NATIONAL ENERGY REGULATOR OF SOUTH AFRICA

NATIONAL ENERGY REGULATOR OF SOUTH AFRICA

Decision and Reasons for Decision (RfD)

In the matter regarding the

Municipal Tariff Applications for the 2026/27 Financial Year

By

Kopanong Local Municipality

THE DECISION

At its meeting held on 8 May 2026, the Regulator Executive Committee (REC) considered Kopanong Local Municipality (KLM) tariff application. Based on the facts and evidence presented, REC approved the tariff increases for FY2026/27 set out in below.

Table 1: Summary of the REC Decision

Tariff Category	FY2026/27 approved % Increase
Tariff I: IBT Indigent (Conventional & Prepaid)	11.26%
Tariff II: IBT Domestic (Conventional & Prepaid)	11.26%
Tariff II: Homeflex Single Phase	11.26%
Homeflex Three Phase	11.26%
Tariff IV: Flat business (Conventional & Prepaid)	11.26%
Tariff VI: Comflex Single Phase	11.26%
Tariff VI: Comflex Three Phase	11.26%
Elecflex 2	11.26%
Elecflex 3	11.26%
Bulk Resell 2	11.26%
Bulk Resell 3	11.26%

Tariff V: Departmental TOU	11.26%
Tariff II: Homeflex Single Phase	11.26%
Tariff V: Departmental: Streetlights (Prepaid and Conventional)	11.26%

Based on the information submitted and the analysis conducted, the REC 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 the 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 by 31 January 2027;
d) That the Municipality must submit an audited financial report that reflects the impact of its cost of supply-based tariffs on customers, as well as on the Licensee's sustainability and local economy by 31 January 2027; and
e) That the Municipality must submit quarterly SMART energy losses reduction progress reports for NERSA to monitor implementation thereof commencing from 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. KLM is a licensee located in the Free State Province, as demonstrated in the figure below. This Municipality consists of domestic customers who account for 64% of its electricity sales, followed by commercial customers accounting for 23.69% of the licensee's consumption. The Municipality provides 50 kWh of Free Basic Electricity (FBE) per month to 2,375 registered indigent customers.

Table 2: Customer Database and Consumption (Data obtained from the latest D-forms – FY2024/25)

Customer categories	2024/25			
	KWh	% KWh	Customer numbers	% Customer numbers
Domestic(Prepaid)	12 688 021	36,71%	3 046	64,0%
Domestic(Conventional)	5 669 416	16,40%	1 315	27,6%
Manufacturing	8 188 054	23,69%	20	0,4%
Commercial Prepaid	2 720 469	7,87%	319	6,7%
Commercial Conventional	2 263 192	6,55%	51	1,1%
Street Lighting	1 373 871	3,97%		0,0%
Sold to other departments	1 403 565	4,06%	5	0,1%
General(Resellers)	155 854	0,45%	2	0,0%
Other Consumers	101 788	0,29%	2	0,0%
TOTAL	**34 564 231**	**100%**	**4 760**	**100%**
Free Basic Electricity	2375	1 **496 250**	2375	78%

1.3. NERSA received KLM's tariff application together with its COS on 31 March 2026.

1.4. KLM implemented a 13% average price increase in FY2025/26 and is applying for an average price increase of 14% for the FY2026/27.

1.5. 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 a customer consultation.

1.6. NERSA followed the notice and comment consultation process. KLM's tariff application was published on the NERSA website on 31 March 2026, on social media platforms and in national and local newspapers to solicit written comments from affected parties.

1.7. NERSA's decision was taken on 8 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 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 FY2026/27.

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 (RR) 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 RR.

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 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 FY2025/26 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 the FY2026/27 municipal tariff approvals

2.8. Court-Directed Timelines

2.8.1. The timelines below are applicable in respect of the 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:

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; and
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 the FY2026/2027.

