



CITY OF JOHANNESBURG  
METROPOLITAN MUNICIPALITY

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## KEYNOTE ADDRESS BY THE EXECUTIVE MAYOR, CLLR DADA MORERO OF THE CITY OF JOHANNESBURG

### CITY POWER KEY CUSTOMER FORUM

Good morning.

I am honoured to stand before you this morning, and I want to begin by being clear about why we have asked for your time. We did not call you here to manage a relationship. We called you here to begin a partnership. In this room sit the investors, the employers, the manufacturers, the retailers, the developers and the innovators who give this city its energy long before any of it is measured in megawatts. You create opportunities. You sustain the livelihoods. You carry on balance sheets and payrolls a great deal of what Johannesburg means when it calls itself the economic heart of this country.

And so, I want to say to you clearly: in the eyes of this administration, you are not simply customers of City Power. You are partners in the future of Johannesburg, and we intend to treat you as such. For too long, the relationship between municipalities and their largest customers has been allowed to shrink to the size of an invoice — a billing query here, a service complaint there, a transaction conducted at arm's length and often in frustration. Those matters are real, and we will attend to them. But they are too small to hold the weight of what this moment requires.

The task before us is larger than any account. It calls for a partnership built on trust, transparency, accountability, and a shared sense of responsibility for the city we hold in common. The future of Johannesburg's electricity network will not be secured by government acting alone. It will be secured by the public and private sectors acting together. Ladies and gentlemen, we meet at a defining moment — and not only for Johannesburg. Across the world, cities are confronting pressures on their electricity systems that few anticipated a generation ago. Demand is rising. Technology is advancing faster than our institutions can comfortably absorb.

Climate change is reshaping the very logic of energy production and consumption, and the transition to cleaner power is accelerating around us. At the same time, utilities everywhere are contending with ageing infrastructure, tightening finances and customers who rightly expect more. Johannesburg is no exception to these forces. In many respects, we feel them more acutely than most.

I will not stand here and recite a list of achievements to you while pretending the difficulties do not exist. You know them because, in many cases, you have lived them. Our network has been under sustained strain for years. We continue to lose critical assets to cable theft and vandalism. Illegal connections continue to overload substations that were designed to carry far less. Population growth and economic expansion continue to strain infrastructure that has not always received the investment it deserves. And these are not abstractions. They arrive as consequences. Businesses have endured outages. Manufacturers have lost production. Retailers have closed their doors during trading hours. Property owners have lived with uncertainty, and investors have fairly asked

whether our infrastructure can be relied upon. We do not dispute these experiences. We do not minimise their cost. And we are determined to change the trajectory that produced them. Ladies and gentlemen, this administration has made a deliberate choice. We will not preside over decline. We will invest in recovery. It is in that spirit that we have secured a R3.8 billion concessional development finance facility from KfW, the German Development Bank. I want you to understand what this represents, because it is more than money. It is a vote of confidence in Johannesburg from one of the world's most respected development financiers.

It is patient capital, secured at a fixed interest rate of 8.56 per cent, with a five-year grace period—terms that allow us to invest in the present without compromising the City's fiscal health in the future. Every rand of that facility is directed toward one purpose: a stronger, more reliable network. It will build new substations and replace ageing transformers. It will modernise our cables and expand smart metering. It will strengthen our renewable energy infrastructure. And above all, it will improve the reliability of supply for every customer connected to the Johannesburg grid.

We expect this investment to reduce commercial losses from 18.35 per cent to 13.2 per cent—unlocking hundreds of millions of rand each year that can be returned directly to maintaining and expanding the network. This is not borrowing to fund consumption. This is borrowing to build, and what we build will carry this city's economy for decades to come. Now allow me to speak candidly, because partnership without candour is merely courtesy. City Power currently carries approximately R13.3 billion in outstanding customer debt.

That debt is owed by residential customers, commercial customers, and large power users, and it spans all eight of our Service Delivery Centres. It belongs to no single community and to no single sector. It is, in the truest sense, a city-wide burden. Yet the importance of this audience cannot be overstated. The businesses and large power users represented in this room contribute between 40 and 45 per cent of City Power's monthly revenue. Of the roughly R5.1 billion collected each month, almost R2.3 billion comes from customers like you.

