

## City Power to deduct R200 monthly from prepaid electricity recharges



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City Power will begin deducting R200 monthly from all middle and high-income earners in Johannesburg when they recharge their prepaid electricity to cover network and service charges.

Households and businesses are expected to be hardest hit by the constant hikes in electricity prices. Energy Analyst Mthunzi Luthuli says City Power's decision will end up being problematic.

Luthuli says, "This is problematic in the way that it was done because it is seen as over and above the six percent increase and I think that it really can't be justified and I think that they are going to be taken to court for it. It's a huge amount and it means that if you are going to recharge for R200 it's only R70 that's going to buy you units. The rest basically as far as the consumer is concerned goes down the drain and I think this is going to cause serious problems for City Power."

### Joburg prepaid users face tariff hikes

The National Energy Regulator of South Africa (NERSA) approved the City's application to charge some of its customers a flat rate of R200 for the maintenance of its infrastructure.

City Power spokesperson Isaac Mangena says customers who are on prepaid meters are currently on the cheapest available tariff plan, which does not include a basic charge.

"However, should the customer at the beginning of the month purchase electricity for less than R400, the payment will be split between covering the fixed charge and charges for consumption of electricity to ensure that the customer gets some kWh with every purchase until the minimum purchase threshold of R400 is reached. It will however not be possible to accumulate non-payment of the total basic charge beyond one calendar month," Mangena says