



CENTLEC (SOC) LTD

IDP and Sector Plans 2017/18/19 Financial Year

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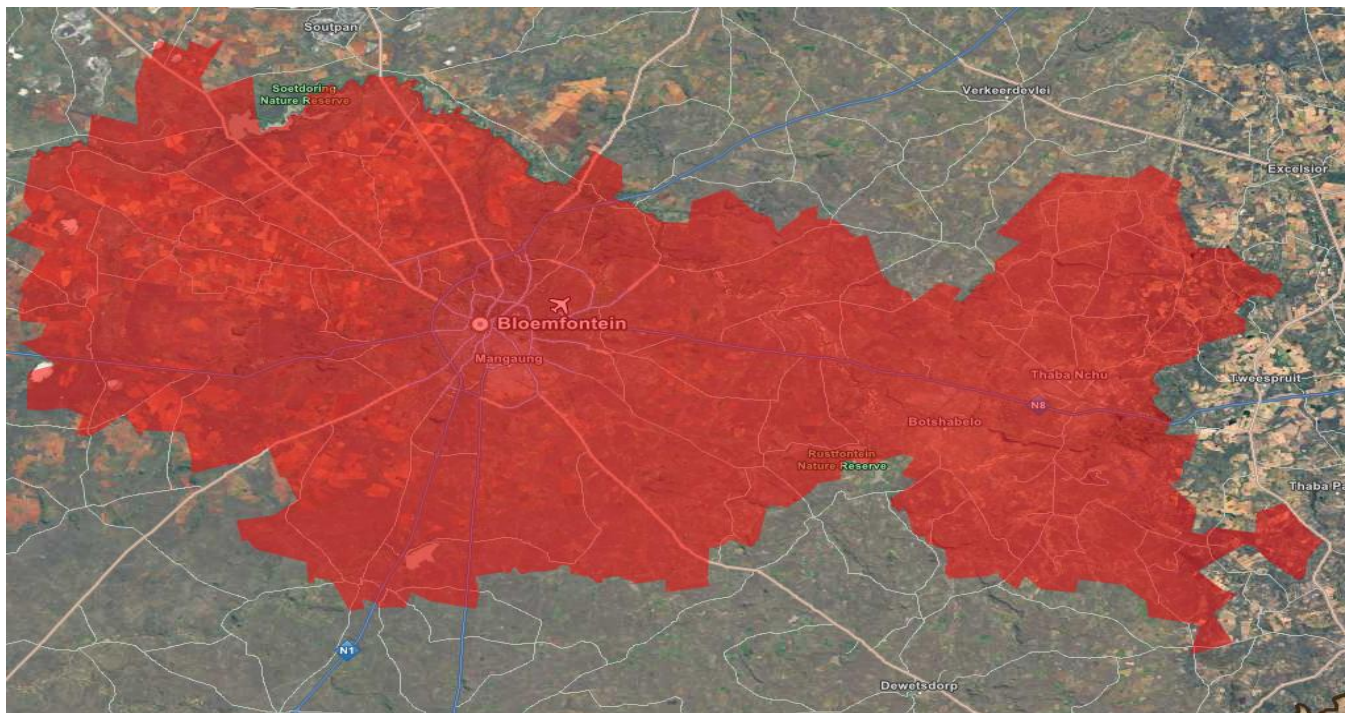
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1. INTRODUCTION

CENTLEC (SOC) Ltd, an electricity utility, is solely owned by Mangaung Metropolitan Municipality (MMM). The Botshabelo, Bloemfontein, former Naledi, Soutpan and Thaba Nchu municipalities falls within the boundaries of MMM. CENTLEC’s mandate is to plan, implement, monitor and evaluate all projects related to electricity to MMM as well as the neighbouring local municipalities. The neighbouring municipalities that CENTLEC serves in terms of the Service Level Agreements established between the parties include: Mantsopa, Kopanong, and Mohokare Local Municipalities.

CENTLEC has entered into a service delivery agreement with Mangaung Metro to ensure compliance, performance, accountability and effective reporting throughout the different processes and programs which the municipality is embarking on.



2. IDP PROJECTS

This section provides information on all identified projects which are mainly informed by community needs in different wards within the municipality. CENTLEC's objective is to achieve all target as set out in the Service Delivery and Budget Implementation Plan (SDBIP) that is approved by the council for 2016/2017 financial year. Also included in the report is the progress of projects identified for 2016/2017 financial year. Lastly it provides proposed projects for 2017/2018 financial year.

2.1 ELECTRIFICATION PROJECTS

The table below outlines the electrification projects carried out by CENTLEC in this current financial year, 2016/2017. The projects are aimed at improving the lifestyle of the Mangaung Metro community by providing households with electricity; and also contributing towards social-economic upliftment by offering employment opportunities to the community of Mangaung Metro.

