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**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER 1986**

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**1986.   Mrs S M Mokgotho (EFF) to ask the Minister of Cooperative Governance and Traditional Affairs:**

Whether her department is responsible for putting measures in place where municipalities encounter irregular billing systems; if not, what is the position in this regard; if so, what measures has she put in place to bring relief to residents of the City of Matlosana Local Municipality, who have had to endure exorbitant electricity costs, due to an irregular billing system used by the specified municipality?   NW2241E

**REPLY:**

Municipalities are at the liberty of choosing their own financial system that they utilise to, amongst other things, bill their customers. In this regard, the Minister has no legal oligation/authority to put measures in place to regulate the functionality of the billing systems of municipalities because each system operates differently. In relation to the billing system being utilised by the City of Matlosana Local Municipality, according to the municipality, it uses Business Connexion (BCX) Solar system to bill residents on a monthly basis in five (5) areas within its jurisdiction to which it distributes electricity, namely; Klerksdorp including its suburbs, Orkney, Stilfontein, Hartbeesfontein and Jouberton.

According to the City of Matlosana Local Municipality, the municipality is not aware of irregularities with the billing system which could have caused exorbitant electricity costs, as it has implemented the tariffs as per the National Energy Regulator of South Africa (NERSA)’s 2022/23 tariffs approval letter. The municipality became aware that some of the accounts distributed to residents levied abnormal usage due to load-shedding which interrupted the system whilst the final accounts levies were in process. The affected accounts were since identified and rectified. The municipality has indicated that it has implemented corrective measures which will curb future system interruptions in the form of installing additional inverters which will ensure continuous power supply to the uninterrupted power supply (UPS) and IT servers in the event of load-shedding.

The Department, in its capacity to provide relief to the residents, makes grant transfers to municipalities through the local government equitable share, which should be used to, amongst other things, cover the free basic services component for indigent customers. Each indigent household, through the local government equitable share grant, is entitled to 50 kWh free electricity and 6 Kl of water each month.

**End.**