



## Tariffs and Charges

Effective from  
1 January 2005 – 31 March 2006

# Tariff rate component summary

NOTE: A security deposit may be payable. For new connections or additional capacity, connection charges will be payable in addition to the tariffs.

Tariff	Supply size	Service charge	Admin charge	Network charge	Energy demand charge	(Active) energy charge: Non TOU	(Active) energy charge: TOU	Re-active energy charge	Rate rebalancing levy
<b>Urban</b>	<b>NIGHTSAVE</b> Urban	≥ 25 kVA	R/day	R/day	R/kVA <sup>4, 5, V, T</sup>	R/kVA <sup>V, T</sup>	c/kWh <sup>V, T</sup>		c/kWh
	<b>MEGA FLEX</b>	≥ 1 MVA	R/day	R/day	R/kVA <sup>4, 5, V, T</sup>		c/kWh <sup>V, T</sup>	c/kvarh <sup>T</sup>	c/kWh
	<b>MINI FLEX</b>	≥ 25 kVA and ≤ 5 MVA	R/day	R/day	R/kVA <sup>4, V, T</sup>		c/kWh <sup>V, T</sup>	c/kvarh <sup>T</sup>	c/kWh
	<b>BUSINESSRATE</b> 1	≤ 25 kVA	R/day*		R/day		c/kWh		
	<b>BUSINESSRATE</b> 2	> 25 kVA and ≤ 50 kVA	R/day*		R/day		c/kWh		
	<b>BUSINESSRATE</b> 3	> 50 kVA and ≤ 100 kVA	R/day*		R/day		c/kWh		
	<b>BUSINESSRATE</b> 4	≤ 25 kVA					c/kWh		
<b>Residential</b>	<b>HOMEPOWER</b> Bulk <sup>+</sup>	No limit	R/day*		R/day <sup>V</sup>		c/kWh <sup>V</sup>		
	<b>HOMEPOWER</b> 1	25 kVA	R/day*		R/day		c/kWh		
	<b>HOMEPOWER</b> 2	50 kVA	R/day*		R/day		c/kWh		
	<b>HOMEPOWER</b> 3	> 50 kVA and ≤ 100 kVA	R/day*		R/day		c/kWh		
	<b>HOMEPOWER</b> 4	16 kVA <sup>1</sup>	R/day*		R/day		c/kWh		
	<b>HOME LIGHT</b> 1	60 A, 20 A or 10 A					c/kWh		
	<b>HOME LIGHT</b> 2	60 A or 20 A					c/kWh		
<b>Rural</b>	<b>NIGHTSAVE</b> Rural	≥ 25 kVA	R/day	R/day	R/kVA <sup>4, V, T</sup>	R/kVA <sup>V, T</sup>	c/kWh <sup>V, T</sup>		
	<b>RURAFLEX</b>	≥ 25 kVA <sup>2/3</sup>	R/day	R/day	R/kVA <sup>4, V, T</sup>		c/kWh <sup>V, T</sup>	c/kvarh <sup>T</sup>	
	<b>LANDRATE</b> 1	16 kVA <sup>1</sup> /32 kVA <sup>2</sup> / 25 kVA <sup>3</sup>	R/day*		R/day		c/kWh		
	<b>LANDRATE</b> 2	64 kVA <sup>2</sup> / 50 kVA <sup>3</sup>	R/day*		R/day		c/kWh		
	<b>LANDRATE</b> 3	100 kVA <sup>2/3</sup>	R/day*		R/day		c/kWh		
	<b>LANDRATE</b> 4	16 kVA <sup>1</sup>			R/day		c/kWh		
	<b>LANDRATE</b> Dx	10 A	R/day**						

TOU Time-of-use. (A tariff that has different energy rates for different time periods and seasons.)

+ Not applicable to new supplies.

V Subject to Voltage surcharge

T Subject to Transmission surcharge

1 Single-phase

2 Dual-phase

3 Three-phase

4 Network Access Charge (NAC)

5 Network Demand Charge (NDC)

\* The Service charge for these tariffs include the administration costs components, namely meter reading, billing and meter capital.

\*\* The Service charge for this tariff includes the administration, network and energy costs components.

## Contact numbers

### Eskom has introduced an easy to remember national ShareCall number:

- dial **08600ESKOM** on a phone with an alphanumeric keypad; or
- dial **0860037566** if your phone does not have an alphanumeric keypad

Contact centre (CC)	Telephone	Fax	E-mail
Bellville	0860 037 566	021 915 2867	western@eskom.co.za
Bloemfontein	0860 037 566	051 404 2627	north.western@eskom.co.za
Braamfontein	0860 037 566	011 507 5756	central@eskom.co.za
East London	0860 037 566	043 703 2929	southern@eskom.co.za
Polokwane	0860 037 566	015 299 0400	northern@eskom.co.za
Westville	0860 037 566	031 204 5850	eastern@eskom.co.za
Witbank	0860 037 566	013 693 3886	north.eastern@eskom.co.za

**Customers can now also send an SMS message stating their customer service requirement to any of the following numbers:**

Vodacom	082 941 3707
MTN	083 647 1951
Cell C	084 655 5778

### Eskom's customer service charter:

Our customers have the right to:

- Accurate measurement of consumption.
- Error-free bills.
- Be treated with respect.
- Experience excellent treatment in terms of Eskom's electricity supply agreement.
- Be dealt with promptly and efficiently.
- Be treated fairly.
- Have their property treated with respect.
- Confidentiality of their information.
- One-stop service without referral.
- Quality of supply in terms of negotiated agreement.
- Be involved in issues affecting them.

**For the latest contact details and tariff information visit our web site at**  
**[www.eskom.co.za/tariffs](http://www.eskom.co.za/tariffs)**

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*p* Refers to urban/rural as classified for pricing purposes.

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## Foreword

The price of electricity is determined by two parallel processes in Eskom. They are the annual Eskom price increase application process (annual price adjustment) and the Eskom tariff structural adjustment process.

Through the annual price increase process Eskom applied for a revenue requirement that will ensure the sustainability of the business. The average price of electricity supplied by Eskom will rise by 4,1% on 1 January 2005 as approved by the National Electricity Regulator (NER).

In parallel Eskom will continue with the structural tariff adjustments in line with guidelines provided by the Department of Mineral and Energy (DME) and the NER, that tariff structures should ideally reflect the structure of costs, to ensure that the approved revenue requirement is recovered through the different tariff structures. The following is a summary of the changes in the tariff structures, effective from 1 January 2005, as approved by the NER Board:

- Unbundled network charges for **Megaflex, Miniflex and Nightsave (Urban)**.
- The abolishment of the consumption-based rebates on monthly connection charges for **Megaflex, Miniflex and Nightsave (Urban)**.
- The levy paid towards subsidies will be made transparent for **Megaflex, Miniflex and Nightsave (Urban)** and shown as the rate-rebalancing levy.
- Alignment of the strength of the power factor correction signal between time-of-use and non-time-of-use tariffs, i.e. the reactive energy charge for **Megaflex, Miniflex and Ruraflex** will only be applicable in the high-demand season.
- A R/day charge instead of a R/month charge for service, administration and fixed network charges.
- Withdrawal of the piloted tariff for rural seasonal usage (SeasonSave).
- The notified maximum demand (NMD) rules that will govern the notification of demand.
- Minor rate changes in the levels of rate components relative to each other.

NOTE: The 2005 Tariff Restructuring Plan, which contains more detailed information on the above, as well as the NMD rules, can be viewed at the following web site: [www.eskom.co.za/tariffs](http://www.eskom.co.za/tariffs).

As a result of the structural tariff adjustments some customers could experience an effective price adjustment of either below or above the 4,1% average increase, depending on the customer's particular tariff class, usage pattern and energy versus demand utilisation<sup>1</sup>. Customers should therefore periodically review their tariff as changes in consumption pattern could result in an alternative tariff becoming more appropriate.

It should also be noted that in line with the request received from the Department of Public Enterprises, the Board of Eskom Holdings Limited approved the change in Eskom's financial year end from 31 December to 31 March. As a result the tariffs and charges shown in this book will be effective from 1 January 2005 to 31 March 2006.

**Deon Conradie**

**SENIOR MANAGER (ELECTRICITY PRICING)**

<sup>1</sup> *The management of energy only, i.e. shifting energy from peak to standard and off-peak periods, does not necessarily mean a lower price with the 2005 tariff structures. The importance of demand and load factor is now emphasised as a result of the network access charge, based on the annual utilised capacity, where customers are expected to contribute to the network costs associated with making such capacity available. Customers should therefore not only strive toward shifting energy but also to optimally balance load shift with demand control.*

## Abbreviations

<	less than
≤	less than or equal to
>	greater than
≥	greater than or equal to
A	ampere
c	cents
c/kvarh	cents per reactive kilovolt-ampere-hour
c/kWh	cents per kilowatt-hour
CPI	consumer price index
GWh	gigawatt-hour
km	kilometre
kVA	kilovolt-ampere
kvarh	reactive kilovolt-ampere-hour
kV	kilovolt
kW	kilowatt
kWh	kilowatt-hour
MVA	megavolt-ampere
N/A	Not applicable
NER	National Electricity Regulator
NMD	Notified Maximum Demand
PF	Power factor
R	Rand
R/kVA	Rand per kilovolt-ampere
TOU	Time-of-Use
V	volt
VAT	value added tax
W	watt

## Definitions

**Account** is a grouping of premises.

**(Active) energy charge** is a charge linked to each kWh (unit of energy) consumed. For some tariffs the charge may be time and/or seasonally differentiated.