Your contribution is not incidental to the utility's survival. It is foundational to it. And that is precisely why your partnership matters so profoundly. The logic here is unforgiving in its simplicity. Reliable electricity depends on reliable revenue. Infrastructure cannot be maintained without sustainable income. Substations cannot be built on uncertainty. Service excellence cannot survive where payment discipline collapses. Electricity is not only consumed; it must also be paid for. That is the social contract upon which every successful utility in the world is built — and it is the contract I am asking us to honour together.

Let me be equally clear about how we intend to proceed, because intent matters as much as instrument. Our first choice will always be engagement before enforcement. We would rather solve a problem with a customer than impose a penalty upon one. We want billing disputes resolved swiftly. We want customers placed on the correct tariffs. We want compliance achieved through cooperation rather than confrontation. That work has already begun. Our recent engagement with business in Alexandra showed the real value of sitting across the table from one another.

But it also surfaced a truth we cannot look away from. Of approximately 40,000 registered electricity customers in Alexandra, only around 1,600 are actively purchasing electricity. That is not a sustainable position. It penalises honesty. It weakens the utility. And in the end, it threatens the reliability of supply for everyone — paying and non-paying alike. So, we have a responsibility, and it is a responsibility to fairness. Where customers comply, they deserve service they can depend upon. Where infrastructure is protected, investment must follow. And where electricity is stolen, there must be consequences. This principle is neither punitive nor political. It is simply just. No honest customer in this city should be made to subsidise dishonest conduct.

A further priority of this administration is to restore financial discipline across the entire electricity value chain. You are aware of our continuing engagements with Eskom. We are working constructively with Eskom's leadership, with the support of the Ministry of Electricity and Energy, to address outstanding obligations while protecting Johannesburg's residents and economy. Our aims are direct: to secure supply, strengthen governance, improve revenue management, and restore long-term sustainability. Alongside this, we are advancing one of the most significant structural reforms this administration has undertaken.

We are ring-fencing electricity revenue. The principle is plain enough to state in a single sentence: every rand paid for electricity should serve electricity. You are entitled to the assurance that what you pay goes directly into maintaining and strengthening the network on which your businesses depend — and we intend to give you that assurance. Ladies and gentlemen, even as we repair the present, we are obliged to prepare for the future. The energy transition is no longer a distant prospect to be debated.

It is already remaking economies around the world, and Johannesburg intends to lead rather than follow. Three months ago, City Power commissioned the first phase of our R14 million Electric Vehicle Charging Complex. It is operational today. It brings together fast-charging infrastructure, solar generation, and battery storage, and serves as a living laboratory — a place where we are gathering the operational knowledge that will shape a citywide charging network. But the significance of that project is well beyond the facility itself. It is a statement of intent: that Johannesburg means to be a leading African city in clean-energy innovation.

Our ambition does not end at charging stations. We are investing in new skills and preparing technicians for an era of electric mobility. We are opening doors for young people through our Youth Energy Ambassadors Programme. We are encouraging innovation through energy-efficiency competitions in our schools. And we are developing policy frameworks that will enable embedded generation to flourish without undermining the grid's financial foundations. This is what a just energy transition looks like — not in slogans or theory, but in infrastructure, skills, technology, and opportunity.

Ladies and gentlemen, allow me to get close to where this city began. Johannesburg has always been built by people willing to invest in possibilities. It was founded on enterprise. It grew through innovation. It has endured because in every generation, men and women have chosen to believe that tomorrow could be better than today. That belief is not a relic of our history. It is the inheritance we are called to honour. Government cannot build this future alone. Business cannot build it alone. City Power cannot build it alone. We can only build it together.

And so, this morning I am making a simple request of you. Pay your accounts on time. Resolve your disputes quickly. Support compliance where you find it. Protect the infrastructure we all rely upon. Share your expertise with us. And invest, alongside us, in the future of this city. In return, this administration commits itself without reservation to transparency, accountability, sustained investment, and engagement that does not end when this forum does. Together, we can build a network that is financially sustainable, technologically advanced and resilient enough to power one of Africa's leading economies. Together, we can restore confidence.

Together, we can attract investment. Together, we can create jobs. And together, we can ensure that Johannesburg remains, as it has always been, the economic engine of South Africa. Our message to you this morning is simple. We are not merely keeping the lights on. We are building the energy future of Johannesburg — and we invite every one of you to help us power it.