3. FINANCIAL AND TECHNICAL PERFORMANCE

3.1. In evaluating the financial and technical performance of KLM, the assessment relied on the Distribution forms (D-forms) for the 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. KLM's electricity business operated at a surplus of 1,97% in the FY2024/25, deteriorating from a surplus of 3.38% in the FY2023/24. The deterioration was mainly due to surge in expenses mainly driven by general expenses of R16.1 million.

Table 3: Performance Indicators

Performance Indicators: obtained from the D-FORM		
Indicators	**2023/24**	**2024/25**
Percentage surplus(Deficit)	3,83%	1,97%
Percentage Energy Losses	14,88%	11,8%

3.3. KLM's energy losses amounted to 11.8% in FY2024/25 from 14.88% in FY2023/24. Energy losses were well maintained in FY2024/25 and have improved to an acceptable level.

Table 4: Energy losses analysis

Revenue loss on Energy losses	2023/24
Purchases kWh	39 187 685
Sales kWh	34 564 231
Total Energy losses @ 11,8% (kWh)	4 623 454
Average Selling Price (ASP) (Rands)	3,47
Lost Revenue on Total losses (Rands)	**16 061 886**
Revenue recognised from improved losses (3,08%) (Rands)	**494 706**

3.4. Based on the above information, the Municipality's operational and financial performance is satisfactory. The Licensee just needs to embark on managing its operational expenses to enhance the surplus.

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

4.1. The Municipality submitted its existing COS study in support of the tariffs application which will be approved in FY2026/27. The Municipality's COS 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, **Error! Reference source not found.** 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 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 NERSA's recommended amounts that sum up to allowable revenues the Licensee must recover in FY2026/27.

4.5. The total allowable revenue of R171.3 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 **Error! Reference source not found.** below.

4.6. The COS study is applicable for five years; however, municipalities need to reflect the adjustments in their cost drivers for 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 the tariff increase for FY2026/27, the Licensee submitted its projected costs (comprising budgeted expenses plus surplus) in line with NERSA requirements. The total budgeted required revenue amounted to R195.2 million for the FY2026/27 tariff review process. This figure included R0.7 million in interest on Eskom's bulk account and overstated energy purchase costs of R37.7 million, despite purchases being the largest cost component. After review and adjustments, NERSA approved a revised revenue requirement of R192.5 million.