**Administration charge** is a fixed R/day charge payable per premise over the billing period whether electricity is consumed or not, and based on the monthly utilised capacity of the premise. It is a contribution towards fixed costs such as meter reading, billing and meter capital.

**Annual utilised capacity** is the higher of the customer's NMD or maximum demand, measured in kVA, registered during a rolling 12-month period. (Also see Appendix F.)

**Billing period** is the period from one meter reading date (actual or estimated) to the following meter reading date.

**Capital cost** is the expenditure on plant, equipment and other resources in order to make capacity available i.e. providing a new supply, network upgrades, network downgrades, etc. Capital costs are recovered through rate components (capital contained in the tariff) and connection charges (payable in addition to the tariff).

NOTE: The capital contained in the tariff will be subtracted up front from the cost of providing supply. This adjustment for capital recovery is called the capital allowance.

**Chargeable demand** is taken as the highest average demand, in kVA, measured over any demand-integrating period of thirty consecutive minutes (30-minute integrating periods) recorded during the chargeable time periods in a billing month.

**Chargeable time periods** are the time periods when demand registered will be charged for. The chargeable time periods differ and are described with the respective tariff.

**Connection fee** is a portion of the connection charge and is the minimum, once-off, up-front payment charged to a customer for new or additional capacity (initial customer contribution).

**Connection charge** is the repayment of the capital cost not covered by the tariff for new or additional capacity. It is a contribution towards the recovery of network capital costs and is payable in addition to the tariff charges as a monthly connection charge (charged monthly where Eskom finances) and/or as an up-front payment.

**Dual-phase supply** is a supply at a declared phase-to-neutral voltage of 230 V where the phases are vectorially 180 degrees apart and cannot be paralleled.

**Energy demand charge**, applicable to Nightsave (Urban) and Nightsave (Rural), is a R/kVA charge per premise which is seasonally differentiated and is based on the chargeable demand registered during the month in order to recover peak energy costs.

**Key customer** is typically a customer under a common management structure that uses a minimum of 100 GWh of electricity on a contiguous site per annum.

**Licensed area of supply** is a legally designated area where a particular supplier has the right to supply electricity to end customers. Eskom's tariffs are only applicable where Eskom is licensed to supply. Supply licences are issued by the NER.



**Load factor** is the average demand of a load divided by the maximum demand of the load over the billing period and gives an indication of the percentage of time that the system is being fully utilised. Simply put the load factor is a ratio between the actual energy consumed and the energy that could have been consumed had the demand remained at the maximum demand for the entire period.

- A **high load factor** means power usage is relatively constant.
- A **low load factor** shows that occasionally a high demand is set. To service that high demand spike, capacity is sitting idle for long periods, thereby imposing higher costs on the system.

**Maximum demand** is the highest demand recorded during all time periods in a billing month.

**Monthly utilised capacity** is the higher of the customer's NMD or maximum demand, measured in kVA, registered during the billing month. (Also see Appendix F.)

**Network charge** is a fixed charge payable per premise every month, whether electricity is consumed or not. The purpose of the network charge is to recover part of the fixed network costs (including capital, operations, maintenance and refurbishment) associated with the provision of network capacity required and reserved by the customer. For some tariffs the network charge is unbundled into a Network Demand Charge (NDC) and/or a Network Access Charge (NAC).

- **Network demand charge** is a charge that recovers network costs on a variable basis and is payable for the chargeable demand registered during the month.
- **Network access charge** is a charge that recovers network costs on a fixed basis and is based on the annual utilised capacity.

**Notified Maximum Demand (NMD)** is the maximum demand notified in writing by the customer and accepted by Eskom, that the customer requires Eskom to be in a position to supply on demand during all time periods. It is normally the capacity that Eskom will reserve for a customer for the short term, i.e. the following year.

NOTE: The notification of demand will be governed by a set of rules which can be viewed at the following web site: [www.eskom.co.za/tariffs](http://www.eskom.co.za/tariffs).

**Point of Supply** means the point at which the customer's electrical installation is connected to Eskom's distribution/transmission system. This may or may not be the metering point. (Also see Premise.)

**Power factor** is the ratio of kW to kVA measured over the same integrating period.

NOTE: Contractually a customer may not have a leading power factor or a power factor below 0,85.

**Premise or Point of Delivery** means either a single Point of Supply or a specific group of Points of Supply located within a single substation, at which electricity is supplied to the customer at the same declared voltage and tariff, and can be a metering or summation point.

**Rate components** are the different charges associated with a tariff, for example energy charge.

**Rate-rebalancing levy** is a separate rate component, previously bundled in the energy rates, shown on the Nightsave (Urban), Megaflex and Miniflex customers' bills and indicating inter-tariff subsidies (subsidies between tariffs) in a more transparent manner. The rate-rebalancing levy will be applied to the total active energy consumption and will not be subject to the voltage and/or transmission surcharge.

NOTE: Historically Nightsave (Urban), Megaflex and Miniflex make different contribution towards subsidies and the rate-rebalancing levy will therefore differ for each tariff.

**Reactive energy charge** is a charge applicable to Megaflex, Miniflex and Ruraflex and is based on the reactive power used. It is levied on every kvarh (reactive energy) which is registered in excess of 30% of the kWh (active energy) supplied during the specified periods of the month. There is no reactive energy charge for a customer operating with a lagging power factor of 0,96 or better. The method of calculating this excess differs and is described with the respective tariff.

**Rural<sub>p</sub> areas** refer to rural as classified for pricing purposes.

**Security deposit** is a once-off refundable payment or guarantee provided by a customer to Eskom as security for the due payment of electricity accounts.

**Service charge** is a fixed R/day charge payable per account over the billing period, whether electricity is consumed or not. Where applicable, this charge will be based on the sum of the monthly utilised capacity of all premises linked to an account. It is a contribution towards fixed costs such as customer service costs. For the Homepower, Landrate and Businessrate tariffs the service costs and administration costs are combined to make up the service charge and are charged per premise.

**Tariff** is a brand name for a collection of rate components for a defined market segment/customer class, for example Homelight.

**Time-of-use (TOU) tariff** is a tariff that has different energy rates for different time periods and seasons in order to reflect the shape of Eskom's long run marginal energy cost of supply at different times more accurately.

**Transmission surcharge** is a charge to partly recover the costs associated with the transmission of energy over long distances. The energy demand charge (where applicable), active energy charge, reactive energy charge (where applicable) and network charge are subject to a transmission surcharge after the voltage surcharge has been levied. The surcharge rate depends on the distance from Johannesburg and is described with the respective tariffs. (Also see Appendix A.)

**Urban<sub>p</sub> areas** refer to urban as classified for pricing purposes.

**Voltage surcharge** is a percentage surcharge levied to customers with lower supply voltages as a contribution to the cost to transform electricity from 400 kV to lower voltages. It is calculated as a percentage of the active energy charge, the energy demand charge (where applicable) and the network charge to reflect the higher cost at lower voltage.

# **NIGHTSAVE** Urban

## Electricity tariff for urban<sub>p</sub> customers with an NMD from 25 kVA

This tariff is characterised by:

- seasonally differentiated energy demand and active energy charges;
- two time periods namely peak and off-peak (refer to Appendix C);
- a network access charge applicable during all time periods; and
- a network demand charge and energy demand charge applicable during peak periods.

### Capital costs:

A connection charge will be payable in addition to the tariff for new connections or additional capacity.

### Connection fee:

Refer to Appendix E (Table 1).

### Service charge:

Charged per account and is based on the sum of the monthly utilised capacity of all premises linked to an account.

<b>≤ 100 kVA</b>	<b>R0,90 + VAT = R1,03/day</b>
<b>&gt; 100 kVA and ≤ 500 kVA</b>	<b>R11,39 + VAT = R12,98/day</b>
<b>&gt; 500 kVA and ≤ 1 MVA</b>	<b>R55,90 + VAT = R63,73/day</b>
<b>&gt; 1 MVA</b>	<b>R55,90 + VAT = R63,73/day</b>
<b>Key customers</b>	<b>R437,57 + VAT = R498,83/day</b>

### Administration charge:

Based on, and payable for, the monthly utilised capacity of each premise linked to an account.

<b>≤ 100 kVA</b>	<b>R2,24 + VAT = R2,55/day</b>
<b>&gt; 100 kVA and ≤ 500 kVA</b>	<b>R3,61 + VAT = R4,12/day</b>
<b>&gt; 500 kVA and ≤ 1 MVA</b>	<b>R29,91 + VAT = R34,10/day</b>
<b>&gt; 1 MVA</b>	<b>R30,00 + VAT = R34,20/day</b>
<b>Key customers</b>	<b>R31,62 + VAT = R36,05/day</b>

### Network demand charge:

R6,37 + VAT = **R7,26/kVA** payable for each kVA of the chargeable demand supplied during peak periods per premise per month.

### Network access charge:

R5,62 + VAT = **R6,41/kVA** payable each month and is based on the annual utilised capacity of each premise.

### Energy demand charge:

Payable for each kVA of the chargeable demand supplied during peak periods per premise per month.

