

Mafube Newsletter #1

1. On the 19th of July 2011, Rural submitted a proposal in writing to Mafube.
2. On the 21st of November, Rural submitted a proposed masterplan for implementation to Mafube Council to the value of R79m. This investment will be made by Rural over a 24 to 30 month period and is expected to be increased by a further R10-R15m.
3. On the 23rd of November, Rural made a presentation to all Councillors with regard to the planned solution for implementation.
 - a. what Rural has found in its investigation
 - i. The cost of electricity was more than all the revenue.
 - ii. Network was in poor state and unsafe conditions were numerous.
 - iii. There was not enough qualified and experienced staff members.
 - iv. Shortage of tools and equipment.
 - v. The Towns could not grow as capacity was not available to grow.
 - vi. Bypassing of meters was commonplace.
 - vii. Too few vending stations available in the towns.
 - viii. Lack of money to fix the problems.
 - b. what Rural is going to do IF APPOINTED to fix the Municipalities electricity business
 - i. Rural will provide funding
 - ii. Rural will provide resources and expertise
 - iii. Free basic electricity to the poor only.
 - iv. Everyone who uses electricity must pay.
 - v. Audit and fix all meters.
 - vi. Introduction of new additional vending stations.
 - vii. New time of use tariffs to be introduced as per Governments pricing policy guideline as advertised in Government Notice no 1398 of 19 December 2008.
4. On the 15th of December, Council formally appointed Rural to implement its proposed solutions.
5. Councillors are the elected representatives of the people, therefor:-
 - a. Rural communicates all information to councillors in forums set up for the purpose.
6. The National Energy Regulator of South Africa published the new 2012/2013 electricity tariffs for Mafube on the 29th of June 2012 which tariffs have come into force on the 1st of July 2012.
7. As far as the **business and general customers** are concerned, the following:-
 - a. All business and general customers will be billed on time of use tariffs as from the 1st of July 2012.
 - b. All existing prepayment metering will be replaced with suitable electronic metering, which is connected to a time of use system at NO COST to the customer.
 - c. Due to the numerous unsafe conditions in existence and the unnecessary extra charges where the same premises is receiving electricity from numerous points of supply, Rural will according to section 16 and section 17.2 of the Mafube electricricity bylaws, only make one supply per stand available.
 - i. This will hopefully force landlords to ensure the safe distribution of electricity on their premises.
 - ii. The bulk cost of electricity will be cheaper than all the individual supplies.

- iii. Rural will also not remove the metering infrastructure as installed on the sub metered points, leaving the landlord free to re-programme such metering equipment for its own purposes.
 - iv. Landlord's may sell electricity to tenants on the same basis as if the tenant was receiving electricity directly from the supply authority i.e. not charge the tenant on a higher tariff as that tariff stipulated by NERSA.
 - v. Any credit remaining on the old prepayment meters will be credited to the customers new account.
 - d. In addition, with the TOU tariffs, business customers can effectively reduce their electricity cost by managing their consumption.
 - e. A secure web portal will shortly be made available for all large users and all business and general customers which will greatly assist in the management of their electricity accounts. Details will be made available shortly.
8. As far as **residential customers** are concerned, the following:-
- a. The prepayment metering option will remain – guaranteed.
 - b. The process of installing new prepayment metering will commence in 2013.
 - c. Although new meters will be installed – the PREPAYMENT CONCEPT WILL PREVAIL!
 - d. In future, residential customers will also follow the time of use model.
 - e. Although the time of use model is not yet in operation, **the rates are already approved and available.**
9. Rural has compiled a brief guide on measures to best save electricity. The guide is available on the website as follows:- <http://www.ruralmaintenance.co.za/mafube-information>
10. Any queries can be directed to mafube@rural.co.za
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