



MINISTRY OF ENERGY

REPUBLIC OF SOUTH AFRICA

NATIONAL COUNCIL OF PROVINCES: 185

185. Mr M H Mokgobi (ANC-Limpopo) to ask the Minister of Energy:

Whether, with regard to high tariff increases that negatively impacts on inflation and the deteriorating state of electricity distribution infrastructure that adversely affects service delivery, any (a)(i) municipalities and (ii) other role players have collaborated with his department in defining the retail tariff framework and (b) progress has been made in providing a tight framework for using tariffs for infrastructure rehabilitation; if not, (aa) why not and (bb) what are his department's plans in this regard; if so, what are the relevant details? CO573E

REPLY

a) (i) and (ii)

Yes, the department has been collaborating with Municipalities, National Treasury and the Regulator in addressing electricity distribution problems, particularly the decline in service delivery due to deteriorating infrastructure. The Approach to Distribution Asset Management (ADAM) programme is intended to address these problems. In so far as municipal tariffs, a guideline has been developed as a means on regulating municipal tariff increases, in line with constitutional requirement for national government to determine norms and standards for municipal surcharges.

b) (aa) and (bb)

The framework for infrastructure rehabilitation is at an advanced stage in line with the ADAM concept, starting with 10 identified municipalities.

ENDS