

22 December 2022

The Minister
Ministry of Public Enterprises

ATTENTION: MINISTER PRAVIN GORDHAN

Dear Minister Gordhan,

RE: LOAD REDUCTION IMPLEMENTED IN DR BEYERS NAUDE LOCAL MUNICIPALITY

With effect from yesterday, Eskom has implemented a load reduction schedule in the Dr Beyers Naude Local Municipality. It is our understanding that this is as a result of the fact that the Municipality has failed to implement the agreement whereby they would pay, at the very least, the current account. This has resulted in an ever-increasing debt which currently stands at R361 million.

Dr Beyers Naude Local Municipality consists of 8 towns, including Graaff-Reinet which is the seat of government. These towns are all reliant on borehole water for water provisioning. Loadshedding plays havoc with the water pumps and reservoirs and since the latest phase of loadshedding was implemented, areas in our Municipality have been without water for weeks. Water carting goes some way to alleviating the crisis, but is woefully insufficient in meeting the real needs of residents. Stage 6 has been particularly tough as the extended times and limited periods between loadshedding means that reservoirs are not able to fill up enough to feed the water system.

The increase of 6 hours of load reduction (in three 2-hour stages) means that our towns are now heavily at risk of having no water at all for extended periods. And, given that today will be 41°C, you can only just imagine how desperately water is needed.

Loadshedding alone is having a massive bearing on the economies of our towns as these towns are heavily dependent on December tourism to carry them through the quieter months ahead. When a town has no water or electricity, tourists are not inclined to stay. This has a downstream effect on all businesses in our Municipality and a concomitant impact on employment. Already, with the latest round of loadshedding, businesses are starting to lay off their staff. One garage owner is running generators for 10 hours a day at a cost of R300 per hour. That means that he is carrying a further R90000 cost on his business each month. No businesses can survive under these conditions.

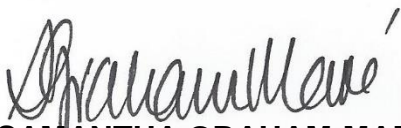
I am, therefore, urging you to address the latest load reduction strategy which, according to our information, is illegal following the recent decision in the *Resilient* matter. The main take

away from this matter was that end-users should not be penalised where there is an ongoing inter-governmental dispute.

It is our humble request that Eskom be instructed to cease the additional punitive load reduction implemented against the Dr Beyers Naude Local Municipality and that the route of arbitration be followed to resolve the current impasse. Eskom should accept some culpability for allowing the debt to reach such extreme amounts without having resolved the issue earlier. As such, we feel that it is unfair for consumers, particularly those who prepay for electricity, to be penalised for the failure of Eskom to execute its debt collection policies and the Dr Beyers Naude Local Municipality's failure to pay its creditors. The majority of residents are not in arrears and yet, are being penalised.

I trust that you will consider this request and appreciate that this is an extremely dire situation with very real human rights implications.

Yours sincerely,



SAMANTHA GRAHAM-MARÉ, MP
CONSTITUENCY HEAD: DR BEYERS NAUDE