#### High-demand season (June – August)

R29,09 + VAT = **R33,16/kVA**

#### Low-demand season (September – May)

R4,12 + VAT = **R4,70/kVA**

### Active energy charge:

#### High-demand season (June – August)

10,13c + VAT = **11,55c/kWh**

#### Low-demand season (September – May)

7,20c + VAT = **8,21c/kWh**

### Voltage surcharge:

Calculated as a percentage of network demand, network access, energy demand and active energy charges.

<u>Supply voltage</u>	<u>Surcharge</u>
> 132 kV	0,00%
≥ 66 kV and ≤ 132 kV	7,63%
≥ 500 V and < 66 kV	10,07%
< 500 V	17,30%

### Transmission surcharge:

Calculated as a percentage of network demand, network access, energy demand and active energy charges after the voltage surcharge have been levied. The surcharge rate depends on the distance from Johannesburg.

≤ 300 km	0%
> 300 km and ≤ 600 km	1%
> 600 km and ≤ 900 km	2%
> 900 km	3%

### Rate-rebalancing levy:

2,66c + VAT = **3,03c/kWh** applied to the total active energy consumption (not subject to the voltage and/or transmission surcharge).

# MEGAFLEX

## TOU electricity tariff for urban<sub>p</sub> customers with an NMD from 1 MVA

This tariff is characterised by:

- seasonally and time differentiated active energy charges;
- three time periods namely peak, standard and off-peak (refer to Appendix C);
- a network access charge applicable during all time periods;
- a network demand charge applicable during peak and standard periods; and
- no energy demand charge.

### Capital costs:

A connection charge will be payable in addition to the tariff for new connections or additional capacity.

### Connection fee:

Refer to Appendix E (Table 1).

### Service charge:

Charged per account and is based on the sum of the monthly utilised capacity of all premises linked to an account.

**≥ 1 MVA** R55,90 + VAT = **R63,73/day**

**Key customers** R437,57 + VAT = **R498,83/day**

### Administration charge:

Based on, and payable for, the monthly utilised capacity of each premise linked to an account.

**≥ 1 MVA** R32,25 + VAT = **R36,77/day**

**Key customers** R33,42 + VAT = **R38,10/day**

### Network demand charge:

R6,37 + VAT = **R7,26/kVA** payable for each kVA of the chargeable demand supplied during peak and standard periods per premise per month.

### Network access charge:

R5,62 + VAT = **R6,41/kVA** payable each month and is based on the annual utilised capacity of each premise.

### Active energy charge:

#### High-demand season (June – August)

49,69c + VAT = **56,65c/kWh**

13,14c + VAT = **14,98c/kWh**

7,15c + VAT = **8,15c/kWh**

**Peak**

**Standard**

**Off-peak**

#### Low-demand season (September – May)

14,10c + VAT = **16,07c/kWh**

8,75c + VAT = **9,98c/kWh**

6,20c + VAT = **7,07c/kWh**

### Reactive energy charge:

2,50c + VAT = **2,85c/kvarh** supplied in excess of 30% (0,96 PF) of kWh recorded during peak and standard periods. The excess reactive energy is determined per 30-minute integrating period and accumulated for the month and will only be applicable during the high demand season.

### Voltage surcharge:

Calculated as a percentage of network demand, network access and active energy charges.

<u>Supply voltage</u>	<u>Surcharge</u>
> 132 kV	0,00%
≥ 66 kV and ≤ 132 kV	7,63%
≥ 500 V and < 66 kV	10,07%
< 500 V	17,30%

### Transmission surcharge:

Calculated as a percentage of the network demand, network access, active and reactive energy charges after the voltage surcharge has been levied. The surcharge rate depends on the distance from Johannesburg.

≤ 300 km	0%
> 300 km and ≤ 600 km	1%
> 600 km and ≤ 900 km	2%
> 900 km	3%

### Rate-rebalancing levy:

1,45c + VAT = **1,65c/kWh** applied to the total active energy consumption (not subject to the voltage and/or transmission surcharge).



## TOU electricity tariff for urban<sub>p</sub> customers with an NMD from 25 kVA up to 5 MVA

This tariff is characterised by:

- seasonally and time differentiated active energy charges;
- three time periods namely peak, standard and off-peak (refer to Appendix C);
- a network access charge applicable during all time periods; and
- no network demand charge or energy demand charge.

### Capital costs:

A connection charge will be payable in addition to the tariff for new connections or additional capacity.

### Connection fee:

Refer to Appendix E (Table 1).

### Service charge:

Charged per account and is based on the sum of the monthly utilised capacity of all premises linked to an account.

<b>≤ 100 kVA</b>	<b>R2,08+ VAT = R2,37/day</b>
<b>&gt; 100 kVA and ≤ 500 kVA</b>	<b>R11,39 + VAT = R12,98/day</b>
<b>&gt; 500 kVA and ≤ 1 MVA</b>	<b>R55,90 + VAT = R63,73/day</b>
<b>&gt; 1 MVA</b>	<b>R55,90 + VAT = R63,73/day</b>
<b>Key customers</b>	<b>R437,57 + VAT = R498,83/day</b>

### Administration charge:

Based on, and payable for, the monthly utilised capacity of each premise linked to an account.

<b>≤ 100 kVA</b>	<b>R2,34 + VAT = R2,67/day</b>
<b>&gt; 100 kVA and ≤ 500 kVA</b>	<b>R3,82 + VAT = R4,35/day</b>
<b>&gt; 500 kVA and ≤ 1 MVA</b>	<b>R31,19 + VAT = R35,56/day</b>
<b>&gt; 1 MVA</b>	<b>R31,19 + VAT = R35,56/day</b>
<b>Key customers</b>	<b>R31,19 + VAT = R35,56/day</b>

### Network access charge:

R5,62 + VAT = **R6,41/kVA** payable each month and is based on the annual utilised capacity of each premise.

### Active energy charge:

#### High-demand season (June – August)

50,81c + VAT = **57,92c/kWh**

14,71c + VAT = **16,77c/kWh**

7,07c + VAT = **8,06c/kWh**

#### Low-demand season (September – May)

15,67c + VAT = **17,86c/kWh**

10,38c + VAT = **11,83c/kWh**

6,13c + VAT = **6,99c/kWh**

**Peak**

**Standard**

**Off-peak**

### Reactive energy charge:

1,09c + VAT = **1,24c/kvarh** supplied in excess of 30% (0,96 PF) of the kWh recorded during the entire billing period. The excess reactive energy is determined using the billing period totals and will only be applicable during the high demand season.

### Voltage surcharge:

Calculated as a percentage of network access and active energy charges.

#### Supply voltage

#### Surcharge

> 132 kV

0,00%

≥ 66 kV and ≤ 132 kV

7,63%

≥ 500 V and < 66 kV

10,07%

< 500 V

17,30%

### Transmission surcharge:

Calculated as a percentage of the network access, active and reactive energy charges after the voltage surcharge has been levied. The surcharge rate depends on the distance from Johannesburg.

≤ 300 km

0%

> 300 km and ≤ 600 km

1%

> 600 km and ≤ 900 km

2%

> 900 km

3%

### Rate-rebalancing levy:

1,32c + VAT = **1,50c/kWh** applied to the total active energy consumption (not subject to the voltage and/or transmission surcharge).



# BUSINESSRATE

## Electricity tariff for small businesses in urban<sub>p</sub> areas with an NMD up to 100 kVA

The Businessrate range of tariffs is applicable to urban<sub>p</sub> supplies used for commercial purposes with an NMD of 100 kVA or less. Typical customers are small businesses, but the tariff can also be applied to governmental institutions or similar supplies.

- Businessrate 1:** for supplies  $\leq 25$  kVA  
**Businessrate 2:** for supplies  $> 25$  kVA and  $\leq 50$  kVA  
**Businessrate 3:** for supplies  $> 50$  kVA and  $\leq 100$  kVA  
**Businessrate 4:** for supplies  $\leq 25$  kVA

### Conventional metered supplies:

Meters are read at least once every 3 months. Estimated charges are raised in months where no meter readings are taken and are adjusted when actual consumption is charged for. A security deposit to cover 3 months' consumption is required.

### Capital costs:

A connection charge will be payable in addition to the tariff for new connections or additional capacity.

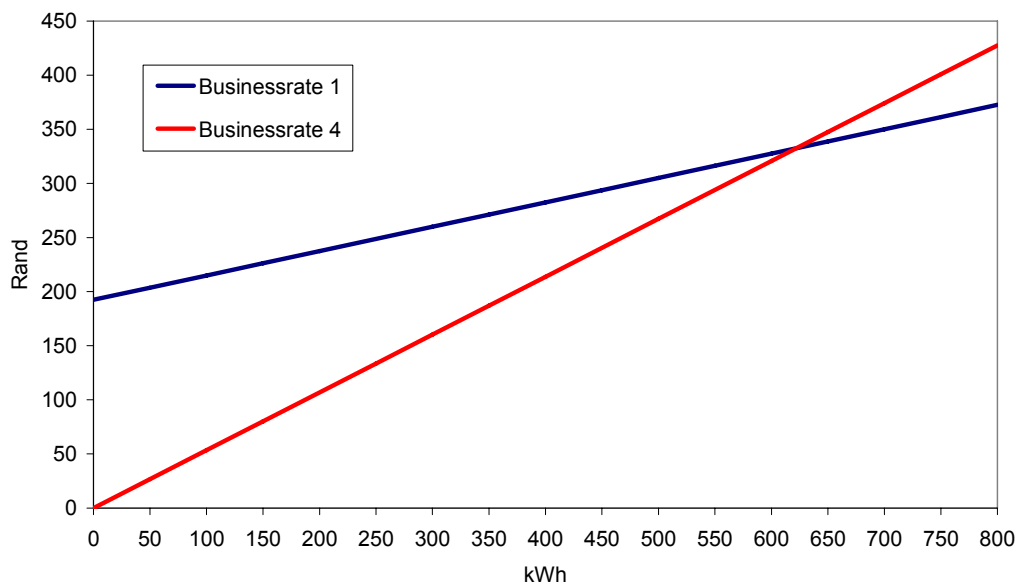
### Connection fees:

Refer to Appendix E (Table 1).

