



**CEO'S SPEECH AT THE LAUNCH OF ANTI ELECTRICITY THEFT CAMPAIGN
(OPERATION KHANYISA)**

26 OCTOBER 2010

Esteemed Partners

Honoured Guests,

Colleagues,

Members of the media

Ladies and gentlemen

SALGA is truly honoured to be part of this great initiative, Operation Khanyisa. This launch is a public endorsement and declaration by partners involved in this campaign, to intensify the fight against electricity theft.

For Local Government, this has truly been a pandemic coursing through our delivery capabilities and fiscal planning. As the distributors of electricity to communities, municipalities are faced with challenges of massive utility bills that users cannot account for, resulting from issues such as illegal connections. This was not just a monetary issue any more, taking the lives of loved ones in dark corners of society, where it took the back seat feeding like a parasite, unnoticed.

Organised Local Government decided enough was enough, if we are to effectively serve the nation we would have to tackle matters affecting our services one at a time if we had to. The financial impact of the electricity theft gets to the very heart of the sustainability of the electricity distribution industry in South Africa, which Local Government plays a pivotal role.

In 2009 we opted to joined forces with our current partners in Operation Khanyisa.

The recent figures released indicate huge revenue loss electricity theft. For example the in the last year the Cities of Cape Town and Joburg lost about R121 million about R250 million worth of electricity due to illegal connections respectively. Electricity theft has been reported as one of the factors that brought uMsundizi Municipality to its knees. The impact of electricity theft is devastating for smaller distributing municipalities.

It is unfortunate that electricity theft is still perceived as a minor offence considering the financial and mortal impact it has on society as well as on the sustainability, quality and stability of electricity supply and future economic growth of South Africa as a whole

We see this campaign as an opportunity to change the way South African citizens and judicial system view electricity theft and manner in which it is addressed. SALGA strongly believes that the seven partners will be able to respond and contribute positively to the new ways of curbing electricity theft by engaging other stakeholders and pushing for more than just awareness but an active response from society.

We believe that this campaign will make a difference in the electricity distribution industry and the Local Government's ability to adequately deliver services to its community. Electricity thieves steal more than electricity, they steal lives, and Local Government has taken its position on the matter. Operation Khanyisa must proceed on its mandate and shed light in the darkest of corners where these elements operate.

Local Government is on board,

Masikhanhyise Umzantsi Afrika