Table 5: KLM's Revenue Requirement

Energy balance	Unit	Actual FY 2024/25 Costs	Costs per submitted COS for the FY2025/26 Tariffs	2026/27 FY budgeted Costs as per the Licensee	NERSA Adjustment (considering efficiencies)	2026/27 Allowable Revenue
Sales	kWh	34 564 231	38 856 520	41 856 520	-	41 856 520
					-	
Eskom bulk purchases	kWh	39 187 685	44 024 793	46 421 397	-	46 421 397
Total Energy Requirements	**kWh**	**39 187 685**	**44 024 793**	**46 421 397**		**46 421 397**
Total Losses	kWh	4 623 454	5 168 273	4 564 877		4 564 877
Technical losses	kWh	4 623 454	5 168 273	4 564 877		4 564 877
Allowed losses	%	**11,80%**	**11,74%**	**9,83%**		**9,83%**
Total Energy losses	%	11,80%	11,74%	9,83%		9,83%
Cost drivers						
Energy purchases from Eskom	Rand	86 822 466	108 580 798	154 040 587	-24 818 580	129 222 008
other energy purchases						
total energy purchases		**86 822 466**	**108 580 798**	**124 807 376**	**-24 818 580**	**129 222 008**
Cost of technical losses	Rand		12 746 799	12 273 011	0	12 273 011
Operational expenditure (incl. Depreciati	**Rand**	**48 694 461**	**39 106 277**	**42 974 782**	**-4 418 909**	**38 555 873**
General & Other	**0**	**12 035 731**	**10 640 000**	**11 172 000**	**0**	**11 172 000**
Salaries and allowances	Rand	0	0	0	0	0
Materials and supplies	Rand	4 232 199	3 980 000	4 179 000	0	4 179 000
Contracted Services	Rand	277 832	820 000	861 000	0	861 000
Salaries, wages and allowances (exclu. Repairs and	Rand	0	0	0	0	0
Payments to consultants (operational work)	Rand	3 200 000	3 500 000	3 675 000	0	3 675 000
Eskom debts interest	Rand		0	0	0	
Current year depreciation	Rand	4 325 700	2 340 000	2 457 000	0	2 457 000
Shared OPEX	**Rand**	**36 658 730**	**28 466 277**	**31 802 782**	**-4 418 909**	**27 383 873**
Bad debts (Allowance for Impairment)	Rand	973 191	1 021 851	1 052 507	0	1 052 507
FBE paid to Eskom	Rand	3 802 183	3 992 292	4 191 907	-4 191 907	0
Charges from other Municipal Departments	Rand	14 412 869	15 133 512	15 890 188	-227 003	15 663 185
General expenses		**17 470 487**	**8 318 622**	**10 668 181**	**0**	**10 668 181**
1.Commission Expense	Rand	4 620 696	68 492	2 170 547	0	2 170 547
2. Fleet Costs	Rand	1 379 214	1 449 554	1 493 041	0	1 493 041
3.Other Expenses	Rand	11 470 577	6 800 577	7 004 594	0	7 004 594
	Rand				0	
Total Expediture before surplus		135 516 927	160 433 875	180 055 169	-29 237 489	180 050 892
Surplus	Rand	69 361 498	15 877 284	19 141 698	-911 736	18 229 962
Total Expenditure Including Surplus		204 878 425	176 311 159	199 196 867	-30 149 225	198 280 854
Other revenues	Rand	**-3 933 292**	**-5 056 723**	**-3 952 110**	**-3 796 000**	**-7 748 110**
Reconnection fees	Rand	68 200	67 000	69 010	3 649 584	3 718 594
New connections	Rand	1 400 000	1 470 000	1 514 100	-1 073 307	440 793
Free Basic Electricity (Equitable share)	Rand	2 465 092	2 300 000	2 369 000	0	2 369 000
. Other Revenue - Government Grants and Subsidie	Rand		1 219 723		1 219 723	1 219 723
Total Allowable Revenus	**Rand**	**200 945 134**	**171 254 436**	**195 244 757**	**-33 945 225**	**190 532 744**
increase required				***14,01%***	***11,26%***	

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 RR for that year.

Bulk purchases

4.9. The Licensee applied for a bulk purchase expenditure of R154 million, representing 85% of total costs and inclusive of a 6% energy loss allowance, in line with the Act, which permits only prudently and efficiently incurred costs to be

passed on to customers. However, the budgeted purchase amount was overstated by R24.8 million, despite purchases being the largest cost component. Consequently, NERSA adjusted the bulk purchase cost downward to R129.2 million.

4.10. The FY2026/27 purchases adjustment of 9.01% is in line with the NERSA-approved Eskom Retail Tariff Structural Adjustments (ERTSA).

4.11. The Eskom bills were analysed and there were no Notified Maximum Demand (NMD) exceedance penalties charged. Furthermore, the Municipality did not include Eskom interest charges on the outstanding account.

Operating Expenditure (OPEX) (including depreciation)

4.12. For FY2026/27, the Licensee applied for operational expenditure, including depreciation of R43 million as highlighted in Table 5 above.

4.13. The Municipality adjusted the expenditure linked to the FY2025/26 tariffs, increasing it from R39.1 million to a budgeted amount of R43 million, reflecting a 10% increase in costs.

Surplus

4.14. The Licensee applied for a surplus of R19.1 million, based on a 10% return on OPEX, including bulk purchases.

4.15. NERSA revised and adjusted the surplus in line with the approved operational expenditure. The adjusted surplus amounts to R18.2 million, representing a 9% return. Should the municipality maintain prudent cost control, the surplus could improve to a financially sustainable level within the range of 10% to 20%.

