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Ref. NER/D/NP351/2020/21

Mr M J Machaba The Municipal Manager Blouberg Local Municipality P.O Box 1593 Senwabarwana 0790

Per Email: machabaj@blouberg.gov.za / machaba@polokwane.com

Cc: malekaJ@blouberg.gov.za

Dear Mr Machaba

ELECTRICITY TARIFFS FOR THE PERIOD 01 JULY 2020 - 30 JUNE 2021

Your application dated 16 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 Residential customers

Tariff Blocks	c/kWh
Block 1 (0 - 50) kWh	114.20
Block 2 (51-150) kWh	142.43
Block 3 (151-350) kWh	166.81
Block 4 (351-600) kWh	188.63
Block 5 (>600) kWh	219.42

2. Commercial Tariffs

2.1 Commercial Prepaid

• Energy charge: 212.03 c/kWh

2.2 Commercial conventional

Basic Charge: R 326.00 /monthEnergy charge: 199.00 c/kWh

2.3 Commercial High conventional

Basic Charge: R 444.92 /monthEnergy charge: 229.68 c/kWh

The Energy Regulator further direct that the municipality

- must provide NERSA with credit control measures that will improve the collection rate to 95% as per the benchmark; and
- must negotiate with Eskom the technical viability to combine some of the points of supply in order to reduce the number of accounts and fixed charges.

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: samson.modise@nersa.org.za

Yours sincerely,	
Nomalanga Sithole Acting Chief Executive Off	- ficer
Date:	