffs was the reason for high complaints directed to CCC Prishtina. In general, household customers complained mostly (158 complaints), and commercial-industrial (18 complaints).

7 FUTURE CHALLENGES

Many challenges lie ahead for the water service providers and the overall sector in Kosovo. We have continuously dealt with those challenges in performance reports, issues mainly linked to the financial and operational efficiency such as: improving invoicing and collection, reducing operational costs, reduction of NRW, achieving service standards, etc. **Not less challenging is the fulfillment of legal obligations of service providers in the water services sector.** In Kosovo, regulatory legal framework in water services is consistent and non-contradictory. Fulfillment of all legal requests by the service providers is obligatory. However, a part of those needs to be addressed immediately, since they might have immediate impact on the quality of services.

- **Water quality monitoring**

The quality of drinking water is one of the most important service standards that needs to be provided. Through Administrative Directive Nr. 16/2012 approved by the Government of Kosovo in December 2012, quality standards are set which need to be met for the water provided for human consumption by the public water service providers. This AD also sets relevant institutional responsibilities in the application of AD dispositions, before all of Water Centers with the Kosovo National Institute of Public Health (KNIPH), Regional Water Companies (RWC), Water and Wastewater Regulatory Office (WWRO), Ministry of Environment and Spatial Planning (MESP), but also other Ministries. AD 16/2012 is in accordance with Directive for Drinking Water of the European Union Nr. 98/83/EC. Practically, by issuing this AD Kosovo has transposed EU legislation concerning the quality of drinking water. It is evident that the quality of drinking water can be guaranteed only if there is an effective monitoring by the Water Center (outside monitoring) and RWC (internal monitoring). Based on AD 16/2012, these are to be done by the RWCs , hence they are obliged to perform regular analysis of water quality to ensure that the water provided is in accordance with national drinking water standards. Most RWCs, despite having labs and performing basic tests, are still not fully equipped with the staff and necessary equipment to fulfill the criteria coming from AD. Until now all RWCs have drafted 'Internal Monitoring Plans', which were submitted to the Water Center and WWRO, and now it's up to RWCs to continue the implementation through accredited or contracted labs.

- **Accuracy verification and calibrating the meters**

Last few years concerns are raised among customers on the accuracy of meters. Accurate, right, legal and transparent invoicing for water services through meters is a basic right of the customer and its provision is also an obligation of RWCs.

Invoicing for water services should be done based on real consumption only through verified meters. Accurate assessment of water usage is essential not only for customer who will be invoiced only for the water consumed. Problems linked to the accuracy of meters arise in cases of shortages that is regular with some RWCs. In several cases, meters during inconsistent supply register water fluxes, and when the shortage begins it pushes air through pipes and the meters register it as spent water. There is also a mismanagement of water pressure and sudden pressure changes in the water supply system that could damage meters to the point that they become unusable. Metrology Agency of Kosovo has set criteria that guarantee the accuracy of meters through fulfillment of legal requests (Metrology Law Nr. 03/L-203) and Law Nr. 04/L-124 on the Changes of Metrology Law) and Administrative Directives in the context of testing, verification, calibration and regular maintenance of meters.

In this regard, very specific responsibilities of RWCs are: (i) Using meters which are verified, (ii) Having meters in regular technical condition to ensure measuring accuracy, (iii) Maintenance and verification of all meters in use, and (iv) Keep track of maintenance and verification of meters. So, RWC has to build trust with customers by guaranteeing that the water consumed is accurately measured, i.e. the quantity of water sold is exactly the same with the quantity provided. Customer is responsible for providing and verification of meters.

RWC can decide to use only those meters, which pass technical-metrological requirements according to the Metrology Law, and which have passed described procedures on conformity assessment. A meter will be deemed accurate if according to AD it passes a standard test by KMA, through an authorized service.

There is only one KMA authorized service in Kosovo, which is under the management of RWC Hidroregjioni Jugor, and its capacity is sufficient to serve its RWC's needs. However, this service has provided services for other companies when they requested such. An unauthorized service with limited capacity exists and is functional in RWC Hidromorava (OU Viti).

RWC Prishtina is finalizing its service that is equipped with modern equipment. RWC Prishtina has submitted a request at the KMA for licensing its meter service. The capacity of this service is beyond the needs of this company.

Other RWCs should either establish their own services or contract testing service providers at the authorized services.

- **Tariff policies for wastewater treatment services**

It is clear that Kosovo is slowly entering a period when wastewater treatment is becoming the focus of institutions and development agencies that support water services in the country. Proper wastewater treatment is an essential issue for public health; this is a worrying issue on the increase in Kosovo. Lack of arrangements for its treatment has resulted in rivers and under water wells to become affected by the wastewater and wastewater.

Currently there is only one plant for wastewater treatment in the city of Skenderaj, with a capacity of 10,000 inhabitants, under the management of RWC Mitrovica. There are also several small plants for wastewater treatment such as those in the village of Harilaç, or the one in the Palace of Justice, just built on the outskirts of Prishtina. By now, all study and feasibility programs on wastewater treatment plants are completed or are close to completion. Few of the development agencies (EU, KfW, SCO, Czech Agency for Development) have began their support for building of collectors and plants for wastewater treatment, such as the wastewater treatment plant in Prizren, project of "Improving the quality of water in the Badovc Lake in Prishtina, etc.

Equal challenge for Kosovar society (wastewater treatment is one of the conditions and criteria to be addressed for entry to the European Union) and WWRO is the setting of right tariff policies that will ensure operational and financial sustainability and also consider the ability of paying such tariffs by the customers.

WWRO, seeing that wastewater treatment is fairly specific and considering the overall need for clean environment and the principles of equality, non-discrimination and tariff equilibrium, but also creating payment policies acceptable for all end-users, is engaged in redefining tariff policies for wastewater treatment. In this direction, WWRO has received support from Swiss Cooperation Office (SCO) through a short-term project that resulted in study documentation outlining its opinions and reflecting the position of local stakeholders, as well as the experiences of such services in the region.

One of the favorite options by local institutions, also applied by several regional countries, is the application of a single tariff for certain customer categories in one RWC.

WWRO also prefers a single tariff solution, i.e. the same tariffs for wastewater treatment for all customers, regardless of the fact whether wastewater is treated in the plant. This means that all operational costs will have to be paid by regional customers. This is an easier solution for the company, regulator, but also customers except those whose wastewater is not treated. There are also other options, such as proportional distribution – 70% to be paid by the service receivers and 30% by other customers whose wastewater is not treated, or other forms where the interested parties would be Ministry of Environment and Spatial Planning (MESP) or Kosovo Government. For example, the Government can allocate certain budgetary means to cover plant operation expenditures in the intermediary phase.

Whatever the future, WWRO will continue addressing this issue until final clarifications and the preparation of regulatory acts, always listening to the opinions of interested parties.

ANNEX 1 Detailed data of performance

Performance Monitoring Process and Comparative Evaluation requires regular collection of data that are accurate and with appropriate reliability analysis so that their result as objective information. Availability of such data depends largely on the use management of information system of the RWC, which is updated on regular basis.

For the realization of this important responsibility, WWRO created the reporting system and dissemination of information, the base of which is called: Annual Monitoring Plan (AMP) and Monthly Operational Reporting, Financial and Customer Service (OFCR), which contain data from all areas of the work of service providers, including financial, operational and data from Customer Service. As part of regular reporting (monthly and annual) undoubtedly, responsibility for data reporting lies in the companies, and WWRO is responsible for the evaluation of these data in the context of the accuracy and reliability of their source.

The data used in this performance report are based on data taken from annual reports of RWCs reported through the system of Annual Monitoring Plan. About discussion of the issue of comparable indicators are also utilized the data reported by monthly report according to the operational, financial, and customer service report (OFCR).

To produce more objective information, the data reported were subject to regular annual audit process by WWRO, to verify their accuracy and reliability. Team auditor has estimated that data have generally been accurate; some shortcomings are confirmed due to misunderstanding of data definitions. Regarding confidentiality the WWRO audit team considers that some financial record are completely reliable, operational data and data of customer services have not been reliable throughout time.

- All financial data expressed in Euro are adjusted at the price level of mid- 2014, in accordance with published inflation statistics to enable proper comparisons from year to year.
- Determining the value of assets is made based on Regulatory Asset Base;
- Capital maintenance is defined as a combination of infrastructure renewals and devaluation under the current cost of non-infrastructure assets;
- Provision for bad debts (settlement) is defined as the difference between the billing and collection of revenue from last year;
- The performance of revenue collection is defined as the difference between the billing for water and wastewater (excluding connection fees and other income) and cash income for water and wastewater (also by excluding connection fees and other incomes).

To evaluate the performance of the standards for drinking water quality, WWRO uses data reported by the National Institute of Public Health (NIPH) which has responsibility for monitoring and testing of water distributed by water service providers. Data about population statistics and data on inflation (CPI), were obtained from the Statistical Office of Kosovo (SOK). Detailed statistics of seven RWCs performance are presented in the following tables:

RWC Prishtina (Prishtina)

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2013	2014
W - Water supply						
Non-financial (technical)						
Standards of service	Quality	Water quality (bacteriological)	W.1.A.01	% pass	99.4%	99.5%
		Water quality (physical and chemical)	W.1.A.02	% pass	100%	99.2%
	Pressure	Properties affected by low pressure	W.1.A.03	Nr	77	145
		Properties affected by low pressure	W.1.A.04	% properties	0.09%	0.16%
	Reliability	Properties with 24 hour supply	W.1.A.05	Nr	19,356	16,418
		Properties with 24 hour supply	W.1.A.06	% properties	22%	18%
		Properties with 18-24 hour supply	W.1.A.07	Nr	33,335	23,914
		Properties with 18-24 hour supply	W.1.A.08	% properties	38%	26%
		Properties with less than 18 hours supply	W.1.A.09	Nr	34,007	51,893
		Properties with less than 18 hours supply	W.1.A.10	% properties	39%	56%
Infrastructure serviceability	Non-revenue water	Non revenue water (total)	W.1.B.01	m3 per day	20,812,306	18,452,520
		Non revenue water (per connection)	W.1.B.02	litres per cust. per day	583	486
		Non revenue water (per connection) - adjusted	W.1.B.03	litres per cust. per day	683	588
		Non revenue water (relative to production)	W.1.B.04	% production	50%	49%
	Pipe bursts	Pipe network bursts frequency	W.1.B.05	bursts per month	142	154
		Pipe network bursts per 100 km of pipe	W.1.B.06	Nr / 100 km	213	148
Non-financial (commercial)						
Service coverage	Households	Households served	W.2.A.01	Nr	86,698	92,225
		Coverage (households served relative to total)	W.2.A.02	% total households	96.4%	101%
	New connections	New connections (household)	W.2.A.03	Nr	5,009	6,045
		New connections (commercial and institutional)	W.2.A.04	Nr	646	837
Metering	Metering rate	Metered households relative to total households	W.2.B.01	% households	97%	98%
		Metered com & inst relative to total com & inst.	W.2.B.02	% com & inst	99%	99%
	Meters installed	Meters installed (households)	W.2.B.03	Nr	75	288
		Meters installed (com & inst)	W.2.B.04	Nr	8	67
Complaints	Complaints	Complaints received (technical)	W.2.C.01	Nr	2,548	5,591
		Complaints received (commercial)	W.2.C.02	Nr	4,349	5,180
Financial						
Sales	Volumes	Volume of sales to households (metered)	W.3.A.01	m3	15,005,238	14,714,305
		Volume of sales to households (metered) relative to plan estimates	W.3.A.02	% of plan estimate	78%	72%
		Volume of sales to households (un-metered)	W.3.A.03	m3	849,348	500,630
		Volume of sales to households (un-metered) relative to plan estimates	W.3.A.04	% of plan estimate	126%	200%
		Volume of sales to com & inst (metered)	W.3.A.05	m3	4,564,882	3,870,125
		Volume of sales to com & inst (metered) relative to plan estimates	W.3.A.06	% of plan estimate	90%	75%
		Volume of sales to com & inst (un-metered)	W.3.A.07	m3	14,123	17,307
		Volume of sales to com & inst (un-metered) relative to plan estimates	W.3.A.08	% of plan estimate	0%	0%
	Values	Value of water sales to households	W.3.A.09	EUR	7,083,621	6,903,924
		Value of water sales to households relative to plan estimates	W.3.A.10	% of plan estimate	74%	68%
		Value of water sales to com & inst	W.3.A.11	EUR	4,380,743	3,806,792
		Value of water sales to com & inst relative to plan estimates	W.3.A.12	% of plan estimate	84%	71%
Unit costs	Production	Unit operational cost of water production	W.3.B.01	EUR/m3	0.054	0.0629
		Unit total cost of water production	W.3.B.02	EUR/m3	0.058	0.067
	Total costs	Unit cost of water sold	W.3.B.03	EUR/m3	0.410	0.496
		Unit cost of water sold and paid for	W.3.B.04	EUR/m3	N/A	N/A
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	W.3.C.01	EUR	622,014	522,014
		Total capital maintenance expenditure relative to plan	W.3.C.02	% of plan estimate	8%	7%
		Total capital maintenance expenditure relative to RAB	W.3.C.03	% of RAB	2.9%	2.4%
	Capital enhancement	Total capital enhancement expenditure	W.3.C.04	EUR	8,324,762	938,550
		Total capital enhancement expenditure relative to plan	W.3.C.05	% of plan estimate	198%	87%

