



MINISTRY OF ENERGY
REPUBLIC OF SOUTH AFRICA

NATIONAL COUNCIL OF PROVINCES QUESTION 8

Ms M G Boroto (ANC-Mpumalanga) to ask the Minister of Energy:

- (1) Whether the Government has a strategy for the electrification of rural households; if not, why not; if so, what are the relevant details;
- (2) whether such strategy takes into consideration the (a) escalating price of electricity and (b) affordability of most rural communities that are largely dependent on government grants, unemployed and/or poor; if not, why not; if so, what are the relevant details? CO68E

Response:

- (1) (b) Integrated National Electrification Programme (INEP) has developed a new Electrification Roadmap which among others outlines how the 1.2 million backlog in rural households will be electrified. A realistic roll-out plan is being developed as part of this Roadmap, which shows that given current backlogs, utilising different technology mix and funding options, it is possible to achieve universal access to electricity by 2025 for all areas in South Africa, including all rural areas. One of the outcomes of the roadmap is the development of a National Electrification Master Plan which the Department is in the process of developing in partnership with Eskom. This Master plan will cover the entire country and will show areas that will be electrified via grid or non-grid options and will also show the roll-out sequence of the electrification projects based on least cost. This Master Plan should be finalised in the latter half of 2013.
- (2) Yes, (a) low income households are cushioned against escalating electricity tariffs; through;
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 - Provision of free electricity of up to 50kWh per month;
 - Tariff subsidization for households consuming up to 350 kWh &
 - The provision of solar water heaters.

(b) Affordability of electricity for low-income households is ensured through the Inclining Block Tarrif (IBT) policy. IBT works on the principle that low-end consumers of electricity pay less per kWh than high-end consumers. The majority of rural communities generally fall within the “low consumption” cluster.