

Ms M N Mkontwana
Municipal Manager
Ubuntu Local Municipality
Private Bag X 329
Victoria West
7070

Per Email: on.louw@gmail.com

Dear Ms Mkontwana

ELECTRICITY TARIFFS FOR THE PERIOD 1 JULY 2022 – 30 JUNE 2023

Your application dated 06 June 2022 refers.

The Energy Regulator at its meeting held on 25 May 2022 approved the guideline increase of 7.47% for municipalities applicable for 2022/23 financial year. Consequently, the Energy Regulator considered your application for a tariff increase for the period 1 July 2022 - 30 June 2023 and approved the tariffs as follows:

1. DOMESTIC TARIFFS

1.1 Domestic Prepaid	
Tariff Blocks	c/kWh
Block 1 (0 - 50)kWh	135.25
Block 2 (51 - 350)kWh	173.89
Block 3 (351 - 700)kWh	244.76
Block 4 (701 - 1000)kWh	288.23



Regulator Members:

Ms Z Mpungose (Chairperson) *Adv NP Sithole (Chief Executive Officer)
*Mr N Gumede *Ms N Maseti *Mr MW Mkhize
*Full-Time Regulator Members

1.2 Domestic Conventional	
Tariff Blocks	c/kWh
Block 1 (0 - 50)kWh	135.25
Block 2 (51 - 350)kWh	173.89
Block 3 (351 - 700)kWh	244.76
Block 4 (701 - 1000)kWh	288.23
Basic Charge (R/month)	197.25

2. COMMERCIAL TARIFFS

2.1 Business Prepaid	
Energy Charge (c/kWh):	283.03

2.2 Commercial Conventional Single Phase	
Tariff Blocks	c/kWh
Block 1 (2000)kWh	276.95
Block 2 (3000)kWh	270.50
Block 3 (7000)kWh	239.92
Basic Charge (R/month)	556.28

3. INDUSTRIAL TARIFFS

3.1 Commercial Conventional Three Phase	
Tariff Blocks	c/kWh
Block 1 (98 550)kWh	267.29
Block 2 (730 000)kWh	241.52
Basic Charge (R/month)	556.28

4. SSEE Export tariff

86.89c/kWh

The Energy Regulator further directs as follows:

SSEG tariffs

1. NERSA has duly considered and noted the application submitted for approval of the Small Scale Embedded Generators (SSEG) tariff. The application could not be approved because NERSA lacks both statutory and regulatory jurisdiction over the proposed activity between yourself and the Small Scale Embedded Generators
2. The municipality is required to manage its expenditure and address the high deficit on the electricity account.



2. 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 (below 12%). An appropriate budget with clear timelines needs to be allocated and spent in support of this. The implementation of this strategic plan, together with its budget must be monitored on a quarterly basis and reported to NERSA bi-annually commencing 31 December 2022.

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 Maria Matlhaku in the Electricity Pricing and Tariffs Department on (012) 401 4056 or email: maria.matlhaku@nersa.org.za.

Yours sincerely,



Advocate Nomalanga Sithole
Chief Executive Officer

Date: 08/07/2022