

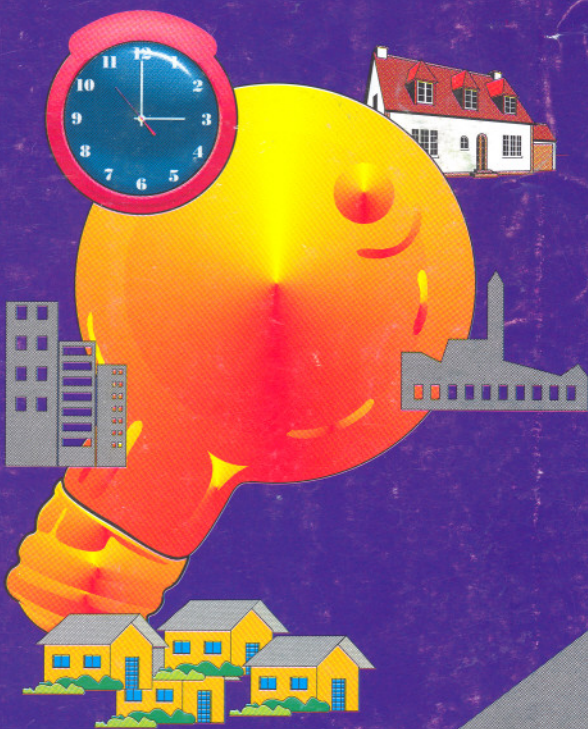


ESKOM

**E**

skom's

PRICES FOR  
PRODUCTS  
AND SERVICES



1996

## THE PRICING COMPACT

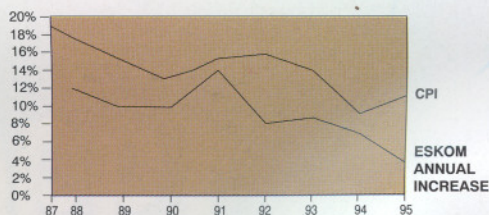
Eskom's tariffs are increased annually. This usually takes place from 1 January each year. The tariff increases differ each year as can be seen from the table below, where the tariff increases for the past ten years have been listed.

Eskom made a compact with customers to reduce the price of

YEAR	TARIFF INCREASE	INFLATION RATE
Jan 1987	12%	8,4 %
Jan 1988	10%	14,42%
Jan 1989	10%	13,3 %
Jan 1990	14%	15,61%
Jan 1991	8%	14,33%
Jan 1992	9%	16,06%
Jan 1993	8%	9,76 %
Jan 1994	7%	9,91 %
Jan 1995	4%	%
Jan 1996	4%	%

electricity in real terms by a total of 20% over the period 1992 - 1996. This means that Eskom's price increases during this period will be 20% less than the rate of inflation. Since making this undertaking in 1991, the inflation rate has dropped sharply, making Eskom's task exceptionally difficult. Eskom is, however, confident in its ability to meet this goal. The price increase of 4% this year proves this to be true. Eskom has now further committed to reduce the price of electricity in real terms by 15% between 1995 and 2000.

ESKOM PRICE INCREASE COMPARED TO CPI  
% INCREASE



Third Edition

## ESKOM ANNOUNCES 4% INCREASE FOR 1996



Chairman for the Electricity Council, Dr John Maree.

“When we proposed the 4% price increase for 1995 at this time last year, we indicated that the 1996 price increase would also be 4%, provided there was no significant changes in inflation. We are pleased to announce that the increase for 1996 will indeed again be only 4%. We have continued to run our business more efficiently and achieve our productivity targets which puts us in the position to fulfill our price increase undertaking.”



Eskom's Chief Executive Mr Allen Morgan.

“Eskom's determination to become the world's lowest-cost producer of electricity is proving significant benefits to the South African economy, reducing upward pressure on inflation and making electricity more affordable to a larger number of people. In addition the price reductions achieved to date and forecast for the future will provide a major boost to the international competitiveness of South African companies.”

# ESKOM'S PRODUCTS AND SERVICES - 1996

This brochure serves to inform you, of Eskom's tariffs and other prices, incorporating the 1996 price increase and other changes effective from 1 January 1996.

It also provides some useful information on how to choose the correct tariff as well as the advisory services available to our customers.

It is intended for use by Eskom customers, customer representative bodies such as the Consumer Council, AMEU, SAAU, SACOB and Eskom staff.

Should you require any further information, please consult your nearest Eskom office:

## BLOEMFONTEIN

• Bloemfontein	(051)	430-2300
• Bethlehem	(058)	303-5133
• Bothaville	(0565)	2118
• Carletonville	(01491)	7-2064
• Delareyville	(053)	948-1228
• Harrismith	(05861)	3-1788
• Kimberley	(0531)	80-5731
• Klerksdorp	(018)	464-6666
• Kroonstad	(0562)	3-2757
• Kuruman	(05373)	2-2151
• Lichtenburg	(01441)	2-6284
• Parys	(0568)	2-341
• Senekal	(05848)	3801
• Upington	(054)	37-1111
• Vryburg	(05391)	7-1116
• Welkom	(057)	392-2962
• Wolmaransstad	(01811)	2-2515

## CAPE TOWN

• Bellville	(021)	915-9111
• Colesberg	(051)	753-0741
• East London	(0431)	39-2111
• George	(0441)	76-2911
• Grabouw	(024)	859-9405
• Grahamstown	(0461)	2-7031
• Malmesburg	(0224)	7-1530
• Oudtshoorn	(0443)	29-1667
• Port Elizabeth	(041)	34-3424
• Vredenburg	(02281)	3-1153
• Worcester	(0231)	2-2394

## KWA ZULU NATAL

• Durban	(031)	360-2111
• Empangeni	(0351)	2-6931
• Ladysmith	(0361)	31-0370
• Margate	(03931)	7-6363
• Newcastle	(03431)	5-1274
• Pietermaritzburg	(0331)	94-7351
• Pinetown	(031)	701-1201















## JOHANNESBURG

• Benoni	(011)	422-3900
• Germiston	(011)	871-3481
• Johannesburg	(011)	711-9111
• Midrand	(011)	315-2060
• Nigel	(011)	814-1212
• Randfontein	(011)	693-5348
• Sandton	(011)	803-5464
• Soweto	(011)	494-4320
• Vanderbijlpark	(016)	81-4030
• Vereeniging	(016)	21-3410

