

Ms. Thuso Nemugumoni
Municipal Manager
Polokwane Municipality
Polokwane
Private Bag X111
0700

Per E-mail: thuson@polokwane.gov.za

CC: maphutimot@polokwane.gov.za; SimonS@polokwane.gov.za

Dear Ms. Nemugumoni

ELECTRICITY TARIFFS FOR THE PERIOD 1 JULY 2024– 30 JUNE 2025

- Your application dated 23 May 2024 refers.
- The Energy Regulator at its meeting held on 16 May 2024 decided that municipal tariffs should be assessed based on the cost of supply studies submitted by the licensee and a cost breakdown structure, for those without the cost of supply study. Consequently, the Energy Regulator considered your application for a tariff increase for the period 1 July 2024 - 30 June 2025 and approved the tariffs as follows:

1. Domestic tariffs

1.1 Single Phase Domestic Prepaid & Conventional

Block 1(0-50) kWh	164.28
Block 2(51-350) kWh	214.46
Block 3 (351- 600) kWh	316.61
Block 4 (>600) kWh	372.28
Basic Charge R/month	167.77

Regulator Members:

Mr T Bukula (Chairperson) Ms Z Mpungose (Deputy Chairperson) *Adv NP Sithole (Chief Executive Officer)
*Mr N Gumede *Ms N Maseti *Mr MW Mkhize Ms T Semane Mr FK Sibanda Ms PN Sibiya
*Full-Time Regulator Members

1.2 Three Phase Domestic Prepaid & Conventional

Block 1(0-50) kWh	164.28
Block 2(51-350) kWh	214.46
Block 3 (351- 600) kWh	316.61
Block 4 (>600) kWh	372.28
Basic Charge: R/month	173.50

2. Commercial Tariffs

2.1 Single Phase Commercial (Prepaid)

- Basic charge: R876.20/month
- Energy charge: 326.22c/kWh

2.2 Three Phase Commercial (Prepaid and Conventional)

- Basic charge: R958.65/month
- Energy charge: 326.22 c/kWh

3. Industrial tariffs

3.1 Industrial ($\geq 100A$ 1Phase)

- Basic charge: R1007.56/month
- Energy charge: 326.22c/kWh

3.2 Industrial (≤ 100 3Phase)

- Basic charge: R2179.92/month
- Energy charge: 326.22 c/kWh

3.3 Bulk Supply $>100A$ 3Phase

- Basic charge: R2636.31/month

Energy charges: c/kWh

- Low Voltage: 144.51 c/kWh
- High Voltage: 142.00 c/kWh

Demand charges: R/kVA

- Low Voltage: R 399.10/kVA
- High Voltage: R393.40/kVA



3. The Energy Regulator further directs as follows:
- 3.1 The municipality must conduct and submit a cost of supply study to NERSA that is compliant with the approved COS framework by 31 December 2024.
 - 3.2 The municipality to submit a report accounting for all the costs that have been noted, to enable the Regulator to perform its independent verification/audit by 30 September 2024;
 - 3.3 The municipality to submit an audited financial report that reflects the impact of its cost breakdown based tariffs on customers, as well as on the licensee's sustainability and local economy by 30 September 2024.
 - 3.4 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 acceptable levels (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 commencing 30 September 2024.
4. 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.
5. 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.
6. Should you have any enquiries please do not hesitate to contact Ms Tabisa Nkopo (012) 401 4660 or email:tabisa.nkopo@nersa.org.za.

Yours sincerely,



Adv. Nomalanga Sithole
Chief Executive Officer

Date: 28/06/2024