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2013	2014
S - Sewerage (wastewater)						
Non-financial (technical)						
Standards of service	Discharge quality	Discharge quality	S.1.A.01	% pass	N/A	N/A
Reliability	Sewer overflows	Sewer overflows	S.1.B.01	Nr	2,933	3,705
		Sewer overflows per 100 km of pipe	S.1.B.02	Nr per 100 km	863	1,090
Serviceability	Sewer collapses	Sewer collapses	S.1.C.01	Nr	0	0
		Sewer collapses per 100 km of pipe	S.1.C.02	Nr per 100 km	0	0
	WWTP overflows	Wastewater treatment plan overflows	S.1.C.03	Nr	N/A	N/A
Non-financial (commercial)						
Service coverage	Households	Households served	S.2.A.01	Nr	69,965	75,992
		Coverage (households served relative to total)	S.2.A.02	% total households	78%	83%
		Households served with wastewater treatment	S.2.A.03	Nr	0	0
		Coverage (households served with wastewater treatment relative to total)	S.2.A.04	% households	0	0
	New connections	New connections (household)	S.2.A.05	Nr	5,575	6,479
		New connections (commercial and institutional)	S.2.A.06	Nr	636	985
Complaints	Complaints	Complaints received (technical)	S.2.B.01	Nr	2,273	58
		Complaints received (commercial)	S.2.B.02	Nr	0	0
Financial						
Sales	Values	Value of sales to households	S.3.A.01	EUR	663,487	633,121
		Value of sales to households relative to plan	S.3.A.02	% of plan estimate	81%	62%
		Value of sales to com & inst	S.3.A.03	EUR	457,067	420,125
		Value of sales to com & inst relative to plan	S.3.A.04	% of plan estimate	76%	65%
Unit costs	Treatment and disposal	Unit operational cost of treatment and disposal per m3	S.3.B.01	EUR/m3	N/A	N/A
		Unit total cost of treatment and disposal per m3	S.3.B.02	EUR/m3	N/A	N/A
		Unit operational cost of treatment and disposal per household	S.3.B.03	EUR/ household	N/A	N/A
		Unit total cost of treatment and disposal per household	S.3.B.04	EUR/ household	N/A	N/A
	Collection	Unit operational cost of wastewater collection per household	S.3.B.05	EUR/ household	N/A	N/A
		Unit total cost of wastewater collection per household	S.3.B.06	EUR/ household	N/A	N/A
		Unit operational cost of wastewater services per household	S.3.B.07	EUR/ household	2.78	2.97
		Unit total cost of wastewater services per household	S.3.B.08	EUR/ household	2.84	3.14
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	S.3.C.01	EUR	0	10,359
		Total capital maintenance expenditure relative to plan	S.3.C.02	% of plan estimate	0%	3%
		Total capital maintenance expenditure relative to RAB	S.3.C.03	% of RAB	0%	0%
	Capital enhancement	Total capital enhancement expenditure	S.3.C.04	EUR	81,169	129,948
		Total capital enhancement expenditure relative to plan	S.3.C.05	% of plan estimate	47.3%	776%
F – Financial						
Sales and revenue collection						
Sales		Total sales	F.1.A.01	EUR	12,584,918	11,763,962
		Total sales relative to plan	F.1.A.02	% of plan estimate	78%	68%
Collection efficiency		Total revenue collection	F.1.B.01	EUR	9,580,130	9,373,913
		Total revenue collection out-performance	F.1.B.02	EUR	-2,712,362	-3,963,632
		Total revenue collection out-performance(relative)	F.1.B.03	% of plan estimate	78%	70%
		Total revenues written off	F.1.B.04	EUR	3,214,733	3,004,787
		Total revenues written off relative to billing	F.1.B.05	% of billing	26%	26%
		Revenue collection relative to billing	F.1.B.06	% of billing	76%	80%
		Accounts receivable	F.1.B.07	EUR	N/A	N/A
		Accounts receivable relative to turnover	F.1.B.08	Days turnover	N/A	N/A
Key financial values and ratios						
Values		Free cash flow	F.2.A.01	EUR	N/A	N/A
Ratios	Returns	Return on capital	F.2.B.01	%	2.86%	-2.11%
		Cost of debit	F.2.B.02	%	N/A	N/A
	Ratios	Gearing	F.2.B.03	ratio	N/A	N/A
		Cash interest cover	F.2.B.04	ratio	N/A	N/A

RWC Hidroregjioni Jugor (Prizren)

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2013	2014
W - Water supply						
Non-financial (technical)						
Standards of service	Quality	Water quality (bacteriological)	W.1.A.01	% pass	97.0%	88.0%
		Water quality (physical and chemical)	W.1.A.02	% pass	98.2%	99.6%
	Pressure	Properties affected by low pressure	W.1.A.03	Nr	0	0
		Properties affected by low pressure	W.1.A.04	% properties	0%	0%
	Reliability	Properties with 24 hour supply	W.1.A.05	Nr	31,869	34,148
		Properties with 24 hour supply	W.1.A.06	% properties	98%	99%
		Properties with 18-24 hour supply	W.1.A.07	Nr	0	200
		Properties with 18-24 hour supply	W.1.A.08	% properties	0%	1%
		Properties with less than 18 hours supply	W.1.A.09	Nr	600	300
		Properties with less than 18 hours supply	W.1.A.10	% properties	2%	1%
Infrastructure serviceability	Non-revenue water	Non revenue water (total)	W.1.B.01	m3 per day	11,524,935	9,063,577
		Non revenue water (per connection)	W.1.B.02	litres per cust. per day	841	705
		Non revenue water (per connection) - adjusted	W.1.B.03	litres per cust. per day	845	707
		Non revenue water (relative to production)	W.1.B.04	% production	60%	59%
	Pipe bursts	Pipe network bursts frequency	W.1.B.05	bursts per month	214	226
		Pipe network bursts per 100 km of pipe	W.1.B.06	Nr / 100 km	517	532
Non-financial (commercial)						
Service coverage	Households	Households served	W.2.A.01	Nr	32,469	34,648
		Coverage (households served relative to total)	W.2.A.02	% total households	63%	65%
	New connections	New connections (household)	W.2.A.03	Nr	2,336	2,021
		New connections (commercial and institutional)	W.2.A.04	Nr	316	258
Metering	Metering rate	Metered households relative to total households	W.2.B.01	% households	96%	97%
		Metered com & inst relative to total com & inst.	W.2.B.02	% com & inst	99%	99%
	Meters installed	Meters installed (households)	W.2.B.03	Nr	1,213	1,425
		Meters installed (com & inst)	W.2.B.04	Nr	701	255
Complaints	Complaints	Complaints received (technical)	W.2.C.01	Nr	1,406	719
		Complaints received (commercial)	W.2.C.02	Nr	736	742
Financial						
Sales	Volumes	Volume of sales to households (metered)	W.3.A.01	m3	5,929,161	5,569,102
		Volume of sales to households (metered) relative to plan estimates	W.3.A.02	% of plan estimate	109%	98%
		Volume of sales to households (un-metered)	W.3.A.03	m3	341,380	373,394
		Volume of sales to households (un-metered) relative to plan estimates	W.3.A.04	% of plan estimate	90%	165%
		Volume of sales to com & inst (metered)	W.3.A.05	m3	1,462,042	1,209,840
		Volume of sales to com & inst (metered) relative to plan estimates	W.3.A.06	% of plan estimate	76%	61%
		Volume of sales to com & inst (un-metered)	W.3.A.07	m3	16,097	28,473
		Volume of sales to com & inst (un-metered) relative to plan estimates	W.3.A.08	% of plan estimate	20%	68%
	Values	Value of water sales to households	W.3.A.09	EUR	2,603,835	2,542,585
		Value of water sales to households relative to plan estimates	W.3.A.10	% of plan estimate	101%	90%
		Value of water sales to com & inst	W.3.A.11	EUR	1,212,376	1,054,833
		Value of water sales to com & inst relative to plan estimates	W.3.A.12	% of plan estimate	72%	59%
Unit costs	Production	Unit operational cost of water production	W.3.B.01	EUR/m3	0.076	0.0835
		Unit total cost of water production	W.3.B.02	EUR/m3	0.079	0.086
	Total costs	Unit cost of water sold	W.3.B.03	EUR/m3	0.382	0.415
		Unit cost of water sold and paid for	W.3.B.04	EUR/m3	N/A	N/A
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	W.3.C.01	EUR	237,720	116,976
		Total capital maintenance expenditure relative to plan	W.3.C.02	% of plan estimate	454%	43%
		Total capital maintenance expenditure relative to RAB	W.3.C.03	% of RAB	3.5%	1.7%
	Capital enhancement	Total capital enhancement expenditure	W.3.C.04	EUR	1,314,727	706,155
		Total capital enhancement expenditure relative to plan	W.3.C.05	% of plan estimate	289%	505%

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2013	2014
S - Sewerage (wastewater)						
Non-financial (technical)						
Standards of service	Discharge quality	Discharge quality	S.1.A.01	% pass	N/A	N/A
Reliability	Sewer overflows	Sewer overflows	S.1.B.01	Nr	779	811
		Sewer overflows per 100 km of pipe	S.1.B.02	Nr per 100 km	300	300
Serviceability	Sewer collapses	Sewer collapses	S.1.C.01	Nr	0	88
		Sewer collapses per 100 km of pipe	S.1.C.02	Nr per 100 km	0	32.6
	WWTP overflows	Wastewater treatment plan overflows	S.1.C.03	Nr	N/A	N/A
Non-financial (commercial)						
Service coverage	Households	Households served	S.2.A.01	Nr	28,972	29,811
		Coverage (households served relative to total)	S.2.A.02	% total households	56%	56%
		Households served with wastewater treatment	S.2.A.03	Nr	0	0
		Coverage (households served with wastewater treatment relative to total)	S.2.A.04	% households	0%	0%
	New connections	New connections (household)	S.2.A.05	Nr	-159	1,837
		New connections (commercial and institutional)	S.2.A.06	Nr	229	269
Complaints	Complaints	Complaints received (technical)	S.2.B.01	Nr	57	45
		Complaints received (commercial)	S.2.B.02	Nr	32	20
Financial						
Sales	Values	Value of sales to households	S.3.A.01	EUR	267,561	252,668
		Value of sales to households relative to plan	S.3.A.02	% of plan estimate	97%	72%
		Value of sales to com & inst	S.3.A.01	EUR	130,137	108,162
		Value of sales to com & inst relative to plan	S.3.A.02	% of plan estimate	69%	53%
Unit costs	Treatment and disposal	Unit operational cost of treatment and disposal per m3	S.3.B.01	EUR/m3	N/A	N/A
		Unit total cost of treatment and disposal per m3	S.3.B.02	EUR/m3	N/A	N/A
		Unit operational cost of treatment and disposal per household	S.3.B.03	EUR/ household	N/A	N/A
		Unit total cost of treatment and disposal per household	S.3.B.04	EUR/ household	N/A	N/A
	Collection	Unit operational cost of wastewater collection per household	S.3.B.05	EUR/ household	N/A	N/A
		Unit total cost of wastewater collection per household	S.3.B.06	EUR/ household	N/A	N/A
		Unit operational cost of wastewater services per household	S.3.B.07	EUR/ household	4.03	4.56
		Unit total cost of wastewater services per household	S.3.B.08	EUR/ household	4.08	4.61
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	S.3.C.01	EUR	40	0
		Total capital maintenance expenditure relative to plan	S.3.C.02	% of plan estimate	0%	0%
		Total capital maintenance expenditure relative to RAB	S.3.C.03	% of RAB	0%	0%
	Capital enhancement	Total capital enhancement expenditure	S.3.C.04	EUR	288	176,993
		Total capital enhancement expenditure relative to plan	S.3.C.05	% of plan estimate	0%	0%
F – Financial						
Sales and revenue collection						
Sales		Total sales	F.1.A.01	EUR	4,213,909	3,958,247
		Total sales relative to plan	F.1.A.02	% of plan estimate	90%	77%
Collection efficiency		Total revenue collection	F.1.B.01	EUR	3,044,655	2,987,537
		Total revenue collection out-performance	F.1.B.02	EUR	-485,175	-1,004,618
		Total revenue collection out-performance(relative)	F.1.B.03	% of plan estimate	86%	75%
		Total revenues written off	F.1.B.04	EUR	1,094,037	1,169,254
		Total revenues written off relative to billing	F.1.B.05	% of billing	26%	30%
		Revenue collection relative to billing	F.1.B.06	% of billing	72%	75%
		Accounts receivable	F.1.B.07	EUR	N/A	N/A
		Accounts receivable relative to turnover	F.1.B.08	Days turnover	N/A	N/A
Key financial values and ratios						
Values		Free cash flow	F.2.A.01	EUR	N/A	N/A
Ratios	Returns	Return on capital	F.2.B.01	%	1.33%	-2.75%
		Cost of debt	F.2.B.02	%	N/A	N/A
	Ratios	Gearing	F.2.B.03	ratio	N/A	N/A
		Cash interest cover	F.2.B.04	ratio	N/A	N/A

RWC Hidrodrini (Peja)

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2013	2014
W - Water supply						
Non-financial (technical)						
Standards of service	Quality	Water quality (bacteriological)	W.1.A.01	% pass	98.6%	97.7%
		Water quality (physical and chemical)	W.1.A.02	% pass	89.5%	96.3%
	Pressure	Properties affected by low pressure	W.1.A.03	Nr	0	0
		Properties affected by low pressure	W.1.A.04	% properties	0%	0%
	Reliability	Properties with 24 hour supply	W.1.A.05	Nr	30,865	34,467
		Properties with 24 hour supply	W.1.A.06	% properties	99%	99%
		Properties with 18-24 hour supply	W.1.A.07	Nr	205	205
		Properties with 18-24 hour supply	W.1.A.08	% properties	1%	1%
		Properties with less than 18 hours supply	W.1.A.09	Nr	0	0
		Properties with less than 18 hours supply	W.1.A.10	% properties	0%	0%
Infrastructure serviceability	Non-revenue water	Non revenue water (total)	W.1.B.01	m3 per day	20,366,510	21,095,517
		Non revenue water (per connection)	W.1.B.02	litres per cust. per day	1,580	1,475
		Non revenue water (per connection) - adjusted	W.1.B.03	litres per cust. per day	1,581	1,476
		Non revenue water (relative to production)	W.1.B.04	% production	72%	71%
	Pipe bursts	Pipe network bursts frequency	W.1.B.05	bursts per month	151	128
		Pipe network bursts per 100 km of pipe	W.1.B.06	Nr / 100 km	304	256
Non-financial (commercial)						
Service coverage	Households	Households served	W.2.A.01	Nr	31,071	34,672
		Coverage (households served relative to total)	W.2.A.02	% total households	90.8%	91%
	New connections	New connections (household)	W.2.A.03	Nr	5,349	1,854
		New connections (commercial and institutional)	W.2.A.04	Nr	223	315
Metering	Metering rate	Metered households relative to total households	W.2.B.01	% households	95%	93%
		Metered com & inst relative to total com & inst.	W.2.B.02	% com & inst	98%	97%
	Meters installed	Meters installed (households)	W.2.B.03	Nr	788	549
		Meters installed (com & inst)	W.2.B.04	Nr	82	0
Complaints	Complaints	Complaints received (technical)	W.2.C.01	Nr	2,103	2,284
		Complaints received (commercial)	W.2.C.02	Nr	167	137
Financial						
Sales	Volumes	Volume of sales to households (metered)	W.3.A.01	m3	5,727,788	6,225,017
		Volume of sales to households (metered) relative to plan estimates	W.3.A.02	% of plan estimate	82%	85%
		Volume of sales to households (un-metered)	W.3.A.03	m3	572,186	582,557
		Volume of sales to households (un-metered) relative to plan estimates	W.3.A.04	% of plan estimate	202%	616%
		Volume of sales to com & inst (metered)	W.3.A.05	m3	1,353,554	1,842,120
		Volume of sales to com & inst (metered) relative to plan estimates	W.3.A.06	% of plan estimate	72%	96%
		Volume of sales to com & inst (un-metered)	W.3.A.07	m3	417,478	37,661
		Volume of sales to com & inst (un-metered) relative to plan estimates	W.3.A.08	% of plan estimate	1,855%	0%
	Values	Value of water sales to households	W.3.A.09	EUR	1,743,469	1,938,991
		Value of water sales to households relative to plan estimates	W.3.A.10	% of plan estimate	79%	80%
		Value of water sales to com & inst	W.3.A.11	EUR	940,161	1,048,965
		Value of water sales to com & inst relative to plan estimates	W.3.A.12	% of plan estimate	85%	96%
Unit costs	Production	Unit operational cost of water production	W.3.B.01	EUR/m3	0.0043	0.0052
		Unit total cost of water production	W.3.B.02	EUR/m3	0.005	0.006
	Total costs	Unit cost of water sold	W.3.B.03	EUR/m3	0.207	0.236
		Unit cost of water sold and paid for	W.3.B.04	EUR/m3	N/A	N/A
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	W.3.C.01	EUR	53,541	0
		Total capital maintenance expenditure relative to plan	W.3.C.02	% of plan estimate	9%	0%
		Total capital maintenance expenditure relative to RAB	W.3.C.03	% of RAB	0.8%	0%
	Capital enhancement	Total capital enhancement expenditure	W.3.C.04	EUR	845,282	737,369
		Total capital enhancement expenditure relative to plan	W.3.C.05	% of plan estimate	52%	129%

