

MSUKALIGWA MUNICIPALITY

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MSUKALIGWA MUNICIPALITY-MP 302

MEDIA STATEMENT: ADDITIONAL CHARGES ON ELECTRICITY

National Electricity Regulator of South Africa (NERSA) responded to the 2010/ 2011 financial year electricity tariff increase of 28.9% from Eskom in which **NERSA** did not approve the higher unit tariff for pre-paid consumers therefore the revenue budget based on the higher tariff was not going to be realized therefore Msukaligwa municipality then applied for the addition of the basic charge on pre-paid consumers to balance the shortage due to the pre-paid tariff not approved for **2010/ 2011** as applied for.

The sliding tariff for pre-paid and conventional is now the same for pre-paid and conventional consumers in which the basic charge is **R90 for conventional** and **R70 for pre-paid consumers** that the total cost of electricity is still lower for pre-paid consumers than that of conventional consumers.

The application to implement the basic charge for pre-paid consumers was approved by **NERSA** to fill the difference of the lower approved unit tariffs however the increases to the consumers were calculated on different percentages in which during **the Special Council Meeting convened on Tuesday, August 31, 2010 at Ermelo Council Chamber, Council recommended and resolved that additional basic charge of R70 per month on larger pre-paid consumers as approved be implemented with effective from September 01, 2010 and Council takes note of the approval from NERSA on the additional basic levy on larger pre-paid consumers as approved for implementation as from September 01, 2010.**

The municipality is expected to meet its obligation of accelerating effective service delivery to improve the quality of life for all the people after having tried to recover from the far reaching and negative impacts of economic meltdown which unceremoniously yielded poor socio-economic status in the clientele community of Msukaligwa leading to the unwarranted culture of non-payment of municipal rates and taxes in most communities however the municipality will ensure that community needs and interests are attended with speed to realize the strategic objectives of Council.

PREPARED AND ISSUED BY: COMMUNICATION UNIT OF MSUKALIGWA MUNICIPALITY IN THE OFFICE OF THE MUNICIPAL MANAGER