<b>Charges:</b>	<b>Service charge (per day)</b>	<b>Network charge (per day)</b>	<b>Energy charge (per unit)</b>
<b>Businessrate 1</b>	R3,23 + VAT = <b>R3,68</b>	R3,10 + VAT = <b>R3,53</b>	22,51c + VAT = <b>25,66c/kWh</b>
<b>Businessrate 2</b>	R3,23 + VAT = <b>R3,68</b>	R4,46 + VAT = <b>R5,08</b>	22,51c + VAT = <b>25,66c/kWh</b>
<b>Businessrate 3</b>	R3,23 + VAT = <b>R3,68</b>	R8,74 + VAT = <b>R9,96</b>	22,51c + VAT = <b>25,66c/kWh</b>
<b>Businessrate 4</b>	N/A	N/A	53,44c + VAT = <b>60,92c/kWh</b>

NOTE: The service and network charge is payable for each premise per billing month whether electricity is consumed or not. The service and network charge on Businessrate 4 is not charged as a fixed charge per month and is included in the energy charge.

## Comparing Businessrate 1 and Businessrate 4



**The break-even between Businessrate 1 and 4 is 622 kWh/month.**

- If less than 622 kWh/month is used, Businessrate 4 is cheaper.
- If more than 622 kWh/month is used, Businessrate 1 is cheaper.

# HOMEPOWER Bulk

## Electricity tariff for residential bulk supplies\* in urban, areas connected prior to 1 January 2004

Homepower (Bulk) is a tariff applicable to residential bulk supplies, typically sectional title developments and multiple housing units, such as townhouse complexes, connected prior to 1 January 2004. Any new residential bulk supply connected after this date can select Nightsave (Urban), Miniflex or Homepower (Standard) as a tariff option, provided that it meets the supply criteria as set out for each tariff.

### Capital costs:

A connection charge will be payable in addition to the tariff for new connections or additional capacity.

### Connection fees:

Refer to Appendix E (Table 1).

### Service charge:

R3,05 + VAT = **R3,48/day** payable for each premise, whether electricity is consumed or not.

### Network charge:

R0,60 + VAT = **R0,68/day** payable for each dwelling unit in the complex, whether electricity is consumed or not.

### Energy charge:

22,29c + VAT = **25,41c/kWh**

### Voltage surcharge:

Calculated as a percentage of energy and network charges.

Supply voltage	Surcharge	<i>Effective rate including voltage surcharge</i>	
		<i>Network charge</i>	<i>Energy charge</i>
≥ 500 V	10,07%	$R0,66 + VAT = \mathbf{R0,75/day}$	$24,53c + VAT = \mathbf{27,96c/kWh}$
< 500 V	17,30%	$R0,70 + VAT = \mathbf{R0,80/day}$	$26,15c + VAT = \mathbf{29,81c/kWh}$

In terms of the Electricity Act, a tariff such as Homepower (Standard) should be used by the Body Corporate for the billing of individual supplies within the above mentioned sectional title developments and multiple housing units.

\* A bulk supply is a single supply point on a premise from where electricity is distributed to multiple housing units.

# **HOMEPOWER** Standard

**Electricity tariff for medium to high-usage residential customers in urban<sub>p</sub> areas with an NMD up to 100 kVA**

Homepower is a tariff applicable in urban<sub>p</sub> areas to medium to high-usage residential customers, churches, schools, halls, old age homes or similar supplies with an NMD of 100 kVA or less.

- Homepower 1:** for **25 kVA three-phase** supplies (40 A per phase)  
**Homepower 2:** for **50 kVA three-phase** supplies (80 A per phase)  
**Homepower 3:** for **> 50 kVA and ≤ 100 kVA three-phase** supplies (150 A per phase)  
**Homepower 4:** for **16 kVA single-phase** supplies (80 A per phase)

## **Conventional metered supplies:**

Meters are read at least once every 3 months. Estimated charges are raised in months where no meter readings are taken and are adjusted when actual consumption is charged for. A security deposit to cover 3 months' consumption is required.

## **Capital costs:**

A connection charge will be payable in addition to the tariff for new connections or additional capacity.

## **Connection fees:**

Refer to Appendix E (Table 1).

<b>Charges:</b>	<b>Service charge (per day)</b>	<b>Network charge (per day)</b>	<b>Energy charge (per unit)</b>
<b>Homepower 1</b>	R1,21 + VAT = <b>R1,38</b>	R1,86 + VAT = <b>R2,12</b>	26,46c + VAT = <b>30,16c/kWh</b>
<b>Homepower 2</b>	R1,21 + VAT = <b>R1,38</b>	R4,01 + VAT = <b>R4,57</b>	26,46c + VAT = <b>30,16c/kWh</b>
<b>Homepower 3</b>	R1,21 + VAT = <b>R1,38</b>	R8,07 + VAT = <b>R9,20</b>	26,46c + VAT = <b>30,16c/kWh</b>
<b>Homepower 4</b>	R1,21 + VAT = <b>R1,38</b>	R0,95 + VAT = <b>R1,08</b>	26,46c + VAT = <b>30,16c/kWh</b>

NOTE: The service and network charge is payable for each premise per billing month whether electricity is consumed or not.

# HOMELIGHT

## Electricity tariff for low-usage residential customers in urban<sub>p</sub> areas

The Homelight range of tariffs is applicable to single-phase, low-usage residential supplies in urban<sub>p</sub> areas, but can also be applied to churches, schools, halls or similar supplies with low usage. The tariff has different connection fees and energy rates based on the supply capacity required and provide a subsidy<sup>2</sup> to low-usage customers.

**Homelight 1:** Lower connection fee with higher energy charges.

**Homelight 2:** Higher connection fee with lower energy charges.

### Conventional metered supplies:

Meters are read at least once every 3 months. Estimated charges are raised in months where no meter readings are taken and are adjusted when actual consumption is charged for. A security deposit to cover 3 months' consumption is required.

### Prepayment supplies:

The prepayment supply option will be offered to all Homelight supplies.

### Capital costs:

An up-front connection charge will be payable in addition to the tariff for new connections or additional capacity.

### Connection fees:

The fees listed below are the minimum cash amounts payable. Additional charges based on allocated costs may be raised as per Eskom's Recovery of Capital policy.

Capacity	Homelight 1	Homelight 2
10 A (single-phase)	No charge	N/A
20 A (single-phase)	R144,74 + VAT = <b>R165,00</b>	R1 021,93 + VAT = <b>R1 165,00</b>
≤ 80 A (single-phase)	R964,91 + VAT = <b>R1 100,00</b>	R1 842,11 + VAT = <b>R2 100<sup>R</sup></b>

### Energy charge:

<b>Homelight 1</b>	<b>10 A*</b>	40,68c + VAT = <b>46,38c/kWh</b>
	<b>20 A:</b>	40,68c + VAT = <b>46,38c/kWh</b>
	<b>60 A:</b>	45,76c + VAT = <b>52,17c/kWh</b>
<b>Homelight 2</b>	<b>20 A**:</b>	35,33c + VAT = <b>40,28c/kWh</b>
	<b>60 A:</b>	40,41c + VAT = <b>46,07c/kWh</b>

<sup>2</sup> The Homelight tariff is subsidised by the rate-rebalancing levy on Nightsave (Urban), Megaflex and Miniflex.

<sup>R</sup> Rounded to the nearest Rand value.

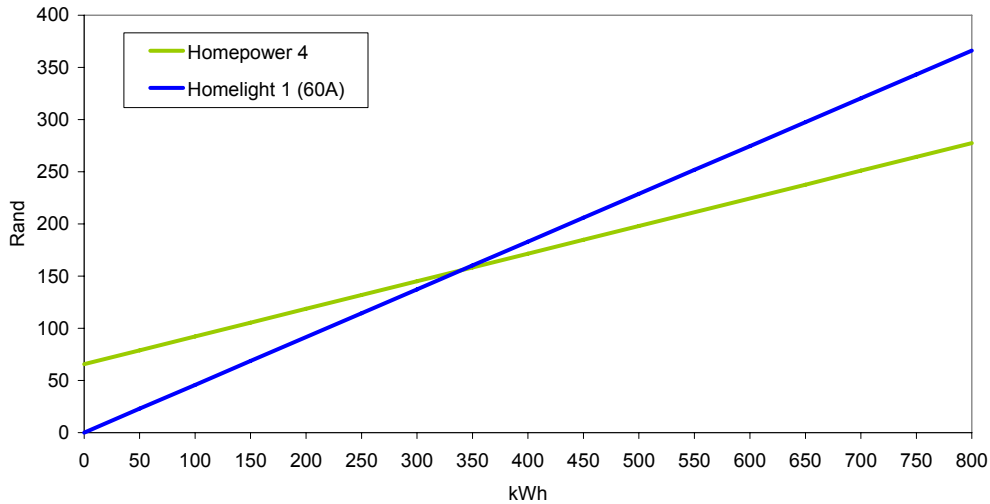
\* The Homelight 1 (10 A) rate is also applicable to the existing 2.5 A supplies connected prior to 1 January 2005.

