

Have your say: Draft electricity tariffs for 2027/28

Buffalo City Metropolitan Municipality invites all residents and businesses to comment on the draft electricity tariffs for 1 July 2027 to 30 June 2028, before they go to Council and NERSA.

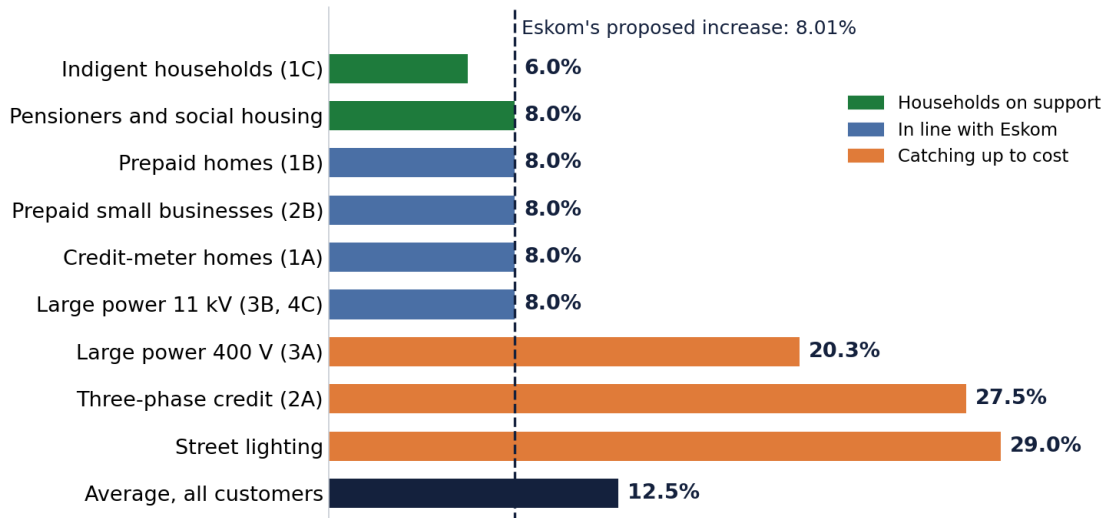


In short

- **What is proposed:** from 1 July 2027 indigent households rise by 6.0%, below Eskom's proposed increase of 8.01%. Pensioners, social housing, prepaid homes and prepaid small businesses rise by 8.01%, in line with Eskom. The average across all customers is 12.5%.
- **Why:** about 64 cents of every rand you pay for electricity goes straight to Eskom. When Eskom's prices rise, ours must follow.
- **What we are doing:** since 1 October 2026 the City has been replacing faulty and tampered meters with smart meters, and acting against cable theft. Every unit that is stolen is paid for by honest customers.
- **Your say:** complete the short online survey at [survey link], or read the draft tariff book and send your comments, by **1 December 2026** (see How to comment, below).

What the changes mean for you

Proposed increase from 1 July 2027, lowest first



The increase is not the same for everyone. The chart starts with the households that get the most help. Indigent households rise by less than Eskom's increase, and pensioners and social housing rise in line with it; part of their cost is paid by the national equitable share for free basic services, and part by other customers. Prepaid small businesses are held to Eskom's increase to support small and micro businesses. Some business tariffs (three-phase credit 2A, large power 3A, time-of-use 4A) and street lighting rise more, because they are still well below what it costs to supply them.

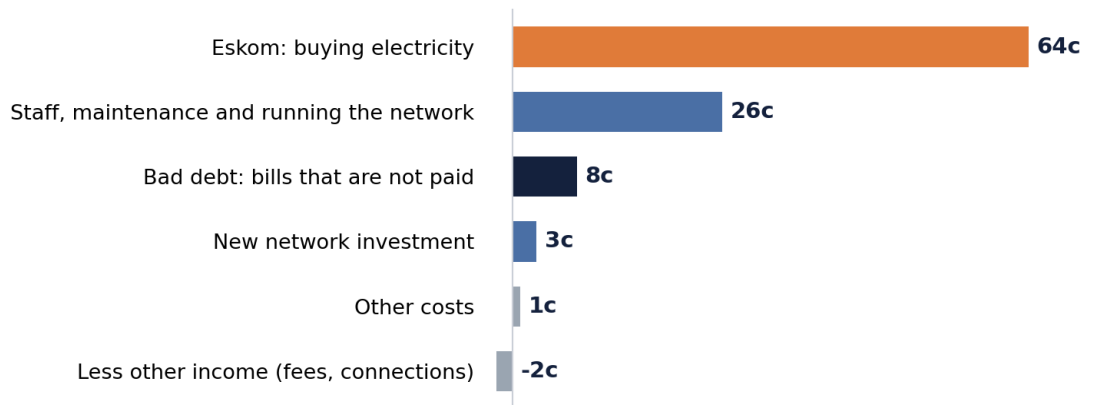
What a typical month could look like (excluding VAT):

