NATIONAL ENERGY REGULATOR OF SOUTH AFRICA

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Decision and Reasons for Decision (RfD)

In the matter regarding the

Municipal and Private Distributor Tariff Applications for the 2026/27 Financial Year

By

Tsantsabane Local Municipality

THE DECISION

At its meeting held on 11 May 2026, the Regulator Executive Committee (REC) considered Tsantsabane Local Municipality(TLM) tariff application. Based on the facts and evidence presented, REC approved the tariff increases for FY2026/27set out in
below.

Table 1: Summary of the REC Draft Decision

Tariff Category	FY2026/27 approved % Increase
Domestic Conventional	9.01%
Domestic Prepaid	9.01%
Commercial Conventional	9.01%
Commercial Prepaid	9.01%
Industrial Conventional	9.01%
Industrial Conventional	9.01%
Industrial Bulk	9.01%
Industrial Prepaid	9.01%
Schools	9.01%

Advertising Boards	9.01%

Based on the available information and the analysis performed thus far, the Regulator Executive Committee decided:

a) to approve tariffs that are based on the Cost of Supply (COS) Report as recommended in the tariff analysis section, for implementation by the Municipality with effect from 1 July 2026;
b) to note COS Report submitted by the Municipality;
c) that the Municipality must submit a report accounting for all the costs that have been noted in its COS study, to enable the National Energy Regulator of South Africa (NERSA) to perform its independent verification/audit process; and
d) The licensee is required to submit a quarterly smart efficiency plan with improvement measures identified in reducing high energy losses and submit it by 30 September 2026.

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ABBREVIATIONS

COS	Cost of Supply
D-form	Distribution form
ERTSA	Eskom Retail Tariff Structural Adjustments
FBE	Free Basic Electricity
IBT	Inclining Block Tariff
IPP	Independent Power Producer
LM	Local Municipality
MFMA	Municipal Finance Management Act
NERA	National Electricity Regulation Act
NERSA	National Energy Regulator of South Africa
OPEX	Operating Expenditure

1. INTRODUCTION

1.1. The National Energy Regulator of South Africa (NERSA) receives and considers tariff applications on a yearly basis, in accordance with the mandate of the Energy Regulator to regulate prices and tariffs. Municipal tariffs must be approved by the Energy Regulator for implementation on 1 July of each financial year.

1.2. TLM is located within the Northeastern parts of the Northern Cape Province and falls within the boundaries of the ZF Mgcawu District. The Licensee has 3,535 customers with the domestic customer base which accounts for 44% of sales, in a total population of 39,345 residents. The licensee has total sales of 21 169,344kWh. The Municipality is offering 50kWh per month of Free Basic Electricity (FBE) to 12 registered indigent customers

Table 2: Customer Base and Consumption

Customer categories	**FY2024/25**			
	KWh	***% KWh***	***Customer numbers***	***% Customer numbers***
Domestic(Prepaid)	9 036 580	43%	3 227	91%
Domestic(Conventional)	223 342	1%	4	0.11%
Manufacturing	5 524 297	26%	1	0.03%
commercial (Prepaid)	3 854 701	18%	288	8%
Commercial (Conventional)	2 249 332	11%	7	0.20%
Sold to other departments	281 092	1%	8	0.23%
TOTAL	**21 169 344**	**100%**	**3 535**	**100%**
Free Basic Electricity	52 013	1%	12	0.37%

1.3. NERSA received TLM's tariff application together with its COS on 26 March 2026.

1.4. In accordance with NERSA requirements, all tariff applications must include confirmation that the proposed tariffs have been approved by the municipal council and have undergone customer consultation.

1.5. NERSA followed the notice and comment consultation process as well as oral presentations. TLM's tariff applications were published on the NERSA website on 27 March 2026, on social media platforms and in national and local newspapers to solicit written comments from affected parties.

1.6. NERSA's decision was taken on 11 May 2026, considering the written comments received from the affected stakeholders and the analysis performed by NERSA.