\*\* The Homelight 2 (20 A) rate is also applicable in certain high-density urban areas for 60 A supplies.

### Maximum wattage:

Any combination of appliances can be used at the same time as long as the power limit does not exceed a maximum of **525 W for 2.5 A** limited supplies, **2 100 W for 10 A** limited supplies, **4 200 W for 20 A** limited supplies and **12 500 W for 60 A** limited supplies.

### Comparison of Homepower 4 and Homelight 1 (60 A)



**The break-even between Homepower 4 and Homelight 1 (60 A) is 340 kWh per month.**

- If less than 340 kWh/month is used, Homelight 1 (60 A) is cheaper.
- If more than 340 kWh/month is used, Homepower 4 is cheaper.

# **NIGHTSAVE** Rural

## Electricity tariff for rural<sub>p</sub> customers with an NMD from 25 kVA

Nightsave (Rural) is a tariff applicable to rural<sub>p</sub> customers with an NMD from 25 kVA, with a supply voltage  $\leq 22$  kV\*. This tariff is characterised by:

- seasonally differentiated energy demand and active energy charges;
- two time periods namely peak and off-peak (refer to Appendix C);
- a network access charge applicable during all time periods;
- an energy demand charge applicable during peak periods; and
- no network demand charge.

### Capital costs:

A connection charge will be payable in addition to the tariff for new connections or additional capacity.

### Connection fee:

Refer to Appendix E (Table 2).

### Service charge:

Charged per account and is based on the sum of the monthly utilised capacity of all premises linked to an account.

<b><math>\leq 100</math> kVA</b>	<b>R3,25 + VAT = R3,71/day</b>
<b><math>&gt; 100</math> kVA and <math>\leq 500</math> kVA</b>	<b>R11,39 + VAT = R12,98/day</b>
<b><math>&gt; 500</math> kVA and <math>\leq 1</math> MVA</b>	<b>R55,90 + VAT = R63,73/day</b>
<b><math>&gt; 1</math> MVA</b>	<b>R55,90 + VAT = R63,73/day</b>
<b>Key customers</b>	<b>R437,57 + VAT = R498,83/day</b>

### Administration charge:

Based on, and payable for, the monthly utilised capacity of each premise linked to an account.

<b><math>\leq 100</math> kVA</b>	<b>R4,65 + VAT = R5,30/day</b>
<b><math>&gt; 100</math> kVA and <math>\leq 500</math> kVA</b>	<b>R5,87 + VAT = R6,69/day</b>
<b><math>&gt; 500</math> kVA and <math>\leq 1</math> MVA</b>	<b>R31,12 + VAT = R35,48/day</b>
<b><math>&gt; 1</math> MVA</b>	<b>R31,12 + VAT = R35,48/day</b>
<b>Key customers</b>	<b>R31,12 + VAT = R35,48/day</b>

### Network access charge<sup>3</sup>:

**R2,48 + VAT = R2,83/kVA** payable each month and based on the annual utilised capacity of each premise.

<sup>3</sup> The network access charge is subsidised by the rate-rebalancing levy on Nightsave (Urban), Megaflex and Miniflex.

### Energy demand charge<sup>2</sup>:

Payable for each kVA of the chargeable demand supplied during peak periods per premise per month.

#### High-demand season (June – August)

R50,38+ VAT = **R57,43/kVA**

#### Low-demand season (September – May)

R33,18 + VAT = **R37,83/kVA**

### Active energy charge:

#### High-demand season (June – August)

11,51c + VAT = **13,12c/kWh**

#### Low-demand season (September – May)

7,93c + VAT = **9,04c/kWh**

### Voltage surcharge:

Calculated as a percentage of network access, energy demand and active energy charges.

#### Supply voltage

#### Surcharge

≥ 500 V and ≤ 22 kV\*

10,07%

< 500 V

17,30%

### Transmission surcharge:

Calculated as a percentage of network access, energy demand and active energy charges after the voltage surcharge have been levied. The surcharge rate depends on the distance from Johannesburg.

≤ 300 km

0%

> 300 km and ≤ 600 km

1%

> 600 km and ≤ 900 km

2%

> 900 km

3%

<sup>2</sup> The energy demand charge includes some network costs.

\* Note that some rural networks with a voltage of 33 kV have been specifically designated by Eskom as rural reticulation networks.



# RURAFLEX

## TOU electricity tariff for rural<sub>p</sub> customers with dual- and three-phase supplies with an NMD from 25 kVA

Ruraflex is a tariff applicable to dual- and three-phase rural<sub>p</sub> customers with an NMD from 25 kVA, with a supply voltage  $\leq 22$  kV\*. This tariff is characterised by:

- seasonally and time differentiated active energy charges;
- three time periods namely peak, standard and off-peak (refer to Appendix C);
- a network access charge applicable during all time periods; and
- no network demand charge or energy demand charge.

### Capital costs:

A connection charge will be payable in addition to the tariff for new connections or additional capacity.

### Connection fee:

Refer to Appendix E (Table 2).

### Service charge:

Charged per account and is based on the sum of the monthly utilised capacity of all premises linked to an account.

<b><math>\leq 100</math> kVA</b>	<b>R3,25 + VAT = R3,71/day</b>
<b><math>&gt; 100</math> kVA and <math>\leq 500</math> kVA</b>	<b>R11,39 + VAT = R12,98/day</b>
<b><math>&gt; 500</math> kVA and <math>\leq 1</math> MVA</b>	<b>R55,90 + VAT = R63,73/day</b>
<b><math>&gt; 1</math> MVA</b>	<b>R55,90 + VAT = R63,73/day</b>
<b>Key customers</b>	<b>R437,57 + VAT = R498,83/day</b>

### Administration charge:

Based on, and payable for, the monthly utilised capacity of each premise linked to an account.

<b><math>\leq 100</math> kVA</b>	<b>R4,76 + VAT = R5,43/day</b>
<b><math>&gt; 100</math> kVA and <math>\leq 500</math> kVA</b>	<b>R6,24 + VAT = R7,11/day</b>
<b><math>&gt; 500</math> kVA and <math>\leq 1</math> MVA</b>	<b>R33,26 + VAT = R37,92/day</b>
<b><math>&gt; 1</math> MVA</b>	<b>R33,26 + VAT = R37,92/day</b>
<b>Key customers</b>	<b>R33,26 + VAT = R37,92/day</b>

### Network access charge<sup>4</sup>:

R3,27 + VAT = **R3,73/kVA** payable each month and based on the annual utilised capacity of each premise.

<sup>4</sup> The network access charge is subsidised by the rate-rebalancing levy on Nightsave (Urban), Megaflex and Miniflex.

## Active energy charge<sup>2</sup>:

### High-demand season (June – August)

82,13c + VAT = **93,63c/kWh**

21,24c + VAT = **24,21c/kWh**

11,28c + VAT = **12,86c/kWh**

**Peak**

**Standard**

**Off-peak**

### Low-demand season (September – May)

22,75c + VAT = **25,94c/kWh**

13,88c + VAT = **15,82c/kWh**

9,66c + VAT = **11,01c/kWh**

## Reactive energy charge:

1,66c + VAT = **1,89c/kvarh** supplied in excess of 30% (0,96 PF) of the kWh recorded during the entire billing period. The excess reactive energy is determined using the billing period totals and will only be applicable during the high demand season.

## Voltage surcharge:

Calculated as a percentage of network access and active energy charges.

### Supply voltage

### Surcharge

≥ 500 V and ≤ 22 kV\*

10,07%

< 500 V

17,30%

## Transmission surcharge:

Calculated as a percentage of the network access, active energy and reactive energy charges after the voltage surcharge have been levied. The surcharge rate depends on the distance from Johannesburg.

≤ 300 km

0%

> 300 km and ≤ 600 km

1%

> 600 km and ≤ 900 km

2%

> 900 km

3%

<sup>2</sup> The active energy charge includes some network costs.

\* Note that some rural networks with a voltage of 33 kV have been specifically designated by Eskom as rural reticulation networks.

# LANDRATE

## Electricity tariff for rural<sub>p</sub> customers with an NMD up to 100 kVA

The Landrate range of tariffs is applicable to rural<sub>p</sub> supplies with an NMD of 100 kVA or less. Typical customers are farmers and rural businesses. Landrate is usually supplied from 11- or 22 kV\* overhead networks at a nominal voltage lower than 500 V.