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2013	2014
S - Sewerage (wastewater)						
Non-financial (technical)						
Standards of service	Discharge quality	Discharge quality	S.1.A.01	% pass	N/A	N/A
Reliability	Sewer overflows	Sewer overflows	S.1.B.01	Nr	328	670
		Sewer overflows per 100 km of pipe	S.1.B.02	Nr per 100 km	260	531
Serviceability	Sewer collapses	Sewer collapses	S.1.C.01	Nr	0	0
		Sewer collapses per 100 km of pipe	S.1.C.02	Nr per 100 km	0	0
	WWTP overflows	Wastewater treatment plan overflows	S.1.C.03	Nr	N/A	N/A
Non-financial (commercial)						
Service coverage	Households	Households served	S.2.A.01	Nr	14,088	14,268
		Coverage (households served relative to total)	S.2.A.02	% total households	41.2%	37%
		Households served with wastewater treatment	S.2.A.03	Nr	0	0
		Coverage (households served with wastewater treatment relative to total)	S.2.A.04	% households	0%	0%
	New connections	New connections (household)	S.2.A.05	Nr	-213	573
		New connections (commercial and institutional)	S.2.A.06	Nr	-86	92
Complaints	Complaints	Complaints received (technical)	S.2.B.01	Nr	1,279	1,134
		Complaints received (commercial)	S.2.B.02	Nr	0	0
Financial						
Sales	Values	Value of sales to households	S.3.A.01	EUR	164,717	175,683
		Value of sales to households relative to plan	S.3.A.02	% of plan estimate	72%	66%
		Value of sales to com & inst	S.3.A.01	EUR	94,116	147,861
		Value of sales to com & inst relative to plan	S.3.A.02	% of plan estimate	49%	68%
Unit costs	Treatment and disposal	Unit operational cost of treatment and disposal per m3	S.3.B.01	EUR/m3	N/A	N/A
		Unit total cost of treatment and disposal per m3	S.3.B.02	EUR/m3	N/A	N/A
		Unit operational cost of treatment and disposal per household	S.3.B.03	EUR/ household	N/A	N/A
		Unit total cost of treatment and disposal per household	S.3.B.04	EUR/ household	N/A	N/A
	Collection	Unit operational cost of wastewater collection per household	S.3.B.05	EUR/ household	N/A	N/A
		Unit total cost of wastewater collection per household	S.3.B.06	EUR/ household	N/A	N/A
		Unit operational cost of wastewater services per household	S.3.B.07	EUR/ household	3.98	4.37
		Unit total cost of wastewater services per household	S.3.B.08	EUR/ household	4.08	4.47
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	S.3.C.01	EUR	0	35,599
		Total capital maintenance expenditure relative to plan	S.3.C.02	% of plan estimate	0%	0%
		Total capital maintenance expenditure relative to RAB	S.3.C.03	% of RAB	0	0
	Capital enhancement	Total capital enhancement expenditure	S.3.C.04	EUR	2,741	33,385
		Total capital enhancement expenditure relative to plan	S.3.C.05	% of plan estimate	1,745%	21,250%
F – Financial						
Sales and revenue collection						
Sales		Total sales	F.1.A.01	% of plan estimate	2,942,463	3,311,499
		Total sales relative to plan	F.1.A.02	EUR	79%	83%
Collection efficiency		Total revenue collection	F.1.B.01	EUR	1,897,660	2,239,366
		Total revenue collection out-performance	F.1.B.02	% of plan estimate	-823,316	-772,185
		Total revenue collection out-performance(relative)	F.1.B.03	EUR	70%	74%
		Total revenues written off	F.1.B.04	% of billing	1,336,774	1,044,804
		Total revenues written off relative to billing	F.1.B.05	% of billing	45%	32%
		Revenue collection relative to billing	F.1.B.06	EUR	64%	68%
		Accounts receivable	F.1.B.07	Days turnover	N/A	N/A
		Accounts receivable relative to turnover	F.1.B.08	% of plan estimate	N/A	N/A
Key financial values and ratios						
Values		Free cash flow	F.2.A.01	EUR	N/A	N/A
Ratios	Returns	Return on capital	F.2.B.01	%	-1.05%	2.09%
		Cost of debt	F.2.B.02	%	N/A	N/A
	Ratios	Gearing	F.2.B.03	ratio	N/A	N/A
		Cash interest cover	F.2.B.04	ratio	N/A	N/A

RWC Mitrovica (Mitrovica)

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2013	2014
W - Water supply						
Non-financial (technical)						
Standards of service	Quality	Water quality (bacteriological)	W.1.A.01	% pass	98.7%	99.0%
		Water quality (physical and chemical)	W.1.A.02	% pass	96.2%	98.1%
	Pressure	Properties affected by low pressure	W.1.A.03	Nr	3,450	0
		Properties affected by low pressure	W.1.A.04	% properties	16.37%	0%
	Reliability	Properties with 24 hour supply	W.1.A.05	Nr	8,462	12,995
		Properties with 24 hour supply	W.1.A.06	% properties	40%	62%
		Properties with 18-24 hour supply	W.1.A.07	Nr	1,500	3,250
		Properties with 18-24 hour supply	W.1.A.08	% properties	7%	15%
		Properties with less than 18 hours supply	W.1.A.09	Nr	11,120	4,818
		Properties with less than 18 hours supply	W.1.A.10	% properties	53%	23%
Infrastructure serviceability	Non-revenue water	Non revenue water (total)	W.1.B.01	m3 per day	8,412,659	11,544,636
		Non revenue water (per connection)	W.1.B.02	litres per cust. per day	989	1,359
		Non revenue water (per connection) - adjusted	W.1.B.03	litres per cust. per day	1,150	1,472
		Non revenue water (relative to production)	W.1.B.04	% production	50%	59%
	Pipe bursts	Pipe network bursts frequency	W.1.B.05	bursts per month	93	106
		Pipe network bursts per 100 km of pipe	W.1.B.06	Nr / 100 km	161	184
Non-financial (commercial)						
Service coverage	Households	Households served	W.2.A.01	Nr	21,082	21,063
		Coverage (households served relative to total)	W.2.A.02	% total households	64.1%	63%
	New connections	New connections (household)	W.2.A.03	Nr	749	-787
		New connections (commercial and institutional)	W.2.A.04	Nr	65	-111
Metering	Metering rate	Metered households relative to total households	W.2.B.01	% households	59%	64%
		Metered com & inst relative to total com & inst.	W.2.B.02	% com & inst	84%	90%
	Meters installed	Meters installed (households)	W.2.B.03	Nr	970	999
		Meters installed (com & inst)	W.2.B.04	Nr	146	75
Complaints	Complaints	Complaints received (technical)	W.2.C.01	Nr	3,026	1,275
		Complaints received (commercial)	W.2.C.02	Nr	1	51
Financial						
Sales	Volumes	Volume of sales to households (metered)	W.3.A.01	m3	1,585,660	1,824,054
		Volume of sales to households (metered) relative to plan estimates	W.3.A.02	% of plan estimate	43%	43%
		Volume of sales to households (un-metered)	W.3.A.03	m3	2,038,052	1,995,938
		Volume of sales to households (un-metered) relative to plan estimates	W.3.A.04	% of plan estimate	283%	924%
		Volume of sales to com & inst (metered)	W.3.A.05	m3	484,494	486,865
		Volume of sales to com & inst (metered) relative to plan estimates	W.3.A.06	% of plan estimate	59%	58%
		Volume of sales to com & inst (un-metered)	W.3.A.07	m3	50,392	36,714
		Volume of sales to com & inst (un-metered) relative to plan estimates	W.3.A.08	% of plan estimate	0%	0%
	Values	Value of water sales to households	W.3.A.09	EUR	1,526,586	1,596,872
		Value of water sales to households relative to plan estimates	W.3.A.10	% of plan estimate	77.6%	71.8%
		Value of water sales to com & inst	W.3.A.11	EUR	456,228	443,889
		Value of water sales to com & inst relative to plan estimates	W.3.A.12	% of plan estimate	61.7%	59.7%
Unit costs	Production	Unit operational cost of water production	W.3.B.01	EUR/m3	0.051	0.040
		Unit total cost of water production	W.3.B.02	EUR/m3	0.052	0.041
	Total costs	Unit cost of water sold	W.3.B.03	EUR/m3	0.364	0.352
		Unit cost of water sold and paid for	W.3.B.04	EUR/m3	N/A	N/A
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	W.3.C.01	EUR	2,005,541	0
		Total capital maintenance expenditure relative to plan	W.3.C.02	% of plan estimate	0%	0%
		Total capital maintenance expenditure relative to RAB	W.3.C.03	% of RAB	42.2%	0%
	Capital enhancement	Total capital enhancement expenditure	W.3.C.04	EUR	50,342	0
		Total capital enhancement expenditure relative to plan	W.3.C.05	% of plan estimate	0.5%	0%

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2013	2014
S - Sewerage (wastewater)						
Non-financial (technical)						
Standards of service	Discharge quality	Discharge quality	S.1.A.01	% pass	N/A	N/A
Reliability	Sewer overflows	Sewer overflows	S.1.B.01	Nr	1,172	1,049
		Sewer overflows per 100 km of pipe	S.1.B.02	Nr per 100 km	623	583
Serviceability	Sewer collapses	Sewer collapses	S.1.C.01	Nr	0	0
		Sewer collapses per 100 km of pipe	S.1.C.02	Nr per 100 km	0	0
	WWTP overflows	Wastewater treatment plan overflows	S.1.C.03	Nr	N/A	N/A
Non-financial (commercial)						
Service coverage	Households	Households served	S.2.A.01	Nr	16,006	16,659
		Coverage (households served relative to total)	S.2.A.02	% total households	49%	50%
		Households served with wastewater treatment	S.2.A.03	Nr	1,469	1,616
		Coverage (households served with wastewater treatment relative to total)	S.2.A.04	% households	9.2%	9.7%
	New connections	New connections (household)	S.2.A.05	Nr	642	663
		New connections (commercial and institutional)	S.2.A.06	Nr	62	-92
Complaints	Complaints	Complaints received (technical)	S.2.B.01	Nr	0	1,045
		Complaints received (commercial)	S.2.B.02	Nr	0	1
Financial						
Sales	Values	Value of sales to households	S.3.A.01	EUR	280,327	288,935
		Value of sales to households relative to plan	S.3.A.02	% of plan estimate	75%	57%
		Value of sales to com & inst	S.3.A.01	EUR	125,649	124,084
		Value of sales to com & inst relative to plan	S.3.A.02	% of plan estimate	54%	41%
Unit costs	Treatment and disposal	Unit operational cost of treatment and disposal per m3	S.3.B.01	EUR/m3	N/A	N/A
		Unit total cost of treatment and disposal per m3	S.3.B.02	EUR/m3	N/A	N/A
		Unit operational cost of treatment and disposal per household	S.3.B.03	EUR/ household	N/A	N/A
		Unit total cost of treatment and disposal per household	S.3.B.04	EUR/ household	N/A	N/A
	Collection	Unit operational cost of wastewater collection per household	S.3.B.05	EUR/ household	N/A	N/A
		Unit total cost of wastewater collection per household	S.3.B.06	EUR/ household	N/A	N/A
		Unit operational cost of wastewater services per household	S.3.B.07	EUR/ household	9.65	5.07
		Unit total cost of wastewater services per household	S.3.B.08	EUR/ household	9.65	5.08
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	S.3.C.01	EUR	2,806	0
		Total capital maintenance expenditure relative to plan	S.3.C.02	% of plan estimate	2%	0%
		Total capital maintenance expenditure relative to RAB	S.3.C.03	% of RAB	0.2%	0%
	Capital enhancement	Total capital enhancement expenditure	S.3.C.04	EUR	2.304	0
		Total capital enhancement expenditure relative to plan	S.3.C.05	% of plan estimate	0%	0%
F – Financial						
Sales and revenue collection						
Sales		Total sales	F.1.A.01	EUR	2,388,790	2,453,780
		Total sales relative to plan	F.1.A.02	% of plan estimate	72%	65%
Collection efficiency		Total revenue collection	F.1.B.01	EUR	1,149,119	1,186,259
		Total revenue collection out-performance	F.1.B.02	EUR	-988,158	-1,285,207
		Total revenue collection out-performance(relative)	F.1.B.03	% of plan estimate	54%	48%
		Total revenues written off	F.1.B.04	EUR	1,214,492	1,239,670
		Total revenues written off relative to billing	F.1.B.05	% of billing	51%	51%
		Revenue collection relative to billing	F.1.B.06	% of billing	48%	48%
		Accounts receivable	F.1.B.07	EUR	N/A	N/A
		Accounts receivable relative to turnover	F.1.B.08	Days turnover	N/A	N/A
Key financial values and ratios						
Values		Free cash flow	F.2.A.01	EUR	N/A	N/A
Ratios	Returns	Return on capital	F.2.B.01	%	-6.62%	-4.10%
		Cost of debt	F.2.B.02	%	N/A	N/A
	Ratios	Gearing	F.2.B.03	ratio	N/A	N/A
		Cash interest cover	F.2.B.04	ratio	N/A	N/A

