



CEDERBERG MUNICIPALITY

**POLICY FOR SMART ELECTRICITY AND WATER
FLOW METER INSTALLATIONS**

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IMPLEMENTATION

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POLICY FOR INSTALLATIONS OF PREPAID ELECTRICITY SMART METERS AND WATER FLOWS METERS WITHIN CEDERBERG MUNICIPALITY

1. INTRODUCTION

The municipality seeks to develop collaborative relationship between communities and municipalities. It seeks to get these two social actors to come together and work hand in hand to deliver a range of basic services like electricity, refuse removal, water, roads and other basic services.

The approach requires that both the community and municipality, agrees on the installations of prepaid smart meters, in order to ensure basic access of services by the communities.

The installation of prepaid smart meters will benefit the households in terms of reducing the risks associated with the unauthorised connections, pipe bursts, and cables that are currently running on the street without supervision.

This will also assist in reducing the risks of been electrocuted due to the unauthorised connections.

2. LEGISLATIVE CONTEXT

- Constitution of the RSA
- Local Government Municipal systems Act
- MFMA
- Electricity Regulation Act

3. DEFINITIONS AND INTERPRETATION

Definitions:

- "Act" means the Occupational Health and Safety Act 85 of 1993 and the Regulations promulgated thereunder;
- "approved" in relation to any article or practice, means approved as defined in the Act or by the municipal engineer as being suitable and satisfactory in respect of safety, design, performance, and the method of its application, regard being had to the recognized principles of electrical practice, and "approval" shall be interpreted accordingly;
- "competent person" means an employee who is a competent person as defined in the Act;
- "charge determined by the council" means the appropriate charge determined by the council or contained in any by-law made by the council, from time to time, in accordance with the provisions of section 80B of the Local Government Ordinance 17 of 1939;
- "consumer" means any person who has entered into an agreement with the council for the supply of electricity;
- "consumer's agreement" means an agreement as referred to in section 3;
- "contractor" means an electrical contractor as defined in the Act;
- "council" means a local government body as defined in the Local Government Transition Act 209 of 1993 and includes the executive committee of a council or any official in the service of a council acting by virtue of any power vested in a council in connection with these policy and delegated to such official by the council;
- "demand" means the power in kVA or kW of electricity measured over any period of thirty consecutive minutes;
- "electrical installation" means any electrical installation as described in the Act;
- "engineer" means the head of the council's electricity undertaking or an official duly authorized by the council;

- "extended service connection" means the electrical circuit, equipment and control gear within a building between the service connection and the council's meter that registers the electricity consumption of a directly billed consumer;
- "high voltage enclosure" means a chamber, compartment or other enclosure in which a transformer, switchgear or other electrical equipment is contained for operating at a voltage of or above 1000 and the expression "high voltage,, shall be interpreted accordingly:
- "low voltage enclosure" and "enclosure for a special supply at low voltage" mean a chamber, compartment or other enclosure in which a transformer, switchgear or other electrical equipment is contained for operating at a voltage below 1000 and the expression "low voltage" shall be interpreted accordingly;
- "meter reading period" means the period extending from one reading of a meter to the next;
- "meter cabinet" means an enclosure intended for the accommodation of a meter, circuit breaker or other associated electrical equipment determined by the engineer and designed to operate at low voltage;
- "occupier" means any person in occupation of premises at a relevant time;
- "owner" means and includes the registered owner of the land or premises, or his authorized agent, or any person receiving the rent or profits issuing therefrom or who would receive such rents or profits, if such land or premises were let, whether for his own account or as agent for any person entitled thereto or interested therein;
- "prepayment meters" means meters whereby payment for electricity is first made elsewhere and credit is transferred to such meters by means of a token or coded number or credit card, and such meter then dispense electricity as it is consumed by the consumer at a rate determined by the current tariff of charges;
- "point of consumption" means a point of consumption as described in the Act; "point of supply" means a point of supply as described in the Act;
- "premises" means any land and any building, or structure, above or below the surface of any land, "service connection" means the cable or conductor leading from the supply main to the point of supply of the electrical installation and includes any high voltage or other equipment connected to that cable or conductor, any meter and any board, panel or other device to which the meter is

fixed and all installation work and apparatus associated with the said equipment, meter or other device installed by the council;

- "service fuse" or "service circuit breaker" means a fuse or service circuit breaker belonging to the council and forming part of the electrical circuit of the Service connection;
- "special supply at low voltage" means a supply of electricity exceeding that which is normally supplied in a given area;
- "supply" means a supply of electricity from the supply main; "supply main" means any cable or wire forming that part of the council's electricity distribution system to which service connections may be connected;

4. OBJECTIVES OF THE POLICY

SMART ELECTRICITY METERS	SMART WATER METERS
<ul style="list-style-type: none"> - To ensure access of electricity by all the households. - To ensure reduction of unauthorised connections. - To increase revenue generation for the municipality. - To reduce possible damage to the network due to overload. - To reduce the electricity losses. 	<ul style="list-style-type: none"> - To ensure access of water by all the households. - To ensure reduction of unauthorised connections. - To increase revenue generation for the municipality. - To reduce the water losses. - To attend to all the identified leakages due to pipe bursts and unauthorised connections.

5. SCOPE OF THE POLICY

The Consumer's Agreement:

- (1) No supply shall be given to installation of smart meters unless and until the owner or occupier of the premises or any duly authorized person acting on

their behalf has concluded a consumer's agreement in a form prescribed by the council.

