

KANNALAND
MUNICIPALITY

ELECTRICITY LOSSES POLICY



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1. Scope

The scope of this policy is to identify and describe electrical losses that are experienced on a distribution system and to find ways to keep these losses to a minimum.

2. Objective

The objective of the municipality must be to minimize these losses that occur to a minimum, as these losses can have a huge financial impact as the municipality have to pay for electricity that cannot be billed to consumers.

3. Types of Losses

The Municipality have two types of losses that can occur in the distribution of electricity.

3.1 Technical Losses

These losses occur due to heat dissipation when electricity flows through the system conductors which consists of either copper or aluminium

3.2 Non-Technical Losses

These losses occur due to theft (illegal connections, meter tampering) and incorrect metering.

4. Control and Monitoring

- The municipality must have the intention to keep the losses of electricity below a certain percentage of the total electricity purchased from Eskom.
- To keep the technical losses to a minimum a computer program monitor the control of the distribution system to keep an even flow of electricity through the system.
- To keep the non-technical losses to a minimum the metering of electricity must be monitored sufficiently. The billing system must be used to detect possible cases of illegal connections.
- If theft is detected the electricity supply to the premises will be disconnected and a fine will be given. An attempt will also be made to determine the units stolen and to recover the cost from the consumer.

5. Reporting

The total losses that a municipality may incur for electricity must be made public in the annual financial statements of the municipality.

1. Commencement

This policy takes effect immediately on the date of approval by Council unless stated otherwise by the Council. The accounting officer has to sign this policy as proof of implementation thereof and initial each page.

Version 1 – 28 May 2014

Approved : MAYCO 07/05/14 dated 28 May 2014



M.M. HOOGBAARD : MUNICIPAL MANAGER



J. DONSON : EXECUTIVE MAYOR