2. LEGAL AND REGULATORY FRAMEWORK

2.1. Background

2.1.1. The approval of municipal electricity tariffs constitutes a core regulatory function of the Energy Regulator and must be exercised in accordance with the applicable legislative framework, national policy directives and court orders. The principal legal instruments governing the exercise of this regulatory authority include the National Energy Regulator Act, 2004 (Act No. 40 of 2004) (NERA), the Electricity Regulation Act, 2006 (Act No. 4 of 2006) as amended (ERA), the Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000) (PAJA) and the Electricity Pricing Policy for the South African Electricity Supply Industry, 2008 (EPP).

2.1.2. The approval of municipal electricity tariffs follows the Eskom Multi-Year Price Determination and Eskom Retail Tariff and Structural Adjustment (ERTSA) decision and is undertaken annually to align with the municipal budgeting process contemplated in the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA).

2.1.3. In addition, the municipal tariff approval process has recently been the subject of judicial scrutiny in the High Court of South Africa (Gauteng Division, Pretoria) in *AfriForum NPC v National Energy Regulator of South Africa and Others* (Case No. 2025/137620), which resulted in structural directives governing the timing and conduct of NERSA's tariff approval process.

2.1.4. This section provides the legal and policy context within which the Energy Regulator evaluated and determined the municipal electricity tariff application for FY2026/2027.

2.2. Statutory Mandate of the Energy Regulator

2.2.1. NERSA is established as a juristic person in terms of section 3 of the NERA. In terms of section 4 of the NERA, the Energy Regulator as the decision-making body, must regulate the electricity industry and execute the functions set out in the ERA. The electricity regulatory mandate of the Energy Regulator is therefore primarily governed by the ERA. Section 3 of the ERA provides that the Energy Regulator is the custodian and enforcer of the national electricity regulatory framework and exercises regulatory authority over activities regulated under the ERA.

2.2.2. In particular:

a) section 4(a)(i) of the ERA provides that the Energy Regulator must consider applications for licences and may issue licences subject to conditions;
b) section 4(a)(ii) of the ERA provides that the Energy Regulator must regulate prices and tariffs; and
c) section 14(1)(d) of the ERA authorises the Energy Regulator to impose licence conditions relating to the setting or approval of prices, charges, rates and tariffs charged by licensees.

2.2.3. Municipalities distributing electricity do so under electricity distribution licences issued by the Energy Regulator and are therefore subject to the tariff approval framework established under the ERA.

2.3. Tariff Determination Principles under the ERA

2.3.1. When determining or approving electricity tariffs, the Energy Regulator must apply the principles contained in section 15(1) of the ERA.

2.3.2. Section 15(1) provides that the Energy Regulator:

a) must enable an efficient licensee to recover the full cost of the licensed activity;
b) must allow for a reasonable return commensurate with the risk of the licensed activity;
c) may provide incentives for continued improvement of technical and economic efficiency;
d) must avoid undue discrimination between customer categories;
e) may permit cross-subsidies of tariffs to certain classes of customers; and
f) may have regard to the need to ensure security of supply, diversity of supply and the promotion of renewable energy.

2.3.3. These statutory requirements form the core legal principles guiding the determination of electricity tariffs within the South African electricity supply industry.

2.4. Administrative Law Requirements

2.4.1. The approval of municipal electricity tariffs constitutes administrative action as defined in section 1 of the PAJA. Accordingly, the Energy Regulator must ensure that its tariff determinations are lawful, reasonable and procedurally fair as required by sections 3 and 6 of the PAJA. Procedural fairness requires that affected parties and the public be afforded a reasonable opportunity to make representations before a final decision is taken.

2.4.2. Public participation processes conducted by the Energy Regulator therefore form an essential component of the municipal tariff approval process and are intended to ensure transparency, accountability and fairness in regulatory decision-making.

2.5. Policy Framework: Electricity Pricing Policy (2008)

2.5.1. In addition to the statutory framework, the Energy Regulator must have regard to the EPP. The EPP establishes national policy principles for electricity tariff setting, including cost reflectivity, transparency, economic efficiency and equity.

2.5.2. Policy Position 1 of the EPP provides that the revenue requirement for a regulated licensee must be set at a level that covers the full cost of production, including a reasonable risk-adjusted margin or return on appropriate asset values.

