



**UITVOERENDE BURGEMEESTER**  
**EXECUTIVE MAYOR**  
**OYINTLOKO KASODOLOPHU**

MOSSSELBAAI MUNISIPALITEIT | MOSSSEL BAY MUNICIPALITY | MOSSSEL BHAYI MASIPALA

16/2/B x 16/2/2

04 July 2024

The Chairperson & Chief Executive Officer  
National Energy Regulator of South Africa (NERSA)  
Kulawula House  
526 Madiba Street  
Arcadia  
**PRETORIA**  
0083

By Email: [Phumla.Botha@nersa.org.za](mailto:Phumla.Botha@nersa.org.za)  
[Mondi.Shozi@nersa.org.za](mailto:Mondi.Shozi@nersa.org.za)

Dear Chairperson & Chief Executive Officer,

**OPPOSITION TO ESKOM'S PROPOSED TARIFF INCREASES**

I am writing to you on behalf of the residents and businesses of Mossel Bay Municipality to express our grave concern regarding Eskom's recent announcement of their intention to submit a proposal for electricity tariff increases exceeding 30% for grid-tied consumers for the upcoming financial year.

The economic hardship experienced by our community is evident as businesses are closing weekly, resulting in increased unemployment and an influx of job seekers into the Mossel Bay municipal area. This influx places additional strain on our basic municipal services, particularly electricity, which is already insufficient due to Eskom's inability to meet the national demand.

Despite Mossel Bay Municipality's recognition as the most financially sustainable local authority in South Africa, this accolade does little to ease the financial burdens faced by our residents. Recently, the Municipality approved a R316 million loan to secure energy sustainability and ensure future savings on energy purchases. This loan is specifically allocated for investments in bulk infrastructure to better manage energy costs and cope with extended load-shedding outages.

**OFFICE OF THE EXECUTIVE MAYOR**

101 Marsh Street, Private Bag x29, Mossel Bay, 6500  
Tel. (044) 606 5138

email: [mayoroffice@mosselbay.gov.za](mailto:mayoroffice@mosselbay.gov.za) | [mayor@mosselbay.gov.za](mailto:mayor@mosselbay.gov.za)

However, the proposed tariff increase from Eskom would impose an additional and unacceptable financial burden on our residents and businesses. The funds allocated to address Eskom's failures are effectively a waste in light of their excessive annual price increases and the lack of improvement in electricity supply over the past two decades.

Eskom must seriously reconsider its operations to become more efficient and effective. The continuous approval of double-digit increases by NERSA, despite no significant improvements in service delivery from Eskom, is unsustainable and detrimental to our local economy.

I urge NERSA to take into account the severe economic conditions and the substantial financial pressure faced by our community when reviewing Eskom's tariff increase proposal. Approving such an increase would exacerbate the economic hardship for many households and businesses in Mossel Bay and across South Africa.

I respectfully request that NERSA consider the broader economic implications and the welfare of the residents and businesses when making a decision on this matter. It is imperative that Eskom finds alternative solutions to improve efficiency and reduce costs without imposing further financial strain on our citizens.

Thank you for your attention to this urgent issue.

Yours faithfully



**ALDERMAN DIRK KOTZÉ**  
**EXECUTIVE MAYOR**