

**DEPARTMENT OF ENERGY  
DEPARTEMENT VAN ENERGIE**

No. 482

12 June 2015



**NOTICE OF THE ENERGY REGULATOR PUBLIC HEARING FOR MUNICIPALITIES  
APPLYING FOR AN AVERAGE TARIFF INCREASE ABOVE THE GUIDELINE OF 12.20% (TO  
BE HELD ON 19 JUNE 2015)**

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 12.20%. The affected municipalities are tabled below as follows:

Name of Municipality	Municipal Proposed Percentage Increase for 2015/16	Motivation provided by municipalities for above-guideline increase
1. Abaqulusi Local Municipality	15.00%	Replacement of prepayment meters
2. Cape Agulhas Local Municipality	14.92%	To sufficiently cover the increasing costs and improve the revenue base
3. City of Umhlathuze Local Municipality	14.24%	To cover for the municipal electricity costs which are below Eskom charges.
4. Drakenstein Local municipality	12.69%	To sufficiently cover the increase in bulk purchase and salary costs
5. Endumeni Local Municipality	16.12%	<ul style="list-style-type: none"> <li>• High rate of distribution losses due to illegal connections and theft of electricity.</li> <li>• Infrastructure developments</li> </ul>
6. Gariep Local Municipality	17.00%	Align tariffs to the benchmarks
7. Midvaal Local Municipality	14.24%	Capital contribution for development
8. Mookgopong Local Municipality	35.00%	Maintain its rural network.
9. Msukaligwa Local Municipality	13.67%	To cover for the municipal electricity costs which are below Eskom charges.

Copies of the above tariff applications will be published on NERSA website ([www.nersa.org.za](http://www.nersa.org.za) )

**The details for the Public hearing are as follows:**

**Date : 19 JUNE 2015**  
**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 Tuesday, 16 June 2015.

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