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The whole decision is on NERSA's website: https://www.nersa.org.za/file/9246/KopanongLM2026_27RFD.pdf

2. Tariff II: IBT Domestic (Conventional & Prepaid)	2024/25 Approved	Proposed % Increase	2025/256 Proposed	2026/27 Recommended Increase	2026/27 Recommended % Increase	Analysis and Key findings
Summer						
Block 1 (0- 350kWh): (R/kWh)	3,21	14,00%	3,66	3,57	11,26%	N/A
Block 2 (>350kWh): (R/kWh)	3,30	14,00%	3,76	3,67	11,26%	N/A
Winter						
Block 1 (0- 350kWh): (R/kWh)	3,55	14,00%	4,05	3,95	11,26%	N/A
Block 2 (>350kWh): (R/kWh)	3,55	14,00%	4,05	3,95	11,26%	N/A

3. Tariff II: Homeflex single phase	2024/25 Approved	Proposed % Increase	2025/256 Proposed	2026/27 Recommended Increase	2026/27 Recommended % Increase	Analysis and Key findings
Basic Monthly (R/month):	278,20	14,00%	317,14	309,52	11,26%	N/A
Low Season						
Energy charges:						
Peak(R/kWh):	3,99	14,00%	4,54	4,44	11,26%	N/A
Standard (R/kWh):	3,10	14,00%	3,53	3,44	11,26%	N/A
Off-peak(R/kWh):	2,80	14,00%	3,19	3,12	11,26%	N/A
High Season						
Energy charges:						
Peak(R/kWh):	7,53	14,00%	8,58	8,38	11,26%	N/A
Standard (R/kWh):	4,34	14,00%	4,95	4,83	11,26%	N/A
Off-peak(R/kWh):	4,17	14,00%	4,75	4,63	11,26%	N/A

4. Homeflex three phase	2024/25 Approved	Proposed % Increase	2025/256 Proposed	2026/27 Recommended Increase	2026/27 Recommended % Increase	Analysis and Key findings
Basic Monthly (R/month):	846,08	14,00%	964,53	941,34	11,26%	N/A
Low Season						
Energy charges:						
Peak(R/kWh):	3,98	14,00%	4,53	4,43	11,26%	N/A
Standard (R/kWh):	3,08	14,00%	3,52	3,43	11,26%	N/A
Off-peak(R/kWh):	2,81	14,00%	3,21	3,13	11,26%	N/A
High Season						
Energy charges:						
Peak(R/kWh):	7,53	14,00%	8,58	8,37	11,26%	N/A
Standard (R/kWh):	4,34	14,00%	4,95	4,83	11,26%	N/A
Off-peak(R/kWh):	4,16	14,00%	4,74	4,63	11,26%	N/A

5. Tariff IV: Flat business (Conventional & Prepaid)	2024/25 Approved	Proposed % Increase	2025/256 Proposed	2026/27 Recommended Increase	2026/27 Recommended % Increase	Analysis and Key findings
Basic Monthly (R/month):						
Summer						
Energy charge (R/kWh):	4,4326	14,00%	5,05	4,93	11,26%	N/A

Winter						
Energy charge (R/kWh):	4,0241	14,00%	4,59	4,48	11,26%	N/A

6. Tariff VI: Comflex Single Phase	**2024/25 Approved**	**Proposed % Increase**	**2025/256 Proposed**	**2026/27 Recommended Increase**	**2026/27 Recommended % Increase**	**Analysis and Key findings**
Basic Monthly (R/month):	293,5740	14,00%	334,67	326,63	11,26%	N/A
Summer						
Energy charges:						
Peak(R/kWh):	4,6104	14,00%	5,26	5,13	11,26%	N/A
Standard (R/kWh):	2,5729	14,00%	2,93	2,86	11,26%	N/A
Off-peak(R/kWh):	2,3819	14,00%	2,72	2,65	11,26%	N/A
High Season						
Energy charges:						
Peak(R/kWh):	6,8252	14,00%	7,78	7,59	11,26%	N/A
Standard (R/kWh):	4,1779	14,00%	4,76	4,65	11,26%	N/A
Off-peak(R/kWh):	3,0697	14,00%	3,50	3,42	11,26%	N/A

