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Ref. NER/D/NP332/2020/21

Dr. K I Sirovha
The Municipal manager
Greater Letaba Municipality
P.O Box 35
Modjadjiskloof
0835

Per Email: innocent@glm.gov.za

Cc: PerpetualR@glm.gov.za

Dear Dr. Sirovha

# **ELECTRICITY TARIFFS FOR THE PERIOD 01 JULY 2020 – 30 JUNE 2021**

Your application dated 8 June 2020 refers.

The Energy Regulator at its meeting held on 14 May 2020 approved the guideline increase of 6.22% for municipalities applicable for 2020/21 financial year. Consequently, the Energy Regulator considered your application for a tariff increase for the period 01 July 2020 - 30 June 2021 and approved the tariffs as follows:

## 1. Domestic Tariffs

### 1.1 Domestic Pre-Paid Indigent

Tariff blocks	c/kWh
Block 1 ( 0 - 50 )kWh	109.40
Block 2 ( 51 - 350)kWh	134.88
Block 3 (351 - 600 )kWh	190.77
Block 4 (>600)kWh	233.88



#### 1.2 Domestic Pre-paid & Conventional

Tariff Blocks	c/kWh
Block 1 (0 - 50) kWh	109.82
Block 2 (51 - 350) kWh	141.19
Block 3 (351 - 600) kWh	195.90
Block 4 ( > 600) kWh	233.88

### 2. Commercial Tariffs

#### 2.1. Commercial Convetional

Basic Charge: 1 106.25/monthEnergy charge: 170.42c/kWh

### 2.2. Commercial Prepaid

Energy charge: 237.85 c/kWh

#### 3. Industrial Tariff

Basic Charge: R6 018.94 /month
Energy charge: 107.80 c/kWh
Demand charges: R 239.40 /kVA

The Energy Regulator further directs as follows the municipality must provide NERSA with a Specific, Measurable, Achievable, Realistic and Time-bound (S-M-A-R-T) energy losses reduction plan, which will ensure that energy losses are reduced to NERSA benchmarks. An appropriate budget needs to allocated and spent in support of this. The implementation of this plan, together with its budget must be monitored on a quarterly basis and reported to NERSA bi-annually commencing 30 September 2020.

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 Mr Samson Modise in the Electricity Pricing and Tariffs Department on (012) 401 4060 or email: <a href="mailto:samson.modise@nersa.org.za">samson.modise@nersa.org.za</a>

Yours sincerely,

Nomalanga Sithole

**Acting Chief Executive Officer** 

Date: <u>19/07/2020</u>