# NATIONAL ASSEMBLY QUESTIONS FOR WRITTEN REPLY DEPUTY PRESIDENT

**FRIDAY, 17 JULY 2020**

**1593. Mr C Brink (DA) to ask the Deputy President:**

1. Whether the Eskom Task Team has considered the plight of the communities of Bethal and eMzinoni in the Govan Mbeki Local Municipality in Mpumalanga who have had to endure daily power interruptions of up to 12 hours at a time since the end of March 2020; if not, will the task team consider the plight of these communities at its next meeting; if so, what are the relevant details of the (a) discussions it held and (b) solutions it proposed;
2. whether he has been informed that this part of the Govan Mbeki Local Municipality has a lower maximum demand limit imposed on it by Eskom in comparison to the rest of the municipality;
3. whether he has been informed that Eskom refuses to lift the lower maximum demand limit imposed on this part of the local municipality due to the municipality’s failure to honour a debt repayment arrangement with Eskom;
4. whether he and/or any other member of the Eskom Task Team will meet with Eskom, the Mpumalanga Provincial Government and/or the local municipality as a matter of urgency in order to relieve the social and economic plight of the residents of Bethal and eMzinoni? **NW1976E**

# REPLY:

As the Eskom Task Team, we have committed to ensuring that we expedite the payment of outstanding debts owed to Eskom while also directing all national and provincial organs of state to settle all outstanding debts to municipalities.

More importantly, we have a responsibility to improve a culture of payment for services such as electricity and water by our communities to avoid unnecessary disruptions in the provision of these services. We also call on all our communities to pay for electricity to enable Eskom and municipalities to provide services continuously and sustainably.

In this regard, government is planning to implement a comprehensive campaign to raise awareness, and encourage communities to pay for electricity and other services they consume.

In addressing the plight of the communities and businesses of Bethal and Emzinoni in the Govan Mbeki Municipality in Mpumalanga, we would like to assure the member that the Eskom Task Team is looking into all municipalities that are exceeding the contracted demand and the resultant impact on communities.

Eskom is providing the maximum demand in line with the contract it has with Govan Mbeki Municipality. This is primarily to protect the upstream infrastructure. Govan Mbeki Municipality ensures that the load utilised is in line with this contracted notified demand. In doing so the municipality decides which areas are switched off, and for how long, to ensure that the load is managed within limits.

The municipality has three bulk accounts with Eskom viz. Secunda, Evander and Kinross. The Secunda account has four bulk supply points linked to it, which are Embalenhle, Secunda, Emzinoni and Bethal.

Eskom has enforced contractual Notified Maximum Demand (NMD) on Bethal, Emzinoni and Evander. The municipality initially requested for an interim NMD increase for Bethal, Emzinoni and Evander on 8 April 2020. Eskom did not accede to this request due to the status of the account.

The municipality applied again on 1 June 2020 for an NMD increase for the Bethal and Emzinoni supply points. Eskom responded on

4 June 2020 outlining the conditions for any increase in NMD. The conditions clearly stipulated that the municipality has to sign a Pre- payment / Upfront Payment Agreement, as well as a Repayment Agreement Plan for the arrear debt. The municipality did not respond to the above conditions.

For Eskom to increase the maximum demand limit, assurance must be provided that the payment conditions will be met for such increased electricity provision. As at 13 July 2020, Govan Mbeki Municipality owed Eskom R1.99 billion, the municipality is battling to settle its current accounts, and has also failed to conclude a payment plan for the arrear debt.

Eskom received a letter dated 24 June 2020 from Gert Sibande District Municipality, stating that Council took a special resolution to assist the Govan Mbeki Municipality with electricity challenges at both Bethal and Emzinoni. Eskom has since welcomed the decision by the Gert Sibande District Municipality to assist the Govan Mbeki Municipality.

Eskom clearly stipulated the conditions to be met by the municipality before any increase in NMD for the two supply points which were, signing the Prepayment Agreement and the Repayment Plan for the arrear debt.

In line with this, Eskom has provided the Gert Sibande District Municipality with the cost estimate letter for the increase in NMD for Bethal and Emzinoni with the understanding that this would proceed once all conditions are met.

To this end, the Eskom Task Team has been apprised that on 10 July 2020, the Gert Sibande District Municipality responded to Eskom and has accepted in principle the prepayment for Bethal and Emzinoni. The District Municipality also indicated that a repayment plan for arrear debt by Govan Mbeki Local Municipality will be taken to council which is sitting on the 30th of July 2020. Eskom awaits the outcome of the council resolution and the conclusion of the Prepayment Agreement.

In conclusion, we are pleased to report to the Honourable member that Eskom has been in discussions with the provincial government regarding electricity supply problems, and payment of accounts by municipalities and has undertaken to finalise discussions with the Govan Mbeki Local Municipality as well as the Gert Sibande District Municipality in respect of specific upgrades of the supply points to Bethal and Emzinoni.

Thank you very much.