

# CAPRICORN DISTRICT MUNICIPALITY

## DRAFT TARIFF BY-LAWS



## **CAPRICORN DISTRICT MUNICIPALITY:**

### **DRAFT TARIFF BY – LAWS**

The Capricorn District Municipality in accordance with section 13(a) of the Municipal Systems Act, 2000 (Act No .32 of 2000), hereby publishes the Draft Tariff By-Laws, as set out hereunder:---

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## **CHAPTER 1: DEFINITIONS AND APPLICATION**

### **1. DEFINITIONS**

For the purpose of these by-laws any words or word or expressions to which a meaning has been assigned in the Local Government: Municipal Systems Act 32 of 2000 or Local Government: Municipal Finance Management Act 56 of 2003 shall bear the same meaning in these by- laws and unless the context indicates otherwise –

**“commercial customer”** means any customer other than domestic customer and indigent customers, including without limitation , business, industrial, government and institutional customers.

**“household”** means a traditional family unit, as determined by the municipality from time to time taking into account the number of persons comprising a household, the relationship between the members of a household, the age of the persons who are members of the household and any other relevant factors .

**“municipal surcharge”** means in excess of the tariff that a municipality may impose on fees for municipal service provided

**“indigent customer”** means a domestic customer qualifying and registered with the municipality as an indigent in accordance with the municipality ‘s indigent policy and the applicable by-laws.

**“rising block tariff”** is a tariff, in terms of which price per kilolitre of water increases from one block of consumption to the next.

**“sewage tariff”** means a tariff for the discharge of waste water, industrial effluent, standard domestic effluent and other liquid waste, either charged separately or in combination, but shall not include storm.

**“volumetric tariff”** means a tariff, that is multiplied by the volume of water consumed in a charging period

**“water meter”** means any meter, method, procedure, process, device, apparatus or installation that enables the quantity of water services provided to be quantified and includes any method, procedure or process whereby the quantity is estimated or assumed.

**“subsidized service”** means a municipal service which is provided to a customer at an applicable rate which is less than the cost of actual providing the service provided to customers at no cost.

**“tariff”** means the scale of rates, taxes, duties, levies or other fees which may be imposed by the municipality in respect of immovable property or for municipal services provided.

## **2. Application of the By-Laws**

These by – laws are subject to the municipality ‘s by-laws relating to credit control and debt collection and municipality ‘s by-laws relating to water services

## **CHAPTER 2**

### **3. Charges to be prescribed by council**

- (1) All deposits, tariffs and charges payable in respect of municipal services must be prescribed by the municipal council in accordance with –
  - (a) Its tariff policy,
  - (b) Any by-laws, and
  - (c) Any regulations in terms of national or provincial legislation.

- (2) Charges for water services must comply with the Norms and standards in the Respect of Tariffs for Water Services in Terms of Section 10(1) Published under GN R 652 IN GG22472 OF 20 July 2001
- (3) The tariff for water services must take the following charges into account—
  - (a) Costs of raw water or bulk potable water and;
  - (b) Costs of overhead and operational costs and;
  - (c) Costs of replacement and refurbishment and extension
- (4) The tariff for water services may also include a fixed charge

#### **4. Charges may vary for different uses**

- (1) The deposits, tariffs and charges prescribed by municipal council may vary depending on the type of use for which the water services are supplied to a consumer, the level of service, the size of connection, the geographic area, and whether the services are provided through a credit prepayment meter.
- (2) The municipal council may prescribe the different types of use
- (3) The types of uses must at least differentiate between water services supplied for domestic purposes and for other purposes

#### **5. Volumetric tariffs**

- (1) The prescribed charges for water supplied to a customer through a water meter shall include a volumetric water tariff charged per kilolitre of the measured volume of water supplied to a consumer.
- (2) The effluent discharged by a domestic customer to a municipal sewer shall not be measured unless the council prescribed otherwise.
- (3) The prescribed charges for a domestic customer who is connected to a municipal sewer shall include a volumetric sewage tariff charged per kilolitre on a prescribed percentage of the measured volume of water supplied to a customer, regardless of the actual percentage of water that is returned to the sewer.
- (4) The council may prescribe the criteria for determining whether the effluent discharge by a commercial customer shall be discharged through water meter or not.
- (5) The prescribed charges for effluent discharged by a commercial customer through a water meter shall include a volumetric effluent tariff charged per kilolitre of the measured volume of effluent discharged by a customer.
- (6) The prescribed charges for effluent discharged by a commercial customer that is not discharged through a water shall include a volumetric effluent tariff charged per kilolitre on a prescribed percentage of the measured volume of water supplied to a customer, regardless of the actual percentage of water that is returned to the sewer.
- (7) The council may prescribe percentages of the volume of measured water supplied to a customer on which the volumetric sewage tariff or effluent tariff is charged. The percentage may differentiate between the types of water use. Where no percentage has

been prescribed by the council, the prescribed percentage is 100% for the purpose of calculating the volumetric effluent or sewage charge.