Customer	Use a month	Now (2026/27)	From July 2027	Difference
Indigent household (1C)	300 kWh, first 50 free	R715	R758	+R43
Pensioner (1C-3)	300 kWh	R936	R1,011	+R75
Prepaid home (1B)	400 kWh	R1,808	R1,953	+R145
Prepaid small business (2B)	1,000 kWh	R4,870	R5,259	+R390

Your own bill depends on how much electricity you use. The full draft tariff book, with every tariff and who qualifies, is available for comment.

Why tariffs go up

Where each R1 of your electricity tariff goes (2027/28)



Buffalo City does not generate its own electricity. It buys almost all of it from Eskom and delivers it to you. **The Eskom account is the biggest part of the tariff by far: about 64 cents of every rand.** The rest pays for the staff, vehicles and repairs that keep the network running, new cables and substations, and the cost of bills that are never paid.

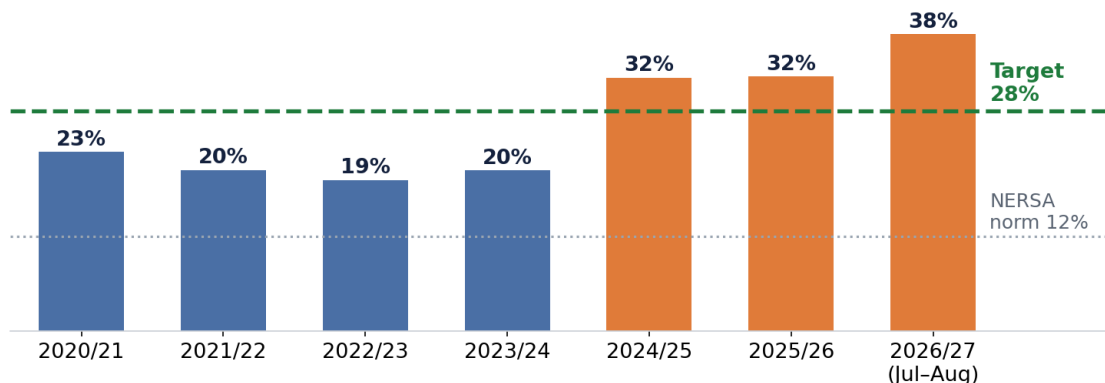
- Eskom has proposed an increase of 8.01% in its price to municipalities from 1 July 2027. The City has no control over this.
- In July and August 2026 alone, the Eskom account was R734 million, 18% more than a year earlier.
- The City pays Eskom in full and on time every month, so that your supply is not put at risk.
- Unpaid bills cost about 8 cents of every rand. When everyone pays, tariffs can rise less.

The proposed tariffs come from a cost of supply study, done the way the energy regulator NERSA requires. It shows what it actually costs to supply each type of customer.

The draft study for 2027/28 puts the cost of supplying electricity at R3,849 million, of which R2,469 million (64%) is for Eskom. Electricity lost above the 12% that NERSA allows (R638 million a year) is not charged to customers in the tariffs; the City carries it. The study and the full draft tariff book are available for comment.

What we are doing about losses: the smart meter rollout

Electricity lost before it is paid for (% of electricity bought)



About a third of the electricity the City buys from Eskom is never paid for. Some is lost naturally in the cables, but most is lost to illegal connections, tampered meters and meters that do not work. The cost of these losses falls on paying customers and on the City's finances.

On 1 October 2026 the City started its smart meter rollout (the RT29 programme), working with Vodacom under a National Treasury contract.

- About 54,000 meters are targeted: prepaid meters that have stopped buying electricity, tampered meters and accounts in long-term arrears.
- Field teams went from 10 to 17 in mid-October, and are growing towards 24.
- Tampered and illegal connections are being disconnected, and repeat offenders lose their service cable.
- Smart meters are read remotely, so bills are based on actual readings, and free basic electricity reaches indigent households directly.