### Standard supply sizes:

<b>Landrate 1</b>	single-phase <b>16 kVA</b> (80 A per phase) dual-phase <b>32 kVA</b> (80 A per phase) three-phase <b>25 kVA</b> (40 A per phase)
<b>Landrate 2</b>	dual-phase <b>64 kVA</b> (150 A per phase) three-phase <b>50 kVA</b> (80 A per phase)
<b>Landrate 3</b>	dual-phase <b>100 kVA</b> (225 A per phase) three-phase <b>100 kVA</b> (150 A per phase)
<b>Landrate 4<sup>+</sup></b>	single-phase <b>16 kVA</b> (80 A per phase)
<b>Landrate Dx<sup>x</sup></b>	single-phase <b>5 kVA</b> (limited to 10 A per phase)

### Conventional metered supplies:

Meters are read at least once every 3 months. Estimated charges are raised in months where no meter readings are taken and are adjusted when actual consumption is charged for. A security deposit to cover 3 months' consumption is required.

### Capital costs:

A connection charge will be payable in addition to the tariff for new connections or additional capacity. For Landrate Dx, any additional capital expenditure not covered by the tariff is to be paid up front, as no monthly connection charges are allowed.

### Connection fees:

Refer to Appendix E (Table 2).

\* Note that some rural networks with a voltage of 33 kV have been specifically designated by Eskom as rural reticulation networks.

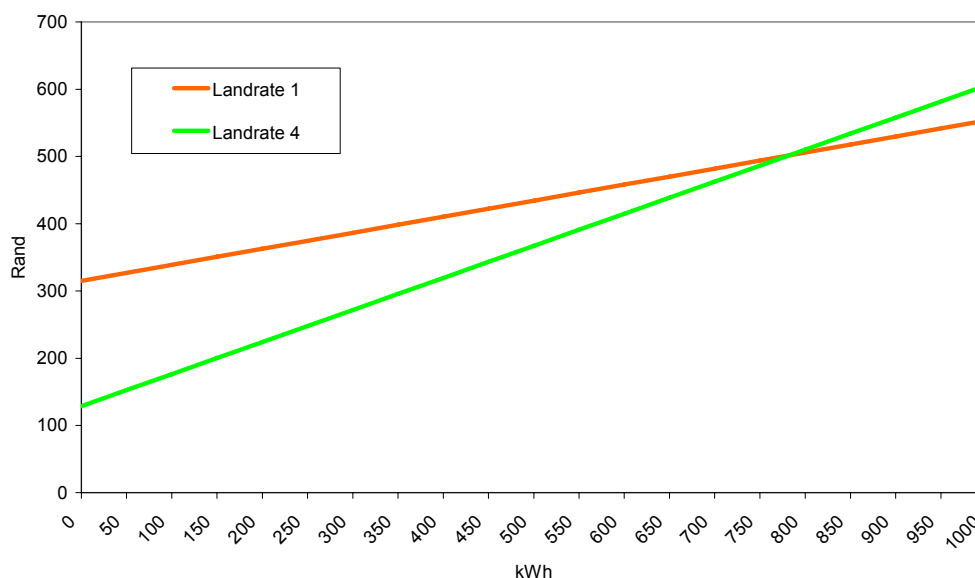
+ All Landrate three-phase supplies connected prior to 1 January 2001 will be allowed to convert/downgrade to Landrate 4 (single-phase or three-phase supply), provided that the NMD  $\leq$  25 kVA (40 A). Supplies connected after this date will only be able to convert/downgrade to Landrate 4 if they convert their supply to single-phase at their own cost.

x Landrate Dx is applicable to very low usage single-phase supplies, typically suited for small telecommunication installations, where the electricity usage is low enough not to warrant metering for billing purposes. Supplies qualifying for this tariff will not be allowed onto any other tariff.

<b>Charges:</b>	<b>Service charge (per day)</b>	<b>Network charge<sup>5</sup> (per day)</b>	<b>Energy charge (per unit)</b>
<b>Landrate 1</b>	R5,05 + VAT = <b>R5,76</b>	R5,31 + VAT = <b>R6,05</b>	23,86c + VAT = <b>27,20c/kWh</b>
<b>Landrate 2</b>	R5,05 + VAT = <b>R5,76</b>	R8,16 + VAT = <b>R9,30</b>	23,86c + VAT = <b>27,20c/kWh</b>
<b>Landrate 3</b>	R5,05 + VAT = <b>R5,76</b>	R13,06 + VAT = <b>R14,89</b>	23,86c + VAT = <b>27,20c/kWh</b>
<b>Landrate 4</b>	N/A	R4,23 + VAT = <b>R4,82</b>	47,70c + VAT = <b>54,38c/kWh</b>
<b>Landrate Dx</b>	R10,06 + VAT = <b>R11,47</b>	N/A	N/A

NOTE: The service and network charge is payable for each premise per billing month whether electricity is consumed or not. The service charge on Landrate 4 is not charged as a fixed charge per month and is included in the energy charge. For Landrate Dx only the service charge will be payable each billing month per premise.

### Comparison of Landrate 1 and Landrate 4



**The break-even between Landrate 1 and Landrate 4 is 782 kWh per month.**

- If less than 782 kWh/month is used, Landrate 4 is cheaper.
- If more than 782 kWh/month is used, Landrate 1 is cheaper.

<sup>1</sup> The network charge is subsidised by the rate-rebalancing levy on Nightsave (Urban), Megaflex and Miniflex.

## Public lighting

### *Applicable only in an Eskom-designated urban area*

In order to provide a public lighting service in its licensed area of supply, Eskom will enter into a written electricity supply agreement for Public Lighting with a recognised representative body with legal powers, i.e. local authority, traffic department, etc. who, in turn, normally provides a service to the general public. Eskom will not enter into an electricity supply agreement with home dwellers for public lighting services. Typical supplies are neon- and billboard signs, traffic lights, street lights and lights in telephone booths.

#### Capital costs:

A connection charge will be payable in addition to the tariff for new connections or additional capacity.

#### Connection fees:

R48,25 + VAT = **R55,00** per connection

R188,60 + VAT = **R215,00** per high-mast connection

#### Energy charge:

A fixed energy charge based on the number of hours the supply will be used in a day and the time at which the electricity will be used, is payable per month per light fitting. The fixed energy charge is calculated using either the c/kWh energy rate or the R/100 W/month energy rate. Where the c/kWh energy rate is used, kWh are calculated as kWh = number of lights x light wattage x hours in use. In exceptional cases, where metering is provided for, the charge would not be based on the Public lighting tariff but on the applicable tariff.

**Dusk to midnight:** 166,67 hours per month

21,72c + VAT = **24,76c/kWh** OR R3,61 + VAT = **R4,12/100 W/month**

**All night:** 333,3 hours per month

17,29c + VAT = **19,71c/kWh** OR R5,75 + VAT = **R6,56/100 W/month**

**24 hours:** 730 hours per month

20,39c + VAT = **23,24c/kWh** OR R14,88 + VAT = **R16,96/100 W/month**

**Telkom urban:** Based on a consumption of 200 kWh/month and is suitable for small urban Telkom installations (telephone booths, switchgear installations, etc.)

R34,58 + VAT = **R39,42/month**

#### Maintenance charge:

A monthly maintenance charge (or actual costs depending on the maintenance agreement) is payable where Eskom contracts to undertake public lighting maintenance services. The maintenance charge does not recover refurbishment costs, vandalism or accidental damage.

**Per street light luminaire:** R13,42 + VAT = **R15,30** per month\*

**Per high-mast luminaire:** R313,12 + VAT = **R356,96** per month\*

\* *If the customer chooses to pay the monthly maintenance charge and actual maintenance costs are consistently much higher than the monthly charge, actual costs will be charged in terms of the maintenance agreement.*

## Special pricing options

### Day Ahead Pricing (DAP)

Day-ahead pricing (DAP) is a pricing product wherein the customer receives, on a daily basis, hourly prices applicable to the energy to be sold during the 24 hours of the next day. DAP is designed to involve customers in the dynamic process of balancing supply and demand and will therefore be offered to all customers willing to assume the greater risk of the product in exchange for potential lower average energy prices. More information in this regard is obtainable from your Regional Pricing Manager.

### Mobile Reticulation Transformer (MRT)

The MRT is a product aimed at customers that require a supply for a short period of time (maximum 3 years) and entities that frequently move around (eg. diggers) and require a supply point at different locations. It is intended for run-of-line applications, i.e. where the MRT can be tapped from existing Eskom lines without having to build additional lines. Contact your local Eskom office for further information.

### Premium Power

Eskom supplies quality power at a standard that is higher or equal to the standard specified by the National Electricity Regulator (NRS048). Premium power is a power quality product that enables customers to negotiate power quality superior to the existing quality. This is achieved through the installation of dedicated equipment at the cost of the individual customer. Various financial options are available to assist the customer, including a leasing option. A specific power quality performance contract, which includes maintenance and performance reporting, is then established. More information in this regard is obtainable from the Quality of Supply Department at (011) 629 5111.

### Electrification of worker houses

Eskom, through the National Electrification Programme, supports the electrification of worker houses, by providing an incentive towards the costs of electrification for each worker house. The workers are consumers within the property of the Eskom customer and not direct Eskom customers. This incentive is paid to the direct Eskom customer, provided certain conditions are complied with and is subject to the availability of funds. This incentive is applicable where an Eskom customer extends an existing supply point or takes a new Eskom supply point to supply electricity to the worker houses for any number of worker houses. The Eskom customer is responsible for any work beyond the Eskom meter. In other words the low voltage network and infrastructure is the Eskom customer's property and must be built, financed, maintained and repaired by the Eskom customer.

NOTE: These connections are treated as part of national electrification targets.