2.5.3. Policy Position 2 of the EPP states that electricity tariffs must reflect the efficient cost of rendering electricity services accurately and that the average level of tariffs must be set to recover the approved revenue requirement.

2.6. **COS Studies**

2.6.1. The EPP recognises that cost reflective tariff structures require a sound understanding of the underlying cost drivers associated with electricity distribution.

2.6.2. Paragraph 8.1 of the EPP notes that COS methodologies have historically not been consistently applied across the electricity distribution industry.

2.6.3. Policy Position 23 of the EPP therefore requires electricity distributors to undertake COS studies at least every five years, or when significant structural changes occur in the customer base or cost structure.

2.6.4. Such studies must be conducted in accordance with the methodology approved by NERSA and must accompany tariff structure applications submitted to the Energy Regulator.

2.7. **Judicial Oversight of the Tariff Approval Process**

2.7.1. The municipal tariff approval process administered by NERSA was the subject of litigation in *AfriForum NPC v National Energy Regulator of South Africa and Others* (Case No. 2025/137620) before the High Court of South Africa (Gauteng Division, Pretoria).

2.7.2. In its final judgment delivered on 4 December 2025, the Court held that NERSA's public participation process relating to the FY2025/2026 municipal tariff approvals did not comply with the procedural requirements of section 4 of the PAJA and was therefore unlawful.

2.7.3. However, recognising the potentially disruptive consequences of setting aside tariff determinations already implemented by municipalities, the Court declined to invalidate the tariffs. Instead, to assist in the timeous and lawful approval of municipal tariffs, the Court issued a structural interdict regulating the municipal tariff approval process going forward.

2.7.4. NERSA subsequently launched a variation application which sought to vary the timelines set by the Court on 4 December 2025, considering the practical difficulties which arose as it relates to the NERSA's compliance with the Court order. The court having heard NERSA's application, granted the variation application in respect of the fixed deadlines for FY2026/27 municipal tariff approvals.

2.8. **Court-Directed Timelines**

2.8.1. The timelines below are applicable in respect of FY2026/27 municipal tariff approvals:

a) written notice of bulk tariffs by 6 March 2026;
b) municipal tariff applications to be submitted by 31 March 2026;
c) public participation processes to be concluded by 21 April 2026; and
d) the publication of NERSA decisions by 11 May 2026.

2.8.2. Municipal tariff approvals from FY2027/28 are to comply with the following timelines:

Performance Incdicators: Obtained fron the D-Form		
Indicators	**2023/24**	**2024/25**
Percentage Surplus(Deficit)	10,43%	-42,92%
Percentage Energy Losses	15,93	25,28

a) written notice of bulk electricity tariffs to be communicated by 31 January each year;
b) municipal tariff applications to be submitted to NERSA by 20 March each year;
c) municipal tariff approvals and the tariff RfD document, to be approved and published by 5 May of each year.

2.9. Conclusion

2.9.1. The determination of municipal electricity tariffs by the Energy Regulator must therefore be undertaken within a comprehensive regulatory framework consisting of the NERA, ERA, PAJA, EPP and the binding judicial directives issued by the High Court in *AfriForum NPC v NERSA* (Case No. 2025/137620).

2.9.2. The reasons that follow in this RfD document demonstrate how the Energy Regulator complied with the legislative, policy and judicial framework in determining the municipal electricity tariff for FY2026/2027.

3. FINANCIAL AND TECHNICAL PERFORMANCE

3.1. In evaluating the financial and technical performance of TLM, the assessment relied on the Distribution forms (D-forms) for FY2024/25 submitted as part of the licensee's tariff application. The information contained in the D-forms was verified against the supporting source documents provided by the Municipality, including the Trial Balance and Annual Financial Statements. As a result, the data captured in the D-forms is considered reliable for the purposes of the tariff analysis.

3.2. TLM's electricity business operated at a deficit margin of -42.92% during the FY2024/25, declining from a surplus margin of 10.43% recorded in the FY2023/24. The deterioration in the financial performance of the electricity business was mainly attributable to a significant increase in operating expenses, primarily driven by Eskom interest charges, rising employee-related costs and increasing energy losses.

