



ELECTRICITY TARIFF POLICY

**2026/2027
DRAFT**

PREAMBLE

Whereas section 74 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) requires a municipal council to adopt a tariff policy on the levying of fees for municipal services.

And whereas the tariff policy should at least include the principles contained in section 74(2) of the Act, thus giving effect to the By-Law required in terms of section 75 of the Act.

And whereas the tariff policy may differentiate between different categories of users, debtors, service providers, service standards and geographical areas as long as such differentiations do not amount to unfair discrimination.

Now therefore the Municipal Council of the Polokwane Municipality adopts the following Tariff Policy:

1. ELECTRICITY.

- 1.1 The guidelines and policy issued by the National Energy Regulator from time to time will form the basis of calculating tariffs.
- 1.2 The Municipality has standardized the use of Pre Payment Meters for all Domestic Consumers. As such it is compulsory for all new domestic connections to be equipped with Pre Payment Meters. The Municipality has embarked on a program to effect the migration of all Credit Meters to Pre- Payment Meters. The change from Pre Payment Meters to Credit Meters will therefore be disallowed unless special health circumstances exist, in which extremely case a credit meter will be installed by special concession from the Director of Energy Services and by payment of the required change of meter fees as well as the required deposit.
- 1.3 To make electricity affordable to certain categories of consumers, cross subsidization between and within categories of consumers will be allowed, based on the load factors of the categories and consumers within the category.
- 1.4 The fixed costs, or portions thereof, will be recovered through an energy or time-of-use charge.
- 1.5 A basic charge per electricity meter or unit in the municipal area, as determined by the Council from time to time, may be charged against all electricity consumers.
- 1.6 To apply the abovementioned principles, the consumer types and cost allocations reflected in the following table will be used: -

TARIFF COMPONENTS

CATEGORY OF CONSUMER	Basic/ Demand/ Service Charge (Rand/ consume r/ month)	Active Energy Charge (cent/ kWh/ month)	Seasonally Time-of-use Energy Charge Peak / Standard /Off-peak (cent/kWh/month)	Level of consumption	Capacity Charge (Rand/ KVA/ month)
Single Phase: (Domestic Prepaid /Conventional meters)	X	X		IBT BLOCK 1) 0 - 50 kWh 2) 51 – 350 kWh 3) 351-600 kWh 4) > 600kWh	
Single Phase: (Domestic Pre-paid meters)	X	X		IBT BLOCK 1) 0 - 50 kWh 2) 51 – 350 kWh 3) 351-600 kWh 4) > 600kWh	
Single Phase: (Commercial) –	X	X		Flat rate	
Single Phase: (Commercial Pre-paid meter)	X	X		Flat rate	
Three Phase: (Domestic Pre- paid ≤ meter) 100A	X	X		IBT BLOCK 1) 0 - 50 kWh 2) 51 – 350 kWh 3) 351-600 kWh 4) > 600kWh	
Three Phase: (Commercial conventional and prepaid meter) ≤ 100A	X	X		Flat rate	
Three Phase: (Commercial Pre-Paid meter) ≤100A	X	X		Flat rate	
Bulk:					
> 100 A	X	X		Flat rate	X
Time of Use based on Ruraflex Munic			X	Flat rate	X

for LV or MV					
Departmental (Municipality)		X			

- (a) A basic level of service will be provided free to qualifying households with a total gross income level which is below a determined amount, and according to further specified criteria, as determined by Council from time to time.
- (b) Where a property or unit is not connected to the electricity reticulation system, but can reasonably be so connected, an availability tariff will be payable.

1.7 A fixed basic charge for electricity will be levied monthly on all properties and units.

1.8 Where consumers within an approved township establishment are not connected to the electricity services, but can reasonably be connected, an availability tariff will be payable.

2 PROCEDURES AND ACCOUNTABILITY.

2.1 The Municipal Manager shall ensure that procedures to manage all aspects of this Policy are prepared in the form of a manual, reviewed regularly, and that these are formally adopted by him for implementation. These procedures will include aspects in this Policy and subscribe to sound principles of internal control.

2.2 The Directors and Managers shall ensure compliance with the procedures as approved from time to time by the Municipal Manager to give effect on the provisions of this Policy.

3 SHORT TITLE.

This Policy shall be called the **Tariff Policy of the Polokwane Municipality.**

4 IMPLEMENTATION AND REVIEW OF POLICY

This policy shall be implemented on 1st July 2026 and shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives and with legislation.