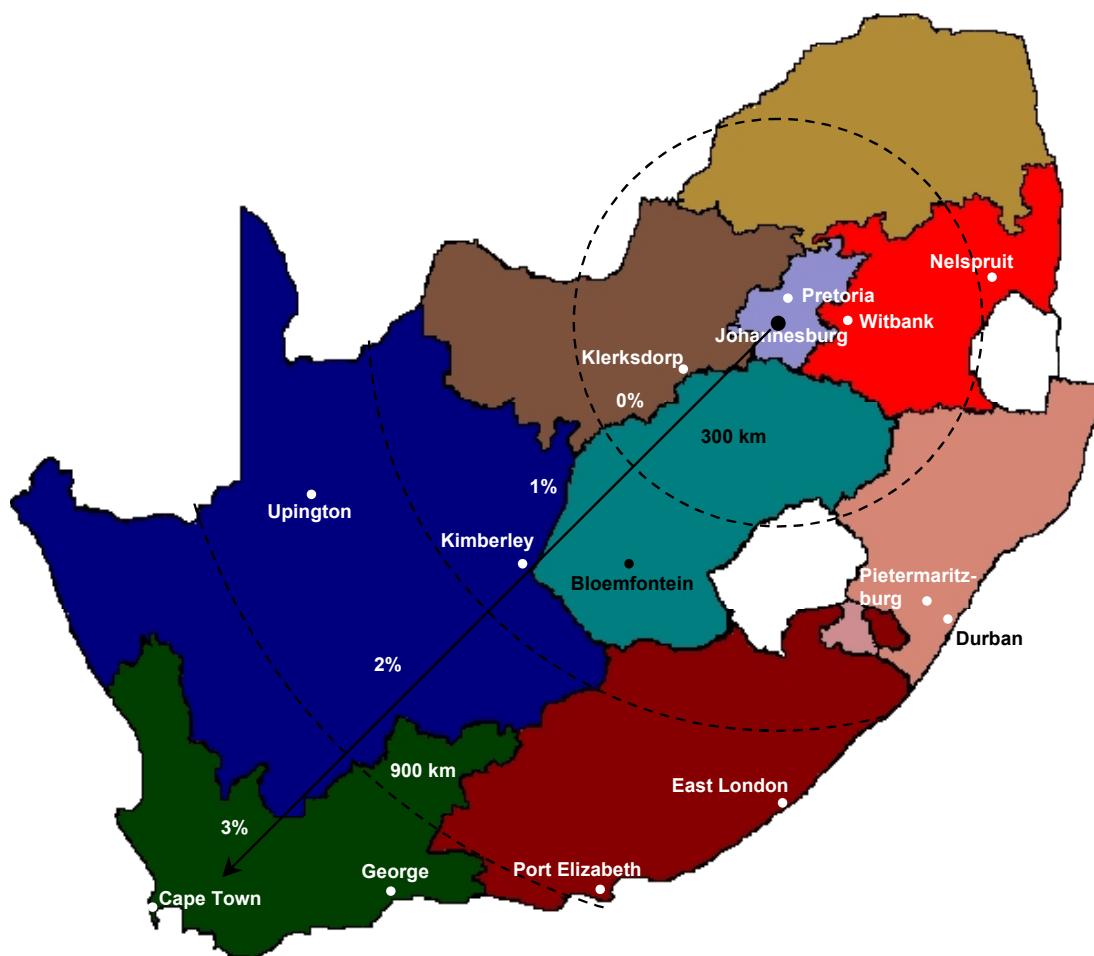
### Customer self-built power supply options

Eskom provides customers with the option to build their own power lines. Customer self-built schemes are permitted when Eskom's own construction capacity is fully utilised and/or where customers are in a position to build or extend a network sooner than Eskom or at costs more favourable than those quoted by Eskom. Customers have the choice of either engaging an Eskom approved/recommended contractor to perform the construction or by undertaking the construction themselves, subject to all work complying with Eskom's technical standards, and, in some cases to specific regional standards. It is however preferred that the customer make use of a contractor recommended by Eskom who is familiar with the Eskom standards. Customer self-built supplies are usually permitted on rural networks only and are subject to the standard approval process within Eskom or the particular Region. The approval for a customer self-built power supply is also at all times subject to the availability of capital and network capacity. The terms and conditions for each customer self-built scheme will be negotiated once the customer's written application has been received. Once the line is completed, it will be inspected and taken over by Eskom on condition that the line complies with Eskom's technical standards. At take over, the line will become an Eskom asset, i.e. it will be refurbished, operated and maintained by Eskom.

## Appendix A - Transmission percentage surcharge

The energy demand charge (where applicable), active energy charge, reactive energy charge (where applicable) and network charge (where applicable) are subject to a transmission surcharge after the voltage surcharge has been levied. The surcharge rate depends on the distance from Johannesburg.

≤ 300 km	0%
> 300 km and ≤ 600 km	1%
> 600 km and ≤ 900 km	2%
> 900 km	3%



## Appendix B - Treatment of public holidays

The table below indicates the treatment of public holidays for the **Nightsave (Urban)**, **Megaflex** and **Miniflex** tariffs for the period 1 January 2005 to 31 March 2006. The appropriate seasonally differentiated energy charges will be applicable on these days. Any unexpectedly announced public holidays will be treated as the day of the week on which it falls.

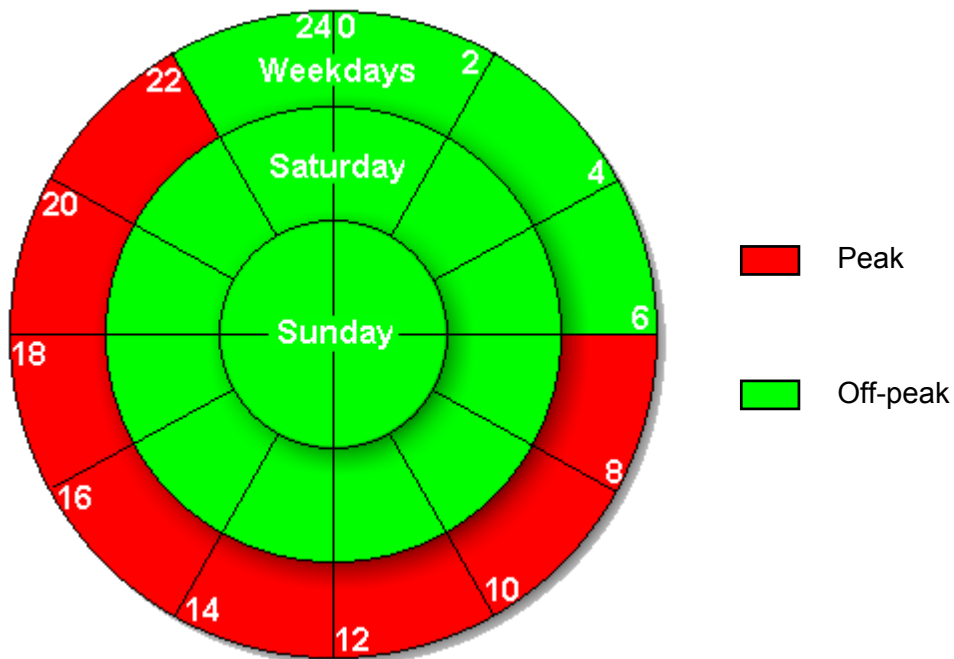
NOTE: All public holidays for the **Nightsave (Rural)** and **Ruraflex** tariffs will be treated as the day of the week on which it falls.

Date	Day	<b>NIGHTSAVE</b> Urban	<b>MEGAFLEX</b> <b>MINIFLEX</b>
1 January 2005	New Year's day	Sunday	Sunday
21 March 2005	Human Rights Day	Sunday	Saturday
25 March 2005	Good Friday	Sunday	Sunday
28 March 2005	Family Day	Sunday	Sunday
27 April 2005	Freedom Day	Sunday	Saturday
1 May 2005	Workers Day	Sunday	Sunday
2 May 2005	Public Holiday	Sunday	Saturday
16 June 2005	Youth Day	Sunday	Saturday
9 August 2005	National Women's Day	Sunday	Saturday
24 September 2005	Heritage Day	Sunday	Saturday
16 December 2005	Day of Reconciliation	Sunday	Saturday
25 December 2005	Christmas Day	Sunday	Sunday
26 December 2005	Day of Goodwill	Sunday	Sunday
1 January 2006	New Year's day	Sunday	Sunday
2 January 2006	Public Holiday	Sunday	Saturday
21 March 2006	Human Rights Day	Sunday	Saturday

