

GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF ENERGY

NO. 579

07 JUNE 2018


NOTICE OF THE ENERGY REGULATOR PUBLIC HEARING FOR MUNICIPALITIES APPLYING FOR AN AVERAGE TARIFF INCREASE ABOVE THE GUIDELINE OF 6.84% (TO BE HELD ON 15 JUNE 2018)

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 6.84%. The affected municipalities are tabled below as follows:

Name of Municipality	Municipal Proposed Percentage Increase for 2018/19	Motivation provided by municipalities for above-guideline increase
1. Cape Agulhas	8.42%	To align the tariffs to NERSA's benchmarks
2. City of Mbombela	7.84%	The 1% increase is for the replacement of the old municipal assets (substations) for the improvement of technical losses.
3. City Power	7.17%	To cover the costs of bulk purchases from Kelvin power station, which are increasing by 12.22%.
4. Dr Bayers Naude	7.00%	To address maintenance backlog after the amalgamation of Bavians, Camdeboo and Ikwezi municipalities
5. Mkhondo	9.34%	The increase portion will be utilised to accelerate energy saving initiatives including, streetlight and highmast.
6. Newcastle	8.00%	To cover the increase cost of the purchase price of electricity.
7. Rustenburg	7.1%	To align some of the tariffs with the NERSA benchmarks which the municipality claim are low.
8. Thaba Chweu	8.05%	The increase is for the alignment of the commercial tariffs to the benchmarks.
9. Tswelopele	10.00%	To align the tariffs to NERSA's benchmarks

The details for the Public hearing are as follows:

Date : 15 JUNE 2018
Venue : Kulawula House
526 Madiba Street; Arcadia
PRETORIA
Time : 12h30 – 16h00

Members of the public and stakeholders wishing to attend the hearing or present their views must submit their request, by **16h30 on Wednesday, 13 June 2018** to **Mr Eleazer Dlamini** at:

Telephone Number : 012 – 401 4035
Fax No. : 012 – 401 4100
E-mail : publichearings@nersa.org.za