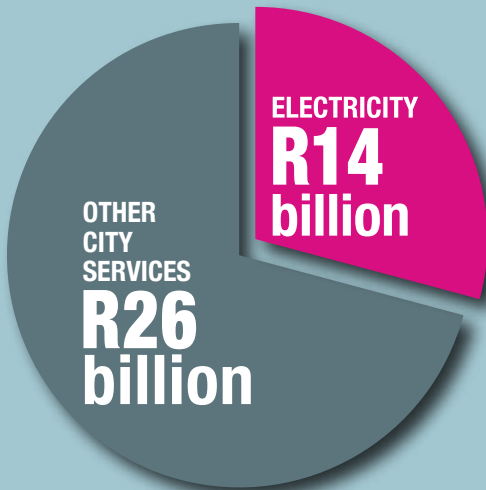




OUR CITY OUR ELECTRICITY

The City's budget is made up of a lot of different things and **ELECTRICITY** is one of the biggest parts. We have just finished our 2016/2017 draft budget which tells you what we want to spend money on from 1 July 2016 – 30 June 2017 and we want to know what you think about our choices.



CITY OF CAPE TOWN BUDGET 2016

Total budget = R40 billion,
of which R14 billion is for electricity

What is a budget?

The budget is a document that shows the City of Cape Town's revenue and expenditure for the coming year.

The revenue part of the budget shows where the money that the City spends comes from, like property rates and electricity tariffs.

The expenditure part of the budget shows what the City will spend money on, like electricity connections and sanitation.

The budget is also divided into **capital** and **operating**.

The capital part is money for assets, things like electricity substations, cables and street lights.

The operating part is money for day to day running costs, things like buying electricity from Eskom, maintenance and salaries.

Who supplies electricity to me?

There are 2 electricity providers in the City:

The City of Cape Town Electricity Department and **Eskom**. Each of them is responsible for different areas.

The City divides their area into 3 parts – **South**, **North** and **East** as shown on this map.



What does the City of Cape Town spend its electricity money on?

CAPITAL

We plan to use **R1.5 billion** for CAPITAL projects

49% from Borrowing 39% from planned Savings 12% from National Government and Private sector

75% of the capital budget is spent on infrastructure to supply electricity to you. This includes new infrastructure, things like building a new substation or installing new electricity cables. It also includes replacing and improving old infrastructure, things like replacing parts in an old substation.

We identified projects that make sure that we can **maintain the electricity supply to you** and projects that will **support economic growth**.

Here are some of the biggest capital projects we decided on for the coming financial year:

To support growth:

- **R69.5 million** – Upgrading Observatory Substation
- **R62.8 million** – Stores facilities in Bellville for the East service area
- **R49.4 million** – Upgrading Bellville substation
- **R40.9 million** – Substation in Atlantis industrial area
- **R59.6 million** – Upgrading small substations and cables in the South service area to allow for new electricity connections

To ensure we maintain current electricity supply:

- **R112.5 million** – New City Depot in the CBD, as our current site is being redeveloped
- **R65 million** – Replacing small substations and cables as they reach the end of their life span in the North service area
- **R55 million** – Replacing small substations and cables as they reach the end of their life span in the South service area

18% of the capital budget brings electricity directly to you. Things like streetlights and electricity connections to your house.

This money is spent in the following way:

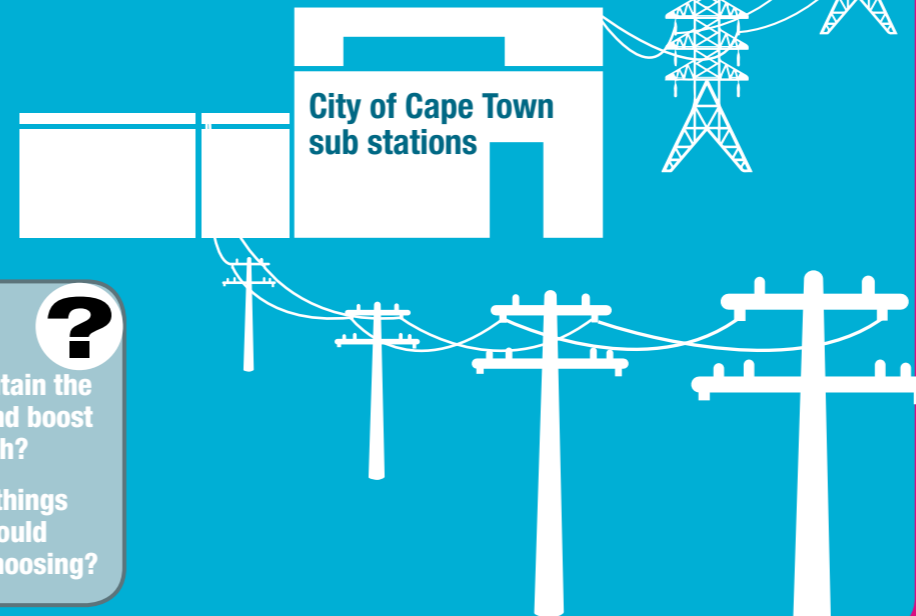
- Electrification** • **R55 million** – subsidised electricity connections for formal and informal areas across the City, that don't have electricity and can be electrified.
- 4 informal areas** will get electricity connections this financial year:
1 in the East service area, 1 in the North service area and 2 in the South service area.
- 14 formal areas** will get electricity connections this financial year:
5 in the North service area, 6 in the East service area and 3 in the South service area.
- **R50 million** – subsidised electricity connections for backyard residents on council rental property that don't have electricity and can be electrified:
R42 million – Bonteheuwel, **R8 million** – Kalksteentfontein and Parkwood

Public Lighting • **R70.4 million** – for street lighting and high mast lighting across the City, including lighting in Eskom areas. We first put street lights on roads that don't have, then we upgrade existing lights and then respond to applications for additional street lights. We try and respond to all applications that are reasonable and technically possible.

The remaining **7%** of the capital budget will be spent on vehicles, computers and other equipment, as well as installing new pre-paid electricity meters.

75%

BULK INFRASTRUCTURE



Do you think we should choose projects to maintain the power supply and boost economic growth?

Are there other things you think we should focus on when choosing?

18%

DELIVERY TO YOU

Commercial Public Lighting



Residential



Have we identified all the areas that need electricity connections? Do you know of any areas that do not have electricity connections?

Do you think this is how we should decide how we spend our public lighting money?

Are there areas near you that need streetlights or high mast lights?

OPERATING

We plan to use **R12.8 billion** for OPERATING costs

99% of this money will come from the electricity tariffs that you pay to the City of Cape Town

63%

Buys electricity from Eskom

10%

Contributes to pay for other City services that the City couldn't otherwise afford e.g parks, sports fields and libraries

6%

Pays for services provided to the Electricity Department by other departments in the City

8%

Salaries for the 2425 staff in the City Electricity Department

5%

Repairs, maintenance and other costs

5%

Interest on our debts

3%

Planned Savings for future electricity infrastructure

Illegal Connections



1%

Pays for bad debt and combatting illegal connections

The City of Cape Town wants to hear from YOU



Please consider the following four questions and tell us what you think:

- 1** Do you think we should choose large infrastructure projects that maintain the power supply and boost economic growth? Are there other things you think we should focus on when choosing large infrastructure projects?
- 2** Do you think we have identified all the formal and informal areas that need electricity connections? Why do you think this?
- 3** Do you think we have identified all the backyard residents of council rental properties that need electricity connections? Why do you think this?
- 4** Do you think we should first respond to applications for new street lights, before we put lights on unlit roads and upgrade existing street lights? Are there areas near you that need streetlights or high mast lights?

Write: The City manager, 5th Floor, Podium Civic Centre, Cape Town 8001
OR Private Bag X9181, Cape Town 8000

e-mail: city.manager@capetown.gov.za **Fax:** 021 400 1332

Verbal: You can make an appointment to share your thoughts at your local sub council meeting or visit your local sub council office during office hours and a member of staff will help you transcribe your submission.