2.1.1 Electrification projects for 2016/17 Financial Year

A target of 550 was set for electrification project, and below is the progress to date:

| Project Name | Stands to be connected in 16/17FY | Ward | Estimated Project Cost | Project Progress | Challenges |
|-----------------------------------|-----------------------------------|------|------------------------|--|--|
| Electrification of Khayelitsha | 387 | 17 | R5 998 500 | Medium and Low Voltage reticulation for all stands is complete. 28 house connections are complete. | Proper site allocation in the area which delayed the project start time, and it remains a challenge as no proper allocation is not complete. |
| Electrification of Van Stadensrus | 163 | 50 | R 2 526 500 | The MV & LV reticulation for all transformer zones is complete. Installation of house connection in progress. 71 house connections are complete. | Unoccupied Stands. |

Table 1: MMM Electrification Projects for 16/17 FY

2.1.2 Electrification projects for 2017/18 Financial Year

A target of 754 is set for electrification project in the next financial year which is prone to change as per the community needs, and below is the identified projects:

| Project Name | Stands to be connected in 17/18FY | Ward | Estimated Project Cost |
|--|-----------------------------------|------|------------------------|
| Electrification of Khayelitsha Phase 4 | 300 | 17 | R 4 650 000.00 |
| Electrification of Hillside View Phase 1 | 354 | 9 | R 13 800 336.00 |
| Electrification of Zuma Square | 100 | 6 | R 1 550 000.00 |

Table 2: MMM Electrification Projects for 17/18FY

2.2 AREA & STREET LIGHTING PROJECTS

Mangaung Metro has undertaken implementation of projects of installing area and street lighting in order to curb crime and to promote a safe environment within its boundaries.

2.2.1 Area lighting projects for 2016/2017 Financial Year

A target of installation of 30 high masts is set in the 2016/2017 SDBIP and below is the progress:

| Item No | Area | Number of Masts | Location | House No | Ward No | Councillor | Foundation Progress |
|---------|--------------|-----------------|--------------------------------------|----------|---------|------------|---------------------|
| 1 | Bloemfontein | 2 | Freedom Square 35928; Freedom (3424) | 35928 | 6 | Nkoe | Complete |
| 2 | Bloemfontein | 1 | Peter Swartz | 5960 | 8 | Qhwema | Complete |
| 3 | Bloemfontein | 2 | Thipe Square; Rocklands | 53558 | 14 | Tlate | Complete |

| | | | | | | | |
|----|--------------|---|--|-------|----|------------|----------|
| 4 | Bloemfontein | 2 | Bergman (19880) ; Bergman (20321) | 19880 | 17 | Maphathe | Complete |
| 5 | Bloemfontein | 1 | Albert Lithuli | 1827 | 15 | Mohibidu | Complete |
| 6 | Bloemfontein | 2 | Phase 10 (26649); Phase 10 (25628) | 26649 | 46 | Ramabodu | Complete |
| 7 | Thaba Nchu | 3 | Woodbridge Trust; Yoxford Trust; Tseki Trust | E22 | 43 | Ramainoane | Complete |
| 8 | Thaba Nchu | 4 | Feloana Trust; potsane Trust; Mariasdal Trust; Kgalala Trust | 17933 | 41 | Moruri | Complete |
| 9 | Thaba Nchu | 2 | Moroka Flenter; Ratlou | 5170 | 39 | Moea | Complete |
| 10 | Thaba Nchu | 2 | Selosecha; Unit 1 | 4716 | 40 | Kgunou | Complete |
| 11 | Botshabelo | 2 | Selosecha zone 2; Seloshecha zone | E2280 | 42 | Mothupi | Complete |
| 12 | Botshabelo | 2 | H 2; H2 | 2863 | 30 | Morine | Complete |
| 13 | Botshabelo | 2 | M section (295); M section (2462) | 295 | 35 | Sefuthi | Complete |
| 14 | Botshabelo | 2 | M Section; D Section | 1577 | 38 | Naile | Complete |
| 15 | Botshabelo | 2 | T Section; N section | 238 | 34 | Mokoloko | Complete |
| 16 | Botshabelo | 2 | K Section; K section | 1351 | 28 | Ratsiu | Complete |
| 17 | Botshabelo | 1 | W Section | 2449 | 36 | Mohapi | Complete |

Table 3: MMM High Masts Projects for 16/17 FY

2.2.2 Street lighting projects for 2016/2017 Financial Year

Below is the identified streetlights projects for this current financial year and progress thereto:

| Item No | Area | Number of Masts | Ward No | Progress |
|---------|---------------------------------------|-----------------|------------|---|
| 1 | Bloemfontein, Meadows road | 76 | 46/17/45/8 | Phase 1 and phase 2 of the project is energized |
| 2 | Bloemfontein, Bloemendal road, Rayton | 46 | 48 | Service provider has planted poles and is busy with trenching for installation of cables. |