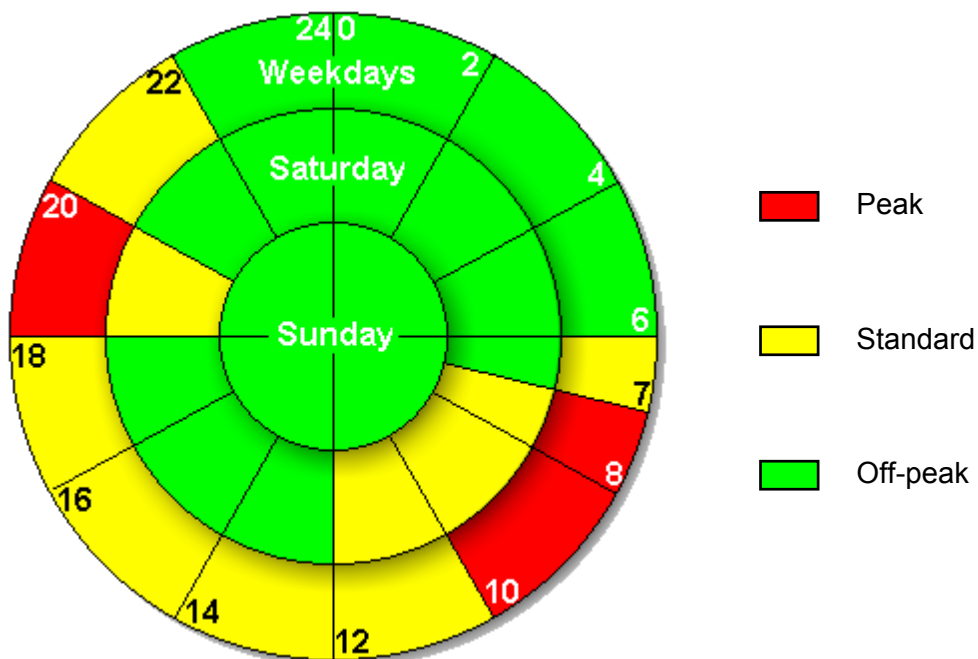


## Appendix C - Eskom's defined time periods

### Nightsave (Urban) & Nightsave (Rural)



### Megaflex, Miniflex & Ruraflex



## Appendix D - TOU conversion surcharge

TOU tariffs (Megaflex, Miniflex and Ruraflex) are suitable for customers who are able to manage their energy consumption according to Eskom's specified time schedule. These tariffs are available once an electricity supply agreement has been concluded with Eskom.

**Existing customers, > 150 kVA, converting to TOU**, where an impact study indicates a financial saving due to the conversion, **will be subject to a conversion surcharge**. The conversion surcharge is calculated as a percentage of the saving arising from the conversion without load shifting taking place. A 90% conversion surcharge will be applicable to all conversions for a period of 12 months after conversion, **regardless of the year of conversion**. The conversion surcharge will reduce by 18 percentage-points after every completed 12 months after conversion to TOU. The conversion surcharge will therefore reduce to 0% after being on a TOU tariff for 5 years.

The reduction of the conversion surcharge is indicated below:

Conversion surcharge	Months after conversion				
	1 – 12	13 – 24	25 – 36	37 – 48	49 – 60
	90%	72%	54%	36%	18%

## Appendix E - Connection fees

The fees listed below are the minimum cash amounts payable. Additional charges based on allocated costs may be raised as per Eskom's Recovery of Capital policy.

**Table 1 – Urban connection fees (including Homepower)**

<b>Capacity</b>	<b>Conventional</b>
≤ 80 A (single-phase)	R964,91 + VAT = <b>R1 100,00</b>
16 kVA (single-phase)	R964,91 + VAT = <b>R1 100,00</b>
25 kVA (40 A per phase)	R3 421,05 + VAT = <b>R3 900,00</b>
50 kVA (80 A per phase)	R3 859,65 + VAT = <b>R4 400,00</b>
70 kVA (100 A per phase)	R4 561,40 + VAT = <b>R5 200,00</b>
100 kVA (150 A per phase)	R4 561,40 + VAT = <b>R5 200,00</b>
200 kVA	R6 403,51 + VAT = <b>R7 300,00</b>
315 kVA	R6 842,11 + VAT = <b>R7 800,00</b>
500 kVA	R11 403,51 + VAT = <b>R13 000,00</b>
1 000 kVA	R22 807,02 + VAT = <b>R26 000,00</b>
> 1 000 kVA	The greater of R22 807,02 + VAT or 5% of allocated costs.

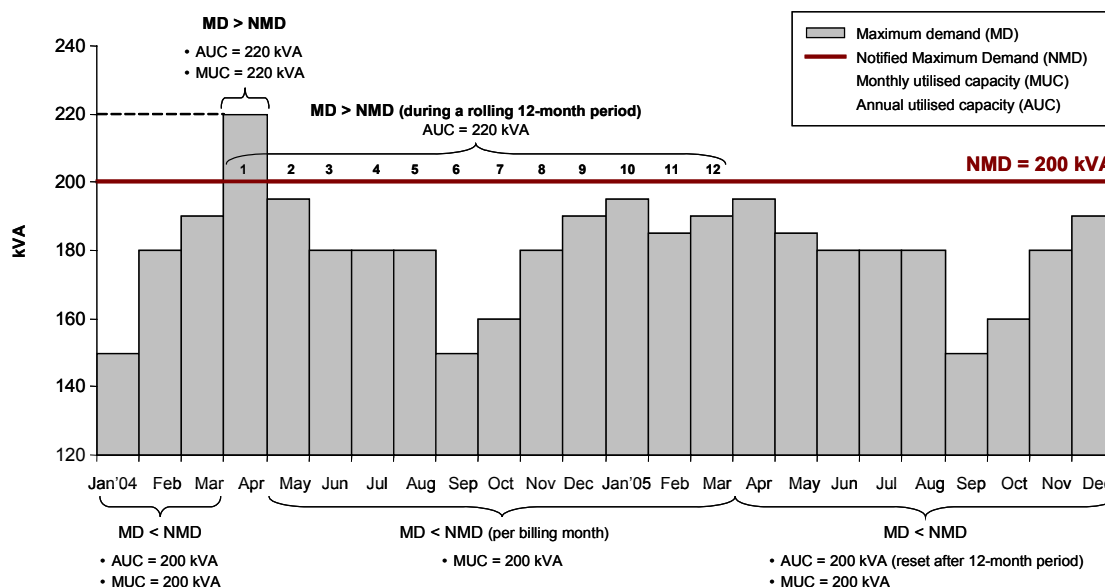
**Table 2 – Rural connection fees**

<b>Capacity</b>	<b>Conventional</b>
5 kVA (single-phase)	R1 666,67 + VAT = <b>R1 900,00</b>
16 kVA (single-phase)	R2 719,30 + VAT = <b>R3 100,00</b>
25 kVA (three-phase)	R4 122,81 + VAT = <b>R4 700,00</b>
32 kVA (dual-phase)	R4 122,81 + VAT = <b>R4 700,00</b>
50 kVA (three-phase)	R5 614,04 + VAT = <b>R6 400<sup>R</sup></b>
64 kVA (dual-phase)	R5 614,04 + VAT = <b>R6 400<sup>R</sup></b>
100 kVA (three-phase)	R6 403,51 + VAT = <b>R7 300,00</b>
100 kVA (dual-phase)	R6 403,51 + VAT = <b>R7 300,00</b>
200 kVA	R9 385,96 + VAT = <b>R10 700,00</b>
315 kVA	R10 000,00 + VAT = <b>R11 400,00</b>
500 kVA	R16 666,67 + VAT = <b>R19 000,00</b>
1 000 kVA	R33 333,33 + VAT = <b>R38 000,00</b>
> 1 000 kVA	The greater of R33 333,33 + VAT or 5% of allocated costs.

*R Rounded to the nearest Rand value.*

## Appendix F - Illustration of monthly and annual utilised capacity

- **Monthly utilised capacity (MUC)** is the higher of the customer's notified maximum demand (NMD) or maximum demand (MD), measured in kVA, registered during the billing month.
- **Annual utilised capacity (AUC)** is the higher of the customer's NMD or MD, measured in kVA, registered during a rolling 12-month period.



Month	MD (kVA)	NMD (kVA)	Comments	MUC (kVA)	AUC (kVA)
January '04	150	200	NMD is higher than MD for billing month and over a 12-month period.	200	200
February	180	200			
March	190	200			
<b>April</b>	<b>220</b>	<b>200</b>	<b>MD is higher than NMD</b>	<b>220</b>	<b>220</b>
May	195	200	NMD is higher than MD for billing month. (MUC is reset.)	200	220
June	180	200			
July	180	200			
August	180	200			
September	150	200			
October	160	200			
November	180	200			
December	190	200			
January '05	195	200			
February	185	200			
March	190	200			
April	195	200			
May	185	200			
June	180	200			
July	180	200			
August	180	200			
September	150	200			
October	160	200			
November	180	200			
December	190	200			

## Appendix G - Eskom's average price adjustment

Eskom's tariffs are adjusted on an annual basis, usually on 1 January. The average tariff adjustments for the last 15 years are indicated in the table below. Some tariffs, due to structural changes, have experienced a higher or lower impact than the average tariff adjustment.

### Eskom's average tariff adjustment for the last 15 years

Year	Average tariff adjustment	CPI
1 January 1991	8,00%	15,57%
1 January 1992	9,00%	13,67%
1 January 1993	8,00%	9,87%
1 January 1994	7,00%	8,82%
1 January 1995	4,00%	8,71%
1 January 1996	4,00%	7,32%
1 January 1997	5,00%	8,62%
1 January 1998	5,00%	6,87%
1 January 1999	4,50%	5,21%
1 January 2000	5,50%	5,37%
1 January 2001	5,20%	5,70%
1 January 2002	6,20%	9,20%
1 January 2003	8,43%	5,80%
1 January 2004	2,50%	(projected) 1,40%
1 January 2005	4,10%	(projected) 4,90%

### Eskom's tariff adjustment as a percentage of CPI – Cumulative graph