RWC Radoniqi (Gjakova)

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2013	2014
W - Water supply						
Non-financial (technical)						
Standards of service	Quality	Water quality (bacteriological)	W.1.A.01	% pass	99.8%	98.5%
		Water quality (physical and chemical)	W.1.A.02	% pass	99.7%	100%
	Pressure	Properties affected by low pressure	W.1.A.03	Nr	163	303
		Properties affected by low pressure	W.1.A.04	% properties	0.64%	1.14%
	Reliability	Properties with 24 hour supply	W.1.A.05	Nr	25,358	26,001
		Properties with 24 hour supply	W.1.A.06	% properties	99%	98%
		Properties with 18-24 hour supply	W.1.A.07	Nr	0	155
		Properties with 18-24 hour supply	W.1.A.08	% properties	0%	1%
		Properties with less than 18 hours supply	W.1.A.09	Nr	195	350
		Properties with less than 18 hours supply	W.1.A.10	% properties	1%	1%
Infrastructure serviceability	Non-revenue water	Non revenue water (total)	W.1.B.01	m3 per day	7,596,404	6,827,068
		Non revenue water (per connection)	W.1.B.02	litres per cust. per day	719	622
		Non revenue water (per connection) - adjusted	W.1.B.03	litres per cust. per day	720	624
		Non revenue water (relative to production)	W.1.B.04	% production	51%	50%
	Pipe bursts	Pipe network bursts frequency	W.1.B.05	bursts per month	198	200
		Pipe network bursts per 100 km of pipe	W.1.B.06	Nr / 100 km	439	445
Non-financial (commercial)						
Service coverage	Households	Households served	W.2.A.01	Nr	25,553	26,506
		Coverage (households served relative to total)	W.2.A.02	% total households	99.7%	96%
	New connections	New connections (household)	W.2.A.03	Nr	331	1,575
		New connections (commercial and institutional)	W.2.A.04	Nr	176	172
Metering	Metering rate	Metered households relative to total households	W.2.B.01	% households	95%	95%
		Metered com & inst relative to total com & inst.	W.2.B.02	% com & inst	100%	100%
	Meters installed	Meters installed (households)	W.2.B.03	Nr	264	307
		Meters installed (com & inst)	W.2.B.04	Nr	5	0
Complaints	Complaints	Complaints received (technical)	W.2.C.01	Nr	84	10
		Complaints received (commercial)	W.2.C.02	Nr	281	387
Financial						
Sales	Volumes	Volume of sales to households (metered)	W.3.A.01	m3	5,637,320	5,474,933
		Volume of sales to households (metered) relative to plan estimates	W.3.A.02	% of plan estimate	107%	100%
		Volume of sales to households (un-metered)	W.3.A.03	m3	539,767	443,995
		Volume of sales to households (un-metered) relative to plan estimates	W.3.A.04	% of plan estimate	110%	113%
		Volume of sales to com & inst (metered)	W.3.A.05	m3	1,003,135	781,225
		Volume of sales to com & inst (metered) relative to plan estimates	W.3.A.06	% of plan estimate	125%	97%
		Volume of sales to com & inst (un-metered)	W.3.A.07	m3	0	0
		Volume of sales to com & inst (un-metered) relative to plan estimates	W.3.A.08	% of plan estimate	0%	0%
	Values	Value of water sales to households	W.3.A.09	EUR	2,483,504	2,386,865
		Value of water sales to households relative to plan estimates	W.3.A.10	% of plan estimate	99%	87%
		Value of water sales to com & inst	W.3.A.11	EUR	662,178	631,752
		Value of water sales to com & inst relative to plan estimates	W.3.A.12	% of plan estimate	88%	87%
Unit costs	Production	Unit operational cost of water production	W.3.B.01	EUR/m3	0.024	0.022
		Unit total cost of water production	W.3.B.02	EUR/m3	0.027	0.026
	Total costs	Unit cost of water sold	W.3.B.03	EUR/m3	0.322	0.355
		Unit cost of water sold and paid for	W.3.B.04	EUR/m3	N/A	N/A
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	W.3.C.01	EUR	75,247	15,079
		Total capital maintenance expenditure relative to plan	W.3.C.02	% of plan estimate	14%	3%
		Total capital maintenance expenditure relative to RAB	W.3.C.03	% of RAB	1.2%	0.2%
	Capital enhancement	Total capital enhancement expenditure	W.3.C.04	EUR	1,259,772	1,122,110
		Total capital enhancement expenditure relative to plan	W.3.C.05	% of plan estimate	0%	0%

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2013	2014
S - Sewerage (wastewater)						
Non-financial (technical)						
Standards of service	Discharge quality	Discharge quality	S.1.A.01	% pass	N/A	N/A
Reliability	Sewer overflows	Sewer overflows	S.1.B.01	Nr	632	767
		Sewer overflows per 100 km of pipe	S.1.B.02	Nr per 100 km	797	990
Serviceability	Sewer collapses	Sewer collapses	S.1.C.01	Nr	0	0
		Sewer collapses per 100 km of pipe	S.1.C.02	Nr per 100 km	0	0
	WWTP overflows	Wastewater treatment plan overflows	S.1.C.03	Nr	N/A	N/A
Non-financial (commercial)						
Service coverage	Households	Households served	S.2.A.01	Nr	13,736	14,173
		Coverage (households served relative to total)	S.2.A.02	% total households	54%	52%
		Households served with wastewater treatment	S.2.A.03	Nr	0	0
		Coverage (households served with wastewater treatment relative to total)	S.2.A.04	% households	0%	0%
	New connections	New connections (household)	S.2.A.05	Nr	482	391
		New connections (commercial and institutional)	S.2.A.06	Nr	100	103
Complaints	Complaints	Complaints received (technical)	S.2.B.01	Nr	324	113
		Complaints received (commercial)	S.2.B.02	Nr	0	0
Financial						
Sales	Values	Value of sales to households	S.3.A.01	EUR	276,734	266,501
		Value of sales to households relative to plan	S.3.A.02	% of plan estimate	92%	65%
		Value of sales to com & inst	S.3.A.01	EUR	115,347	116,196
		Value of sales to com & inst relative to plan	S.3.A.02	% of plan estimate	83%	63%
Unit costs	Treatment and disposal	Unit operational cost of treatment and disposal per m3	S.3.B.01	EUR/m3	N/A	N/A
		Unit total cost of treatment and disposal per m3	S.3.B.02	EUR/m3	N/A	N/A
		Unit operational cost of treatment and disposal per household	S.3.B.03	EUR/ household	N/A	N/A
		Unit total cost of treatment and disposal per household	S.3.B.04	EUR/ household	N/A	N/A
	Collection	Unit operational cost of wastewater collection per household	S.3.B.05	EUR/ household	N/A	N/A
		Unit total cost of wastewater collection per household	S.3.B.06	EUR/ household	N/A	N/A
		Unit operational cost of wastewater services per household	S.3.B.07	EUR/ household	9.71	10.12
		Unit total cost of wastewater services per household	S.3.B.08	EUR/ household	10.40	10.91
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	S.3.C.01	EUR	228	108
		Total capital maintenance expenditure relative to plan	S.3.C.02	% of plan estimate	0%	0%
		Total capital maintenance expenditure relative to RAB	S.3.C.03	% of RAB	0%	0%
	Capital enhancement	Total capital enhancement expenditure	S.3.C.04	EUR	13,400	35,781
		Total capital enhancement expenditure relative to plan	S.3.C.05	% of plan estimate	0%	0%
F – Financial						
Sales and revenue collection						
Sales		Total sales	F.1.A.01	EUR	3,537,763	3,401,314
		Total sales relative to plan	F.1.A.02	% of plan estimate	96%	84%
Collection efficiency		Total revenue collection	F.1.B.01	EUR	2,655,405	2,813,483
		Total revenue collection out-performance	F.1.B.02	EUR	-222,828	-449,822
		Total revenue collection out-performance(relative)	F.1.B.03	% of plan estimate	92%	86%
		Total revenues written off	F.1.B.04	EUR	698,959	882,358
		Total revenues written off relative to billing	F.1.B.05	% of billing	20%	26%
		Revenue collection relative to billing	F.1.B.06	% of billing	75%	83%
		Accounts receivable	F.1.B.07	EUR	N/A	N/A
		Accounts receivable relative to turnover	F.1.B.08	Days turnover	N/A	N/A
Key financial values and ratios						
Values		Free cash flow	F.2.A.01	EUR	N/A	N/A
Ratios	Returns	Return on capital	F.2.B.01	%	5.30%	0.27%
		Cost of debt	F.2.B.02	%	N/A	N/A
	Ratios	Gearing	F.2.B.03	ratio	N/A	N/A
		Cash interest cover	F.2.B.04	ratio	N/A	N/A

RWC Bifurkacioni (Ferizaj)

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2013	2014
W - Water supply						
Non-financial (technical)						
Standards of service	Quality	Water quality (bacteriological)	W.1.A.01	% pass	97.5%	99.3%
		Water quality (physical and chemical)	W.1.A.02	% pass	99.4%	100%
	Pressure	Properties affected by low pressure	W.1.A.03	Nr	1,082	0
		Properties affected by low pressure	W.1.A.04	% properties	7.2%	0%
	Reliability	Properties with 24 hour supply	W.1.A.05	Nr	1,703	5,079
		Properties with 24 hour supply	W.1.A.06	% properties	11%	31%
		Properties with 18-24 hour supply	W.1.A.07	Nr	13,158	11,212
		Properties with 18-24 hour supply	W.1.A.08	% properties	88%	69%
		Properties with less than 18 hours supply	W.1.A.09	Nr	115	0
		Properties with less than 18 hours supply	W.1.A.10	% properties	1.0%	0%
Infrastructure serviceability	Non-revenue water	Non revenue water (total)	W.1.B.01	m3 per day	3,376,993	3,332,033
		Non revenue water (per connection)	W.1.B.02	litres per cust. per day	560	503
		Non revenue water (per connection) - adjusted	W.1.B.03	litres per cust. per day	630	550
		Non revenue water (relative to production)	W.1.B.04	% production	55%	53%
	Pipe bursts	Pipe network bursts frequency	W.1.B.05	bursts per month	26	30
		Pipe network bursts per 100 km of pipe	W.1.B.06	Nr / 100 km	141	161
Non-financial (commercial)						
Service coverage	Households	Households served	W.2.A.01	Nr	14,976	16,290
		Coverage (households served relative to total)	W.2.A.02	% total households	80.9%	87%
	New connections	New connections (household)	W.2.A.03	Nr	1,106	1,522
		New connections (commercial and institutional)	W.2.A.04	Nr	139	470
Metering	Metering rate	Metered households relative to total households	W.2.B.01	% households	87%	90%
		Metered com & inst relative to total com & inst.	W.2.B.02	% com & inst	84%	82%
	Meters installed	Meters installed (households)	W.2.B.03	Nr	1,496	1,762
		Meters installed (com & inst)	W.2.B.04	Nr	175	245
Complaints	Complaints	Complaints received (technical)	W.2.C.01	Nr	315	365
		Complaints received (commercial)	W.2.C.02	Nr	191	268
Financial						
Sales	Volumes	Volume of sales to households (metered)	W.3.A.01	m3	1,602,426	2,081,569
		Volume of sales to households (metered) relative to plan estimates	W.3.A.02	% of plan estimate	61%	73%
		Volume of sales to households (un-metered)	W.3.A.03	m3	752,626	525,774
		Volume of sales to households (un-metered) relative to plan estimates	W.3.A.04	% of plan estimate	132%	208%
		Volume of sales to com & inst (metered)	W.3.A.05	m3	200,550	291,702
		Volume of sales to com & inst (metered) relative to plan estimates	W.3.A.06	% of plan estimate	80%	110%
		Volume of sales to com & inst (un-metered)	W.3.A.07	m3	172,911	93,940
		Volume of sales to com & inst (un-metered) relative to plan estimates	W.3.A.08	% of plan estimate	1,201%	0%
	Values	Value of water sales to households	W.3.A.09	EUR	1,146,285	1,080,012
		Value of water sales to households relative to plan estimates	W.3.A.10	% of plan estimate	87%	79%
		Value of water sales to com & inst	W.3.A.11	EUR	159,082	345,001
		Value of water sales to com & inst relative to plan estimates	W.3.A.12	% of plan estimate	60%	134%
Unit costs	Production	Unit operational cost of water production	W.3.B.01	EUR/m3	0.044	0.056
		Unit total cost of water production	W.3.B.02	EUR/m3	0.046	0.058
	Total costs	Unit cost of water sold	W.3.B.03	EUR/m3	0.312	0.378
		Unit cost of water sold and paid for	W.3.B.04	EUR/m3	N/A	N/A
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	W.3.C.01	EUR	33,312	2,893,558
		Total capital maintenance expenditure relative to plan	W.3.C.02	% of plan estimate	6%	690%
		Total capital maintenance expenditure relative to RAB	W.3.C.03	% of RAB	1.0%	88%
	Capital enhancement	Total capital enhancement expenditure	W.3.C.04	EUR	20,200	177,142
		Total capital enhancement expenditure relative to plan	W.3.C.05	% of plan estimate	9.4%	3,383%