- (2) No person shall use a supply unless a consumer's agreement as contemplated in subsection (1) has been concluded with the council: Provided that any consumer who was a consumer prior to the promulgation of these policy, shall be deemed to have concluded a consumer agreement with the council in terms of subsection (1).
- (3) The council may decide whether a consumer's agreement shall be concluded by it with the owner or with the occupier, or both, of the premises or any duly authorized person acting on their behalf.
- (4) No person shall, without first having obtained the engineer's permission in writing, lead electricity temporarily or permanently to any point of consumption or place not forming part of the electrical installation for which a supply has been agreed upon.
- (5) The owners / occupiers shall be responsible for purchasing the units to ensure access to electricity.
- (6) The owner shall ensure that access is made available to the engineer if required for inspection and testing of the extended service connection. The owner shall be liable to the council for the cost of carrying out any inspection or test if any defect occurs in the electrical installation.
- (7) Every residential unit or tenant's premises shall be provided with smart meters separately. Any interconnection between units or tenant's premises shall be removed and the tenants shall have their own smart meters.
- (8) Separate meters for communal loads shall be installed and the owner shall be responsible for utilization on such meters.
- (9) The owner shall be solely responsible for the smart meters installation within the building.
- (10) If for whatever reason this is rendered faulty or damaged or inoperative the owner shall advise the municipality thereof and forthwith repair or replace such installation.

6. DEPOSITS

- (1) No deposits shall be required for installation of the smart meters OR water flow meters.
- (2) All the installations of smart meters and water flow meters shall be rendered at a cost as determined annually by the municipality in accordance with the tariff structure and policy.
- (3) In cases of registered indigent households water flow meters will be installed free of charge and restricted to a maximum of 20 kilolitres per month. If the Indigent customer does not pay for the additional water usage the limit of 6 kilolitres will be enforced as per National Treasury regulations. Additional water consumption will be paid upfront by the client.
- (4) All indigents must sign the Indigent application form whereby they give permission council to limit the water supply to the said premises according to the prescribed norm of 6 kilolitres. However as indicated in (3) above council may according the payment history of the Indigent client, increase the limit up to 20 kilolitres per month per stand.

7. ACCOUNTS

Electricity Smart meters - No monthly accounts shall be issued by the municipality, and no monthly readings as the smart meters will be on prepaid basis. The consumers shall therefore ensure they purchase the units before accessing the electricity.

8. POLICY RESPONSE

- (1) The municipality showed keen interest in implementing the programme, to ensure every household have access to the water and electricity, and also reducing the unauthorised connections.

- (2) Every household will have their own smart prepaid meters, which will be easily monitored and utilised effectively.
- (3) No refund of the credit amount tendered for the purchase of electricity shall be given at the point of sale after initiation of the process by which a prepayment meter token is produced.
- (4) When a consumer vacates any premises where a prepayment meter is installed, no refund for the credit remaining in the meter shall be made to the consumer.
- (5) The supply authority shall not be liable for the reinstalment of credit in a prepayment meter lost due to tampering with or the incorrect use or abuse of prepayment meters and/or tokens.
- (6) The municipality may, at its discretion, appoint vendors for the sale of credit for prepayment meters and shall not guarantee the continued operation of any vendor.

9. POLICY OUTPUTS

- All electricity connections require community co-operation and legal enforcement to be effective. An intensive community awareness project will be implemented to make residents aware of the nature of the new prepaid smart meters system.
- Alongside the awareness project a set of rules / code of conduct need to be developed with community participation for electricity smart meters installations.
- In order to implement effective prepaid smart meters installations, all households should abide to the municipality's rules and regulations, to ensure the project is implemented successfully.

10. REQUEST FOR REPLACEMENT OF SMART METERS

- (1) No person other than the owner of the property shall request the replacement of faulty smart meters in writing to the municipality immediately after discovering the problem.
- (2) If the supply to any smart meter is disconnected in terms of section 10(1) the consumer and owner of concerned shall take all reasonable steps within their power to ensure that such supply is not reconnected in contravention of subsection (1).

11. POLICY MONITORING

The municipality will monitor the policy through:

- The purchase of the prepaid electricity by the households;
- If the meter is not been used for a period of 3 months, the electrical division will perform investigations and check if the meter still functioning properly.
- The monthly reports from finance showing the units purchased.
- Consumption of water by the households.

12. POLICY IMPACT

- The project focuses on community participation which is a key goal of national government. It encourages community participation and ownership of the project and thus building civic pride.
- The project immediately addresses the concern of the community on electricity issues, as it will be managed by each household.
- It will reduce the overload on the network due to illegal connections.
- Will increase revenue generation for the municipality.
- It will promote good governance.
- Will reduce the risks fires due to illegal connection and open cables.

13. RISK MANAGEMENT

The following risks have been identified and will be managed accordingly:

- Illegal connections;
- Unauthorised usage;
- Smart Meter tampering;
- Burst pipes
- Leakages

14. COMMENCEMENT OF THE POLICY

The policy will come to effect on the 1st July 2024.

15. APPROVAL AND REVIEW OF THE POLICY

This written policy will be reviewed by the accounting officer annually, and submitted for approval to the municipal council. Any amendments should be tabled to council for approval as part of the budget process.