

'Power hikes to affect water prices'

By Ntokozo Mfusi

The 18 percent electricity price hike proposed by Eskom for the next two years will cause an increase in water prices.

This was heard at the National Energy Regulator of South Africa's public hearing on electricity prices in Durban on Tuesday.

Umgeni Water representative Ray Moodley said the water supplier was concerned about the proposed hike in electricity tariffs because the rise would affect water prices also.

"Electricity is one of the primary drivers in the process of purifying water.

"The rise in electricity prices will affect water prices and therefore affect the poor who are already finding the cost of living hard. Water is a necessity which no one can live without, and one should consider what will happen to them," he said.

Moodley said that the government should have foreseen and planned adequately for issues such as growth in demand which Eskom had raised to support the proposed price increase.

Social Movement Indaba representative Roy Chetty said it was worrying that Eskom was painting a "doomsday situation when they have scenario planners" who should have foreseen its shortcomings.

Energy regulator chairman Mbulelo Ncetezo said the regulator would allow a price adjustment in 2008 to 2009 based on independent verification of Eskom's numbers or projections by its staff.

The energy regulator's decision will be published on December 21.

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