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Annex 01. Output of STATA analysis

➤ The output of ‘STATA’ for Ratnapura region

/ / / / / / / / / / / / / / / / / / (R)

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Notes:
 1. (v# option or -set maxvar-) 5000 maximum variables

```
. import excel "C:\Users\UDITHA\Desktop\RATNAPURA.xlsx", sheet("Sheet1") firstrow
. frontier YCWP X1DC X2NDC X3DCONS X4NDCONS X5QOW X6OM X8RM X9CCR
```

Iteration 0: log likelihood = 86.925723 (not concave)
 Iteration 1: log likelihood = 98.020479 (not concave)
 Iteration 2: log likelihood = 99.759975 (not concave)
 Iteration 3: log likelihood = 100.0437 (not concave)
 Iteration 4: log likelihood = 100.1389 (not concave)
 Iteration 5: log likelihood = 100.39367 (not concave)
 Iteration 6: log likelihood = 100.9253
 Iteration 7: log likelihood = 102.04505
 Iteration 8: log likelihood = 102.64175
 Iteration 9: log likelihood = 102.94513
 Iteration 10: log likelihood = 103.1941
 Iteration 11: log likelihood = 103.30951
 Iteration 12: log likelihood = 103.37618
 Iteration 13: log likelihood = 103.41012
 Iteration 14: log likelihood = 103.43744
 Iteration 15: log likelihood = 103.44297
 Iteration 16: log likelihood = 103.45406
 Iteration 17: log likelihood = 103.45545
 Iteration 18: log likelihood = 103.45839
 Iteration 19: log likelihood = 103.45926
 Iteration 20: log likelihood = 103.45979
 Iteration 21: log likelihood = 103.46021
 Iteration 22: log likelihood = 103.46047
 Iteration 23: log likelihood = 103.46061
 Iteration 24: log likelihood = 103.46075
 Iteration 25: log likelihood = 103.46078
 Iteration 26: log likelihood = 103.46085
 Iteration 27: log likelihood = 103.46086
 Iteration 28: log likelihood = 103.46087
 Iteration 29: log likelihood = 103.46088

Stoc. frontier normal/half-normal model Number of obs = 60
 Wald chi2(8) = 4.44e+10
 Log likelihood = 103.46088 Prob > chi2 = 0.0000

YCWP	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]
X1DC	.286203	.0000167	1.7e+04	0.000	.2861703 .2862358
X2NDC	.1459129	.0000122	1.2e+04	0.000	.145889 .1459367
X3DCONS	.0637203	8.27e-07	7.7e+04	0.000	.0637187 .0637219
X4NDCONS	.1854007	2.52e-06	7.4e+04	0.000	.1853957 .1854056
X5QOW	.0605708	4.93e-06	1.2e+04	0.000	.0605612 .0605805
X6OM	-.0131893	6.78e-07	-1.9e+04	0.000	-.0131906 -.013188
X8RM	-.0353976	2.51e-06	-1.4e+04	0.000	-.0354025 -.0353927
X9CCR	.0182004	2.26e-06	8064.77	0.000	.018196 .0182048
_cons	6.256544	.0001072	5.8e+04	0.000	6.256334 6.256754
/lnsig2v	-38.64462	197.0124	-0.20	0.844	-424.7818 347.4926
/lnsig2u	-4.900279	.1825742	-26.84	0.000	-5.258118 -4.54244
sigma_v	4.06e-09	4.00e-07			5.75e-93 2.86e+75
sigma_u	.0862816	.0078764			.0721463 .1031862
sigma2	.0074445	.0013592			.0047806 .0101084
lambda	2.13e+07	.0078764			2.13e+07 2.13e+07

Likelihood-ratio test of sigma_u=0: chibar2(01) = 0.00 Prob>=chibar2 = 1.000

➤ The output of ‘STATA’ for NWSDB in 2010

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```

```
. frontier YCWP X1DC X2NDC X3DCONS X4NDCONS X5QOW X6OM X8RM X9CCR
```