## PRETORIA

• Bethal	(01361)	7-1200
• Brits	(01211)	2-0438
• Groblersdal	(01202)	4039
• Lebowa	(0152)	295-5691
• Lydenburg	(01323)	2314
• Middelburg	(0132)	46-1631
• Nelspruit	(01311)	55-9000
• Phalaborwa	(01524)	8-7331
• Pietersburg	(0152)	291-3204
• Pretoria	(012)	348-4055
• Rustenburg	(0142)	97-2570
• Thabazimbi	(014773)	7-1638
• Warmbaths	(014)	736-2140
• Witbank	(0135)	93-3111

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# HOW YOUR TARIFF IS MADE UP

- **Basic charge:** A fixed monthly charge for each point of supply which is payable whether electricity is consumed or not. This charge increases every year with the annual price increase.
- **Active energy charge:** A charge for each kilowatt hour (kWh) of active energy consumed.
- **Reactive energy charge:** This charge applies only to Megaflex, Miniflex and Ruraflex. It is levied on every kilovar-hour (kVArh) registered in excess of 30% of the kilowatt hours supplied per month. This means that if the customer's installation is operating at a power factor of 0,96 or better, there will be no Reactive energy charge.  
The method of calculating this excess differs between Megaflex, Miniflex and Ruraflex and is described in the respective tariff.
- **Demand charge:** Payable for each kVA or kW of the maximum demand supplied during the month. It is calculated by integrating the measured demand over half hourly or hourly periods.

- **Voltage discount:** Electricity is transmitted at as high a voltage as practical to make transmission efficient. This has to be transformed to a lower voltage before being supplied to a customer. The lower the supply voltage, the more expensive the equipment needed. Thus, the higher the supply voltage, the higher the voltage discount granted. For the time-of-use tariffs this is calculated as a percentage of Demand and Active energy charges.

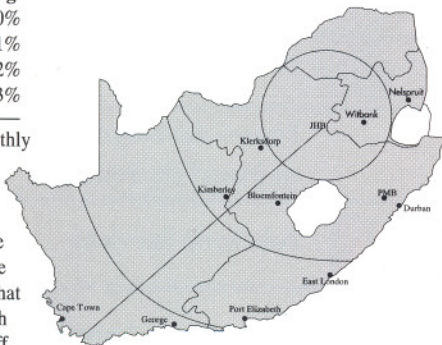
Supply Voltage	Percentage Discount	
> 132kV	7,03%	
≤ 132kV and ≥ 66kV	4,69%	
< 66kV and ≥ 500V	2,34%	
< 500V	0%	

For Standardrate and Nightsave the voltage discounts are reflected in the different demand charges.

- **Transmission percentage surcharge:** For certain tariffs the Demand charge and Energy charge are subject to a transmission surcharge, depending on the distance from Johannesburg.

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

- **Monthly Rental:** The monthly rental is a contribution to the capital cost of network, where the cost of providing supply exceeds the standard cost provided by the tariff. It is a fixed payment that the customer must make each month in addition to the tariff charges. Rentals are calculated using a 17% discount rate, and can be paid over any period up to 25 years. (The capitalisation factor for 25 years is 1,343% per month.)



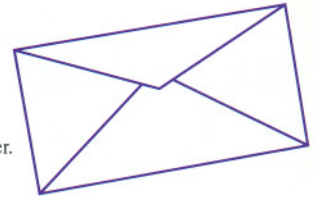
# HOW TO PAY

## POST

You may post your cheque or postal order to the address printed on your electricity bill.

You must enclose the counterfoil at the bottom of the bill with the cheque or postal order.

**Please do not send cash through the post.**



## MAIL TRANSFER

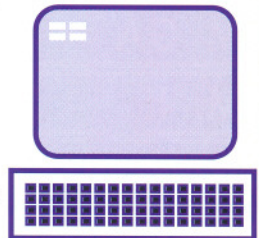
You may also arrange through the postal services for a mail transfer of money or postal order.

## PERSONALLY

Call in at your local Eskom office and pay your account in cash, or by cheque or postal order.

## DIRECT DEBIT

Sign an agreement with Eskom for your electricity bill to be debited directly from your bank account each month. You will receive your bill in the normal manner, and on a set day each month the total (up to a limit set by yourself) will be deducted from your account. Should your electricity bill exceed the limit you have set, the onus is on you to pay the balance using any of the above methods.



## PREPAYMENT

A personal token - a card or a number - can be purchased. This token is used to credit the meter with the purchased electricity and also serves as a receipt. Tokens can be purchased from your nearest Eskom office or in specific areas of supply at your local supermarket, general dealer or at mobile supply points.



## LATE PAYMENTS

Contact your nearest Eskom office to directly deposit your payment into Eskom's bank account

# CHARGES APPLICABLE TO TARIFFS

TARIFF \ CHARGES	ENERGY CHARGE		DEMAND CHARGE	REACTIVE ENERGY	BASIC CHARGE	MONTHLY RENTAL
<b>STANDARD RATE</b>	●		●		●	●
<b>NIGHTSAVE</b>	●		●		●	●
<b>BUSINESS RATE</b>	High	Low			●	●
	●	●				
<b>LAND RATE</b>	●	●			●	●
<b>HOME POWER</b>	●				●	●
<b>HOME LIGHT</b>	●					
TIME-OF-USE	PEAK	STANDARD	OFF-PEAK			
<b>MEGAFLEX</b>	●	●	●	●	●	●
<b>MINIFLEX</b>	●	●	●		●	●
<b>RURAFLEX</b>	●	●	●		●	●