Table 3: Performance Indicators: Obtained from the D-form

Performance Incdicators: Obtained fron the D-Form		
Indicators	**2023/24**	**2024/25**
Percentage Surplus(Deficit)	10,43%	-42,92%
Percentage Energy Losses	15,93	25,28

3.3. TLM's energy losses increased significantly from 15.93% in FY2023/24 to 25.48% in FY2024/25. The high energy losses are attributable to both technical and non-technical factors, including network inefficiencies, illegal electricity connections, meter bypassing, billing inaccuracies and unattended faulty meters. As a result of these losses, the

municipality incurred an estimated revenue loss of approximately R26.5 million during FY2024/25.

Table 4: Energy Losses Analysis

Revenue loss on Energy losses	2024/25
Purchases kWh	28 330 607
Sales kWh	21 169 345
Total Energy losses @ 25,28% (kWh)	7 161 262
Average Selling Price (ASP) (Rands)	3,70
Lost Revenue on Total losses (Rands)	**26 466 097**

3.2. Based on the above analysis, TLM's electricity business experienced a significant deterioration in financial performance during FY2024/25. The Municipality moved from a surplus position in the previous financial year to a substantial deficit, indicating growing financial and operational pressures within the electricity function.

3.3. The decline was primarily driven by escalating operating costs, particularly Eskom interest charges and employee-related expenses, coupled with a sharp increase in energy losses. The increase in energy losses, resulting from both technical inefficiencies and non-technical factors such as illegal connections, meter bypassing, billing inaccuracies and faulty meters, has further weakened the Municipality's revenue base and operational sustainability.

3.4. The resulting revenue losses place additional strain on the Municipality's ability to maintain electricity infrastructure, meet its financial obligations and ensure reliable service delivery. Urgent corrective measures are therefore required to strengthen revenue management, reduce electricity losses, improve operational efficiencies and enhance financial sustainability within the electricity business.

4. DETERMINATION OF TLM'S TARIFFS BASED ON THE COS ADJUSTED DATA

4.1. TLM submitted its existing COS study which supports the tariff application to be approved in FY2026/27. The municipality's cost of supply study was inclusive of all requirements of NERSA's approved COS framework (i.e. Revenue Requirement, Cost Functionalisation, Cost Classification, Cost Allocation and Rate Setting).

4.2. Policy position 23 of the EPP states: '*Electricity distributors shall undertake COS studies at least every five years, but at least when significant licensee structure changes occur, such as in customer base, relationships between cost components and sales volumes. This must be done according to the approved NERSA standard to reflect changing costs and customer behaviour. The cost-of-service methodology used to derive tariffs must accompany applications to the regulator for changes to tariff structures'.*

4.3. Section 18.7 of October 2023 NERSA-approved Cost of Supply Framework states: '*An adjustment index will be issued to licensees to allow them to submit the tariff*

applications, which will be used to determine the costs that must increase with CPI, purchase costs, and other OPEX. Where annual plans, such as repairs and maintenance, and CAPEX plans, have been assessed and approved by NERSA, these can be adjusted based on that.'

4.4. In line with section 18.7 mentioned above, 5 below was developed and the definition of the columns is as follows:

i) Column 1 represents the actual FY2024/25 Licensee performance and is sourced from the D-forms that are based on the audited annual financial statements.
ii) Column 2 reflects the FY2025/26 revenues and electricity volume that are the base for FY2026/27 tariffs. The figures were tested for reasonableness (since at the time of the approval, the figures were estimates) when the Regulator considered and approved the FY2026/27 COS base tariffs. Once the financial year ends, the actual figures will be verified using the audited financial statements.
iii) Column 3 represents the Licensee's submitted FY2026/27 budgeted figures to be tested for reasonableness for determining tariffs for the control period under review.
iv) Column 4 represents NERSA's recommended adjustments after considering the reasons, facts and evidence the licensee provided to motivate/justify the budgeted figures.
v) Column 5 reflects the NERSA's recommended amounts that sum up to allowable revenues the Licensee must recover in FY2026/27.