Iteration 0: log likelihood = 246.79801

Iteration 1: log likelihood = 247.29881

Iteration 2: log likelihood = 247.30142

Iteration 3: log likelihood = 247.30143

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Stoc. frontier normal/half-normal model Number of obs = 252
Wald chi2(8) = 18680.82
Log likelihood = 247.30143 Prob > chi2 = 0.0000
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YCWP	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]
X1DC	.3189712	.0631695	5.05	0.000	.1951614 .4427811
X2NDC	.0044421	.0173927	0.26	0.798	-.029647 .0385312
X3DCONS	.4613655	.0598505	7.71	0.000	.3440607 .5786704
X4NDCONS	.2278166	.0151773	15.01	0.000	.1980696 .2575635
X5QOW	-.056031	.0185013	-3.03	0.002	-.0922928 -.0197692
X6OM	-.0329433	.0318146	-1.04	0.300	-.0952987 .0294122
X8RM	.0107514	.0072695	1.48	0.139	-.0034966 .0249994
X9CCR	.0202306	.0067053	3.02	0.003	.0070883 .0333728
_cons	1.838885	.1623141	11.33	0.000	1.520755 2.157015
/lnsig2v	-5.311783	.2769033	-19.18	0.000	-5.854504 -4.769063
/lnsig2u	-4.674515	.4331625	-10.79	0.000	-5.523498 -3.825532
sigma_v	.0702362	.0097243			.053544 .0921321
sigma_u	.0965922	.0209201			.0631812 .1476714
sigma2	.0142632	.0029579			.0084659 .0200605
lambda	1.375248	.0296724			1.317092 1.433405

Likelihood-ratio test of sigma_u=0: chibar2(01) = 3.40 Prob>=chibar2 = 0.033

➤ The output of ‘STATA’ for NWSDB in 2011

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```
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. frontier YCWP X1DC X2NDC X3DCONS X4NDCONS X5QOW X6OM X8RM X9CCR
```

Iteration 0: log likelihood = 254.91413 (not concave)

Iteration 1: log likelihood = 255.01762

Iteration 2: log likelihood = 255.15128

Iteration 3: log likelihood = 255.45354

Iteration 4: log likelihood = 255.6907

Iteration 5: log likelihood = 255.6944

Iteration 6: log likelihood = 255.6944

Iteration 7: log likelihood = 255.69443

Stoc. frontier normal/half-normal model Number of obs = 252
Wald chi2(8) = 19197.43
Prob > chi2 = 0.0000

YCWP	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]
X1DC	.212842	.050897	4.18	0.000	.1130857 .3125984
X2NDC	-.0438802	.0214891	-2.04	0.041	-.0859981 -.0017623
X3DCONS	.5661307	.0494509	11.45	0.000	.4692088 .6630526
X4NDCONS	.2582448	.0138268	18.68	0.000	.2311447 .2853448
X5QOW	.0061152	.0184711	0.33	0.741	-.0300875 .0423178
X6OM	-.0746355	.0274071	-2.72	0.006	-.1283525 -.0209185
X8RM	.014432	.0077565	1.86	0.063	-.0007705 .0296345
X9CCR	.0171433	.0063282	2.71	0.007	.0047402 .0295463
_cons	1.559731	.1659081	9.40	0.000	1.234557 1.884905
/lnsig2v	-5.563559	.3327566	-16.72	0.000	-6.21575 -4.911368
/lnsig2u	-4.505037	.3705893	-12.16	0.000	-5.231378 -3.778695
sigma_v	.0619282	.0103035			.0446958 .0858045
sigma_u	.1051341	.0194808			.0731174 .1511704
sigma2	.0148883	.0030595			.0088917 .0208849
lambda	1.697678	.0288623			1.641109 1.754247

Likelihood-ratio test of sigma_u=0: chibar2(01) = 1.72 Prob>chibar2 = 0.095

➤ The output of ‘STATA’ for NWSDB in 2012

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```