## TREATMENT OF PUBLIC HOLIDAYS

DATE	DAY	NIGHTSAVE metered as a	MEGAFLEX + MINIFLEX metered as a
1 January	New Year's Day	Sunday (off-peak)	Sunday (low demand)
21 March	Human Rights Day	Sunday (off-peak)	Saturday (low demand)
5 April	Good Friday	Sunday (off-peak)	Sunday (high demand)
8 April	Family Day	Sunday (off-peak)	Sunday (high demand)
27 April	Freedom Day	Sunday (off-peak)	Saturday (high demand)
1 May	Worker's Day	Sunday (off-peak)	Saturday (high demand)
16 June	Youth Day	Sunday (off-peak)	Sunday (high demand)
17 June	Public Holiday	Sunday (off-peak)	Saturday (high demand)
9 August	National Women's Day	Sunday (off-peak)	Saturday (high demand)
24 September	Heritage Day	Sunday (off-peak)	Saturday (high demand)
16 December	Day of Reconciliation	Sunday (off-peak) from	Saturday (low demand)
25 December	Christmas Day	22:00 on 15 Dec. 1996	Sunday (low demand)
26 December	Day of Goodwill	to 06:00 on 2 Jan. 1997	Sunday (low demand)

# OTHER PRICING OPTIONS

## CUSTOMISED PRICING AGREEMENTS

Eskom offers competitive electricity prices to large local major industry customers to enable them to take advantage of opportunities to increase local production or improve electricity utilisation. These agreements comprise tailored electricity pricing mechanisms that will allow:

- industry to expand:
- industry to adopt new energy-efficient electrotechnologies:
- discount for those industries with low profitability in their early years of production

## REMOTE AREA POWER SUPPLIES (RAPs)

Remote area power supplies include the following systems: Wind Power, Solar Power, Hydro Power and Hybrid (combination of more than one) systems. These systems are considered by Eskom when grid extension is impractical or uneconomical, even in the medium to long term.

## SELF-GENERATION DISPLACEMENT AGREEMENTS

Special pricing agreements are negotiated with some major customers who have or plan to have their own generation. These deals replace some or all of their generation capacity. Price negotiations for self-generation displacement agreements are based on Eskom's marginal supply cost and the customer's marginal generation cost. These are in the process of being phased out due to Eskom's diminishing surplus capacity.

## PUBLIC LIGHTING

When Eskom provides a supply for, and maintains, any street lighting or similar public lighting, the charges for such supply and service shall be fixed by special agreement between Eskom and the local authority.

The charges for public lighting are as follows:

### CAPITAL CHARGE

1,455% of the capital cost per month for 15 years

### ENERGY CHARGE

#### Dusk to midnight

13,81c/kWh

+ VAT =

15,75c/kWh

#### OR

R2,30/100W/month

+ VAT =

R2,63/100W/month

#### All night

10,99c/kWh

+ VAT =

12,53c/kWh

#### OR

R3,67/100W/month

+ VAT =

R4,18/100W/month

#### 24 hours

12,98c/kWh

+ VAT =

14,80c/kWh

#### OR

R9,47/100W/month

+ VAT =

R10,80/100W/month

### Maintenance charge

R6,25 + VAT = R7,13

Per streetlight per month or actual costs

R145,96 + VAT = R166,40

per high-mast per month or actual costs

### Connection fee

R43,06 + VAT = R50 per pole or high mast

# STANDARD RATE

## Typical Standardrate Customers:

Large customers with:

- a notified maximum demand of at least 25 kW/kVA
- a relatively constant demand pattern

**Basic Charge:** R136,12 + VAT = **R155,18** per month for each point of supply whether electricity is consumed or not.

**Demand Charge:** Per kVA of maximum demand supplied per month. • 30-minute integrating periods are applicable.

### Demand Charge

R30,70 + VAT = **R35,00**

R29,48 + VAT = **R33,61**

R28,28 + VAT = **R32,25**

R27,07 + VAT = **R30,87**

### Supply voltage

< 500V

< 66kV and ≥ 500V

≤ 132 kV and ≥ 66kV

> 132 kV

OR

Per kW of maximum demand supplied per month\*. 60-minute integrating periods are applicable.

### Demand charge

R33,02 + VAT = **R37,65**

R31,77 + VAT = **R36,22**

R30,57 + VAT = **R34,85**

R29,35 + VAT = **R33,47**

### Supply voltage

< 500V

< 66kV and ≥ 500V

≤ 132 kV and ≥ 66kV

> 132kV

Where a kW charge is applicable, the power factor under all loading conditions shall not be less than 0,85 lagging and shall not lead under any circumstances.

**Energy Charge:** 5,66 + VAT = **6,46c/kWh**

**Maximum Charge:** If the total of the demand charge plus the energy charge above, divided by the number of kWh supplied in the month, exceeds 26,15 + VAT = **29,82c/kWh**, then the customer will be charged at a rate of 26,15 + VAT = **29,82c/kWh** of energy supplied in the month.

**Monthly Rental:** When imposed in addition to the standard tariff as above, this is subject to rebate (not beyond extinction) at the following rates:

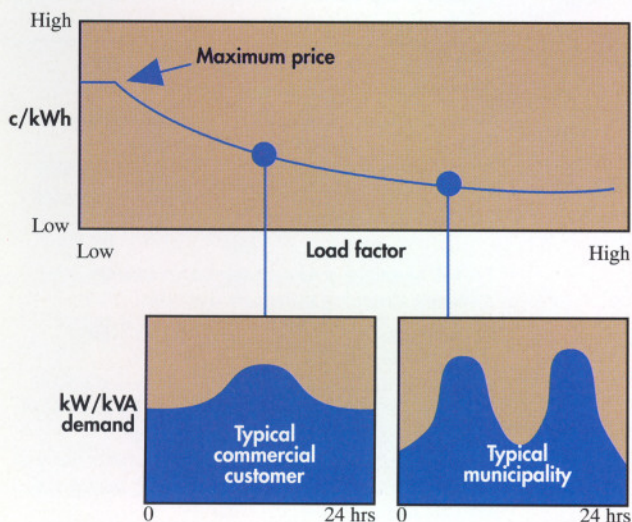
- **R2** per kVA or kW when the energy and demand charge are applicable.
- **1,35c/kWh** when the maximum charge is applicable.

