



Creating Lasting Legacies!!!

COMPANY REGISTRATION NUMBER: 2017/420343/08 SARS TAX NUMBER: 9712043174

Telephone: 078 939 2048

CSD NO: MAAA072158

GPG Vendor No: 110050276



The National Energy Regulator of South Africa (NERSA) is a regulatory authority established as a juristic person in terms of Section 3 of the National Energy Regulator Act, 2004 (Act No. 40 of 2004).

SUBJECT: MYPD 6 Contribution and Submissions

SUBMISSION OF CONCERNS ON ESKOM ELECTRICITY COST INCREASE BY 36.1% April 2025 Plus 11.8% year 2026 Plus 9.1% total 57%. We hope Eskom and Nersa members have had time to engage based on Intergovernmental Rations Act of 2005.

There are three key points of departure that Eskom must consider is the entity's key mandate. Secondly the Accessibility, Availability and Accessability of Electricity to 63.02 million citizens of the country as a government company.

We are hereby submitting our local institutional concerns opposing the unilateral Notice of publication of Eskom's sixth Multi Year Price Determination (MYPD6) for the financial years 2025/26, 2026/27 and 2027/28) applications and indicative timelines for the determination process are as follows:-

1. Tariff rises, load shedding and power outages have direct negative impact on our work as breadwinners we are unable to use internet, and computers as well as work tools on our work sites, these affects our children too in their school work and without sustainable electricity supply Gender Based Violence and Femicide that destroys homes and families. House hold appliances get damaged by Eskom turning off and on electricity and there is no compensation to customers.
2. The Tariff rises, load shedding and power outages do affect hospital theaters costing lives of patients and those in on Oxygen and Ventilators due to health issues that are in the main results of air pollution from Coal Power Stations and Diesel Fumes.
3. The Tariff rises, load shedding and power outages do affect elderly people and children headed families in our constituency in the City of Ekurhuleni and Johannesburg Gauteng negatively exposing them to criminal elements in the darkness.
4. Affordability and Access to electricity in Informal Settlements in our constituency is nonexistent, may this reality be taken into account in this process.

Board of Executive Directors: M Khumalo **Chairperson** Ruth Ndlovu **Secretary** David D Chuma **Treasurer**

Physical address: ERFN 3538 Torium Crescent Clayville Ext 27 Olifantsfontein Gauteng 1666

Tel No: 078 939 2048



Creating Lasting Legacies!!!

COMPANY REGISTRATION NUMBER: 2017/420343/08 SARS TAX NUMBER: 9712043174

Telephone: 078 939 2048

CSD NO: MAAA072158

GPG Vendor No: 110050276

5. The majority of household heads are unemployed they are grants beneficiaries hence the income is R350.00 and they still need to buy food and other basic necessities for the family upkeep.
6. In the City of Ekurhuleni there was once an Indigent Policy it got cancelled when there was change of political administration from African National Congress (ANC) to Democratic Alliance (DA) currently there is no subsidy to citizens that one can show its impact.
7. Purchasing electricity comes with risks as we moved from Load-shedding now we are experiencing Load-reduction therefore there is no value for money to Eskom customers.
8. In our townships we have annual Integrated Development Plan (IDP) per ward can the MYPD 6 process be in cooperated so that there is signage in planning and execution of developmental programmes regardless of the SOE introducing it. The information flow process from NERSA and Eskom is currently not publicly accessible.

Introduction

UBUNTU CULTURE AND HERITAGE FOUNDATION NPC is a grassroots based constitutionally registered institution that focuses on qualitative and quantitative content research in the City of Ekurhuleni Gauteng. We identify causes of Poverty, Unemployment, Inequality and Ignorance then formulate relevant educational programmes in partnership with SETAs provide short, medium and long term sustainable solutions that are constituency based. The organisation is a voluntary company that has directors who are qualified and competent professionals from diverse intellectual and academic spheres.

The institution is affiliated to **Grassroots For Climate Action Group (G4CA)** and **Climate Justice Action Group (CJAG)** these forums are by designed to monitor the implementation of Just Energy Transition that is built on Procedural, Restorative and Distributive Justice as family members we feel there should be Social Justice added in the value chain. Our submissions are based on lived experience and exposure in Ward 01 Olifantsfontein, Thembisa and Ivory Park where we have a footprint through **Cooperate Social Responsibility (CSR)** that have portfolios of evidence.

Current Challenges

1. The formulas currently used by Eskom and Nersa experts and official do not align to Consumer Price Index (CPI) and Inflation percentages as well as GDP of the land.
2. There is no value for money enjoyed by Eskom and Municipality customers who are victims and survivors of poverty, unemployment and Inequality that is by design since Saturday 6th April year 1652-2024 to the majority African families that live in townships, squatter camp, farms and rural areas.
3. There is electricity poverty to majority of the population who are residing on above mentioned areas have no access to electricity.
4. There is no transparency on the percentages that are demanded by ESKOM in making applications to Nersa.

Board of Executive Directors: M Khumalo Chairperson Ruth Ndlovu Secretary David D Chuma Treasurer

Physical address: ERFN 3538 Torium Crescent Clayville Ext 27 Olifantsfontein Gauteng 1666

Tel No: 078 939 2048



Creating Lasting Legacies!!!

COMPANY REGISTRATION NUMBER: 2017/420343/08 SARS TAX NUMBER: 9712043174

Telephone: 078 939 2048

CSD NO: MAAA072158

GPG Vendor No: 110050276

5. There no clear communication and information sharing by Nersa and Eskom in matters of electricity access which is constitutional right as of Wednesday 27th April 1994.
6. Opening consultation to multiple stakeholders including the competition commission and other competent state organs to kill the silo work mentalities that are current standard operation procedures for maximum profit making at the expense of poor African families.

Proposed Solutions

1. The formulas need to scientific and mathematical that makes sense and rational to the ordinary citizens and residents alike. The formulas must take into account Consumer Price Index (CPI) and Inflation into the calculations. Eskom and Nersa needs to cancel evergreen contracts they have with the elite service providers and open the database to a broader competent entities. Take into account that the majority of South Africans are living below poverty line and they don't have multiple
2. Look at the Affordability Index and Living Standard Measure (LSM) matrix that are realistic as oppose to profit and shareholders' interests focused percentages.
3. Monitor the value chain to reduce many hands in the process of access to electricity which is a constitutional right not a favour and option. Value for money to each customer should be number one Nersa priority.
4. Eskom and Nersa need to increase their customers base small profit quickly returns it is an ancient business wisdom.
5. Consistent content and context based communication with all LSM customers of Nersa and Eskom so that there is no miseducation and disinformation in constituencies
6. Incorporate the process into Ward Integrated Development Plan (IDPs) that get advertise to ward based communication platforms on social media and community radios as well as local newspapers.
7. Eskom improve service provider database restrictions to new companies and favour old entities that own the entire value chain.

We are thankful of the opportunity to make our little submission on the matter of electricity.

We would appreciate further engagements if time allows.

Yours Sincerely

King Mudwa Khumalo

Chairman

078 939 2048

Wednesday 4th December in the year of our Lord 2024

Board of Executive Directors: M Khumalo Chairperson Ruth Ndlovu Secretary David D Chuma Treasurer

Physical address: ERFN 3538 Torium Crescent Clayville Ext 27 Olifantsfontein Gauteng 1666

Tel No: 078 939 2048