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2013	2014
S - Sewerage (wastewater)						
Non-financial (technical)						
Standards of service	Discharge quality	Discharge quality	S.1.A.01	% pass	N/A	N/A
Reliability	Sewer overflows	Sewer overflows	S.1.B.01	Nr	396	442
		Sewer overflows per 100 km of pipe	S.1.B.02	Nr per 100 km	238	203
Serviceability	Sewer collapses	Sewer collapses	S.1.C.01	Nr	0	0
		Sewer collapses per 100 km of pipe	S.1.C.02	Nr per 100 km	0	0
	WWTP overflows	Wastewater treatment plan overflows	S.1.C.03	Nr	N/A	N/A
Non-financial (commercial)						
Service coverage	Households	Households served	S.2.A.01	Nr	13,880	15,889
		Coverage (households served relative to total)	S.2.A.02	% total households	75%	85%
		Households served with wastewater treatment	S.2.A.03	Nr	0	0
		Coverage (households served with wastewater treatment relative to total)	S.2.A.04	% households	0%	0%
	New connections	New connections (household)	S.2.A.05	Nr	3,559	459
		New connections (commercial and institutional)	S.2.A.06	Nr	128	179
Complaints	Complaints	Complaints received (technical)	S.2.B.01	Nr	0	0
		Complaints received (commercial)	S.2.B.02	Nr	0	0
Financial						
Sales	Values	Value of sales to households	S.3.A.01	EUR	200,962	219,893
		Value of sales to households relative to plan	S.3.A.02	% of plan estimate	55%	59%
		Value of sales to com & inst	S.3.A.01	EUR	38,785	104,094
		Value of sales to com & inst relative to plan	S.3.A.02	% of plan estimate	43%	107%
Unit costs	Treatment and disposal	Unit operational cost of treatment and disposal per m3	S.3.B.01	EUR/m3	N/A	N/A
		Unit total cost of treatment and disposal per m3	S.3.B.02	EUR/m3	N/A	N/A
		Unit operational cost of treatment and disposal per household	S.3.B.03	EUR/ household	N/A	N/A
		Unit total cost of treatment and disposal per household	S.3.B.04	EUR/ household	N/A	N/A
	Collection	Unit operational cost of wastewater collection per household	S.3.B.05	EUR/ household	N/A	N/A
		Unit total cost of wastewater collection per household	S.3.B.06	EUR/ household	N/A	N/A
		Unit operational cost of wastewater services per household	S.3.B.07	EUR/ household	4.909	4.715
		Unit total cost of wastewater services per household	S.3.B.08	EUR/ household	5.463	5.073
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	S.3.C.01	EUR	4,199	1,076
		Total capital maintenance expenditure relative to plan	S.3.C.02	% of plan estimate	2%	0%
		Total capital maintenance expenditure relative to RAB	S.3.C.03	% of RAB	0.5%	0.1%
	Capital enhancement	Total capital enhancement expenditure	S.3.C.04	EUR	750	5,005
		Total capital enhancement expenditure relative to plan	S.3.C.05	% of plan estimate	0.0%	0.0%
F – Financial						
Sales and revenue collection						
Sales		Total sales	F.1.A.01	EUR	1,545,114	1,748,999
		Total sales relative to plan	F.1.A.02	% of plan estimate	76%	84%
Collection efficiency		Total revenue collection	F.1.B.01	EUR	928,360	1,114,376
		Total revenue collection out-performance	F.1.B.02	EUR	-503,589	-405,802
		Total revenue collection out-performance(relative)	F.1.B.03	% of plan estimate	65%	73%
		Total revenues written off	F.1.B.04	EUR	591,945	616,755
		Total revenues written off relative to billing	F.1.B.05	% of billing	38%	35%
		Revenue collection relative to billing	F.1.B.06	% of billing	60%	64%
		Accounts receivable	F.1.B.07	EUR	N/A	N/A
		Accounts receivable relative to turnover	F.1.B.08	Days turnover	N/A	N/A
Key financial values and ratios						
Values		Free cash flow	F.2.A.01	EUR	N/A	N/A
Ratios	Returns	Return on capital	F.2.B.01	%	2.01%	-0.43%
		Cost of debt	F.2.B.02	%	N/A	N/A
	Ratios	Gearing	F.2.B.03	ratio	N/A	N/A
		Cash interest cover	F.2.B.04	ratio	N/A	N/A

RWC Hidromorava (Gjilan)

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2013	2014
W - Water supply						
Non-financial (technical)						
Standards of service	Quality	Water quality (bacteriological)	W.1.A.01	% pass	98.0%	99.2%
		Water quality (physical and chemical)	W.1.A.02	% pass	99.5%	100%
	Pressure	Properties affected by low pressure	W.1.A.03	Nr	200	900
		Properties affected by low pressure	W.1.A.04	% properties	1.0%	4.22%
	Reliability	Properties with 24 hour supply	W.1.A.05	Nr	19,363	12,339
		Properties with 24 hour supply	W.1.A.06	% properties	99%	58%
		Properties with 18-24 hour supply	W.1.A.07	Nr	150	150
		Properties with 18-24 hour supply	W.1.A.08	% properties	1%	1%
		Properties with less than 18 hours supply	W.1.A.09	Nr	0	8,848
		Properties with less than 18 hours supply	W.1.A.10	% properties	0%	41%
Infrastructure serviceability	Non-revenue water	Non revenue water (total)	W.1.B.01	m3 per day	4,288,148	4,424,105
		Non revenue water (per connection)	W.1.B.02	litres per cust. per day	543	506
		Non revenue water (per connection) - adjusted	W.1.B.03	litres per cust. per day	544	565
		Non revenue water (relative to production)	W.1.B.04	% production	55%	58%
	Pipe bursts	Pipe network bursts frequency	W.1.B.05	bursts per month	240	78
		Pipe network bursts per 100 km of pipe	W.1.B.06	Nr / 100 km	1,745	625
Non-financial (commercial)						
Service coverage	Households	Households served	W.2.A.01	Nr	19,513	21,336
		Coverage (households served relative to total)	W.2.A.02	% total households	62.7%	67%
	New connections	New connections (household)	W.2.A.03	Nr	2,319	1,328
		New connections (commercial and institutional)	W.2.A.04	Nr	726	258
Metering	Metering rate	Metered households relative to total households	W.2.B.01	% households	85%	82%
		Metered com & inst relative to total com & inst.	W.2.B.02	% com & inst	77%	66%
	Meters installed	Meters installed (households)	W.2.B.03	Nr	501	951
		Meters installed (com & inst)	W.2.B.04	Nr	65	182
Complaints	Complaints	Complaints received (technical)	W.2.C.01	Nr	2,879	2,409
		Complaints received (commercial)	W.2.C.02	Nr	125	158
Financial						
Sales	Volumes	Volume of sales to households (metered)	W.3.A.01	m3	2,449,642	2,240,398
		Volume of sales to households (metered) relative to plan estimates	W.3.A.02	% of plan estimate	92%	79%
		Volume of sales to households (un-metered)	W.3.A.03	m3	550,051	496,691
		Volume of sales to households (un-metered) relative to plan estimates	W.3.A.04	% of plan estimate	183%	318%
		Volume of sales to com & inst (metered)	W.3.A.05	m3	385,817	383,640
		Volume of sales to com & inst (metered) relative to plan estimates	W.3.A.06	% of plan estimate	86%	82%
		Volume of sales to com & inst (un-metered)	W.3.A.07	m3	56,416	48,624
		Volume of sales to com & inst (un-metered) relative to plan estimates	W.3.A.08	% of plan estimate	617%	1,771%
	Values	Value of water sales to households	W.3.A.09	EUR	1,153,412	1,137,810
		Value of water sales to households relative to plan estimates	W.3.A.10	% of plan estimate	90%	87%
		Value of water sales to com & inst	W.3.A.11	EUR	340,923	340,470
		Value of water sales to com & inst relative to plan estimates	W.3.A.12	% of plan estimate	86%	88%
Unit costs	Production	Unit operational cost of water production	W.3.B.01	EUR/m3	0.059	0.071
		Unit total cost of water production	W.3.B.02	EUR/m3	0.063	0.074
	Total costs	Unit cost of water sold	W.3.B.03	EUR/m3	0.335	0.404
		Unit cost of water sold and paid for	W.3.B.04	EUR/m3	N/A	N/A
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	W.3.C.01	EUR	0	178,240
		Total capital maintenance expenditure relative to plan	W.3.C.02	% of plan estimate	0%	109%
		Total capital maintenance expenditure relative to RAB	W.3.C.03	% of RAB	0.0%	6.7%
	Capital enhancement	Total capital enhancement expenditure	W.3.C.04	EUR	31,175	1,790,769
		Total capital enhancement expenditure relative to plan	W.3.C.05	% of plan estimate	149%	8,549%

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2013	2014
S - Sewerage (wastewater)						
Non-financial (technical)						
Standards of service	Discharge quality	Discharge quality	S.1.A.01	% pass	N/A	N/A
Reliability	Sewer overflows	Sewer overflows	S.1.B.01	Nr	852	1,142
		Sewer overflows per 100 km of pipe	S.1.B.02	Nr per 100 km	473	544
Serviceability	Sewer collapses	Sewer collapses	S.1.C.01	Nr	0	0
		Sewer collapses per 100 km of pipe	S.1.C.02	Nr per 100 km	0	0
	WWTP overflows	Wastewater treatment plan overflows	S.1.C.03	Nr	N/A	N/A
Non-financial (commercial)						
Service coverage	Households	Households served	S.2.A.01	Nr	14,900	15,699
		Coverage (households served relative to total)	S.2.A.02	% total households	48%	49%
		Households served with wastewater treatment	S.2.A.03	Nr	0	0
		Coverage (households served with wastewater treatment relative to total)	S.2.A.04	% households	0%	0%
	New connections	New connections (household)	S.2.A.05	Nr	769	830
		New connections (commercial and institutional)	S.2.A.06	Nr	24	137
Complaints	Complaints	Complaints received (technical)	S.2.B.01	Nr	852	1,142
		Complaints received (commercial)	S.2.B.02	Nr	0	127
Financial						
Sales	Values	Value of sales to households	S.3.A.01	EUR	202,196	190,340
		Value of sales to households relative to plan	S.3.A.02	% of plan estimate	77%	73%
		Value of sales to com & inst	S.3.A.01	EUR	83,858	78,092
		Value of sales to com & inst relative to plan	S.3.A.02	% of plan estimate	83%	70%
Unit costs	Treatment and disposal	Unit operational cost of treatment and disposal per m3	S.3.B.01	EUR/m3	N/A	N/A
		Unit total cost of treatment and disposal per m3	S.3.B.02	EUR/m3	N/A	N/A
		Unit operational cost of treatment and disposal per household	S.3.B.03	EUR/ household	N/A	N/A
		Unit total cost of treatment and disposal per household	S.3.B.04	EUR/ household	N/A	N/A
	Collection	Unit operational cost of wastewater collection per household	S.3.B.05	EUR/ household	N/A	N/A
		Unit total cost of wastewater collection per household	S.3.B.06	EUR/ household	N/A	N/A
		Unit operational cost of wastewater services per household	S.3.B.07	EUR/ household	5.633	6.125
		Unit total cost of wastewater services per household	S.3.B.08	EUR/ household	6.262	6.696
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	S.3.C.01	EUR	0	0
		Total capital maintenance expenditure relative to plan	S.3.C.02	% of plan estimate	0%	0%
		Total capital maintenance expenditure relative to RAB	S.3.C.03	% of RAB	0%	0%
	Capital enhancement	Total capital enhancement expenditure	S.3.C.04	EUR	1,175	13,644
		Total capital enhancement expenditure relative to plan	S.3.C.05	% of plan estimate	0%	0%
F – Financial						
Sales and revenue collection						
Sales		Total sales	F.1.A.01	EUR	1,780,389	1,746,712
		Total sales relative to plan	F.1.A.02	% of plan estimate	87%	85%
Collection efficiency		Total revenue collection	F.1.B.01	EUR	1,247,804	1,263,510
		Total revenue collection out-performance	F.1.B.02	EUR	-392,306	-432,503
		Total revenue collection out-performance(relative)	F.1.B.03	% of plan estimate	76%	74%
		Total revenues written off	F.1.B.04	EUR	424,577	532,585
		Total revenues written off relative to billing	F.1.B.05	% of billing	24%	30%
		Revenue collection relative to billing	F.1.B.06	% of billing	70%	72%
		Accounts receivable	F.1.B.07	EUR	N/A	N/A
		Accounts receivable relative to turnover	F.1.B.08	Days turnover	N/A	N/A
Key financial values and ratios						
Values		Free cash flow	F.2.A.01	EUR	N/A	N/A
Ratios	Returns	Return on capital	F.2.B.01	%	6.67%	-4.67%
		Cost of debt	F.2.B.02	%	N/A	N/A
	Ratios	Gearing	F.2.B.03	ratio	N/A	N/A
		Cash interest cover	F.2.B.04	ratio	N/A	N/A

ANNEX 2 Definitions and reasonability

A Performance indicators definitions

Section	Reference	Indicator	Unit	Definition
W - Water supply				
Non-financial (technical)				
Standards of service	W.1.A.01	Water quality (bacteriological)	% pass	Percentage of bacteriological test results passing prescribed standards for bacteriological quality in the reporting period.
	W.1.A.02	Water quality (physical and chemical)	% pass	Percentage of physical and chemical test results passing prescribed standards for physical and chemical quality in the reporting period.
	W.1.A.03	Properties affected by low pressure	Nr	Average number of served properties over the reporting period situated in zones that regularly experience pressure below minimum pressure levels. Does not include short term intermittent periods of low pressure.
	W.1.A.04	Properties affected by low pressure	% properties	Average number of properties defined in W.1.A.3 divided by estimated number of served propertied in the service areas
	W.1.A.05	Properties with 24 hour supply	Nr	Average number of properties in the reporting period that enjoy continual water supply (excluding exceptional supply disruptions) for 23 or more hours per day.
	W.1.A.06	Properties with 24 hour supply	% properties	Percentage of served properties in the reporting period that enjoy continual water supply (excluding exceptional supply disruptions) for 23 or more hours per day.
	W.1.A.07	Properties with 18-24 hour supply	Nr	Average number of properties in the reporting period that enjoy continual water supply (excluding exceptional supply disruptions) for 18-23 hours per day.
	W.1.A.08	Properties with 18-24 hour supply	% properties	Percentage of served properties in the reporting period that enjoy continual water supply (excluding exceptional supply disruptions) for 18-23 or more hours per day.
	W.1.A.09	Properties with less than 18 hours supply	Nr	Average number of properties in the reporting period that enjoy continual water supply (excluding exceptional supply disruptions) for less than 18 hours per day.
	W.1.A.10	Properties with less than 18 hours supply	% properties	Percentage of served properties in the reporting period that enjoy continual water supply (excluding exceptional supply disruptions) for less than 18 hours per day.
Infrastructure serviceability	W.1.B.01	Non revenue water (total)	m3 per day	Average volume of NRW (difference between water production and water sold) per day over the reporting period
	W.1.B.02	Non revenue water (per connection)	litres per cust. per day	Average volume of NRW divided by the total number of connections in the service area.
	W.1.B.03	Non revenue water (per connection) - adjusted	litres per cust. per day	Average volume of NRW divided by the total number of connections in the service area adjusted for restricted supplies.
	W.1.B.04	Non revenue water (relative to production)	% production	Total volume of NRW divided by total volume of production
	W.1.B.05	Pipe network bursts frequency	bursts per month	Average number of pipe bursts per month
	W.1.B.06	Pipe network bursts per 100 km of pipe	Nr / 100 km	Total number of pipe bursts per year per 100 km of pipe (excluding service connections)
Non-financial (commercial)				
Service coverage	W.2.A.01	Households served	Nr	Total average number of households over the reporting period served with a piped water supply in the defined service area
	W.2.A.02	Coverage (households served relative to total)	% total households	Total average number of households over the reporting period served with a piped water supply in the service area divided by the total average number of households (served and un-served) in the defined service area.
	W.2.A.03	New connections (household)	Nr	Total number of new water supply connections to households (excluded reconnections) over the reporting period.
	W.2.A.04	New connections (commercial and institutional)	Nr	Total number of new water supply connections to commercial and institutional customers (excluded reconnections) over the reporting period.
Metering	W.2.B.01	Metered households relative to total households	% households	Average number of metered (meters functioning) households over the reporting period divided by the average number of households served with a piped water supply in the service area as defined in licence agreements.