The amounts in the shaded areas are subject to the transmission surcharge (see page 4)

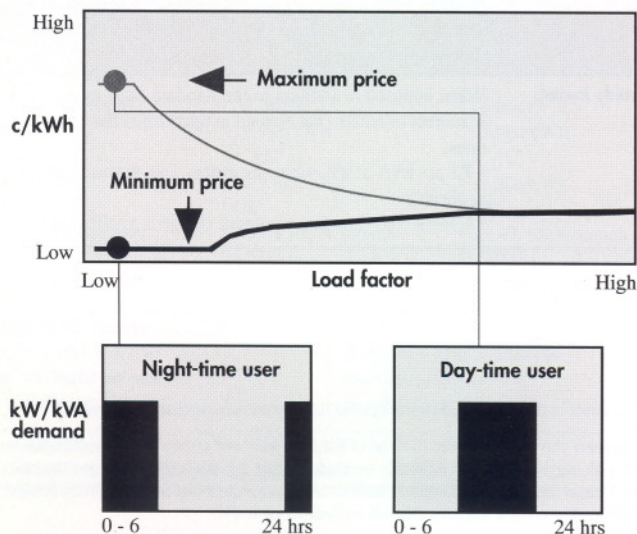
\* Customers previously supplied in terms of Eskom's Rand and Orange Free State Licence 1983, with supply agreements originally concluded before 1 January 1984, can have their maximum demand measured in kilowatts. Unless or until they request that their maximum demand be measured in kilovolt amperes, this will be determined in kW.

## STANDARD RATE

### Average price vs Load factor



## NIGHTSAVE



# NIGHTSAVE

Typical  
Nightsave  
Customers:

- Large customers:
- who can move all or part of their electricity demand to Eskom's off-peak period between 22:00 and 06:00 on weekdays and the entire Saturday and Sunday
  - with a notified maximum demand of 25kW/kVA or more, and
  - who elect to pay for demand measured only during peak periods

**Basic Charge:** R302,54 + VAT = **R344,90** per month per point of supply whether electricity is consumed or not.

**Demand Charge:** Per kVA of maximum demand supplied per month.\*  
30-minute integrating periods are applicable.

**Demand Charge**  
R30,70 + VAT = **R35,00**  
R29,48 + VAT = **R33,61**  
R28,28 + VAT = **R32,25**  
R27,07 + VAT = **R30,87**

**Supply voltage**  
< 500V  
< 66kV and ≥ 500V  
≤ 132 kV and ≥ 66kV  
> 132 kV

OR

Per kW of maximum demand supplied per month\*.  
60-minute integrating periods are applicable.

**Demand charge**  
R33,02 + VAT = **R37,65**  
R31,77 + VAT = **R36,22**  
R30,57 + VAT = **R34,85**  
R29,35 + VAT = **R33,47**

**Supply voltage**  
< 500V  
< 66kV and ≥ 500V  
≤ 132 kV and ≥ 66kV  
> 132kV

No demand charge is applicable during off-peak periods.  
Where a kW charge is applicable, the power factor under all loading conditions shall not be less than 0,85 lagging and shall not lead under any circumstances.

**Energy Charge:** 5,66 + VAT = **6,46c/kWh** consumed in the month.

**Maximum Charge:** If the total of the demand charge plus the energy charge above, divided by the number of kWh supplied in the month, exceeds 26,15 + VAT = **29,82c/kWh**, then the customer will be charged at a rate of 29,15 + VAT = **26,82c/kWh** of energy supplied in the month.

**Monthly Rental:** When imposed in addition to the standard tariff as above, this is subject to rebate (not beyond extinction) at the following rates:

- **R2** per kVA or kW when the energy and demand charge are applicable.
- **1,35c/kWh** when the maximum charge is applicable.

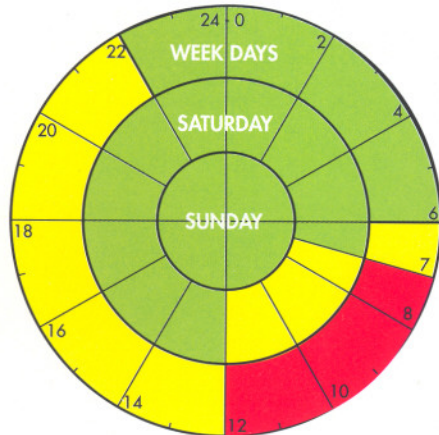
The amounts in the shaded areas are subject to the transmission surcharge (see page 4).

\* Customers previously supplied in terms of Eskom's Rand and Orange Free State Licence 1983, with supply agreements originally concluded before 1 January 1984, can have their maximum demand measured in kilowatts. Unless or until they request that their maximum demand be measured in kilovolt amperes, this will be determined in kW.

## TIME-OF-USE

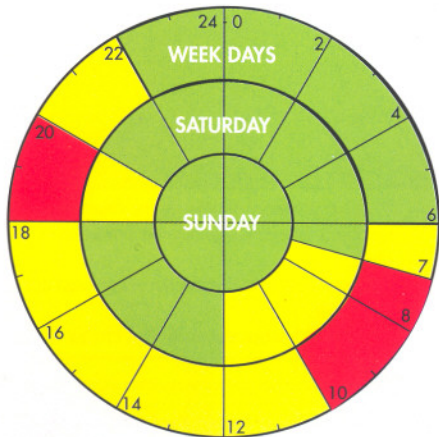
Time-of-use tariffs are appropriate for customers who are able to manage their energy consumption and maximum demand according to Eskom's specified time schedule. These tariffs are available once a satisfactory supply contract has been negotiated with Eskom.

### LOW DEMAND Summer (October - March)



■ PEAK ■ STANDARD ■ OFF-PEAK

### HIGH DEMAND Winter (April - September)



■ PEAK ■ STANDARD ■ OFF-PEAK

# MEGAFLEX

Previously Maxiflex

#### Typical Megaflex Customers:

Supplies of 1MVA and above.  
Not applicable for supplies being fed off rural networks.

#### Basic Charge:

R47,91 + VAT = **R54,62** per month whether electricity is consumed or not.

#### Maximum Demand Charge:

Payable in peak or standard periods on weekdays and Saturdays.  
The integrating period is 30 minutes.  
**High Demand (April - September)**  
R10,21 + VAT = **R11,64/kW**  
**Low Demand (October - March)**  
R9,20 + VAT = **R10,49/kW**  
No demand charge is applicable during the off-peak periods.