7. Tariff VI: Comflex Three Phase	**2024/25 Approved**	**Proposed % Increase**	**2025/256 Proposed**	**2026/27 Recommended Increase**	**2026/27 Recommended % Increase**	**Analysis and Key findings**
Low Season						
Basic Monthly (R/month):	R1 023,57	14,00%	1 166,86	1 138,82	11,26%	N/A
Energy charges:						
Peak(R/kWh):	R 4,531	14,00%	5,17	5,04	11,26%	N/A
Standard (R/kWh):	R 2,859	14,00%	3,26	3,18	11,26%	N/A
Off-peak(R/kWh):	R 2,328	14,00%	2,65	2,59	11,26%	N/A
High Season						
Energy charges:						
Peak(R/kWh):	R 7,164	14,00%	8,17	7,97	11,26%	N/A
Standard (R/kWh):	R 4,351	14,00%	4,96	4,84	11,26%	N/A
Off-peak(R/kWh):	R 3,819	14,00%	4,35	4,25	11,26%	N/A

8. Elecflex 2	**2024/25 Approved**	**Proposed % Increase**	**2025/256 Proposed**	**2026/27 Recommended Increase**	**2026/27 Recommended % Increase**	**Analysis and Key findings**
Basic Monthly (R/month):	#########	14,00%	4 657,58	4 545,63	11,26%	N/A
Demand Charge (R/kVA)	275,4149	14,00%	313,97	306,43	11,26%	N/A
Access Charge (R/kVA)	108,5026	14,00%	123,69	120,72	11,26%	N/A
Energy charges:						
Low Season						
Peak(R/kWh):	3,6725	14,00%	4,19	4,09	11,26%	N/A
Standard (R/kWh):	1,8645	14,00%	2,13	2,07	11,26%	N/A

Off-peak(R/kWh):	1,8758	14,00%	2,14	2,09	11,26%	N/A
High Season						
Energy charges:						
Peak(R/kWh):	3,6725	14,00%	4,19	4,09	11,26%	N/A
Standard (R/kWh):	2,7911	14,00%	3,18	3,11	11,26%	N/A
Off-peak(R/kWh):	2,1018	14,00%	2,40	2,34	11,26%	N/A

9. Elecflex 3	**2024/25 Approved**	**Proposed % Increase**	**2025/256 Proposed**	**2026/27 Recommended Increase**	**2026/27 Recommended % Increase**	**Analysis and Key findings**
Basic Monthly (R/month):	3140,4395	14,00%	3 580,10	3 494,05	11,26%	N/A
Demand Charge (R/kVA)	315,8124	14,00%	360,03	351,37	11,26%	N/A
Access Charge (R/kVA)	122,6728	14,00%	139,85	136,49	11,26%	N/A
Energy charges:						
Low Season						
Peak(R/kWh):	3,2544	14,00%	3,71	3,62	11,26%	N/A
Standard (R/kWh):	2,2148	14,00%	2,52	2,46	11,26%	N/A
Off-peak(R/kWh):	2,0340	14,00%	2,32	2,26	11,26%	N/A
High Season						
Energy charges:						
Peak(R/kWh):	6,3054	14,00%	7,19	7,02	11,26%	N/A
Standard (R/kWh):	3,1866	14,00%	3,63	3,55	11,26%	N/A
Off-peak(R/kWh):	3,0058	14,00%	3,43	3,34	11,26%	N/A