Section	Reference	Indicator	Unit	Definition
	W.2.B.02	Metered com & inst relative to total com & inst.	% com & inst	Average number of metered (meters functioning) commercial and institutional customers over the reporting period divided by the average number of commercial and institutional customers served with a piped water supply in the service area as defined in licence agreements.
	W.2.B.03	Meters installed (households)	Nr	Total household meters installed in the reporting period.
	W.2.B.04	Meters installed (com & inst)	Nr	Total commercial and institutional customer meters installed in the reporting period.
Complaints	W.2.C.01	Complaints received (technical)	Nr	Total number of complaints received by the RWC in relation to levels of service (poor water quality, pressure, reliability, disruption due to construction activities and other technical issues) in the reporting period.
	W.2.C.02	Complaints received (commercial)	Nr	Total number of complaints received by the RWC in relation to water supply billing and tariffs in the reporting period.
Financial				
Sales	W.3.A.01	Volume of sales to households (metered)	m3	Total volume of water sold to metered households in reporting period.
	W.3.A.02	Volume of sales to households (metered) relative to plan estimates	% of plan estimate	Total volume of water sold to metered households in reporting period divided by volume of metered household sales estimated in the business plan for the same reporting period
	W.3.A.03	Volume of sales to households (un-metered)	m3	Total volume of water sold to un-metered households in reporting period.
	W.3.A.04	Volume of sales to households (un-metered) relative to plan estimates	% of plan estimate	Total volume of water sold to un-metered households in reporting period divided by volume of un-metered household sales estimated in the business plan for the same reporting period
	W.3.A.05	Volume of sales to com & inst (metered)	m3	Total volume of water sold to metered commercial and institutional customers in reporting period.
	W.3.A.06	Volume of sales to com & inst (metered) relative to plan estimates	% of plan estimate	Total volume of water sold to metered commercial and institutional customers in reporting period divided by volume of metered household sales estimated in the business plan for the same reporting period
	W.3.A.07	Volume of sales to com & inst (un-metered)	m3	Total volume of water sold to un-metered commercial and institutional customers in reporting period.
	W.3.A.08	Volume of sales to com & inst (un-metered) relative to plan estimates	% of plan estimate	Total volume of water sold to un-metered commercial and institutional customers in reporting period divided by volume of un-metered household sales estimated in the business plan for the same reporting period
	W.3.A.09	Value of water sales to households	EUR	Total EUR value of water sales to households including fixed monthly charge component of tariff.
	W.3.A.10	Value of water sales to households relative to plan estimates	% of plan estimate	Total value of water sold to households in reporting period divided by value of water sold estimated in the business plan for the same reporting period (adjusted for inflation)
	W.3.A.11	Value of water sales to com & inst	EUR	Total EUR value of water sales to commercial and institutional customers including fixed monthly charge component of tariff.
	W.3.A.12	Value of water sales to com & inst relative to plan estimates	% of plan estimate	Total value of water sold to commercial and institutional customers in reporting period divided by value of water sold estimated in the business plan for the same reporting period (adjusted for inflation)
Unit costs	W.3.B.01	Unit operational cost of water production	EUR/m3	Total operating cost of water production in the reporting period divided by the volume of water produced in the same period
	W.3.B.02	Unit total cost of water production	EUR/m3	Total cost (operating + capital maintenance provisions) of water production in the reporting period divided by the volume of water produced in the same period
	W.3.B.03	Unit cost of water sold	EUR/m3	Total cost (operating + capital maintenance provisions) of the water supply business activity in the reporting period divided by the volume of water sold in the same period
	W.3.B.04	Unit cost of water sold and paid for	EUR/m3	Total cost (operating + capital maintenance provisions) of the water supply business activity in the reporting period divided by the volume of water sold and paid for in the same period
Capital expenditure	W.3.C.01	Total capital maintenance expenditure	EUR	Total capital maintenance expenditure (infrastructure renewals + investment in non-infrastructure capital maintenance).
	W.3.C.02	Total capital maintenance expenditure relative to plan	% of plan estimate	Total capital maintenance expenditure (infrastructure renewals + investment in non-infrastructure capital maintenance) divided by infrastructure renewals and current cost depreciation provisions in the business plan.
	W.3.C.03	Total capital maintenance expenditure relative to RAB	% of RAB	Total capital maintenance expenditure (infrastructure renewals + investment in non-infrastructure capital maintenance) divided by the regulatory asset base value of water assets.

Section	Reference	Indicator	Unit	Definition
	W.3.C.04	Total capital enhancement expenditure	EUR	Total capital enhancement expenditure (infrastructure enhancement + investment in non-infrastructure capital enhancement).
	W.3.C.05	Total capital enhancement expenditure relative to plan	% of plan estimate	Total capital enhancement expenditure (infrastructure enhancement + investment in non-infrastructure capital enhancement) divided by infrastructure enhancement and non-infrastructure enhancement provisions in the business plan.
S - Sewerage (wastewater)				
Non-financial (technical)				
Standards of service	S.1.A.01	Discharge quality	% pass	Percentage of wastewater treatment plant effluent quality tests passing prescribed standards for environmental quality in the reporting period.
Reliability	S.1.B.01	Sewer overflows	Nr	Number of reported incidents of sewer flooding reported to the RWC (or identified by RWC personnel) in the reporting period
	S.1.B.02	Sewer overflows per 100 km of pipe	Nr per 100 km	Number of reported incidents of sewer flooding reported to the RWC (or identified by RWC personnel) in the reporting period divided by the length of sewer network x 100.
Serviceability	S.1.C.01	Sewer collapses	Nr	Number of reported incidents of sewer collapses reported to the RWC (or identified by RWC personnel) in the reporting period.
	S.1.C.02	Sewer collapses per 100 km of pipe	Nr per 100 km	Number of reported incidents of sewer collapses reported to the RWC (or identified by RWC personnel) in the reporting period divided by the length of sewer network x 100
	S.1.C.03	Wastewater treatment plan overflows	Nr	Number of incidents of wastewater treatment plant overflows in the reporting period
Non-financial (commercial)				
Service coverage	S.2.A.01	Households served	Nr	Total average number of households over the reporting period served with water borne piped sewerage system (including those connected to well functioning septic tanks in rural and semi-rural areas) in the service area as defined in licence agreements.
	S.2.A.02	Coverage (households served relative to total)	% total households	Total average number of households over the reporting period served with water borne piped sewerage system (including those connected to well functioning septic tanks in rural and semi-rural areas) in the service area divided by the total average number of households (served and un-served) in the defined service area.
	S.2.A.03	Households served with wastewater treatment	Nr	Total average number of households over the reporting period served with water borne piped sewerage system leading to a wastewater treatment plant (including well functioning septic tanks in rural and semi-rural areas) in the service area as defined in licence agreements
	S.2.A.04	Coverage (households served with wastewater treatment relative to total)	% households	Total average number of households over the reporting period served with water borne piped sewerage system leading to a wastewater treatment plant (including well functioning septic tanks in rural and semi-rural areas) in the service area divided by the total average number of households (served and un-served) in the defined service area.
	S.2.A.05	New connections (household)	Nr	Total number of new sewerage connections to households (excluded reconnections) over the reporting period.
	S.2.A.06	New connections (commercial and institutional)	Nr	Total number of new sewerage connections to commercial and institutional customers (excluded reconnections) over the reporting period.
Complaints	S.2.B.01	Complaints received (technical)	Nr	Total number of complaints received by the RWC in relation to levels of service (sewer overflows etc. in the reporting period.
	S.2.B.02	Complaints received (commercial)	Nr	Total number of complaints received by the RWC in relation to wastewater billing and tariffs in the reporting period.
Financial				
Sales	S.3.A.01	Value of sales to households	EUR	Total EUR value of wastewater services sales to households
	S.3.A.02	Value of sales to households relative to plan	% of plan estimate	Total value of wastewater services sold to households in reporting period divided by value of wastewater services sold estimated in the business plan for the same reporting period (adjusted for inflation)
	S.3.A.03	Value of sales to com & inst	EUR	Total EUR value of wastewater services sales to commercial and institutional customers
	S.3.A.04	Value of sales to com & inst relative to plan	% of plan estimate	Total value of wastewater services sold to commercial and institutional customers in reporting period divided by value of wastewater services sold estimated in the business plan for the same reporting period (adjusted for inflation)

Section	Reference	Indicator	Unit	Definition
Unit costs	S.3.B.01	Unit operational cost of treatment and disposal per m3	EUR/m3	Total operating cost of wastewater treatment and disposal in the reporting period divided by the measured volume of wastewater delivered to the wastewater treatment plants in the same period
	S.3.B.02	Unit total cost of treatment and disposal per m3	EUR/m3	Total cost (operating + capital maintenance provisions) of wastewater treatment and disposal in the reporting period divided by the volume of wastewater delivered in the same period
	S.3.B.03	Unit operational cost of treatment and disposal per household	EUR/ household	Total operating cost of wastewater treatment and disposal in the reporting period divided by the average number of households and household equivalents served by wastewater treatment facilities in the same period
	S.3.B.04	Unit total cost of treatment and disposal per household	EUR/ household	Total cost (operating + capital maintenance provisions) of wastewater treatment and disposal in the reporting period divided by the average number of households and household equivalents served by wastewater treatment facilities in the same period
	S.3.B.05	Unit operational cost of wastewater collection per household	EUR/ household	Total operating cost of the wastewater collection in the reporting period divided by the average number of households and household equivalents in the same period
	S.3.B.06	Unit total cost of wastewater collection per household	EUR/ household	Total cost (operating + capital maintenance provisions) of the wastewater collection in the reporting period divided by the average number of households and household equivalents in the same period
	S.3.B.07	Unit operational cost of wastewater services per household	EUR/ household	Total operating cost of the wastewater services business activity in the reporting period divided by the average number of households and household equivalents in the same period
	S.3.B.08	Unit total cost of wastewater services per household	EUR/ household	Total cost (operating + capital maintenance provisions) of the wastewater services business activity in the reporting period divided by the average number of households and household equivalents in the same period
Capital expenditure	S.3.C.01	Total capital maintenance expenditure	EUR	Total capital maintenance expenditure (infrastructure renewals + investment in non-infrastructure capital maintenance).
	S.3.C.02	Total capital maintenance expenditure relative to plan	% of plan estimate	Total capital maintenance expenditure (infrastructure renewals + investment in non-infrastructure capital maintenance) divided by infrastructure renewals and current cost depreciation provisions in the business plan.
	S.3.C.03	Total capital maintenance expenditure relative to RAB	% of RAB	Total capital maintenance expenditure (infrastructure renewals + investment in non-infrastructure capital maintenance) divided by the regulatory asset base value of wastewater assets.
	S.3.C.04	Total capital enhancement expenditure	EUR	Total capital enhancement expenditure (infrastructure enhancement + investment in non-infrastructure capital enhancement)
	S.3.C.05	Total capital enhancement expenditure relative to plan	% of plan estimate	Total wastewater capital enhancement expenditure (infrastructure enhancement + investment in non-infrastructure capital enhancement) divided by wastewater infrastructure enhancement and non-infrastructure enhancement provisions in the business plan
F – Financial				
Sales and revenue collection				
Sales	F.1.A.01	Total sales	EUR	Total value of services (water and wastewater) sold (billing) excluding connection fees and other income in the reporting period.
	F.1.A.02	Total sales relative to plan	% of plan estimate	Total value of services (water and wastewater) sold (billing) excluding connection fees and other income in the reporting period divided by the total sales estimated in the business plan for the same reporting period
Revenue collection	F.1.B.01	Total revenue collection	EUR	Total cash received from water sales (excluding connection fees and other income) in the reporting period.
	F.1.B.02	Total revenue collection out-performance	EUR	Total cash received from water sales (excluding connection fees and other income) in the reporting period less the cash receipts from sales expected in the business plan over the same period
	F.1.B.03	Total revenue collection out-performance(relative)	% of plan estimate	Total cash received from water sales (excluding connection fees and other income) in the reporting period divided by the cash receipts from sales expected in the business plan over the same period
	F.1.B.04	Total revenues written off	EUR	Total revenues written off (excluding connection fees and other income) in accordance with RAG in the reporting period
	F.1.B.05	Total revenues written off relative to billing	% of billing	Total revenues written off in accordance with RAG in the reporting period divided by the total sales (excluding connection fees and other income) over the same period.

