



**Enquiries: Zingisa Mavuso**  
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Ref. NER/D/NC053/2021-22

**Mr R Stevens**

The Municipal Manager  
**Kannaland Municipality**  
P O Box 30  
Ladysmith  
6655

Per Email: [mm@kannaland.gov.za](mailto:mm@kannaland.gov.za)

Dear Mr Stevens,

**ELECTRICITY TARIFFS FOR THE PERIOD 01 JULY 2021 – 30 JUNE 2022**

Your revised application dated 07 June 2021 refers.

The Energy Regulator at its meeting held on 07 May 2021 approved the guideline increase of 14.59% for municipalities applicable for the 2021/22 financial year. Consequently, the Energy Regulator considered your application for a tariff increase for the period 01 July 2021 - 30 June 2022 and approved the tariffs as follows:

**Domestic Tariffs**

• **Domestic Lifeline**

<u><b>Tariff blocks</b></u>	<u><b>c/kWh</b></u>
Block 1 (0-350 kWh): Summer	155.80
Block 2 (351-600 kWh): Summer	171.70

**Regulator Members:**

Ms MMD Nkomo (Deputy Chairperson)

\*Mr N Gumede \*Ms N Maseti \*Mr MW Mkhize Mr S Mokoena Ms Z Mpungose Mr FK Sibanda

\*Full-Time Regulator Members

Block 3 (>600 kWh): Summer	247.10
Block 1 (0-350 kWh): Winter	187.47
Block 2 (351-600 kWh): Winter	207.40
Block 3 (>600 kWh): Winter	271.50

- Domestic Conventional 0-59 Ampere**

<u><b>Tariff blocks</b></u>	<u><b>c/kWh</b></u>
Block 1 (0-350 kWh): Summer	189.88
Block 2 (>350 kWh): Summer	215.54
Block 1 (0-350 kWh): Winter	208.10
Block 2 (>350 kWh): Winter:	232.62

Basic Charge: R/Month	74.62
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- Domestic Conventional 60-100 Ampere**

<u><b>Tariff blocks</b></u>	<u><b>c/kWh</b></u>
Block 1 (0-600 kWh): Summer	197.21
Block 2 (>600 kWh): Summer	240.98
Block 1 (0-600 kWh): Winter	250.49
Block 2 (>600 kWh): Winter:	266.99

Basic charge: R/month	495.00
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- Domestic Prepaid 60-100 Ampere**

<u><b>Tariff blocks</b></u>	<u><b>c/kWh</b></u>
Block 1 (0-350 kWh): Summer	191.14

Block 2 (351-600 kWh): Summer	197.21
Block 3 (>600) kWh Summer	222.76
Block 1 (0-600 kWh): Winter	225.63
Block 2 (351-600 kWh): Winter:	233.76
Block 3 (>600) kWh Winter	255.54

## Commercial Tariffs

- **Commercial Small to Medium (Prepaid)**
  - Energy charge- Summer: 262.50c/kWh
  - Energy charge- Winter: 272.00c/kWh
- **Commercial Small to Medium 30A-60A (Conventional)**
  - Basic Charge: R642.00/month
  - Energy charge- Summer: 212.00c/kWh
  - Energy charge- Winter: 265.80c/kWh
- **Commercial Large Consumer 60-150A (Conventional)**
  - Basic Charge : R720.00/month
  - Energy charge - Summer: 226.90c/kWh
  - Energy charge- Winter: 252.10c/kWh
- **Commercial Large Consumer 60-100A (Prepaid)**
  - Basic Charge : R387.60/month
  - Energy charge - Summer: 249.80c/kWh
  - Energy charge- Winter: 263.60c/kWh

## Industrial Tariffs

- **Bulk Consumers <500kVA**
  - Basic Charge : R1 555.15/month
  - Demand Charge: R275.30/kVA
  - Energy Charge - Summer: 139.80c/kWh
  - Energy charge - Winter: 222.30c/kWh
- **Bulk Consumers >500kVA**
  - Basic Charge : R4 961.40/month
  - Demand Charge: R275.30/kVA

- Energy charge - Summer: 139.80c/kWh
- Energy charge- Winter: 222.30c/kWh
- **Bulk Time of Use 50-500kVA**
  - **Low season**
    - **Energy charge**
      - Peak: 171.77c/kWh
      - Standard: 127.77c/kWh
      - Off-peak: 81.54c/kWh
  - **High season**
    - **Energy charge**
      - Peak: 499.04c/kWh
      - Standard: 160.43c/kWh
      - Off-peak: 92.70c/kWh
  - Basic charge: R59.05/day
  - Demand charge: R123.44/kVA
  - Access charge: R57.15/kVA
- **Bulk Time of Use >500kVA**
  - **Low season**
    - **Energy charge**
      - Peak: 187.93c/kWh
      - Standard: 134.18c/kWh
      - Off-peak: 96.00c/kWh
  - **High season**
    - **Energy charge**
      - Peak: 535.36c/kWh
      - Standard: 172.80c/kWh
      - Off-peak: 112.99c/kWh
  - Basic charge: R306.86/day
  - Demand charge: R120.23/kVA
  - Access charge: R54.44/kVA

The municipality must provide NERSA with a Specific, Measurable, Achievable, Realistic and Time-bound (S-M-A-R-T) repairs and maintenance plan, which will ensure that the municipality prudently spends a minimum of 6% of its electricity revenue towards repairs and maintenance. This spend should minimise the impact of energy losses. 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 2021.

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 Ms Phumla Botha in the Electricity Pricing and Tariffs Department on (012) 401 4600 or email: [Phumla.Botha@nersa.org.za](mailto:Phumla.Botha@nersa.org.za)

Yours sincerely,

**NqP Sithole**

Adv. Nomalanga Sithole

**Acting Chief Executive Officer**

Date: **06 July 2021**