

Mr S V Makona
The Municipal Manager
Rustenburg Local Municipality
P O Box 16
Rustenburg
0300

Per Email: vmakona@rustenburg.gov.za.

Dear Mr Makona,

ELECTRICITY TARIFFS FOR THE PERIOD 1 JULY 2020– 30 JUNE 2021

Your application dated 26 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. At its meeting on held on the 29th of June 2020, the Energy Regulator approved the application for tariffs for the period 1 July 2020- 30 June 2021 as follows:

Domestic Tariffs

- Domestic Lifeline

Tariff blocks	c/kWh
Block 1 (0-50kWh)	106.28
Block 2 (51-350kWh)	132.85
Block 3 (351-600kWh)	177.28
Block 4 (>600kWh)	213.29

Regulator Members: Mr JRD Modise (Chairperson) Ms MMD Nkomo (Deputy Chairperson) *Mr C Forlee (Chief Executive Officer)
Mr Y Adam *Mr N Gumede *Ms N Maseti *Mr MW Mkhize Mr FK Sibanda
*Full-Time Regulator Members

NERSA is a Regulatory Authority established in terms of the National Energy Regulator Act, 2004 (Act No 40 of 2004)

- **Domestic Conventional Town**

Tariff blocks	c/kWh
Block 1 (0-50kWh)	105.29
Block 2 (51-350kWh)	131.63
Block 3 (351-600kWh)	175.28
Block 4 (>600kWh)	212.92
Basic Charge: R /month	342.72

- **Residential Town Prepaid**

Tariff block	c/kWh
Block 1 (0-50kWh)	114.49
Block 2 (51-350kWh)	135.96
Block 3 (351-600kWh)	172.21
Block 4 (>600kWh)	209.20
Basic Charge: R /month	244.47

- **Residential Rural Conventional/Prepaid**

Tariff blocks	c/kWh
Block 1 (0-50kWh)	107.92
Block 2 (51-350kWh)	134.90
Block 3 (351 -600kWh)	173.28
Block 4 (>600kWh)	210.47
Basic Charge: R /month	373.93

Non domestic tariffs

- **Business Rate Conventional/Prepaid**

- Basic Charges: R1044.65/month
- Summer Energy Charge: 195.89c/kWh
- Winter Energy Charge: 261.16c/kWh

Bulk consumer tariffs

400V Bulk Supply

- Basic Charges: R3145.11/month
- Summer Energy Charge: 117.98c/kWh
- Winter Energy Charge: 198.07c/kWh
- All Season Network Demand Charge: R 47.93/kVA
- All Season Network Access Charge: 191.66/kVA

11 kV Bulk Supply

- Basic Charges: R2817.61/month
- Summer Energy Charge: 120.71c/kWh
- Winter Energy Charge: 189.76c/kWh
- All Season Network Demand Charge: R48.04/kVA
- All Season Network Access Charge: R193.36/kVA

11 kV Bulk Supply-Time of Use

- Basic Charges (R/month): R 11 473.95
- All Season Network Demand Charge R54.11/kVA
- All Season Network Access Charge R41.72/kVA
- Winter Reactive Energy Charge 26.74c/kVArh

- **Low Season Energy Charges**

- Peak Summer Charge: 177.32c/kWh
- Standard Summer Charge: 119.95c/kWh
- Off-peak summer charge: 87.37c/kWh

- **High Season Energy Charges**

- Peak Winter Charge: 554.14c/kWh
- Standard Winter Charge: 161.69c/kWh
- Off-peak Winter charge: 96.49c/kWh

Time of Use

- **33KV Bulk Supply**

- Basic Charges: R 10328.85/month
- All Season Network Demand Charge: R47.44kVA



- All Season Network Access Charge: R 36.03/kVA
- Winter Reactive Energy Charge: 24.62/kVArh

- **Low Season Energy Charges**
 - Peak: 158.53c/kWh
 - Standard: 106.89c/kWh
 - Off-peak: 75.07c/kWh

- **High Season Energy Charges**
 - Peak: 498.43c/kWh
 - Standard: 144.12c/kWh
 - Off-peak: 84.07c/kWh

- **33KV Bulk Supply > 150MVA**
 - Basic Charges: R 147 591.49/month
 - All Season Network Transmission Charge: R10.13/kVA
 - All Season Network Capacity Charge: R 20.32/kVA
 - All Season Network Demand Charge: 38.51/R/kVA
 - Winter Reactive Energy Charge: 17.79/kVArh

- **Low Season Energy Charges**
 - Peak: 138.42c/kWh
 - Standard: 98.50c/kWh
 - Off-peak: 66.39c/kWh

- **High Season Energy Charges**
 - Peak: 402.95c/kWh
 - Standard: 129.31c/kWh
 - Off-peak: 74.95c/kWh

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 be 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.
- The municipality must conduct a cost of supply study, which must accompany an application for new tariffs and tariff restructuring



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 Dr B Khonjelwayo in the Electricity Pricing and Tariffs Department on (012) 401 4196 or email: Bongani.Khonjelwayo@nersa.org.za.

Yours sincerely,



Advocate Nomalanga Sithole
Acting Chief Executive Officer

Date: 09/07/2020