Section	Reference	Indicator	Unit	Definition
	F.1.B.06	Revenue collection relative to billing	% of billing	Total cash received from water sales (excluding connection fees and other income) in the reporting period divided by the total billing (excluding connection fees and other income)
	F.1.B.07	Accounts receivable	EUR	Total accounts receivable after write offs (not more than 12 months old) from billed sales (excluding connection fees and other income) in the reporting period
	F.1.B.08	Accounts receivable relative to turnover	Days turnover	Total accounts receivable (not more than 12 months old) from billed sales divided by total sales (excluding connection fees and other income) in the reporting period multiplied by 365.
Key financial values and ratios				
Values	F.2.A.01	Free cash flow	EUR	Total net cash flow from operations over the reporting period.
Ratios	F.2.B.01	Return on capital	%	Total net income from operating activities before interest, dividends and corporation taxes divided by average regulatory asset base (RAB) over the reporting period.
	F.2.B.02	Cost of debt	%	Total interest payments made in the reporting period divided by the average value of debt in the reporting period.
	F.2.B.03	Gearing	ratio	Long-term debt divided by regulatory asset base (a slight deviation from gearing as defined in conventional financial accounting)
	F.2.B.04	Cash interest cover	ratio	Net cash flow before interest and taxes divided by interest payments in the reporting period.
	F.2.B.05	Funds from operations/debt	ratio	Net cash flow from operating activities less tax paid less net interest paid, all divided by net debt
	F.2.B.06	Debt service coverage ratio	ratio	Net cash flow from operating activities less net interest paid less repayment of principal, all divided by debt service (interest and repayment of principal)

B Performance measurement criteria

Effectiveness of 'competition by comparison' to improve the performance of monopoly providers of services, which means when the market did not push for efficiency, depends on the publication and distribution of accurate data on performance that reflect the activities of service providers in general, particularly those that have direct impact on customers. The overall performance made a comparison of the current performance of the RWC regarding the 'ideal' level of expected performance of the company that functions well and provides efficient water supply and wastewater services. The overall performance presents the combination of results from three categories of the company business, (i) Performance of water supply, (ii) Performance of wastewater services and (iii) Financial/commercial performance.

These indicators also provide a reasonable indication of the current performance of any service provider in comparison with previous years' performance and the performance of service providers similar to that year. The key driver for service improvement is the desire of the management of each service provider, with the support of the supervisory board or the management board and other parties involved to be among the best in the 'group' or at least not among the impure.

(i) Performance objectives of water supply are:

- Complete coverage 100% with service in the service area;
- Quality of water supplied 100% in compliance with national standards specified;
- Water pressure with levels specified minimum and maximum;
- Water for all customers on an ongoing basis (24 hours a day, seven days a week);
- Cost efficiency (cost per unit of water sold compared with expectations of the business plan).

(ii) Performance objectives of wastewater supply are:

- For performance reporting purposes a value of 95% coverage for wastewater services is considered as an ideal reception,
- Quality of wastewater discharged to the value of 100% in compliance with environmental standards specified,

- Reliability of wastewater service with zero home affected by the sewer flooding,
- Cost efficiency (cost per unit of wastewater services for household.

(iii) Financial/commercial performance objectives

- Profitability (return on capital that exceeds expectations by the business plan);
- Efficient commercial activities (collection 100% of incomes).

Allocation of comparative coefficients for these performance criteria is presented in the table below, where is given the weight of each indicator, group and subgroup.

Table 16, Key Performance Indicator and Performance Measurement Structure

Group	Performance measurement	Weight of heaviness of sub-group		Weight of heaviness of group		
Water supply	Drinking water quality	30%	100%		45%	100%
	Pressure	5%				
	Availability	35%				
	Service coverage	20%				
	Cost efficiency	10%				
Wastewater	Discharge quality	20%	100%		35%	
	Reliability	20%				
	Service coverage	50%				
	Cost efficiency	10%				
Financial / commercial	Profitability			10%	20%	
	Commercial efficiency			10%		

Criteria, definitions, coefficient and calculations for performance measurement

Parameter	Performance measurement criteria
Water supply performance measurement	
Water quality	Definition: The combination of bacteriological and physical/chemical test performance on the basis of 75:25 relative weighting Performance category weighting: 30% Calculation: [W.1.A.01 x 0.75 + W.1.A.02 x 0.25] x 30%
Pressure	Definition: The percentage of properties unaffected by pressure falling below minimum pressure levels Performance category weighting: 5% Calculation: [100% - W.1.A.04] x 5%
Availability	Definition: Defined as the (adjusted) percentage of properties unaffected by regular intermittent supplies. This indicator is adjusted to reflect the degree by which those affected by supply interruptions are affected by weighting the number of households with an 18 – 24 hrs service by a factor of 0.5 and those with less than 18 hrs by 1.0. Performance category weighting: 35% Calculation: [100% - 0.5 x W.1.A.08 – W.1.A.10] x 35%
Service coverage	Definition: The percentage of population in the service area served with a piped water supply. Performance category weighting: 20% Calculation: [W.2.A.02] x 20%
Cost efficiency	Definition: The unit cost of water sold relative to the unit cost estimated in the tariff review (UWT) (excluding return on capital). A unit cost of less than or equal to 90% of UT will score 100% and a unit cost equal to or exceeding 140% of UWT will score 0%. Unit costs between 90% and 140% of UWT are calculated pro-rata Performance category weighting: 10% Calculation: If W.3.B.03 ≥ 140% x UWT = 0%, or If W.3.B.03 ≤ 90% x UWT = 100% x 10% = 10%, else [[140% x UWT - W.3.B.03] / 50%] x 10%
Wastewater services performance measurement	
Wastewater discharge quality	Definition: As no discharge quality monitoring is undertaken a surrogate indicator based upon the percentage of population served by functioning wastewater treatment facilities (including well functioning septic tanks in rural and semi-rural areas) is applied. Performance category weighting: 20% Calculation: [S.2.A.04] x 20%
Reliability	Definition: The annual number of sewer overflow incidents per 100 km of pipe relative to relative to an ideal level of 0 to a maximum of 100 Performance category weighting: 20% Calculation: If S.1.B.02 ≥ 100 = 0%, else [100 - S.1.B.02] x 20%
Service coverage	Definition: The percentage of population in the service area served with a water borne sewerage system Performance category weighting: 50% Calculation: [S.2.A.02] x 50%

Parameter		Performance measurement criteria
Cost efficiency		Definition: Defined as unit cost of wastewater services per household served relative to the unit cost estimated in the tariff review (UST) (excluding return on capital). A unit cost of less than or equal to 90% of UST will score 100% and a unit cost equal to or exceeding 140% of UST will score 0%. Unit costs between 90% and 140% of UST are calculated pro-rata Performance category weighting: 10% Calculation: If S.3.B.03 ≥ 140% x UST = 0%, or If S.3.B.03 ≤ 90% x UST = 100% x 10% = 10%, else [[140% x UST - S.3.B.03] / 50%] x 10%
Combined services and commercial performance measurement		
Water supply		Definition: Water performance score multiplied by overall performance weighting Overall performance weighting 45% Calculation: [Water performance score] x 45%
Wastewater services		Definition: Wastewater services performance score multiplied by overall performance weighting Overall performance weighting 35% Calculation: [Wastewater performance score] x 35%
Financial / commercial Cost efficiency	Profitability	Definition: Return on capital is defined as regulatory accounts divided by return on equity given tariff review (ROCp) Coefficient of performance by category: 10% Calculation: If F.2.B.01 ≤ 0% = 0% or if F.2.B.01 ≥ ROCp= 10% others [F.2.B.01 / ROCp] x 10%
	Commercial efficiency	Definition: Efficiency of revenue collection as measurement by revenue collected divided by the total billing with a range of 60% which is equal to zero performance up to a maximum of 100% which is ideal performance. Coefficient of performance by category: 10% Calculation: If F.1.B.06 ≤ 60% = 0% or if F.1.B.06 ≥ 100% = 10% Others [F.1.B.06 – 60%]/40%] x 10%

ANNEX 3 Comprehensive Statement of incomes

The comprehensive statement of incomes has been prepared in compliance with the Regulatory Accounting Guidelines (RAG), having into account as follows:

1. In turn over are taken revenues from regular billing, other operating revenues and subsidies excluding financial revenues (non-operating).
2. Maintenance capital expenditures are defined through asset renewals expenditure in the production and distribution infrastructure, and depreciation of non-infrastructure assets in the production, distribution and business activities.
3. Provision for bad debts is defined as the difference between billing and collection from last year's rate adjusted for inflation.
4. Net profit is the difference between income and expenses (operating + capital maintenance), discounting and provision of debts without involvement of non-operating expenses.

RWC Prishtina (Pristina)

	2013	2014
Turnover	12,635,306	12,179,827
Operating costs	8,120,496	9,119,571
Net operating income (excluding capital maintenance)	**4,514,810**	**3,060,256**
Capital maintenance (infrastructure renewals + cc depreciation)	494,522	672,471
Net operating income (including capital maintenance)	**4,020,288**	**2,387,785**
Provision for bad debts	3,187,072	3,004,787
Net operating income (after bad debts)	**833,217**	**(-617,002)**
Interest on long term loans	0	0
Pre-tax profit	**833,217**	**(-617,002)**
Taxation on profits	0	0
Net post-tax profit	**833,217**	**(-617,002)**

RWC Hidroregjioni Jugor (Prizren)

	2013	2014
Turnover	4,333,140	4,067,878
Operating costs	3,016,442	3,068,484
Net operating income (excluding capital maintenance)	**1,316,698**	**999,394**
Capital maintenance (infrastructure renewals + cc depreciation)	106,146	88,374
Net operating income (including capital maintenance)	**1,210,552**	**911,020**
Provision for bad debts	1,084,624	1,169,254
Net operating income (after bad debts)	**125,928**	**(-258,234)**
Interest on long term loans	0	0
Pre-tax profit	**125,928**	**(-258,234)**
Taxation on profits	0	0
Net post-tax profit	**125,928**	**(-258,234)**

RWC Hidrodrini (Peja)

	2013	2014
Turnover	3,011,296	3,378,635
Operating costs	1,723,392	2,112,403
Net operating income (excluding capital maintenance)	**1,287,904**	**1,266,232**
Capital maintenance (infrastructure renewals + cc depreciation)	42,766	46,034
Net operating income (including capital maintenance)	**1,245,138**	**1,220,198**
Provision for bad debts	1,325,271	1,044,804
Net operating income (after bad debts)	**(-80,133)**	**175,395**
Interest on long term loans	0	0
Pre-tax profit	**(-80,133)**	**175,395**
Taxation on profits	0	0
Net post-tax profit	**(-80,133)**	**175,395**

RWC Mitrovica (Mitrovica)

	2013	2014
Turnover	2,839,141	2,969,524
Operating costs	2,038,755	1,975,657
Net operating income (excluding capital maintenance)	**800,386**	**993,867**
Capital maintenance (infrastructure renewals + cc depreciation)	21,592	21,237
Net operating income (including capital maintenance)	**778,794**	**972,630**
Provision for bad debts	1,204,042	1,239,670
Net operating income (after bad debts)	**(-425,248)**	**(-267,040)**
Interest on long term loans	0	0
Pre-tax profit	**(-425,248)**	**(-267,040)**
Taxation on profits	0	0
Net post-tax profit	**(-425,248)**	**(-267,040)**

RWC Radoniqi (Gjakova)

	2013	2014
Turnover	3,615,824	3,481,615
Operating costs	2,378,255	2,485,039
Net operating income (excluding capital maintenance)	**1,237,569**	**996,576**
Capital maintenance (infrastructure renewals + cc depreciation)	112,015	91,656
Net operating income (including capital maintenance)	**1,125,554**	**904,920**
Provision for bad debts	692,945	882,358
Net operating income (after bad debts)	**432,609**	**22,562**
Interest on long term loans	0	0
Pre-tax profit	**432,609**	**22,562**
Taxation on profits	0	0
Net post-tax profit	**432,609**	**22,562**

RWC Bifurkacioni (Ferizaj)

	2013	2014
Turnover	1,617,376	1,823,155
Operating costs	896,129	1,147,923
Net operating income (excluding capital maintenance)	**721,247**	**675,231**
Capital maintenance (infrastructure renewals + cc depreciation)	49,747	76,073
Net operating income (including capital maintenance)	**671,500**	**599,158**
Provision for bad debts	586,851	616,755
Net operating income (after bad debts)	**84,648**	**(-17,596)**
Interest on long term loans	0	0
Pre-tax profit	**84,648**	**(-17,596)**
Taxation on profits	0	0
Net post-tax profit	**84,648**	**(-17,596)**

RWC Hidromorava (Gjilan)

	2013	2014
Turnover	1,941,321	1,764,158
Operating costs	1,221,056	1,371,619
Net operating income (excluding capital maintenance)	**720,265**	**392,539**
Capital maintenance (infrastructure renewals + cc depreciation)	39,849	39,449
Net operating income (including capital maintenance)	**680,416**	**353,090**
Provision for bad debts	420,924	532,585
Net operating income (after bad debts)	**259,492**	**(-179,495)**
Interest on long term loans	0	0
Pre-tax profit	**259,492**	**(-179,495)**
Taxation on profits	0	0
Net post-tax profit	**259,492**	**(-179,495)**

ANNEX 4 Tariff Statement (2015 -2017)

Tariff statement for 2015

	Unit	Prishtina	Hidroregjioni Jugor	Hidrodrini	Mitrovica	Radoniqi	Bifurkacioni	Hidromorava
Households								
Water supply monthly charge	EUR/month	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Wastewater supply volume charge	EUR/m3	0.3850	0.3514	0.2378	0.3500	0.3513	0.3380	0.3300
Wastewater charge (based on volume of water consumed)	EUR/m3	0.0459	0.0589	0.0619	0.0900	0.0883	0.1200	0.0745
Commercial and Institutional								
Water supply monthly charge	EUR/month	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Water supply volume charge	EUR/m3	0.8623	0.6781	0.4755	0.7175	0.7025	0.6760	0.6435
Wastewater charge (based on volume of water consumed)	EUR/m3	0.1050	0.1081	0.1238	0.2250	0.2207	0.2880	0.1938

Tariff statement for 2016

	Unit	Prishtina	Hidroregjioni Jugor	Hidrodrini	Mitrovica	Radoniqi	Bifurkacioni	Hidromorava
Households								
Water supply monthly charge	EUR/month	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Wastewater supply volume charge	EUR/m3	0.3826	0.3454	0.2330	0.3470	0.3455	0.3337	0.3242
Wastewater charge (based on volume of water consumed)	EUR/m3	0.0457	0.0573	0.0612	0.0887	0.0869	0.1174	0.0737
Commercial and Institutional								
Water supply monthly charge	EUR/month	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Water supply volume charge	EUR/m3	0.8533	0.6667	0.4660	0.7114	0.6910	0.6674	0.6290
Wastewater charge (based on volume of water consumed)	EUR/m3	0.1046	0.1088	0.1224	0.2218	0.2173	0.2818	0.1915

Tariff statement for 2017

	Unit	Prishtina	Hidroregjioni Jugor	Hidrodrini	Mitrovica	Radoniqi	Bifurkacioni	Hidromorava
Households								
Water supply monthly charge	EUR/month	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Wastewater supply volume charge	EUR/m3	0.3784	0.3395	0.2285	0.3440	0.3398	0.3295	0.3186
Wastewater charge (based on volume of water consumed)	EUR/m3	0.0461	0.0575	0.0607	0.0874	0.0855	0.1149	0.0725
Commercial and Institutional								
Water supply monthly charge	EUR/month	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Water supply volume charge	EUR/m3	0.8400	0.6553	0.4569	0.6991	0.6797	0.6589	0.6180
Wastewater charge (based on volume of water consumed)	EUR/m3	0.1013	0.1093	0.1214	0.2186	0.2139	0.2758	0.1886