```
. frontier YCWP X1DC X2NDC X3DCONS X4NDCONS X5QOW X6OM X8RM X9CCR
```

```
Iteration 0: log likelihood = 190.69522
```

```
Iteration 1: log likelihood = 191.02023
```

```
Iteration 2: log likelihood = 191.24639
```

```
Iteration 3: log likelihood = 191.24628
```

```
Iteration 4: log likelihood = 191.24932
```

```
Iteration 5: log likelihood = 191.24932
```



```
Stoc. frontier normal/half-normal model Number of obs = 252
Wald chi2(8) = 13616.80
Prob > chi2 = 0.0000
```

Log likelihood = 191.24932

YCWP	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]
X1DC	.6744879	.0323543	20.85	0.000	.6110746 .7379012
X2NDC	.1925132	.0354762	5.43	0.000	.1229812 .2620453
X3DCONS	.1233047	.0192335	6.41	0.000	.0856076 .1610017
X4NDCONS	.1831015	.017689	10.35	0.000	.1484318 .2177712
X5QOW	-.1163029	.0293764	-3.96	0.000	-.1738796 -.0587263
X6OM	-.1487253	.0343703	-4.33	0.000	-.2160898 -.0813607
X8RM	-.0027344	.0061591	-0.44	0.657	-.0148061 .0093373
X9CCR	.0050181	.0074056	0.68	0.498	-.0094966 .0195329
_cons	2.679551	.1502215	17.84	0.000	2.385122 2.97398
/lnsig2v	-4.998607	.3937099	-12.70	0.000	-5.770264 -4.22695
/lnsig2u	-4.052895	.4718176	-8.59	0.000	-4.977641 -3.12815
sigma_v	.0821422	.0161701			.0558474 .1208174
sigma_u	.1318029	.0310935			.0830078 .2092815
sigma2	.0241193	.0058833			.0125882 .0356505
lambda	1.60457	.0462954			1.513833 1.695307

Likelihood-ratio test of sigma_u=0: chibar2(01) = 2.21 Prob>chibar2 = 0.069

➤ The output of ‘STATA’ for NWSDB in 2013

```
____ (R)
 /_ / __/ / __/ 12.0 Copyright 1985-2011 StataCorp LP
 /_ / __/ / __/ Statistics/Data Analysis StataCorp
 Special Edition 4905 Lakeway Drive
 College Station, Texas 77845 USA
 800-STATA-PC http://www.stata.com
 979-696-4600 stata@stata.com
 979-696-4601 (fax)
```

Single-user Stata network perpetual license:

```
Serial number: 93611859953
Licensed to: uditha
nws&db
```

Notes:

1. (/v# option or -set maxvar-) 5000 maximum variables

```
. import excel "C:\Users\UDITHA\Desktop\2013-STATA for NWSDB.xlsx", sheet("Sheet1") firstrow
. frontier YCWP X1DC X2NDC X3DCONS X4NDCONS X5QOW X6OM X8RM X9CCR
```

Iteration 0: log likelihood = 276.48413

Iteration 1: log likelihood = 277.37047

Iteration 2: log likelihood = 277.73322

Iteration 3: log likelihood = 277.73512

Iteration 4: log likelihood = 277.73512



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```
Stoc. frontier normal/half-normal model Number of obs = 252
Wald chi2(8) = 24083.98
Prob > chi2 = 0.0000
Log likelihood = 277.73512
```

