

NOTICE 392 OF 2014**NOTICE OF THE ENERGY REGULATOR PUBLIC HEARING FOR MUNICIPALITIES APPLYING FOR AN AVERAGE TARIFF INCREASE ABOVE THE GUIDELINE OF 7.39% (TO BE HELD ON 9 JUNE 2014)**

The National Energy Regulator of South Africa (NERSA) is a regulatory authority established as a juristic person in terms of Section 3 of the National Energy Regulator Act, 2004 (Act No. 40 of 2004). NERSA's mandate is to regulate the electricity, piped-gas and petroleum pipelines industries in terms of the Electricity Regulation Act, 2006 (Act No. 4 of 2006), Gas Act, 2001 (Act No. 48 of 2001) and Petroleum Pipelines Act, 2003 (Act No. 60 of 2003) and the Petroleum Pipelines Levies Act, 2004 (Act No. 28 of 2004).

The National Energy Regulator of South Africa invites all stakeholders to attend a public hearing on municipal tariff applications from municipalities applying for average increases above the NERSA increase guideline of 7.39%. The affected municipalities are tabled below as follows:

Name of Municipality	Municipal Proposed Percentage Increase for 2014/15	Motivation provided by municipalities for above-guideline increase
1. Abaqulusi	10.00%	Revenue protection
2. Beaufort West	10.76%	To deal with costs under-recovery
3. Buffalo City Metro	8.50%	Capital projects to strengthen the electricity network
4. Cederberg	12.11%	To cover the increase in Eskom bulk purchase while waiting for Eskom's response on the application to convert to a Rural Flex Tariff.
5. City Of Cape Town	7.63%	Experienced a decline in energy sales and require additional funds in order to implement the new electrification programme, service the upgrades in the Notified Maximum Demand, cover the increase in capital charges and continue with the implementation of the apprentice programme.
6. City of Tshwane	9.20%	Aligning tariffs to NERSA's benchmarks
7. Emalahleni - MP	10.40%	Upgrade of infrastructure & transformer
8. Endumeni	10.00%	Meter audits and revenue protection
9. Hantam	10.03%	To cover the increase in Eskom bulk purchase
10. Inxuba Yethemba	10.00%	Maintenance of an old infrastructure & refurbishment
11. Witzenberg	8.00%	To upgrade existing networks and also to build new capital projects
12. Tswelopele	15.00%	To upgrade existing networks and build new capital projects
13. Mpofana	8.00%	To cover for high distribution losses – Meter audits & piloting smart metering systems

Copies of the above tariff applications will be published on NERSA website (www.nersa.org.za)

The details for the Public hearing are as follows:

Date : 9 JUNE 2014
Venue : Kulawula House
 526 Madiba Street
 Arcadia
 PRETORIA
Time : 9H30 – 15H30

Members of the public and stakeholders wishing to attend the hearing or present their views must submit their request, by 16h30 on Thursday, 05 June 2014.

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