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Ref. NER/D/FS181/2023/24

Mr M Sekoboto
Executive Officer
CENTLEC Southern Free State
Private Bag X14
BRANDHOF
9324

Per Email: Moipone.Mokanyane@centlec.co.za

Dear Mr Sekoboto,

ELECTRICITY TARIFFS FOR THE PERIOD 01 JULY 2023 – 30 JUNE 2024

The Energy Regulator at its meeting held on the 02 June 2023 approved the guideline increase of 15,1% for municipalities applicable for the 2023/24 financial year. Consequently, the Energy Regulator considered your application for a tariff increase for the period 1 July 2023 – 30 June 2024 and approved the tariffs as follows:

Domestic Tariffs

Tariff I: IBT Indigent (Conventional & Prepaid)

<u>Tariff blocks: Summer</u>	<u>R/kWh</u>	
Block 1 (0 - 50 kWh)	R1.7108	c/kWh
Block 2 (51 – 350 kWh)	R1,9645	c/kWh
Block 3 (>350kWh)	R2.8838	c/kWh
<u>Tariff blocks: Winter</u>	<u>R/kWh</u>	



Regulator Members:

Mr T Bukula (Chairperson) Ms Z Mpungose (Deputy Chairperson) *Adv NP Sithole (Chief Executive Officer)
*Mr N Gumede *Ms N Maseti *Mr MW Mkhize Ms T Semane Mr FK Sibanda Ms PN Sibiyi
*Full-Time Regulator Members

Block 1 (0 - 50 kWh)	R2.3902	c/kWh
Block 2 (51 – 350 kWh)	R2.5519	c/kWh
Block 3 (>350kWh)	R3,3588	c/kWh

Tariff II: IBT Domestic (Conventional & Prepaid)

Tariff blocks: Summer	R/kWh	
Block 1 (0 - 350 kWh)	R2.5194	c/kWh
Block 2 (<350 kWh)	R2.5934	c/kWh
Tariff blocks: Winter	R/kWh	
Block 1 (0 - 350 kWh)	R2.7938	c/kWh
Block 2 (<350 kWh)	R2.7938	c/kWh

Tariff II: Homeflex single phase

o Basic charge:	R218,4067	/month
Energy charges: Summer		
o Peak:	R3,1257	c/kWh
o Standard:	R2.4260	c/kWh
o Offpeak:	R2,2046	c/kWh
Energy charges: Winter		
o Peak:	R5.9107	c/kWh
o Standard:	R3,4082	c/kWh
o Offpeak:	R3,2652	c/kWh

Homeflex three phase

o Basic charge:	R664,2496	/month
Energy charges: Summer		
o Peak:	R3,1257	c/kWh
o Standard:	R2,4260	c/kWh
o Offpeak:	R2,2046	c/kWh
Energy charges: Winter		
o Peak:	R5.9107	c/kWh
o Standard:	R3,4082	c/kWh
o Offpeak:	R3,2652	c/kWh

Tariff IV: Bulk Resell 2 (AMI)

o Basic charge:	R3 724,3097	/month
o Demand Charge:	R138,2132	/kVA
Energy charges: Summer		
o Peak:	R2,4157	c/kWh
o Standard:	R1,7518	c/kWh
o Offpeak:	R1,4538	c/kWh

Energy charges: winter

o Peak:	R3,9921	c/kWh
o Standard:	R2,4974	c/kWh
o Offpeak:	R2,3749	c/kWh

Tariff IV: Bulk Resell 3 (AMI)

o Basic charge:	R2 451,5335	/month
o Demand Charge:	R122,7946	/kVA

Energy charges: Summer

o Peak:	R2,9520	c/kWh
o Standard:	R2,1212	c/kWh
o Offpeak:	R2,0292	c/kWh

Energy charges: Winter

o Peak:	R4,1658	c/kWh
o Standard:	R2,4753	c/kWh
o Offpeak:	R2,1587	c/kWh

Tariff IV: Flat business (Conventional & Prepaid)

