

**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: PQ 4373**

**QUESTION:**

 **4373. Mrs M B Hicklin (DA) to ask the Minister of Public Enterprises:**

What (a) are the reasons that Eskom refuses to replace the transformers in informal areas in Ward 78, Ivory Park, notably in Extension 5 through to 13, and (b) of (i) households are affected by the transformers in Ward 78 and (ii) legally connected paying customers have been inconvenienced by the disconnection of power by both Eskom and City Power that has hampered service delivery? **NW5498E**

**REPLY:**

**According to information received from Eskom:**

1. Eskom is experiencing a very high number of incidents of illegal connections, meter bypassing and tampering, unauthorised operations on the network, infrastructure vandalism and theft, and the non-payment and non-purchasing of electricity tokens. This number is constantly on the rise. Over the years, Eskom repeatedly replaced and repaired failed equipment without holding customers accountable, even when the failure was because of illegal electricity activities. Eskom has since implemented stringent control measures, as it is financially unsustainable for Eskom to replace this equipment continuously, especially without any return on investment. The debt levels, however, continue to grow, and the operational costs, on the other hand, also keep accelerating exponentially, while the business takes further financial strain as Eskom has to keep repairing, refurbishing, or replacing infrastructure that breaks or is frequently vandalised. Eskom has also reinstated the Deferred Payment Arrangement (DPA) to accommodate customers who cannot immediately settle the R6 052,60 remedial fee for tampering with Eskom infrastructure, to allow those customers to pay the balance over a maximum period of six months.

Sixty per cent of customers who have been issued with remedial charge sheets must have made the upfront payment of R500 before supply can be restored. The 60% threshold is aimed at ensuring that most customers honour the payment to avoid repeated equipment failure.

It should also be noted that in Ivory Park there are a number of customers have illegally connected transformers to the Eskom network and are refusing Eskom entry into the area to remove these illegally connected transformers. Out of 158 failed transformers, Eskom has replaced 107 and is in the process of replacing the remaining 51. With that said, Eskom is not refusing to replace the failed transformers in Ivory Park, but merely following the equipment replacement process it has implemented for the reasons mentioned above.

(b)(i) The Eskom network is not configured according to wards. Therefore, Eskom is unable to provide the customer base according to wards. However, Eskom has a total of 24 446 customers in Ivory Park, of whom 12 001 are zero buyers (prepaid customers). This means that 49% of customers in Ivory Park are not buying electricity from registered electricity vendors.

(b)(ii)The frequent equipment failures unfortunately inconvenience law-abiding and paying customers of electricity in these areas, while costing Eskom billions of rands in damaged infrastructure and lost sales. Furthermore, to try and protect the customers who are paying for electricity, Eskom has tightened its existing measures, such as audits, maintenance, education and awareness campaigns, to avert failures that lead to unplanned and extended outages and also to influence and change the culture of non-payment and non-purchasing of electricity tokens.

Over and above trying to prevent inconveniencing paying customers, these control measures are also aimed at combating illegal connections, meter bypassing and tampering operations on the Eskom network**,** infrastructure theft and vandalismand other electricity-related crimes.

**Remarks: Approved / Not Approved**

**Jacky Molisane P J Gordhan, MP**

**Acting Director-General Minister**

**Date: Date:**