The first phase runs to **December 2026**. The City will then measure the effect on its losses and report back to residents and NERSA. Every unit recovered from theft lowers the cost that honest customers carry.

The 2026/27 targets. Under National Treasury's Metro Trading Services Reform, the City must bring its electricity losses down to **28% by the end of 2026/27** to qualify for further grant funding for the smart meter programme. The first phase is measured against these targets:

Month	Smart meters installed	Total	Disconnections of illegal and non-paying supplies	Total
October 2026	3,000	3,000	7,000	7,000
November 2026	4,000	7,000	9,000	16,000
December 2026 (to 20 Dec)	3,800	10,800	8,000	24,000

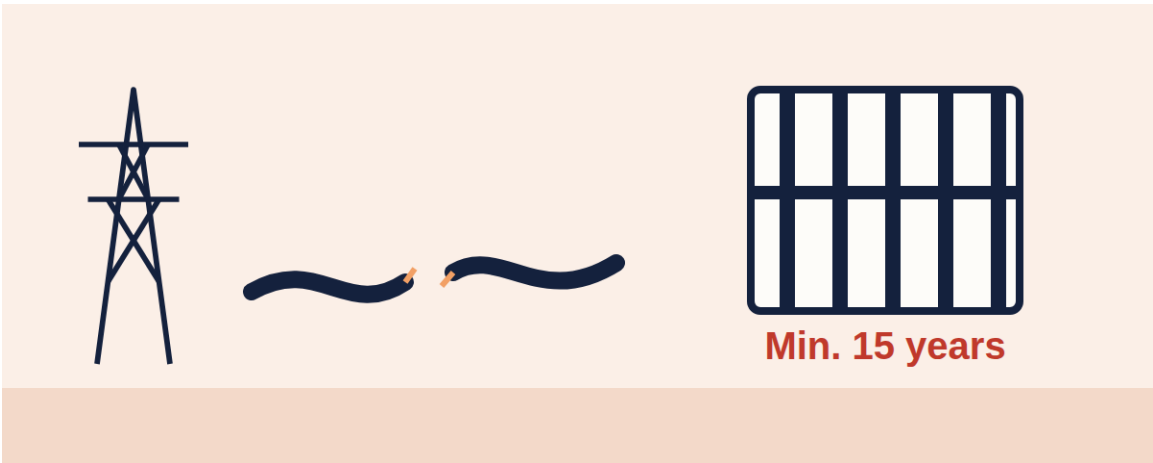
Our commitment. The Energy and Electricity Business Unit is committed to delivering its part of the City's five-year turnaround strategy. The rollout started on 1 October 2026 and is now gearing up to full speed, and we intend to meet these targets by December 2026. The results will be measured and taken into account before the final tariffs are submitted to NERSA, so that paying customers benefit from every unit recovered.

If you owe the City

Unpaid accounts cost every paying customer about 8 cents of every rand. The City is now targeting accounts in long-term arrears more directly, and is making its disconnection process faster and more cost-effective within the Credit Control By-law.

- **If you are behind on your account, please pay it, or contact the City to make a payment arrangement.** It is far cheaper than being disconnected.
- On a smart prepaid meter, part of each purchase (up to 30%) goes to your arrears, so you can keep buying electricity while you pay off your debt.
- **Reconnecting yourself after a disconnection is a crime.** A self-reconnected supply is disconnected again and the service cable is removed. Anyone who keeps reconnecting will be charged for tampering with essential infrastructure and can be arrested.

Acting against cable theft and vandalism



Cable theft and vandalism cause long outages, cut water pumping and cost millions to repair: money that should go to maintaining the network. The City is no longer just repairing the damage. It is acting.