Table 4: MMM Streetlights Projects for 16/17 FY

2.2.3 Area lighting projects for 2017/2018 Financial Year

A table below shows a target of 30 high masts for area lighting project in the next financial year which is prone to change as per the community needs:

| Area | Number of Masts | Ward No | Status | Estimated project cost (R) |
|----------|-----------------|---------|---------|----------------------------|
| Mangaung | 30 | All | Planned | 16 000 000 |

Table 5: MMM High Masts projects for 17/18 FY

2.3 ELECTRICAL INFRASTRUCTURE STRENGTHENING PROJECTS

One of CENTLEC's mission is to provide optimal service delivery as mandated by the Mangaung Metropolitan Council therefore at all times CENTLEC has to monitor load growth and ensure that the entire electrical infrastructure would be able to supply or be upgraded

in time to accommodate the anticipated loads. Table below is a list of identified projects for the purpose of electrical network strengthening:

| Name of the project | Description | Ward | Estimated Cost | 2016/2017 Budget | Status |
|----------------------------------|---|-------------------|----------------|------------------|---|
| Fichardt Distribution Centre | Installation of 30MVA 132/11kV transformers | 23,24,25, 26 | R34,819,786.82 | R2,800 000.00 | Transformers and switchgears have been installed. Service provider is busy with installation of 11kV cables to switchgears. |
| Cecilia Distribution Centre | Establishment of 30MVA firm capacity by installing the second transformer and its associated equipment of 132/11 kV | 22,26,48 | R56,660,877.01 | R10,000 000.00 | Substation is energized. |
| Elite Distribution Centre | Establishment of 45MVA firm capacity by installing the second transformer and its associated equipment of 132/11 kV | 17 | R86,483,728.72 | R11,000 000.00 | Civil works have commenced |
| Botshabelo Distribution Centre | Establishment of 30MVA firm capacity by installing the second transformer and its associated equipment of 132/11 kV | 27,28,41 | | R10, 000 000 | Approval of design is complete |
| Eskom connection point | Establishment of 132kV Distribution Centre at Vaalkraal Distribution Centre. | All | | R0 | Approval of design is complete |
| 132kV Northern Ring from Harvard | Construction of 132kV Overhead line from Harvard to Bayswater Distribution Centre | 26,48,44, 17 | R128 882 893 | R5,000 000 | Overhead line for Phase 1 of the project is energized. |
| Maphikela DC | Establishment of 20MVA firm capacity by installing the second transformer and its associated equipment of 132/11 kV | 1, 2, 3, 4, 5, 19 | R 55 000 000 | R3, 000 000 | Service provider to be appointed |

Table 6: MMM Network Strengthening Projects

3. SECTOR PLANS

Energy plays a pivotal role in the lives of the communities of Mangaung Metro and it is therefore imperative for CENTLEC to ensure that plans are kept alive to the enhancement of socio-economic activities. Master plan (MP) is developed and maintained to ensure that effective planning and sound financial management of public finance are achieved. This tool also ensure that strategies of the municipality are kept alive and realized in the main. Network development plans (NDP) are updated every year in line with the latest approved energy sector plans (Developed by CENTLEC), reprioritized and approved IDP program for Mangaung Metro.

Table below projects all identified projects to cater for the existing and future load. Those that are bolded, are the identified **multiyear** projects to enable the growth of the city on envisaged developments within MMM:

| Name of the project | Total Project Cost (Estimate) | Status |
|--|-------------------------------|---|
| Installation of primary feeders in Meriteng | R 11, 997 199.38 | Installation of overhead conductors in progress |
| Installation of primary cables in Estoire | R 7, 045 914.98 | Installation of cables in progress |
| Installation of primary cables in Groenvlei | R 6, 221 460. 89 | Installation of cables in progress |
| Installation of primary cables in Fichardt park | R8, 225 059.23 | Project is in design stage |
| Installation of primary cables in Cecilia | R13, 160 271.67 | Project is in design stage |
| Northern Line (Outer): Establishment of a new, 180 MVA firm capacity overhead line to strengthen bulk supply in MMM | R128 882 893 | Project is in the initial stage of designs for phase 2. |
| Elite Distribution Centre: Establishment of 45MVA firm capacity by installing the second transformer and its associated equipment of 132/11 kV | R86,483,728.72 | Civil works have commenced |

Table 7: MMM Network Strengthening Projects for 16/17/18/19

4. CHALLENGES

Below are the challenges as identified by the entity:

1. Theft of critical components of the electrical infrastructure
2. Insufficient funding to support all the energy plans envisaged for the financial year under review
3. Unavailability of land and lengthy process to acquire land for electrical purposes, as a result of land owner's reluctant and municipal delays.

5. CONCLUSION

The planning and implementation of basic infrastructure within Mangaung Metro Municipality is critical for sustaining basic standards of living and economic activity. It is imperative that sufficient budget for all identified network strengthening projects be allocated for implementation of the projects.

CENTLEC will at all times deliver on its primary mandate that is to provide the best possible electricity services to households.