

Mr TBW Dlamini
The Municipal Manager
Msukaligwa Local Municipality
PO Box 48
ERMELO
2350

Fax no: (017) 801 3851

Dear Mr Dlamini

ELECTRICITY TARIFFS FOR THE PERIOD 01 JULY 2014 – 30 JUNE 2015

Your correspondence dated 16 May 2014 refers.

The Energy Regulator at its meeting held on 19 November 2013 approved the guideline increase of 7.39% for municipalities applicable for 2014/15 financial year. Consequently, the Energy Regulator considered your application for a tariff increase for the period 01 July 2014 - 30 June 2015 and approved the tariffs as follows:

Domestic Tariffs

- Domestic Prepaid (up to 20A)

<u>Tariff blocks</u>	<u>c/kWh</u>
Block 1 (0-50 kWh)	74.00
Block 2 (51 – 350 kWh)	93.00
Block 3 (351 – 600 kWh)	123.00
Block 4 (>600)kWh	141.50

- **Conventional & Prepaid (Above 20A)**

<u>Tariff blocks</u>	<u>c/kWh</u>
Block 1 (0-50 kWh)	74.00
Block 2 (51 – 350 kWh)	93.00
Block 3 (351 – 600 kWh)	123.00
Block 4 (>600)kWh	139.10
Basic Charge: R/month	115.00

Commercial Tariffs:

- **Commercial Conventional**
 - Basic charge: R970.00/month
 - Energy charge: 88.48c/kWh
- **Commercial Conventional (3Phase)**
 - Basic charge: R2 900/month
 - Energy charge: 88.48c/kWh
- **Commercial Prepaid**
 - Energy charge: 148.20c/kWh
- **Departmental Tariff**
 - Energy charge: 148.20c/kWh

Industrial Tariffs

- Basic charge: R3 920.00/m
- Energy Charges : 62.29c/kWh
- Demand Charge:R156.00/kVA

The Energy Regulator further directs as follows:

- That the municipality submits to NERSA the progress report on the reduction of the high energy losses, commencing on 30 September 2014.

Please note that in terms of the National Energy Regulator Act, 2004 (Act No. 40 of 2004), National Energy Regulator is entrusted to perform all the functions that the National Electricity Regulator used to perform, and amongst others, to review and approve tariff increase proposals by all licensed distributors of electricity in South Africa. Implementation of tariffs without approval of the Energy Regulator is a contravention of the license conditions issued to you.

It is therefore important that provision is made in your planning / budgeting cycle to allow time for the submission of applications for future changes or increases to NERSA for consideration.

Should you have any enquiries please do not hesitate to contact Ms Tabisa Nkopo in the Electricity Pricing and Tariffs Department on (012) 4014669 or email: tabisa.nkopo@nersa.org.za.

Yours Sincerely



Phindile Baleni (née Nzimande)
Chief Executive Officer

Date: 27/06/2014