

Capetonians welcome news that City's electricity tariffs will be probed

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National Energy Regulator of South is set to probe the City of Cape Town's electricity tariff increase and its tariff structure. Picture: Henk Kruger/African News Agency (ANA)

Cape Town - Residents and ratepayers' associations have welcomed the recent announcement by the National Energy Regulator of South Africa (Nersa) to probe the City of Cape Town's electricity tariff increase and its tariff structure.

The announcement was made on Friday. Nersa spokesperson Charles Hlebela said the investigation was launched after an outcry from a number of communities.

"Nersa received numerous complaints regarding the City of Cape Town's electricity tariffs and is looking into the matter," Hlebela said.

Bo-Kaap Civic and Ratepayers Association secretary Jacky Poking has welcomed the investigation.

"The residents of the city have been struggling under the high tariffs and have complained bitterly about it. Now, with the increase in rates, water and electricity - it's becoming very difficult to continue living within the city, especially in Bo-Kaap," she said.

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“It is unconscionable that the City would bill its residents these high tariffs with the aim of making money from them. They did it with the water and the rates. The residents of Cape Town have been responsible citizens, especially in light of the water crisis and the City repays us with these high tariffs,” Poking said.

Asa Salie, chairperson of the District Six Civic Association, said: “This is long overdue as all people are working (for) or spending their pensions on is electricity and water. The City of Cape Town is slowly killing people and they need to be brought to book,” she said.

For 2019/2020 Nersa approved an average increase of 13.07% for municipalities and the City of Cape Town had applied for a 11.30% increase.

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It announced in its budget that it would keep the electricity tariff increase at 8.8% for the current financial year.

Tauriq Jenkins, the chairperson of the Observatory Civic Association, said: “There’s been a lot of contention around these tariffs and I would imagine such a probe would be welcomed.”

Stop COCT laid a formal complaint with Nersa regarding the City’s electricity tariff structure

and the changes made to it since 2016. The complaint was made on behalf of more than 13200 members of the action group.

Stop COCT's Sandra Dickson said: "The City claims an 8.88% increase for the respective blocks, but the effect of the General Valuation of 2018 property valuation is not reflected in this increase. The effective increase in electricity tariffs, to a vast number of households, is well over 8.88%. It is just plain wrong that the City ignores the Energy Regulator of South Africa in setting their electricity tariffs."

Mayco member for finance Ian Neilson said: "Almost R1.7billion has been proposed for indigent relief and R1.23bn has been proposed to be budgeted for rates rebates. Much work has been done to ensure that rates and tariffs are as affordable as possible."

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