(8) The volumetric charge may differentiate between different types of water use.

## **6. Rising block tariffs for domestic use**

- (1) The volumetric tariff for water supplied to a customer for domestic purposes through a water meter shall be a rising block tariff.
- (2) The municipal council shall prescribe the volume of each tariff block for a billing period with the exception of the highest tariff block which shall not have a prescribed maximum volume.
- (3) The first block of water measured in each billing period shall be free of charge.
- (4) Alternatively, the first block of water measured in each billing period shall be free of charge to customers who are registered as indigent persons for the purposes of receiving subsidised services in terms of the indigent by-laws
- (5) The municipal council may not prescribe a first block of water with a volume of less than 6 kilolitres per household per month for households connected to the sewer system, and may prescribe a larger first block.
- (6) The municipal council shall prescribe a higher per kilolitre volumetric tariff for tariff blocks representing higher consumption than for tariff blocks representing lower consumption.
- (7) Where more than one household is supplied with water for domestic purposes through a single water meter, the owner of the property may apply to register the number of households and the particulars of the heads of each household on the prescribed application form.
- (8) If the number of households supplied through a single water meter decreases, the owner of the property must register the new number of households within 14(fourteen) working days.
- (9) The municipality may from time to time verify the number of households on a property.
- (10) Where more than one household on a property is supplied with water for domestic purposes through a single water meter, the volume of each tariff block prescribed by the municipal council shall be multiplied by the number of registered households supplied through that water meter and the charge shall be determined in accordance with the resulting block sizes from the beginning of the billing period following the billing period in which the number of registered households changed.
- (11) The account for municipal services shall show the number of registered households on a property.

## **7. Quality related charges for industrial effluent discharge**

- (1) The municipal council may prescribe charges relating to the quality of industrial effluent discharges
- (2) Charges relating to the quality of industrial effluent shall be based on the formula for industrial effluent discharge charges as prescribed by the municipality.

## **8. Fixed charges for municipal services**

- (1) The municipal council may prescribe a fixed monthly charge for each billing period for which municipal services are available, irrespective of whether or not the services are, or are not, used,
- (2) The fixed monthly availability charge may differentiate between water services supplied to customers through a water meter and water services that is not supplied through a water meter.
- (3) The fixed monthly availability charges for a customer may vary where there is more than one registered household supplied through a single water.
- (4) The fixed monthly availability charge may differentiate between different types of water use and different diameters and length of connection pipe and different sizes of water meter.

## **9. Deposits, connection fees and re-connection fees**

- (1) The municipal council may prescribe deposits, connection fees and re-connection fees and other fees as provided for in the by-laws relating to the credit control and debt collection.
- (2) Different fees may be prescribed for different types of water user and for different diameters and length of connection pipe and for different sizes of the meter.

## **10. Water services supplied to indigent customers**

- (1) There shall be no charge for basic water services as defined in the water services by-laws supplied for domestic purposes to customers registered as indigent for the purposes to customers registered as indigent for the purposes of subsidised services in terms of the indigent by-laws.

## **CHAPTER 4: OFFENCES**

### **11. Offences**

- (1) It is an offence—
  - (a) To provide an incorrect information on an application form to register the number of households on a premises.
  - (b) Not to re-register the number of households on a property within 14 (fourteen) working days if the number of households on a property have decreased.

## **CHAPTER 4: GENERAL PROVISIONS**

### **12. Conflict of interpretation**

- (1) If there is any conflict between these by-laws and any other by-laws of the council, the most recently published by-laws will prevail.

### **13. Repeal of existing municipal credit control and debt collection by-laws**

- (1) The provisions of any other by-laws relating to water services tariffs by the municipality are hereby repealed insofar as they relate to matters provided for in these by-laws.

**14. Short title and commencement**

- (1) These by-laws are called the Tariff By-Laws of the Capricorn District Municipality
- (2) These by-laws will commence on publication thereof in the Provincial Gazette