

Prepare for water price hike

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By Gugu Mbonambi

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ETHEKWINI residents may have to brace themselves for high water tariffs in the new financial year, expected to be almost double the 7.5 percent increase this year.

Water and sanitation head Neil Macleod said proposals were still being debated, but he expected the overall water tariff increase to be below 13 percent.

The city would also take into account the increase in water tariffs from Umgeni Water.

But eThekweni residents could pay significantly more for water with the construction of the Spring Grove Dam which is under way on the Mooi River.

Tariff increases for the new financial year including electricity, rates, refuse removal and sewerage have yet to be tabled by the council.

A report on construction of the dam, tabled before the municipality's executive committee in 2009, indicated that the project would have cost R350 million when the Water Affairs Department first announced it in 2004.

The dam was to begin storing water in 2006. However, construction failed to begin and the cost increased to R1.6 billion. Should the plan be amended for a tunnel to be built, allowing water to be moved by gravity and saving on electricity, the cost would increase to R2.1bn.

The dam, near Rosetta, is expected to be commissioned next year. The Trans-Caledon Tunnel Authority, a state-owned entity, was elected to build the dam, which would boost water supplies to eThekweni.

Umgeni Water spokesman Shami Harichunder said the current tariff for potable water levied by Umgeni Water to eThekweni was R3.622 a kilolitre.

Umgeni Water had proposed to the minister of water and environmental affairs a 0.221 cent increase on this cost, which equated to 6.1 percent.

The proposed new tariff for a kilolitre of potable water is, therefore, R3.843. A response is being awaited from the Department of Water Affairs. If approved, the new tariff will become effective from July 1, 2012.

Harichunder said Umgeni Water had been asked to collect, on behalf of the department, the capital unit charge for the Spring Grove Dam.

This capital unit charge amounts to 0.408 cents. Therefore, the proposed new tariff for the eThekweni metropolitan municipality is R4.251, which comprises 6.1 percent in bulk tariff increase plus 0.408 cents capital unit charge levied on behalf of the Department of Water Affairs and the Trans-Caledon Tunnel Authority, he said.

Harichunder said the minister of water and environmental affairs had yet to respond to both tariffs and the construction of the Spring Grove Dam had become imperative in order to meet future water demands.

In addition to the dam, a new pumping station and new pipeline would be built.

Over the past few years water demand from the Mgeni System has continued to grow in response to buoyant economic activity and housing development.

Construction of the dam began in 2011 and is scheduled to be completed this year, with the first water delivered in April next year, he said.