



## **LESOTHO ELECTRICITY AND WATER AUTHORITY**

### **PUBLIC NOTICE ON LESOTHO ELECTRICITY COMPANY'S (LEC) APPLICATION TO LESOTHO ELECTRICITY AND WATER AUTHORITY (LEWA) FOR TARIFFS ADJUSTMENT FOR THE YEAR 2016-17**

The Lesotho Electricity and Water Authority (LEWA) informs Electricity Supply Industry (ESI) stakeholders and the general public that, Lesotho Electricity Company (Pty) Ltd which holds a composite licence issued in terms of Section 50 of the Lesotho Electricity Authority Act no. 12 of 2002 (LEA Act), as amended, has filed an application for a review of electricity service tariffs for financial year 2016-17. This application is in line with Section 24 (3) of the LEA Act 2002, as amended.

#### **The application and tariff drivers that LEC cites therein**

LEC is requesting an approval for a revenue requirement of M819.5 million for the financial year 2016/17. The company is requesting a tariff increase of 25.4 percent (25.4%) on both energy and Maximum Demand (MD) charges.

Amongst the various drivers for the application that LEC has mentioned are electricity bulk purchases and operating expenditure for transmission and distribution businesses. As an example, LEC says that electricity bulk purchases from Eskom are expected to increase by, on average 8% percent in the coming years. In addition, the Company maintains that operating expenses have increased as a result of growth in the demand for electricity, and the need for: replacement of ageing network assets, enhanced reliability and compliance to performance standards.

#### **Public access to the application**

Copies of the application can be obtained from LEWA offices. Stakeholders who are in the districts may have access to copies of the application at the District Administrators' offices.

### **Invitation for public comments**

In accordance with Section 24(6) of the Act, the Electricity Supply Industry stakeholders and general public are informed and further invited to make and forward their comments and inputs on the application for consideration before LEWA makes a final determination. Interested people who wish to present their views before the LEWA Board, at public consultation meetings, are requested to indicate so in writing, when submitting their comments. The deadline for receiving written comments is **Monday 07 March 2016 at 17:00.**

### **Public Hearing Sessions on the Application**

The Authority will hold three (3) public hearing sessions on the application in the country in March and April 2016. Stakeholders and the general public are invited. The consultation sessions are scheduled to be as follows:

- On 18 March, 2016; at 09:00 a.m – Orange River Hotel, Moyeni, Quthing;
- On 01 April, 2016; at 09:00 a.m – Likileng Lodge, Butha-Buthe; and
- On 08 April, 2016; at 09:00 a.m – Hotel Victoria, Maseru

### **Comments or enquiries may be sent to**

The Manager

Economic Regulation Department

Lesotho Electricity and Water

Authority

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