

Nelson Mandela Bay Municipality

Electricity and Energy Directorate

Date : 19 February 2024



CONTENT

- Electrification Program - 2023/24 FY
- Progress for the 2nd quarter ending 31 December 2023
- Challenges and Mitigation Plans

ELECTRIFICATION PROGRAM FOR 2023/24 FINANCIAL YEAR

The following amounts were allocated to the NMBM for the Electrification of Formalized and Undeclared Informal areas respectively for the 2023/24 financial year :

Item No	Item Description	Funding Source	Budget Allocation	Connection Targets
1	Formal Electrification	USDG	R 9 964 400	904
2	Undeclared Informal Electrification	ISUPG	R 44 000 000	4000
3	Total		R 53 964 400	4904

PROGRESS FOR THE 2nd QUARTER ENDING 31 DECEMBER 2023

Item No	Item Description	Target Expenditure for the 2 nd Quarter	Actual Expenditure	Target number of connections for the 2 nd quarter	Actual Connections	% of Actual Connections
1	Electrification of Formalized Sited	R 4 982 200 (50%)	R 6 833 530.21 (69%)	150	156	17%
2	Undeclared Informal Electrification	R 18 000 000 (41%)	R 15 318 967.08 (35%)	1000	688	17.2%
3	Total	R 22 982 200 (43%)	R 22 152 497.3 (41%)	1150 (23%)	844	17.2%

CHALLENGES ENCOUNTERED

The following challenges were encountered in the second quarter:

- No stock for some ABC material required for Electrification projects due to CPA issues that must be resolved before the Service Providers can supply the material.
- Budget reduction for Electrification of State Subsidized houses as requested by National Treasury.
- Area lighting demands in the low-cost formal and informal settlements.
- Staff compliment to manage the rise in the Electrification of both formal and informal settlements.

Mitigation Plans

- Supply Chain Management is addressing the matter
- Business Plan was amended accordingly to reflect the reduction on the budget and decrease on the total number of connections planned for the financial year.
- For future budget requests NMBM is proposing to add a special request to both grants (USDG and ISUPG) for budget to cover area lighting in the Formal and Informal Settlements.
- NMBM is proposing to request a budget from USDG and ISUPG to appoint unemployed graduates to assist with the execution of Electrification projects on a temporal basis.

THANK YOU