4.5. The total allowable revenue of R108.6 million is for the FY2025/26 tariff review and is based on the COS revenue and the volumes used to determine the tariffs that were approved by the Energy Regulator, as shown in 5 below.

4.6. The COS study is applicable for five years; however, municipalities need to reflect the adjustments in their cost drivers for the FY2026/27. NERSA used the budgeted figures submitted by the Licensee to check the reasonableness as well as the Licensee's current operational requirement to ensure that municipalities do not over-recover or under-recover during the FY2026/27 tariff review process.

4.7. To determine an increase applicable for the FY2026/27 financial year, the Licensee submitted its FY2026/27 cost (budgeted cost plus surplus) as requested by NERSA and total budgeted required revenue that amounted to R126.5 million for the FY2026/27 tariff review process.

Table 5:Municipality's Revenue Requirement

Energy balance	Unit	Actual FY 2024/25 Costs	FY2025/26 Tariffs Costs per submitted COS	FY2026/27 budgeted Costs as per the Licensee	NERSA Adjustment (considering efficiencies)	FY2026/27 Allowable Revenue
Sales	kWh	21 169 345	24 707 113	25 720 104	-	25 720 104
Eskom bulk purchases	kWh	28 330 607	28 643 742	29 818 136	-	29 818 136
Independent Power Producers Conventional	kWh		-	-	-	-
Independent Power Producers Renewable Energy	kWh		-	-	-	-
Self Generation	kWh		-	-	-	-
Other			-	-	-	-
Total Energy Requirements	**kWh**	**28 330 607**	**28 643 742**	**29 818 136**		**29 818 136**
Total Losses	kWh	7 161 262	3 936 630	4 098 032		4 098 032
Technical losses	kWh	3 399 673	3 437 249	3 578 176	-	3 578 176
Non-technical losses	kWh	-3 761 589	-499 381	-519 855	-	-519 855
Allowed losses	%	**12,00%**	**12,00%**	**12,00%**		**12,00%**
Total Energy losses	%	25,28%	13,74%	13,74%		13,74%
Cost drivers						
Energy purchases from Eskom	Rand	63 562 897	70 758 217	77 133 532	-	77 133 532
other energy purchases			-	-	-	-
total energy purchases		**63 562 897**	**70 758 217**	**77 133 532**	**0**	**77 133 532**
Cost of technical losses	Rand				9 256 024	9 256 024
Non-Technical Losses					-1 344 761	-1 344 761
Other energy purchases	Rand				-	-
Capital expenditure	Rand				-	-
Operational expenditure (incl. Depreciati	**Rand**	**44 556 591**	**31 721 251**	**35 811 245**	**-13101260,8**	**22 709 984**
General & Other	**0**	**43 103 430**	**29 526 796**	**31 523 475**	**-12 650 348**	**18 873 126**
Salaries and allowances	Rand	2 145 386	2 458 544	2 724 879	0	2 724 879
Materials and supplies	Rand	108 715	714 142	785 556	0	785 556
Contracted Services	Rand	4 599 846	546 899	711 556	0	711 556
Salaries, wages and allowances (exclu. Repairs and I	Rand	2 145 386	7 314 945	7 717 267	0	7 717 267
Eskom debts interest	Rand	26 655 132	11 677 461	12 500 000	-12 500 000	
Current year depreciation	Rand	7 307 365	6 678 248	6 933 868	0	6 933 868
NMD	Rand	141 600	136 556	150 348	-150 348	
Shared OPEX	**Rand**	**1 453 161**	**2 194 456**	**4 287 771**	**-450 913**	**3 836 858**
Bad debts (Allowance for Impairment)	Rand	324 100	400 787	436 858	0	436 858
FBE paid to Eskom	Rand	396 059	409 921	450 913	-450 913	0
Charges from other Municipal Departments	Rand	733 002	1 383 748	3 400 000	0	3 400 000
Operating Leases	Rand				0	
General expenses		**0**	**0**	**0**	**0**	**0**
Total Expediture before surplus		108 119 488	102 479 468	112 944 777	-3 845 237	107 754 779
Surplus	Rand	8 108 962	6 148 768	13 553 373	-2 777 895	10 775 478
Total Expenditure Including Surplus		116 228 449	108 628 236	126 498 151	-6 623 132	118 530 257
Other revenues	Rand	**0**	**0**	**0**	**0**	**0**
Total Allowable Revenus	**Rand**	**116 228 449**	**108 628 236**	**126 498 151**	**-6 623 132**	**118 530 257**
increase required				***16,45%***	***9,12%***	

4.8. It is important to test the efficiency and prudency of the costs in FY2025/26 since this is the most recently considered revenue in support of the approved tariffs during this period. This forms the basis on which costs for FY2026/27 will be projected using assumptions to calculate revenue requirements for that year.