11. Bulk Resell 2	**2024/25 Approved**	**Proposed % Increase**	**2025/256 Proposed**	**2026/27 Recommended Increase**	**2026/27 Recommended % Increase**	**Analysis and Key findings**
Basic Charge	4743,7852	14,00%	5 407,92	5 277,94	11,26%	N/A
Demand Charge	176,0427	14,00%	200,69	195,87	11,26%	N/A
Summer						
Peak(R/kWh):	3,0736	14,00%	3,50	3,42	11,26%	N/A
Standard (R/kWh):	2,2261	14,00%	2,54	2,48	11,26%	N/A
Off-peak(R/kWh):	1,8532	14,00%	2,11	2,06	11,26%	N/A
Summer						
Peak(R/kWh):	5,0850	14,00%	5,80	5,66	11,26%	N/A
Standard (R/kWh):	3,1866	14,00%	3,63	3,55	11,26%	N/A
Off-peak(R/kWh):	3,0284	14,00%	3,45	3,37	11,26%	N/A

12. Bulk Resell 3	**2024/25 Approved**	**Proposed % Increase**	**2025/256 Proposed**	**2026/27 Recommended Increase**	**2026/27 Recommended % Increase**	**Analysis and Key findings**
Basic Charge	#########	14,00%	3 559,77	3 474,21	11,26%	N/A
Demand Charge	156,4033	14,00%	178,30	174,01	11,26%	N/A

Summer						
Peak(R/kWh):	3,7629	14,00%	4,29	4,19	11,26%	N/A
Standard (R/kWh):	2,7003	14,00%	3,08	3,00	11,26%	N/A
Off-peak(R/kWh):	2,5857	14,00%	2,95	2,88	11,26%	N/A
Winter						
Peak(R/kWh):	5,3115	14,00%	6,06	5,91	11,26%	N/A
Standard (R/kWh):	3,1589	14,00%	3,60	3,51	11,26%	N/A
Off-peak(R/kWh):	2,7513	14,00%	3,14	3,06	11,26%	N/A

13 Tariff V: Departmental TOU	**2024/25 Approved**	**Proposed % Increase**	**2025/256 Proposed**	**2026/27 Recommended Increase**	**2026/27 Recommended % Increase**	**Analysis and Key findings**
Low Season						
Energy charges:						
Peak(R/kWh):	3,7066	14,00%	4,23	4,12	11,26%	N/A
Standard (R/kWh):	2,4860	14,00%	2,83	2,77	11,26%	N/A
Off-peak(R/kWh):	1,8532	14,00%	2,11	2,06	11,26%	N/A
High Season						
Energy charges:						
Peak(R/kWh):	6,9382	14,00%	7,91	7,72	11,26%	N/A
Standard (R/kWh):	3,4578	14,00%	3,94	3,85	11,26%	N/A
Off-peak(R/kWh):	3,1753	14,00%	3,62	3,53	11,26%	N/A

14. Tariff V: Sports Stadiums	**2024/25 Approved**	**Proposed % Increase**	**2025/256 Proposed**	**2026/27 Recommended Increase**	**2026/27 Recommended % Increase**	**Analysis and Key findings**
Low Season						
Energy charges:						
Low Season						
Peak(R/kWh):	4,9607	14,00%	5,66	5,52	11,26%	N/A
Standard (R/kWh):	3,5934	14,00%	4,10	4,00	11,26%	N/A
Off-peak(R/kWh):	3,4465	14,00%	3,93	3,83	11,26%	N/A
High Season						
Energy charges:						
Peak(R/kWh):	6,7009	14,00%	7,64	7,46	11,26%	N/A
Standard (R/kWh):	5,3788	14,00%	6,13	5,98	11,26%	N/A
Off-peak(R/kWh):	4,7008	14,00%	5,36	5,23	11,26%	N/A

15. Tariff V: Departmental: streetlights (Prepaid and Conventional)	**2024/25 Approved**	**Proposed % Increase**	**2025/256 Proposed**	**2026/27 Recommended Increase**	**2026/27 Recommended % Increase**	**Analysis and Key findings**
Summer						
Energy charge (R/kWh):	1,8597	14,00%	2,12	2,07	11,26%	N/A
Winter						

Energy charge (R/kWh):	2,0962	14,00%	2,39	2,33	11,26%	N/A