YCWP	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]
X1DC	-.0161162	.0277922	-0.58	0.562	-.0705879 .0383555
X2NDC	.0446158	.023951	1.86	0.062	-.0023273 .091559
X3DCONS	.8205583	.0274934	29.85	0.000	.7666721 .8744444
X4NDCONS	.1616731	.0102819	15.72	0.000	.1415208 .1818253
X5QOW	-.0669573	.0170134	-3.94	0.000	-.1003029 -.0336118
X6OM	.0548884	.0245605	2.23	0.025	.0067507 .1030262
X8RM	-.0145806	.0036086	-4.04	0.000	-.0216533 -.0075079
X9CCR	.0106471	.0045884	2.32	0.020	.001654 .0196401
_cons	.9142577	.1360938	6.72	0.000	.6475187 1.180997
/lnsig2v	-5.990218	.3248857	-18.44	0.000	-6.626982 -5.353454
/lnsig2u	-4.459726	.251707	-17.72	0.000	-4.953063 -3.96639
sigma_v	.0500312	.0081272			.0363889 .0687879
sigma_u	.1075431	.0135347			.0840342 .1376288
sigma2	.0140686	.0023219			.0095179 .0186194
lambda	2.149523	.0205728			2.109201 2.189845

Likelihood-ratio test of sigma_u=0: chibar2(01) = 6.94 Prob>chibar2 = 0.004

➤ The output of ‘STATA’ for NWSDB in 2014

```
____ _ _ _ _ _ (R)
 /_ / _/_/ / _/_/
 ____/ / /_/_/ / _/_/ 12.0 Copyright 1985-2011 StataCorp LP
 Statistics/Data Analysis StataCorp
 4905 Lakeway Drive
 Special Edition College Station, Texas 77845 USA
 800-STATA-PC http://www.stata.com
 979-696-4600 stata@stata.com
 979-696-4601 (fax)
```

Single-user Stata network perpetual license:

```
Serial number: 93611859953
Licensed to: uditha
nws&db
```

Notes:

1. (/v# option or -set maxvar-) 5000 maximum variables
- ```
. import excel "C:\Users\UDITHA\Desktop\2014-STATA for NWSDB.xlsx", sheet("LN data 2014") firstrow
. frontier YCWP X1DC X2NDC X3DCONS X4NDCONS X5QOW X6OM X8RM X9CCR
```

Iteration 0: log likelihood = 292.02321 (not concave)

Iteration 1: log likelihood = 292.68268

Iteration 2: log likelihood = 293.5541

Iteration 3: log likelihood = 293.63042

Iteration 4: log likelihood = 293.63051

Iteration 5: log likelihood = 293.63055

Stoc. frontier normal/half-normal model Number of obs = 252
Wald chi2(8) = 25621.03
Log likelihood = 293.63055 Prob > chi2 = 0.0000



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| YCWP     | Coef.     | Std. Err. | z      | P> z  | [95% Conf. Interval] |
|----------|-----------|-----------|--------|-------|----------------------|
| X1DC     | .0105879  | .0462749  | 0.23   | 0.819 | -.0801093 .1012851   |
| X2NDC    | .017056   | .0184002  | 0.93   | 0.354 | -.0190077 .0531197   |
| X3DCONS  | .7737405  | .042655   | 18.14  | 0.000 | .6901382 .8573427    |
| X4NDCONS | .2340334  | .0130563  | 17.93  | 0.000 | .2084436 .2596232    |
| X5QOW    | -.0368733 | .015678   | -2.35  | 0.019 | -.0676017 -.0061449  |
| X6OM     | -.0232761 | .0182174  | -1.28  | 0.201 | -.0589816 .0124294   |
| X8RM     | -.0058525 | .0030556  | -1.92  | 0.055 | -.0118414 .0001364   |
| X9CCR    | .0053761  | .0047144  | 1.14   | 0.254 | -.003864 .0146163    |
| _cons    | .8518214  | .1229056  | 6.93   | 0.000 | .6109309 1.092712    |
| /lnsig2v | -6.343524 | .3799229  | -16.70 | 0.000 | -7.088159 -5.598889  |
| /lnsig2u | -4.445391 | .2271876  | -19.57 | 0.000 | -4.890671 -4.000112  |
| sigma_v  | .0419297  | .007965   |        |       | .0288952 .0608439    |
| sigma_u  | .1083167  | .0123041  |        |       | .086697 .1353277     |
| sigma2   | .0134906  | .0021769  |        |       | .009224 .0177572     |
| lambda   | 2.583297  | .0192258  |        |       | 2.545615 2.620978    |