Summer

o Energy charge:	R3,4782	c/kWh
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Winter

o Energy charge:	R3,5749	c/kWh
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Tariff V: Departmental TOU

Energy charges: Summer

o Peak:	R2,7104	c/kWh
o Standard:	R1,8185	c/kWh
o Offpeak:	R1,3544	c/kWh

Energy charges: Winter

o Peak:	R5,0675	c/kWh
o Standard:	R2,5234	c/kWh
o Offpeak:	R2,3207	c/kWh

Tariff V: Departmental

Summer

o Energy charge:	R1,4556	c/kWh
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Winter

o Energy charge:	R1,4556	c/kWh
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Tariff V: Sports Stadiums

Energy charges: Summer

o Peak:	R3,8916	c/kWh
o Standard:	R2,8175	c/kWh
o Offpeak:	R2,7051	c/kWh

Energy charges: Winter

o Peak:	R5,2621	c/kWh
o Standard:	R4,2253	c/kWh
o Offpeak:	R3,6875	c/kWh

Tariff VI: Complex Single Phase

o Basic charge:	R230,4822	/month
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Energy charges: Summer

o Peak:	R3,6170	c/kWh
o Standard:	R2,0184	c/kWh
o Offpeak:	R1,8731	c/kWh

Energy charges: Winter

o Peak:	R5,3609	c/kWh
o Standard:	R3,2779	c/kWh
o Offpeak:	R2,4059	c/kWh

Tariff VI: Complex Three Phase

o Basic charge:	R803,5967	/month
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Energy charges: Summer

o Peak:	R3,2245	c/kWh
o Standard:	R2,0499	c/kWh
o Offpeak:	R1,8350	c/kWh

Energy charges: Winter

o Peak:	R5,0954	c/kWh
o Standard:	R3,1258	c/kWh
o Offpeak:	R3,0096	c/kWh

Tariff VII: Elecflex 2

o Basic charge:	R3 207,5695	/month
o Access Charge:	R216,2277	/kVA
o Demand Charge:	R85,1884	/kVA

Energy charges: Summer

o Peak:	R2,1322	c/kWh
o Standard:	R1,3685	c/kWh
o Offpeak:	R1,2814	c/kWh

Energy charges: Winter

o Peak:	R2,1322	c/kWh
o Standard:	R2,0467	c/kWh
o Offpeak:	R1,4326	c/kWh

Tariff VII: Elecflex 3

o Basic charge:	R2 465,5334	/month
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o Access Charge:	R 96,3051	/kVA
o Demand Charge:	R247,9451	/kVA
Energy charges: Summer		
o Peak:	R2,5535	c/kWh
o Standard:	R1,6767	c/kWh
o Offpeak:	R1,5402	c/kWh
Energy charges: Winter		
o Peak:	R4,9483	c/kWh
o Standard:	R2,4096	c/kWh
o Offpeak:	R2,2731	c/kWh

The Energy Regulator further directs that the licensee's administrator should ensure that the areas of concern noted in the electricity department are adequately addressed in its turnaround strategies developed; this includes adequate provision for maintenance, energy losses mitigation and implementation of revenue management/debt recovery strategies. The licensee should work closely with NERSA in this regard and report quarterly as of 20 September 2023.

The Energy Regulator further directs that the licensee increase its expenditure on Repairs and Maintenance to NERSA benchmarks of 6% to ensure that its electricity network is efficient and sustainable

Please note that in terms of the National Energy Regulator Act, 2004 (Act No. 40 of 2004), the 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 Mr Zwanga Ralufhe in the Electricity Pricing and Tariffs Department on (012) 401 4362 or email: zwanga.ralufhe@nersa.org.za.

Yours Sincerely,



Advocate Nomalanga Sithole
Chief Executive Officer

Date: 30/06/2023