



MEDIA STATEMENT

STATEMENT ISSUED BY ALDERMAN HAROLD CLEOPHAS, EXECUTIVE MAYOR - SWARTLAND MUNICIPALITY

18 January 2022

SWARTLAND MUNICIPALITY OBJECTS TO PROPOSED ELECTRICITY INCREASES

Swartland Municipality submitted a letter of objection to NERSA (National Energy Regulate of South Africa) on Friday 14 January 2022 in response to ESKOM's application for a 20,5% electricity price increase.

This proposed increase will be detrimental to our already struggling economy. Every year our residents must pay the price for years of poor management at the national energy provider. Affordable electricity is essential for developing and maintaining a strong, job-driven economy. Eskom's proposed increases of 20.5%, 15.07% and 10% for the next three years will eliminate all hope of growing our economy and will instead push us into a recession that will be more devastating than the lockdown of the past two years.

Irrespective of the merit of ESKOM's application, it cannot be denied that the predicament the energy provider finds itself in is of its own making. Irrecoverable debt, poor maintenance, inflated personnel, corruption and the disastrous technical defects at, what is supposed to be, our brand new power stations has left South Africans reeling from inflation and continuously increasing living costs in every aspect of our daily lives, all tied directly or indirectly to ESKOM's failing to keep the lights on despite crippling electricity prices.

We are of the opinion that the MAXIMUM tolerable increase for electricity tariffs for municipalities should not exceed 6%, inclusive of all claw back amounts due to ESKOM and that the shortfall to maintain ESKOM's financial viability in the short term should be financed by National Treasury.

As a local government, we cannot in good conscious support ESKOM's request and on behalf of our residents we implore the decision makers to carefully consider the impact their decisions will have on our residents as we move forward.

END