Since December 2025	
Theft and vandalism incidents reported and followed up	216
Arrests by Law Enforcement and partners (December 2025 to June 2026)	36
Conviction: direct imprisonment for a cable theft in Qonce	10 years
Illegal scrap dealers raided, with copper seized	3

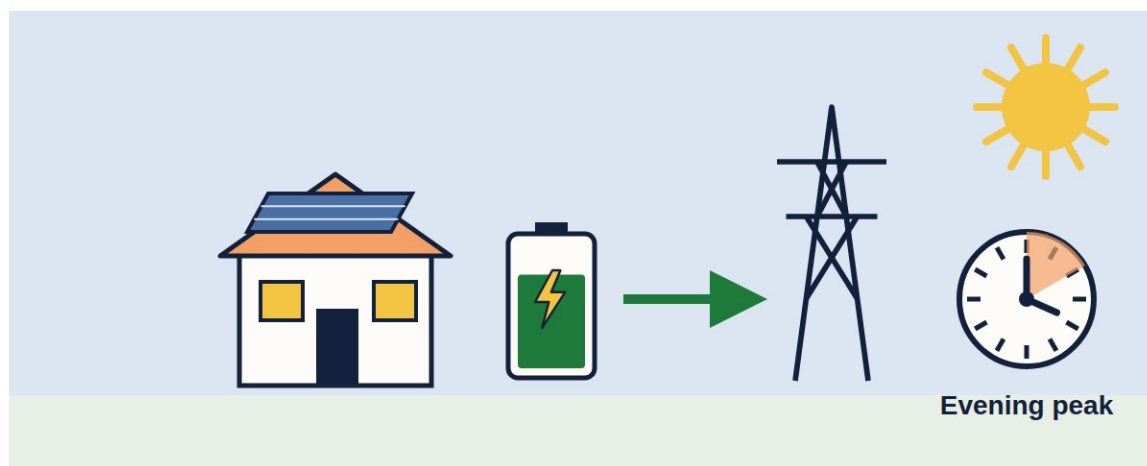
In the 2025/26 financial year the Electricity Department opened 25 criminal cases with SAPS, leading to 6 arrests and 2 convictions, with sentences of 10 and 5 years.

What the City is doing:

- Daily Law Enforcement patrols of hot-spot cable routes since January 2026, with a rapid response group linking Electricity, Law Enforcement, SAPS, private security and community policing forums.
- Raids on illegal scrap metal dealers who buy stolen copper.
- Cameras and detection on the worst-hit routes, starting with Osmond Road.
- Charges under the Criminal Matters Amendment Act, which treats electricity cables and substations as essential infrastructure: offenders face up to 30 years in prison. No one is exempt, including staff and contractors.

You can help: report suspicious digging, cable cutting or people working on electricity equipment at night to SAPS on 10111 or to the City [hotline to be inserted].

New options for customers



- **Pensioners with a three-phase supply.** The pensioners' tariff (no basic charge) now has a part for three-phase supplies. You qualify if you are the account holder, 65 or older, and live in the home.
- **Solar with a battery: no basic charge.** Homes with approved rooftop solar and a battery can choose a new time-of-use tariff with no basic charge and a higher credit for electricity sent back to the grid, if they agree to export from their battery during the weekday evening peak. It starts as a pilot for up to 500 homes.
- **Buying from another generator (wheeling).** Businesses can buy electricity from an independent generator and pay the City only for using its network.
- **Register your solar system.** All solar and battery systems must be approved by the City before they are connected, through apply.sseg.org.za and a registered electrician.
- **Selling surplus solar to the City.** Businesses and factories with solar or batteries of about 100 kW and above can apply to sell their surplus to the City under a buyback agreement (Option C), at 90% of what the same energy costs the City from Eskom.

- **Other electricity charges.** Connection fees, call-out and inspection fees, meter conversions, deposits and penalties for tampering and illegal connections are proposed to rise by 8.01% from 1 July 2027, in line with Eskom's increase. The full list is in the draft tariff book.

How to comment

Comments are open from **1 November 2026** to **1 December 2026**. Every comment is read, and a summary of the comments and the City's response goes to Council with the final tariffs.

The quickest way: the online survey. Follow the link [\[survey link\]](#) and tick the boxes that apply to you. It takes about 10 minutes and you can add your own comments at the end.

Channel	Details
Email	[tariff comments email address]
In person	Any BCMM customer care centre; ask for the tariff comment form
Written comments	[postal address], marked "Electricity tariffs 2027/28"
Ward and public meetings	[dates and venues to be inserted]
Read the draft tariff book	BCMM website [link] , customer care centres and public libraries

Please give your name, account number or address, ward, and the tariff you are commenting on. Your personal details are used only to respond to your comment.

What happens next: after the comment period, Council considers the tariffs with the comments received. The approved tariffs are then submitted to NERSA, which makes the final decision before they take effect on 1 July 2027.