4.9. Furthermore, NERSA has verified all expense items included in the revenue requirement to ensure that they relate only to the electricity function of the Licensee. In instances where expenses are deemed inflated or unjustified, these have been adjusted accordingly.

Bulk purchases

4.10. The Licensee applied for a bulk purchase expenditure of R77.1 million which accounts for 68% of total costs, inclusive of the 7% energy loss allowance in line with the Act that requires only the prudently and efficiently incurred costs to be passed through to customers.

4.11. To get to FY2026/27 estimate, the Licensee projected the year-to-date amount for FY2025/26 since complete financial year data is unavailable, then made an estimate that this cost item would increase by 9.01% in line with the approved ERTSA.

4.12. The Eskom bills were analysed. Notified Maximum Demand (NMD) exceedance penalties charges of R0.2 million and Eskom interests charge on the outstanding account of R12.5 million were detected and adjusted for in the allowable revenue.

Operating Expenditure (including depreciation)

4.13. The licensee applied for operational expenditure including depreciation R35.8 million as highlighted in **Error! Reference source not found.** above.

4.14. The Municipality adjusted the expenditure linked to the FY2025/26 tariffs, increasing it from R31.7 million to a budgeted amount of R35.8 million, reflecting a 13% increase in costs.

4.15. Operational expenses include depreciation amounting to R6.9 million which was verified.

4.16. NERSA adjusted operating expenses (OPEX) as follows:

14.15.1. NMD exceedance penalties charges of R0.2 million; and
14.15.2. Eskom interests charge on the outstanding account of R12.5 million were detected and adjusted for in the allowable revenue.

Surplus

14.16. TLM's revenue requirement includes a surplus of R13.6 million, calculated using a surplus factor of 12% applied to OPEX, inclusive of bulk electricity purchases for the electricity business. In applying for this figure, the Licensee included inefficient or non-allowable costs, including interest on Eskom-related debt, as the Municipality is currently in arrears on its bulk electricity account amounting to R12.5 million, as well as penalties arising from NMD exceedances amounting to R0.2 million. These inefficiencies were verified against Eskom invoices and were appropriately eliminated.

14.17. The applied surplus margin of 12% was benchmarked against the established target range of 10%–20% prescribed in the approved NERSA COS Framework, EPP Policy Position 1, D-form submissions and the Trial Balance to ensure that the return remains commensurate with the level of risk associated with the electricity business. Risk considerations incorporated qualitatively included revenue collection risks, such as non-payment, indigent levels and bad debts. The Municipality has budgeted R0 for bad debt write-offs in the FY2026/27.

14.18. Operational risks were identified, particularly those relating to high energy losses and ageing infrastructure and less spending on Capital Expenditure (Capex). Municipal energy losses for FY2026/27 are projected at 25.28%.

14.19. In recommending the surplus, NERSA relied on section 15(1)(a) of the ERA, which provides that tariffs set by the Regulator 'must enable an efficient licensee to recover the full cost of its licensed activities, including a reasonable margin or return'.

14.20. Following adjustments arising from inefficient costs, NERSA revised the surplus downwards by R13.5 million (12%) to R10.8 million (9%).

Conclusion on Costs to Serve

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This page is part of the decision's record of public participation, objections or comments, which names members of the public.
We do not republish it.