#### Active Energy Charges

**High Demand (April - September)**  
Peak 18,44 + VAT = **21,03c/kWh**  
Standard 10,34 + VAT = **11,79c/kWh**  
Off-peak 5,93 + VAT = **6,77c/kWh**  
**Low Demand (October - March)**  
Peak 16,59 + VAT = **18,92c/kWh**  
Standard 9,28 + VAT = **10,59c/kWh**  
Off-peak 5,34 + VAT = **6,09c/kWh**

#### Reactive Energy Charge

**2,14 + VAT = 2,45c/kVArh**  
Supplied in excess of 30% (0,96PF) of kWh recorded during peak and standard periods. The excess reactive energy is determined per 30 min integrating period.

#### Monthly Rental

A non-rebatable charge per month is levied based on the full capital expenditure involved in making the supply available. This would include a share of backbone costs and any extensions to the network.

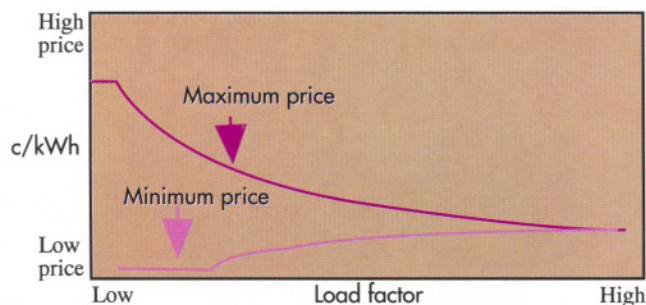
A voltage discount is granted as per (page 4). The transmission surcharge is applicable to the shaded area above, after the voltage discount has been applied.



# MINIFLEX

<b>Typical Miniflex Customers:</b>	Supplies of 100kVA to 5MVA. Not applicable for supplies being fed off rural networks
<b>Basic Charge:</b>	R47,91 + VAT = <b>R54,62</b> per month whether electricity is consumed or not.
<b>Maximum Demand Charge:</b>	Not applicable
<b>Active Energy Charge:</b>	<p><b>High Demand (April - September)</b></p> <p>Peak 28,12 + VAT = <b>32,06c/kWh</b>            Standard 10,34 + VAT = <b>11,79c/kWh</b>            Off-peak 5,93 + VAT = <b>6,77c/kWh</b></p> <p><b>Low Demand (October - March)</b></p> <p>Peak 25,31 + VAT = <b>28,86c/kWh</b>            Standard 9,28 + VAT = <b>10,59c/kWh</b>            Off-peak 5,34 + VAT = <b>6,09c/kWh</b></p>
<b>Reactive Energy Charge:</b>	1,07 + VAT = <b>1,23c/kVAh</b> 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.
<b>Monthly Rental:</b>	A non-rebatable charge per month is levied based on the full capital expenditure involved in making the supply available. This would include a share of backbone costs and any extensions to the network.

## Average price vs Load factor



A voltage discount is granted as per (page 4). The transmission surcharge is applicable to the shaded area above, after the voltage discount has been applied.

# RURAFLEX

<b>Typical Ruraflex Customers:</b>	Available to customers with 3-phase supplies fed off rural networks <ul style="list-style-type: none"> <li>with an installed capacity of up to 5MVA</li> <li>who can shift their load to defined time periods</li> <li>who take supply from 400V up to and including 22kV.</li> </ul>
<b>Basic Charge:</b>	Payable whether electricity is consumed or not. <b>Ruraflex 1:</b> R259,14 + VAT = <b>R295,43</b> per month. Applicable to customers with an installed capacity of up to and including 50kVA. <b>Ruraflex 2:</b> R287,93 + VAT = <b>R328,25</b> per month. Applicable to customers with an installed capacity above 50kVA up to and including 5MVA.
<b>Active Energy Charge:</b>	<p><b>High Demand (April - September)</b></p> <p>Peak 32,67 + VAT = <b>37,25c/kWh</b>            Standard 12,34 + VAT = <b>14,07c/kWh</b>            Off-peak 7,17 + VAT = <b>8,18c/kWh</b></p> <p><b>Low Demand (October - March)</b></p> <p>Peak 29,32 + VAT = <b>33,43c/kWh</b>            Standard 11,07 + VAT = <b>12,62c/kWh</b>            Off-peak 6,43 + VAT = <b>7,34c/kWh</b></p>
<b>Reactive Energy Charge:</b>	1,07 + VAT = <b>1,23c/kVAh</b> 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 periods totals.
<b>Monthly Rental:</b>	The tariff and connection fees cover the cost of the complete installation up to 50kVA (Ruraflex 1) or 100kVA (Ruraflex 2) plus 200m of line.  The share of existing networks and the capital costs in excess of that covered by the tariff is covered by way of an upfront cash payment or monthly rental.

A voltage discount is granted as per (page 4). The transmission surcharge is applicable to the shaded area above, after the voltage discount has been applied.

# BUSINESSRATE

**Typical Businessrate Customers:** Small businesses in urban areas at low voltage. The installed capacity may not exceed 100kVA.

**Basic Charge:** Payable each month for each point of supply whether electricity is consumed or not. The basic charge is graded according to the installed capacity of supply at the following rates:

Businessrate:	Rate per month	Installed capacity (in kVA)
1	R 39,32 + VAT = R 44,83	≤ 25
2	R 63,52 + VAT = R 72,42	> 25 and ≤ 50
3	R108,90 + VAT = R124,15	> 50 and ≤ 100

## Energy Charge

**High rate:** 26,15 + VAT = **29,82c/kWh** for the first 500kWh consumed in the month.

**Low rate:** 15,12 + VAT = **17,24c/kWh** for energy consumed above 500 kWh each month.

**Monthly Rental:** Monthly rentals may be imposed in addition to the standard tariff as above when the costs of providing supply exceed the standard costs covered by the tariff.