Be sure to contact us before 21 April 2016.

Below are the dates, times and locations for all the April sub council meetings. A member of the City of Cape Town Electricity Department will be at your sub council meeting to answer questions on the Electricity budget. You can find your sub council here: <https://www.capetown.gov.za/en/subcouncils/Pages/Findyoursubcouncila.aspx>

SUB COUNCIL	ADDRESS	SC MANAGER	CONTACT NUMBER	DATE	TIME
1	Municipal Offices, Royal Ascot, Bridal Way, Millerton	Peter Deacon	021 550 1001	21 st April	10am
2	Municipal Offices, Brighton Way, Kraaifontein	Fred Monk	021 980 6053	20 th April	10am
3	Municipal Offices, Voortrekker Road, Goodwood	Johannes Brand	021 590 1676	21 st April	10am
4	Municipal Offices, cnr Voortrekker and Tallent Roads, Parow	Ardela Van Niekerk	021 444 0196	21 st April	9am
5	Municipal Offices, cnr Jakkalsvlei Avenue and Kiaat Road, Bonteheuwel	Martin Julie	021 444 2962	20 th April	10am
6	Municipal Offices, Voortrekker Road, Bellville	Pat Jansen	021 444 3717	18 th April	10am
7	Municipal Offices, Voortrekker Road, Bellville	Carin Viljoen	021 444 0689	18 th April	10am
8	Municipal Offices, cnr Fagan Street and Main Road, Strand	Erika Williams	021 850 4150	21 st April	10am
9	Site B, Khayelitsha Shopping Centre, Khayelitsha	Mcebisi Johnson Fetu	021 360 1351	20 th April	10am
10	Khayelitsha Training Centre, cnr Lwandle and Pendula Crescent, Khayelitsha	Mandlenkosi Sitonga	021 444 7315	18 th April	10am
11	Fezeka Building, cnr NY1 and Landsdowne Road, Gugulethu	Kayise Nombakuse	021 630 1600/22	20 th April	10am
12	Lentegeur Administrative Building, cnr Melkbos and Merrydale Roads, Lentegeur	Alesia Bosman	021 444 8696	21 st April	10am
13	Fezeka Building, cnr NY1 and Landsdowne Road, Gugulethu	Lunga Bobo	021 630 1619	20 th April	10am
14	Fezeka Building, cnr NY1 and Landsdowne Road, Gugulethu	Anthony Mathe	021 630 1734	18 th April	10am
15	Pinelands Training Centre, St Stephens Road, Central Square, Pinelands	Mariette Griessel	021 444 9797	20 th April	10am
16	11 th Floor, 44 Wale Street, Cape Town	Marius Coetzee	021 487 2055	18 th April	10am
17	Athlone Civic Centre, cnr Protea and Klipfontein Roads, Athlone	Edgar Carolisen	021 444 0500	21 st April	10am
18	Cnr Buck Road and 6 th Avenue, Lotus River	Okkie Manuels	021 700 4020	21 st April	11am
19	Municipal Offices, Central Circle, off Recreation Road, Fish Hoek	Desiree Mentor	021 444 9461	18 th April	10am
20	Alphen Centre, Constantia Main Road, Constantia	Richard White	021 444 8112	20 th April	10am
21	Municipal Offices, cnr Van Riebeeck and Carinus Street, Kuils River	Pieter Grobler	021 900 1665	20 th April	10am
22	Municipal Offices, cnr Van Riebeeck and Carinus Street, Kuils River	Richard Moi	021 900 1508	18 th April	10am
23	Lentegeur Administrative Building, cnr Melkbos and Merrydale Roads, Lentegeur	Raphael Martin	021 444 8721	18 th April	10am
24	Masibambane Resource Centre, Ncumo Road, Harare, Khayelitsha	Goodman Rorwana	021 400 7532	21 st April	10am