The whole decision is on NERSA's website:
https://www.nersa.org.za/file/9256/TsantsabaneLM2026_27RFD.pdf

Table 5: Schedule of Tariffs

Domestic Conventional	***FY2025/26 Approved Increase***	***FY2026/27 Proposed % Increase***	***FY2026/27 Approved Increase***	***FY2026/27 Recommended Increase***	***FY2026/27 Recommended % Increase***
Tariff blocks					
Block 1 (0 – 50 kWh)	1.96	9.01%	2.14	2.14	9.01%
Block 2 (51 – 350 kWh)	2.49	9.01%	2.71	2.71	9.01%
Block 3 (351 – 600 kWh)	3.35	9.01%	3.65	3.65	9.01%
Block 4 (>600kWh)	4.16	9.01%	4.53	4.53	9.01%
Basic charge	632.8	9.01%	689.82	689.82	9.01%

Domestic Prepaid	***FY2025/26 Approved Increase***	***FY2026/27 Proposed % Increase***	***FY2026/27 Approved Increase***	***FY2026/27 Recommended Increase***	***FY2026/27 Recommended % Increase***
Tariff blocks					
Block 1 (0 – 50 kWh)	1.99	9.01%	2.17	2.17	9.01%
Block 2 (51 – 350 kWh)	2.7	9.01%	2.94	2.94	9.01%
Block 3 (351 – 600 kWh)	3.55	9.01%	3.87	3.87	9.01%
Block 4 (>600kWh)	3.94	9.01%	4.29	4.29	9.01%

Commercial Tariffs	***FY2025/26 Approved Increase***	***FY2026/27 Proposed % Increase***	***FY2026/27 Approved Increase***	***FY2026/27 Recommended Increase***	***FY2026/27 Recommended % Increase***
Commercial Conventional					
Basic charge	1,211.96	9.01%	1,321.16	1,321.16	9.01%
Energy charge	3.48	9.01%	3.79	3.79	9.01%

Commercial Prepaid	***FY2025/26 Approved Increase***	***FY2026/27 Proposed % Increase***	***FY2026/27 Approved Increase***	***FY2026/27 Recommended Increase***	***FY2026/27 Recommended % Increase***
Energy charge	4.05	9.01%	4.41	4.41	9.01%

Industrial tariffs

Industrial Conventional	***FY2025/26 Approved Increase***	***FY2026/27 Proposed % Increase***	***FY2026/27 Approved Increase***	***FY2026/27 Recommended Increase***	***FY2026/27 Recommended % Increase***
Basic charge	1,023.03	9.01%	1,115.21	1,115.21	9.01%
Energy charge	3.11	9.01%	3.39	3.39	9.01%
Demand Charge	350.09	9.01%	381.63	381.63	9.01%

Industrial Bulk	*FY2025/26 Approved Increase*	*FY2026/27 Proposed % Increase*	*FY2026/27 Approved Increase*	*FY2026/27 Recommended Increase*	*FY2026/27 Recommended % Increase*
Basic charge	514.7	9.01%	561.07	561.07	9.01%
Energy charge	2.99	9.01%	3.26	3.26	9.01%
Demand Charge	347.29	9.01%	378.58	378.58	9.01%

Industrial Prepaid	*FY2025/26 Approved Increase*	*FY2026/27 Proposed % Increase*	*FY2026/27 Approved Increase*	*FY2026/27 Recommended Increase*	*FY2026/27 Recommended % Increase*
Energy charge	3.60	9.01%	3.92	3.92	9.01%

Other

Schools	*FY2025/26 Approved Increase*	*FY2026/27 Proposed % Increase*	*FY2026/27 Approved Increase*	*FY2026/27 Recommended Increase*	*FY2026/27 Recommended % Increase*
Energy charge	3.60	9.01%	3.92	3.92	9.01%

Advertising Boards	*FY2025/26 Approved Increase*	*FY2026/27 Proposed % Increase*	*FY2026/27 Approved Increase*	*FY2026/27 Recommended Increase*	*FY2026/27 Recommended % Increase*
Energy charge	4.05	9.01%	4.41	4.41	9.01%

8. CONFIDENTIALITY

8.1. None.

9. CONCLUSION

9.1. The Energy Regulator, having considered the TLM application, supporting information, stakeholder inputs and applicable legal framework, approves the tariff adjustments as set out in this RfD.

End.