# LANDRATE

**Typical Landrate Customers:** Supplies in low density rural areas. The installed capacity may never exceed 100kVA.

**Basic Charge:** Payable each month for each point of supply whether electricity is consumed or not. The basic charge is graded according to the installed capacity of supply at the following rates:

Landrate:	Rate per month	Installed capacity (in kVA)
1	R 66,57 + VAT = <b>R75,90</b>	≤ 25
2	R 90,74 + VAT = <b>R103,45</b>	> 25 and ≤ 50
3	R136,12 + VAT = <b>R155,18</b>	> 50 and ≤ 100

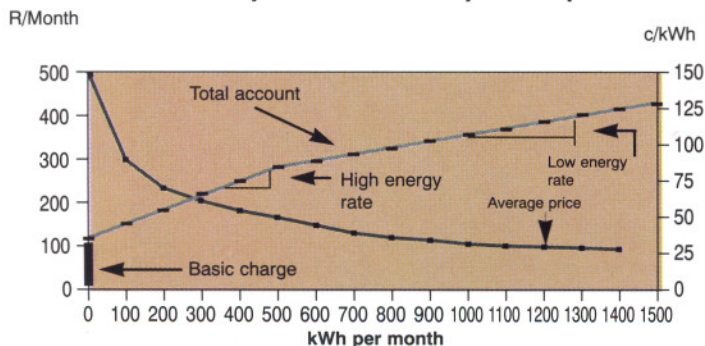
## Energy Charge:

**High Rate** 26,15 + VAT = **29,82c/kWh** for the first 1 000kWh consumed in the month.

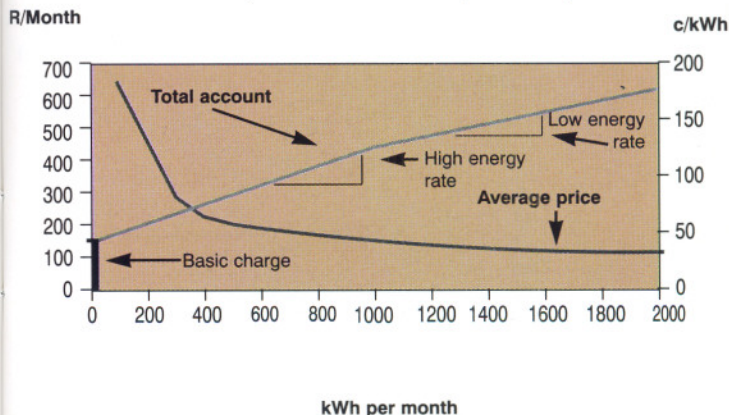
**Low Rate** 15,12 + VAT = **17,24c/kWh** for energy consumed above 1 000 kWh each month.

**Monthly Rental:** The capital costs associated with the supply point - including the transformer, metering equipment and 200m of line are covered by the tariff. A monthly rental may be applied to the standard tariff as above to cover any additional capital expenditure not covered by the tariff.

Total monthly account vs monthly consumption



Total monthly account vs monthly consumption



# HOMEPower

## Electricity tariff for medium-usage residential customers

### Typical Homepower Customers:

Electricity supply to customers within an urban area designated by Eskom for residential usage or:

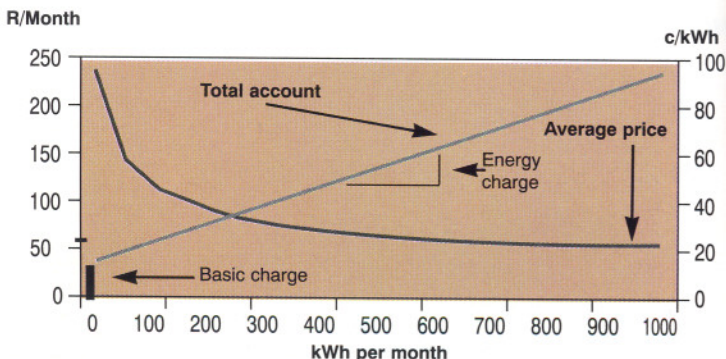
- a unit
- churches
- schools
- halls
- old-age homes or similar premises.

**Basic Charge:** R32,48 + VAT = **R37,03** per month for each point of supply, whether electricity is consumed or not.

**Energy Charge:** 17,65 + VAT = **20,13c/kWh** for energy consumed each month.

**Capital financing** The capital cost of providing the supply, up to a fixed limit, is recovered by the tariff.

## Total monthly account vs monthly consumption



# HOMELIGHT

## Subsidised electricity tariff for low-usage residential customers with restricted capacity

### Typical Homelight Customers:

A single-phase supply of electricity to a customer for residential purposes within an area designated by Eskom for a

- dwelling unit
- church
- school
- hall, or the like premises
- the tariff provides for a subsidy to low-usage customers with restricted capacity
- suitable for customers with an expected consumption of less than 550kWh per month.

**Homelight 1 Customers:** The capital cost of providing the supply, up to a fixed limit, is recovered by the tariff

**Energy Charge:** 23,54 + VAT = **26,84c/kWh**

**Homelight 2 Customers:** The capital cost of the local electricity infrastructure, excluding the service connection costs (service cable/line, electricity dispenser, ready board, etc.) has been paid for in advance by the customer/s or another party.

**Energy Charge:** 20,13 + VAT = **22,95c/kWh**

### Connection fees:

This tariff is offered at a standard supply size of 20A. If higher supply size is required, a higher connection fee will be payable.

## ELECTRIFICATION OF WORKERS' HOUSES

Eskom supports the electrification of workers' houses on the premises of Eskom customers and has the following methods to facilitate this. These methods can be classified under two strategies

**STRATEGY A:** The workers do not become Eskom customers but are supplied by an Eskom customer.

### METHOD 1: INDEPENDENT CUSTOMER EXTENSIONS

An Eskom customer extends an existing supply point or takes a new Eskom supply point for workers' houses without any direct financial assistance from Eskom.

Number of houses: Any number  
 Incentive: None  
 Tariff to workers: Determined by the Eskom customer

### METHOD 2: CUSTOMER EXTENTIONS WITH ESKOM ASSISTANCE

An extension is made by the customer beyond his own point of supply to each workers' house in the same way as in Method 1. However, Eskom will assist financially by offering an electrification incentive with a requirement that the customer complies with certain conditions.