Annex 5 – Performance Indicator Summary - 2014

Indicators	Prishtina	Hidroregjioni	Hidrodrini	Mitrovica	Radoniqi	Bifurkacioni	Hidromorava	Sector
Water service coverage (%)	100	65	91	63	96	87	67	83
Wastewater service coverage (%)	83	56	37	50	52	85	49	62
Water production(lpc/d)	195	212	395	346	247	177	175	242
Water sales (l/p/d)	99	87	115	95	122	84	73	98
Inv. water for households (l/d)	79	72	90	83	108	73	63	81
Inv. water for households (%)	80	83	78	88	88	87	86	83
Inv. water for industrial – commercial customers (%)	12	7	9	7	8	8	8	9
Inv. water for institutional customers (%)	8	10	13	5	4	4	6	8
Non-revenue water (%)	49	59	71	59	50	53	58	58
Failed tests in total (%)	1	9	3	1	1	0	1	2.28
Percentage of read consumption (%)	97	94	93	75	93	79	83	90.7
Efficiency of total staff ('000 cust.)	5.1	7.5	5.3	9.7	7.9	7.6	6.1	6
Operational expenses (€/m3/produced)	0.23	0.17	0.07	0.12	0.17	0.17	0.16	0.16
Operational costs (€/cust.) - water	82	70	50	82	74	55	51	71
Operational costs (€/cust.) – wastewater	2.02	4.87	6.88	4.73	7.12	3.51	5.60	4
Capital expenses (€/cust.) – water	14	20	18	0	37	160	80	32
Sales income (€/cust.) – water	100	87	74	89	98	74	60	88
Sales income (€/cust.) – wastewater	11.56	9.99	17.92	21.64	22.27	17.78	14.98	14
Nr. of service complaints ('000 cust.)	100	35	60	58	13	33	104	68
Collection (%)	80	75	68	48	83	64	72	74
Collection for households (%)	71	71	62	39	78	62	68	67
Collection for commercial – industrial customers	96	56	75	118	81	56	88	85
Collection for institutional customers	95	122	80	53	147	102	83	95
Labor coverage norm	1.07	1.01	1.09	0.68	1.16	1.04	0.93	1.03

Annex 6 – Statistical data-2014

Data	Prishtina	Hidroregjioni	Hidrodri	Mitrovica	Radoniqi	Bifurkacioni	Hidromorava	Total
Produced water (m^3)	37,554,887	17,482,699	9,782,872	19,562,012	13,527,221	6,325,018	7,593,458	131,828,167
Nr. of customers total – water	107,454	41,157	40,275	22,825	30,957	19,142	24,737	286,547
Total customers with meters	104,880	39,996	38,017	16,067	29,350	17,174	19,834	265,318
Complaints – water	10,771	1,461	2,421	1,326	97	633	2,567	19,576
Nr. of individual disconnections	3,290	111	15	50	671	0	38	4,175
Operational expenses – water	8,814,488	2,895,484	2,006,959	1,874,796	2,302,586	1,060,568	1,252,275	20,207,158
Capital expenses – water	1,461,025	823,130	737,369	0	1,137,189	3,070,700	1,969,009	9,198,422
Capital expenses from RWC - Water	1,041,140	290,330	205,895	0	273,375	74,710	0	1,885,450
Quantity of invoiced water m^3	19,102,367	7,180,809	8,687,355	4,343,571	6,700,153	2,992,985	3,169,353	52,117,559
Invoiced water for customers with meters	18,584,430	6,778,942	8,067,137	2,310,919	6,256,158	2,373,271	2,624,,,038	46,994,895
Income from fixed tariffs	1,557,473	609,770	585,226	341,195	451,317	269,426	307,182	4,121,590
Revenue total for water supply	9,153,243	2,987,647	2,402,730	1,699,566	2,567,300	1,155,586	1,171,098	21,137,170
Other operational revenue – water	378,437	97.755	67.136	134.344	67,111	55,038	8.699	808,521
Nr. of customers – wastewater	9,1081	36,125	18,051	19,084	17,188	18,224	17,915	217,668
Nr. of complaints – wastewater	58	65	1,134	1,046	113	0	1,269	3,685
Operational expenses for wastewater services	305,081	173,000	105,443	100,861	182,452	87,355	119,344	1,073,537
Total capital expenses – wastewater	140,307	90,990	68,984	0	35,889	6,080	13,,644	355,896
Total capital expenses from RWC - wastewater	137,140	4,987	51,102	0	9,728	858	467	204,283
Invoicing per m^3 for wastewater services	16,441,070	6,310,151	3,662,650	3,396,398	3,799,331	1,971,507	2,790,577	38,371,684
Sales revenue for wastewater	1,053,246	360,829	323,543	413,019	382,697	323,987	268,432	3,125,754
Other operational revenue – wastewater	37428	11875.98	0	13400	13,190	19117	8747	103,757
Other operational expenses for water and wastewater	9,119,571	3,068,485	2,112,403	1,975,657	2,485,039	1147923.47	1,371,619	21,280,698
Total collected cash	9,373,912	2,987,536	2,239,366	1,186,259	2,813,483	1,114,376	1,263,510	20,978,444
All employed staff	551	307	213	222	246	145	151	1,835
Population total	522,170	345,367	227,062	198,876	155,721	113,287	176,433	1,738,916
Population coverage with water services	526,941	225,741	206,548	125,677	150,193	98,170	118,604	1,451,875
Population coverage with wastewater services	434,191	194,227	84,994	99,399	80,308	95,750	87,269	1,076,138
Length of water system	1700	510	599	693	540	227	150	4,419
Length of wastewater system	340	270	126	188	78	222	210	1,433

Annex 7 - Contact details

Regional Water Companies

WRC	CEO	Phone number	Email address	Address
RWC Prishtina (Prishtinë)	Gjelosh Vataj	038/540 749 Loc.128	gjelosh.vataj@kur-prishtina.com	Str. Tahir Zajmi, PN , Prishtinë 10000
RWC Hidroregjioni Jugor (Prizren)	Besim Baraliu	029/244 150	besimbaraliu@hotmail.com	Str. Vatra Shqiptare, Prizren, 20000
RWC Hidrodrini (Pejë)	Agron Tigani	039/432 355	a.tigani@hidrodrini.com	Str. Gazmend Zajmi nr.5, Pejë 30000,
RWC Mitrovica (Mitrovicë)	Faruk Hajrizi	028/533 707	farukhajrizi@gmail.com	Str. Bislim Bajgora , PN, Mitrovicë 40000
RWC Radoniqi (Gjakovë)	Ismet Ahmeti	0390/320 503	ismet.ahmeti@hotmail.com	Str. UÇK, nr.07, Gjakovë, 50000
RWC Hidromorava (Gjilan)	Muhamet Suliqi	0280/321 104	Muhamed_suliqi@hotmail.com	Str. UÇK, PN, Gjilan 60000
RWC Bifurkacioni (Ferizaj)	Faton Frangu	0290/320 650	faton_frangu@yahoo.com	Str. Enver Topalli, nr.42/A, Ferizaj, 70000
NPH Ibër-Lepenc	Demë Abazi	038/225 007	demeabazi@hotmail.com	Str. Bill Klinton nr.13, Prishtinë, 10000

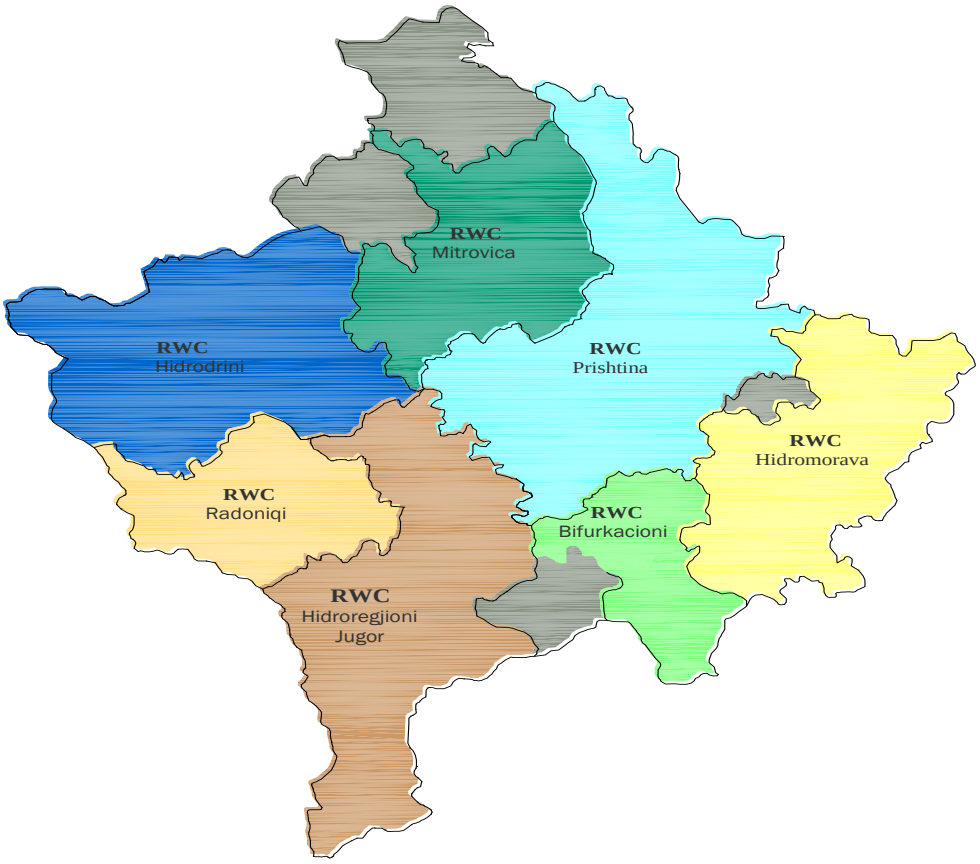
Water and Wastewater Regulatory Office

WRO	Name	Phone number	E-mail address	Address
Director		038/249 165/ 111	-	Str. Ferat Dragaj nr.68, Prishtina, 10000
Deputy Director		038/249 165/124	-	Str. Ferat Dragaj nr.68, Prishtina, 10000
Head of Law and Licensing Department	Mejreme Cërnobregu	038/249 165/117	mejreme.cernobregu@wwro-ks.org	Str. Ferat Dragaj nr.68, Prishtina, 10000
Head of Performance and Monitoring Department	Qamil Musa	038/249 165/121	qamil.musa@wwro-ks.org	Str. Ferat Dragaj nr.68, Prishtina, 10000
Head of Tariff Regulatory Finances Department	Sami Hasani	038/249 165/120	sami.hasani@wwro-ks.org	Str. Ferat Dragaj nr.68, Prishtina, 10000
Head of Administration and Finances Department	Ramiz Krasniqi	038/249 165/110	ramiz.krasniqi@wwro-ks.org	Str.Ferat Dragaj nr.68, Prishtina, 10000
Contact person for customers		038/249-165/101		Ferat Dragaj nr.68, Prishtina, 10000

Customer consultative committees

CCC	Name	Position	Municipality	Phone number
CCC Prishtina	Avdi Gjonbalaj	Chairperson	Prishtinë	044/402 131
	Faton Grajqevci	Member	Obiliq	044/789 912
	Lulzim Balaj	Member	Shtime	044/353 611
	Ruzhdi Raqi	Member	Fushë Kosovë	044/630 800
	Shpresa Hoti	Member	Podujevë	044/922 205
	Milos Nicic	Member	Graqanicë	049/776 585
	Besarta Elshani	Member	Drenas	045/582 715
	Ilaz Zeqiri	Member	Lipjan	044/890 913
CCC Prizreni	Fejsal Hoti	Chairperson	Prizren	044/268 597
	Reshit Makicaj	Member	Suharekë	044/184 528
	Nuredin Bajrami	Member	Dragash	044/148 155
	Nuhi Bayraktar	Member	Mamushë	044/606 134
	Halil Shurdhaj	Member	Malishevë	044/276 717
CCC Peja	Drita Kelmendi-Kukaj	Chairperson	Pejë	044/298 803
	Zekije Sutaj	Member	Istog	044/268 229
	Qendrim Knushi	Member	Junik	044/270 865
	Admir Hasanaj	Member	Deçan	049/844 800
	Vitore Shala	Member	Klinë	044/473 525
CCC Mitrovica	Fatime Krasniqi	Chairperson	Mitrovicë	044/773 832
	Gazmend Hoxha	Member	Skenderaj	044/128 122
	Avdi Ahmeti	Memberr	Vushtri	044/333 751
CCC Gjakova	Musë Gjergjaj	Chairperson	Gjakovë	049/404 734
	Xhafer Bytyqi	Member	Rahovec	044/312 644
CCC Ferizaj	Zekri Bytyçi	Chairperson	Ferizaj	044/756 233
	Rufat Shkreta	Member	Hani i Elezit	045/506 700
	Florijeta Gashi	Member	Kaçanik	044/637 149
	Sinisa Buduric	Member	Shtërpcë	044/474 481
CCC Gjilani	Burbuqe Zymberi	Chairperson	Gjilanë	044/370 040
	Alush Rexhepi	Member	Viti	044/600 146
	Basri Ahmeti	Member	Kamenicë	044/244 060
	Zivorad Vesic	Member	Kllokot	065/5296174
	Nebojsa Arsiq	Member	Novoberdë	045/473 525

ANNEX 8 Service area of RWCs



RWC Prishtina	RWC Hidroregjioni jugor	RWC Hidrodrini	RWC Mitrovica	RWC Radoniqi	RWC Bifurkacioni	RWC Hidromorava	Municipalities that are not provided with water services
Prishtinë Podujevë Fushë Kosovë Obiliq Lipjan Drenas Shtime Graçanicë	Prizren Suharekë Malishevë Dragash Mamushë	Pejë Klinë Istog Junik Deçan	Mitrovicë Skënderaj Vushtrri	Gjakovë Rahovec	Ferizaj Kaçanik	Gjilan Kamenicë Viti	Novoberdo Zubin Potok Leposaviq Shtërpce Zveçan Ranillug Partesh Kllokot

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