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City Power Johannesburg

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MEDIA STATEMENT

City Power disconnects defaulting businesses and residential complexes in the south of Johannesburg

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City Power has disconnected three defaulting businesses and two residential complexes, who collectively owe over R20 750 175, 06 in unpaid electricity bills. The residential complex in Meredale owes City Power R7 167 760,41, the second residential complex in Kenilworth which connected illegally owes R6 168 720,17. The three businesses, one is a panel beater, owes City Power R908 342,30; the second one, a furniture manufacturer that had illegally connected to our grid defaulted by R5 750 477,81; while the third one, a hotel, is in R754 874,37 debt.

This ongoing initiative is not only to address the growing debt that has reached unsustainable levels, but to also deal with excessive electricity consumption, particularly during this period as the system remains under pressure.

Part of this operation involves tracking and auditing customers whose supply remain on but are no longer vending, either due to bypassed meters or illegal connections.

From our observations, those who are illegally connected or tampered with meters, are amongst the highest consumers of electricity, because they do not experience the financial consequences of keeping high and irresponsible usage.

Not only is this putting enormous strain on the already burdened network, but it's also risking destroying electricity infrastructure such as transformers.

During the winter period, City Power encounters a high number of cases of explosion of mini-substations and transformers, due to overloading that comes as a direct result of illegal connections.

This often leads to prolonged outages and further financial losses, as the entity has to buy equipment to replace those that have been damaged by non-paying customers.

The cut-off drive is being conducted under the Reuven Service Delivery Centre, which alone, is owed over R1.9 billion by defaulters.

Meanwhile, the entire utility is still sitting with around R10 billion customer debt.

From our previous experiences with defaulting customers, the lack of funds does not appear to be among reasons why they consistently fail to pay for their bills, as most of them often make instant payments on the day of the cut-off.

We are hoping that these operations, which are intensifying this winter season, will address the culture of non-payment and help alleviate the pressure on the grid.

Non-Executive Directors: B Ramokhele (Chairperson of the Board), M Kekana, N Kgope, N Ntuli, M Mashabela, S Nduna, P Ragimana, N Ramotebele, L Ratsiku, M Seopela, T Sibeko

Executive Director: T Mashava (Chief Executive Officer)- **Company Secretary:** M Smith
Registration number: 2000/030051/30 - **VAT number:** 4710191182

Other measures that have been put in place to lighten the load on the grid include the installation of ripple relays.

A ripple receiver is part of a load management system used to control the electricity supply to the geyser during peak hours. Geysers are among the biggest electricity guzzlers, accounting for up to 50% of monthly household energy costs.

This technology will help customers save on high electricity costs, which will make it cheaper for them to service their bills, and lower the pressure on the network.

The process of auditing and installing ripple receivers is still ongoing, and urge everyone to be at home or have someone who will provide our agents with access, on the selected dates. This is essential work in ensuring that the consumption load is well managed, eliminating the need to implement stringent measures to curtail supply.

ENDS.

**Issued by City Power
Isaac Mangena, Spokesperson**

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