Number of houses: Any number  
 Incentive: R 300 for network  
 R 100 for appliances  
 Tariff to workers: Determined by the Eskom customer

**STRATEGY B:** The workers become direct Eskom customers

### METHOD 3: LIMITED ESKOM HOMELIGHT SUPPLIES

Eskom directly makes supplies available to workers at the standard Homelight tariff. The Eskom contribution is subject to the following criteria:

Number of houses: Between 10 and 50  
 Eskom investment: R 700 for network  
 R 100 for appliances  
 Tariff to workers: Homelight 1

The difference between actual cost and Eskom's contribution is payable by the owner. The owner should also provide first line maintenance.

### METHOD 4: STANDARD ESKOM HOMELIGHT SUPPLIES

Where more than 50 houses are supplied from one point of supply or in close proximity to one another, the normal Homelight electrification guidelines will apply.

Number of houses: More than 50  
 Eskom investment: Up to R2500 per supply  
 Tariff to workers: Homelight 1

## PRICING FOR INTERRUPTIBLE SUPPLIES

Eskom now offers incentives for supplies which are interruptible. These incentives can be offered because of the cost savings incurred by Eskom when these supply interruptions are used as follows:

- To match available supply with demand and hence retain power system stability and integrity.
- To schedule the most economic option, thus interrupting a supply to a customer rather than scheduling more expensive generation.
- To defer long term capital investment by having interruptible capacity available and taking it into consideration when doing system planning.
- Additional revenue can be generated by allowing non-firm marginal sales for customers with interruptible supplies during periods of uncertain surplus capacity.

The following pricing options are available:

	1	2	3	4	5
OPTION	Short term interruptible base sales	Short term curtailable base sales	Short term interruptible marginal sales	Short term emergency base sales	Long term interruptible base sales
Contract period * ≤ 5 years * > 15 years	✓	✓	✓	✓	✓
Notice period * No notice * < 4 hours	✓	✓	✓	✓	✓
Used by Eskom * Tight conditions * Contingencies * Emergencies * Postpone capacity	✓	✓	✓	✓	✓
Price incentive * Pre-event tariff discount * Post event energy rebate	✓	✓	✓	✓	✓

Options 1 and 2 can be structured with or without a notice period, or a combination of both.

The incentives to be negotiated are based on the following:

Option 1: No notice - Maximum of 34 c/kWh less lost revenue

Notice -  $60\% \times$  (avoided costs - lost revenue)

Option 2: No notice -  $60\% \times$  (avoided cost - lost revenue)

Notice -  $40\% \times$  (avoided cost - lost revenue)

Option 3: Cost of unserved energy to the contracted customer

Option 4: Based on profit sharing between Eskom and the customer

Option 5: Determined based on individual study

- Minimum interruptions of 1 hour, 20 times per year.
- Incentives decrease as notice period increases.
- Customer with notice option can be placed on standby in which case an incentive will be paid.
- Customers buying through a request for curtailment will do so at his normal energy rate plus the rebate payable to a no-notice interruptible customer on Standardrate.
- Initially available for supplies above 50 MW.

Any such option will be subject to suitable arrangements being made in respect of systems and the signing of an agreement between the involved parties.

## FUTURE DEVELOPMENTS IN ELECTRICITY PRICING

### RESIDENTIAL DEMAND SIDE MANAGEMENT (RDSM)

The electrification drive has resulted in a large number of additional customers which will increase significantly in the future. The impact of these new residential customers has already influenced the national demand profile. Eskom will have to start planning for the additional demand for electricity. There are a number of options in this regard, one of which is to build new power stations. Options like this mean one thing, the price of electricity will have to increase to accommodate the cost of providing the extra capacity. Because of this, Eskom has embarked on the development of a RDSM programme. The sub-programmes under investigation are as follows:

- Residential time-of-use tariffs (Homeflex)
- Water heating load management
- Appliance labeling
- Thermal efficiency
- Efficient lighting
- Efficient behaviour
- Managing with limited circuit breaker capacity.

Residential time-of-use tariffs are currently under investigation on a national basis and both Eskom and municipal customers are involved in this study. It is envisaged that these tariffs will be most successfully used in conjunction with the other RDSM programmes.

By implementing these programmes on a large scale to all residential customers in South Africa, these customers can help Eskom delay investment in additional capital plant and thereby keep the price of electricity as low as possible.

### NON ESKOM GENERATION DIRECTIVE

This directive will position Eskom to respond to the impending competitive generation environment in the South African electricity supply industry, through setting out how, when and for what purpose Eskom will interact with non-Eskom generators.

### REAL TIME PRICING

A dynamic pricing mechanism is being developed where the price paid by customers will vary on an hourly basis. Customers would have the opportunity to exploit low prices (when the system has excess generation) but would also receive high prices when problems occur on the network. Real Time Pricing will provide Eskom's most cost reflective price signal with the aim of improving the system load profile and thereby improving Eskom's costs to the benefit of its customers.

# ADVISORY SERVICES

Eskom provides a number of advisory services to a large spectrum of customers ranging from manufacturing to residential customers. These services form part of a series of brands which endeavour to meet different customer needs. Eskom has trained advisors specialising in various customer categories. The advisors can be contacted at your nearest Eskom office (please refer to page 2). The advisory service is free of charge except in the case where a particular detailed study is undertaken on request by an industrial, commercial or agricultural customer.

## **ELEKTROWISE** FREE ADVISORY SERVICE

ElektroWise provides residential customers with free advice that will make their lives a little easier. This includes information on the safe and economic use of electricity. Further information is provided regarding available appliances so that customers can instantly experience the benefits of electricity. ElektroWise customers include rural and urban residential customers of all income groups. Examples of products developed for this market include basic appliance packages (e.g. hot plates, kettles and irons) at cost and bucket hot water systems.

For further information, phone 0 800 131 300 toll free or your nearest Eskom office.

## **ELEKTROSERVE** PROFESSIONAL ADVICE FOR COMMERCIAL SERVICES

ElektroServe provides professional advice on energy use to commercial customers. This may include analysis and assessment studies to determine where wastage of energy is taking place, or introducing the customer to electrically powered technology that can improve profitability and customer satisfaction. ElektroServe customers include owners and decision-makers of commercial concerns who use electricity in providing a service to customers. Technologies include hot water systems and medical waste disposal systems.

For further information, phone 0 800 037 333 toll free or your nearest Eskom office.

