1. Introduction

The Lesotho Electricity Authority (LEA) was transformed in 2011 to a multi-sector regulator, Lesotho Electricity and Water Authority (LEWA), by the amendment of its establishing Act (Lesotho Electricity Authority Act No. 12 of 2002). LEWA is mandated to regulate the Electricity Supply Industry (ESI) and Urban Water and Sewerage Services (UWSS) where these services are not supplied on a competitive basis. The Authority further deals with matters such as electricity pricing and charges, complaints handling and disputes resolution, and supervision of implementation of Quality of Service and Supply Standards (QoSSS) by the regulated entities.

2. Background, Objectives and Context

In terms of section 24(14) of the LEA Act 2002 as amended, the Authority is mandated to set tariffs and charges for both water and electricity customers. In determining tariffs, LEWA should take into account the extent to which the prevailing tariffs and charges are able to finance the licensed activities, any other material factors, including efficiency of the licensee and affordability of the service. For the Urban Water and Sewerage Services (UWSS), WASCO uses a two-part tariff comprising water use charge and standing charge. The standing charge is meant to cover fixed costs and customer billing related costs. The Authority in 2016/17 WASCO Tariff Determination abolished the standing charge for Band A customers as it not regarded as a surety for payment and difficulty in its collection in cases of no supply. The standing charge removal was also a way to respond to stakeholders’ concern.
regarding the fact that water is a basic need and must be affordable and accessible to all including the old age, orphans, unemployed and the sick. Thus the removal is the Authority’s pro-poor initiative.

After conducting a Cost of Service Study for the ESI in 2018, the Authority in 2019/20 LEC Tariff Determination introduced a lifeline tariff that resulted in two domestic tariff bands: a lifeline block tariff and a standard domestic tariff. The lifeline tariff was designed and introduced in order to meet basic energy needs of the poorest and vulnerable households (old people, orphans, unemployed and the sick) in Lesotho.

The Authority, therefore, invites applications from suitably qualified Consulting firm to undertake a study on the impact of the lifeline tariffs in Lesotho in the ESI and the UWSS.

3. Submission of Bids and Closing Date

All envelopes must bear no name and address of the bidder.

The deadline for submission of Proposals is 18th June, 2021 at 16:00hours local time.

TENDERS IN SEALED ENVELOPES CLEARLY MARKED "TENDER FOR CONSULTANCY SERVICES ON THE IMPACT OF LIFELINE TARIFFS STUDY" must be deposited in the tender box placed at LEWA offices 7th Floor Moposo House, bearing no marks to Tenderer’s identification.

The proposals should be addressed to:

THE PROCUREMENT COMMITTEE
LESOTHO ELECTRICITY AND WATER AUTHORITY
7th FLOOR MOPOSO HOUSE
MASERU 100

The detailed terms of reference for the assignment can be obtained from the above address or from the Authority’s website at www.lewa.org.ls.

For enquiries on the assignment, contact the Chief Executive through email secretary@lewa.org.ls or by phone at +266 22312479.