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MEDIA RELEASE

To: News Editors
From: Kgamanyane Maphologela
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City of Johannesburg Achieves Landmark Legal Victory Against Electricity Theft.

The Court has ruled that it cannot compel the City of Johannesburg to continue to supply electricity to a massive residential block of flats in Hillbrow which had, for years, illegally connected itself to the grid.

In a scathing judgment, which was handed down on 23 August 2023 in the High Court of South Africa Gauteng Division, the judgement reads: “This court should not compel the respondents [COJ, City Power] to sell electricity to someone who has effectively stolen it from them in the past. The court should not encourage a breakdown in the rule of law which it, in my view, would be doing if it were to overlook the conduct of the applicant [39 Van Der Merwe Street Hillbrow] and compel the respondents to provide electricity to it.”

For over a decade, the City has been locked in a legal battle with the Hillbrow property, beginning in 2012 over disputed electricity payments. The property had over the years sought court orders to prevent the City from disconnecting their electricity supply. The City contends the property that owes more than R2.9m, which has accumulated over the years because of short payments to the City.

On 23 August 2023, the court found that, the property which consists of a residential block of flats with approximately 208 tenants and is situated at number 39 Van Der Merwe Street in Hillbrow, had consumed electricity illegally and had been underpaying the City for the supply of electricity.

According to the applicant, which is the Hillbrow property, their own evidence which they submitted before the court, payment records to the City show they had missed a lot of monthly payments in between. In one of the months, their records reveal they only paid as little as R1 948.59 for electricity for the entire block of flats.

The Hillbrow property could not explain how the 208 tenants could have consumed less than R15 worth of electricity every month over the years.

“Even if we assume that the 208 tenants constitute the total number of people living in the building – a completely unrealistic assumption given that it is a large building consisting of many flats and the tenancy relates to the flat not the persons occupying the flat – it would mean that the average monthly electricity consumption of each person costs a paltry R14.74 according to the respondents’ records, and R15.01 according to the applicant’s records. On either version the amount of electricity consumed by the occupants of the building is wholly unrealistic. This evidence demonstrates that the respondents’ claim that an illegal connection was discovered at the property is certainly not far-fetched or unrealistic,” reads the judgement.

Based on the figures above, the court agreed with the City that indeed the electricity meter had been “tampered with.”

The judgment also found that “interim interdicts are capable of being, have been, and continue to be abused by the party that succeeds in securing or resisting one.” The City is pleased with the judgment, as the City has noticed that over the years, many defaulters were often ready to run to the courts to interdict the City from cutting off their services. After obtaining these interdicts, they would often want to prolong them and not pay the City at all in the meantime until the matter is settled.

The applicant’s urgent court intervention was dismissed with costs.

A lot of debt owed to the City is due to illegal connection of services by businesses, residents, and big organisations, which needs to be recovered. The City’s current debtor’s book is sitting at close to R48 billion, for rates and taxes, sewer, electricity, and water, which is unsustainable.

Customers who are in arrears on their municipal accounts and who wish to make payment arrangements and do not wish to visit any of the abovementioned walk-in-centres may contact the City’s Credit Control Department by emailing them on creditcontrol@joburg.org.za

NB: Attached is the full court judgement.

ENDS –

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