Likelihood-ratio test of sigma\_u=0: chibar2(01) = 4.83 Prob>=chibar2 = 0.014

## **Annex 02. Regional Monthly Observations**

Data for Regional Manager's Centre includes eleven variables. Each variable is included Sixty Monthly observations for the period from 2010 to 2014. This annex is included monthly observations for 21 Regional Manager's Centres.



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### Annex 03 - Approvals for data collection from NWSDB.

Data collection technique: The approval from relevant department to collect data from NWSDB is attached here.

Project Director (GRWSP) through,  
Deputy General Manager (Corporate Planning Division),  
National Water Supply & Drainage Board,  
Ratmalana.  
31.03.2015

① Mr. Broomballi  
Project  
Manager  
March date  
1/2/15 - Shinde

Dear Sir,

Request to collect the details related to National Water Supply & Drainage Board performance data.

I am currently reading my final year studies of MSc in Project Management at University of Moratuwa, Sri Lanka. In fulfillment of MSc, I need to produce a Dissertation. To complete Dissertation, data collection is very important chapter before the analysis. To achieve this, quarterly observations (performances data for Q1, Q2, Q3 and Q4) have to be collected for each year for all districts covering 11 Regional Support Centers for the period from January 2007 to December 2013. The data sheets are attached here.

#### The topic of the research:

*Stochastic Production Frontier Analysis of Water Supply Utility in Sri Lanka.*

I would be most grateful if you could assist me in this task by providing the required data within the shortest time possible. I assure herewith the information provided for this research will remain confidential and will be used for academic purposes only.

Thanks & Regards,

Uditha Saman Vithana,  
Mobile No: 077-5102014, 077-4440692  
Email : [usam\\_vithana@yahoo.com](mailto:usam_vithana@yahoo.com)

② DAM (cc)  
Agreed. Please  
arrst. May 2015/04/02

② Addm (ppd)  
Frontline  
JL  
24/2/2015  
pcmc (P)

① M. Sumarawewa (DGM - Corporate planning division)

Mr. Vithana is working as a Civil Engineer in this Greater Ratnapura Project Office & He is following MSc in Project Management at University of Moratuwa. He needs some performances data of the NWSDB. So please make arrangements to provide requested data for his MSc thesis.

Eng. G.G.N. Gunawardhana  
Project Director  
Greater Ratnapura Water Supply Project  
National Water Supply & Drainage Board  
No: 72 C, Sri Pada Mawatha,  
Ratnapura

Project Director (GRWSP) through,  
A.G.M (Billing) (Commercial Div.),  
National Water Supply & Drainage Board,  
Ratmalana.  
08.05.2015

*Mr Piyoof  
AS per our discussion  
Pl assist him  
05/05/15*

Dear Sir,

Request to collect the details related to National Water Supply & Drainage Board performance data.

I am currently reading my final year studies of MSc in Project Management at University of Moratuwa, Sri Lanka. In fulfillment of MSc, I need to produce a Dissertation. To complete Dissertation, data collection is very important chapter before the analysis. To achieve this, quarterly observations have to be collected for all districts covering 11 Regional Support Centers for the period from January 2010 to December 2014. The data sheets are attached here.

**The topic of the research:**

*Stochastic Production Frontier Analysis of Water Supply Utility in Sri Lanka.*

I would be most grateful if you could assist in my research by completing the attached data sheet. Being of your position, I trust you will assuelement with the information provided for this study. This will remain confidential and will be used for academic purposes only.



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Thanks & Regards,

*Uditha Saman Vithana,*

Mobile No: 077-5102014, 077-4440692

Email : [usam\\_vithana@yahoo.com](mailto:usam_vithana@yahoo.com)