## **AGRELEK** AN ADVISORY SERVICE FOR AGRICULTURE

Agrelek renders an advisory service to agriculture and has as its main objective the increase of electricity sales within the agricultural market. Agrelek advisors introduce farmers to new electro-technologies that will help them to farm more cost-effectively. New technologies are investigated in the field of food processing, irrigation and drying. Agrelek customers include established commercial farmers and small and medium scale farmers.

For further information, phone 0 800 037 333 toll free or your nearest Eskom office.

## **INDUSTRELEK** AN ADVISORY SERVICE FOR INDUSTRY

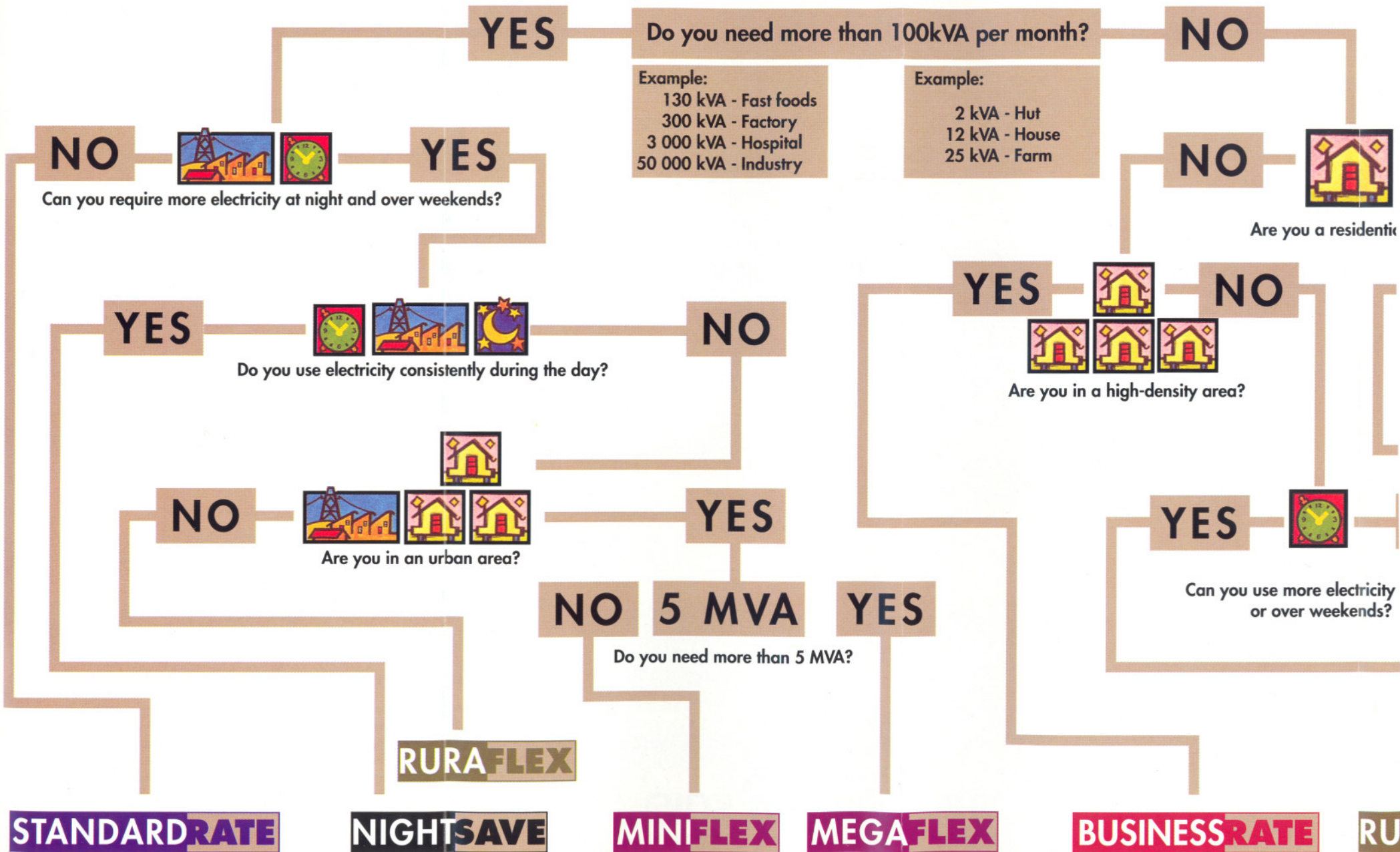
Industrelek provides industrial customers with solutions to their energy problems. This includes advice on the wider and wiser use of electricity, optimisation of production processes, information on new electrical technologies and cost-effective tariffs. Advice is available on the following sectors: chemicals (e.g. process drying), the non-metallic sector (e.g. waste management applications), paper and pulp sector (e.g. infra-red heating) and the textile sector (e.g. fabric drying).

For further information, phone 0 800 037 333 toll free or your nearest Eskom office.

# STANDARD CHARGES

TYPE OF TRANSACTION	HOMELIGHT 1 20A	HOMELIGHT 1 60A	HOMELIGHT 2 20A	HOMELIGHT 2 60A	HOMEPOWER 60A	BUSINESS- RATE	LANDRATE	LANDRATE Dx	STANDARDRATE & NIGHTSAVE	MEGAFLEX	MINIFLEX	RURAFLEX
<b>CONNECTION FEES FOR NEW POINTS OF SUPPLY</b>												
SINGLE PHASE	(R43,86) R50*	(R263,16) R300*	(R43,86) R50*	(R263,16) R300*(**)	(R263,16)R300* (**)	(R482,46) R550**	(R614,04) R700**	(R614,04) R700**				
THREE PHASE				CONVENTIONAL	(R964,91) R1100*	(R964,91) R1100**	(R1228,07) R1400**			(R3596,49) R4100**	(R1798,25)R2100**	(R1798,25)R2100**
				PREPAYMENT	(R1315,79) R1500							
* ADD FOR SINGLE PHASE SUPPLIES (R219,30) R250 AND FOR THREE PHASE SUPPLIES (R350,88) R400 TO ABOVE FEE IF THE SUPPLY IS CONVENTIONALLY METERED AND ESKOM SUPPLIES THE METER BOX												
<b>CONVERSION FEES FOR EXISTING POINTS OF SUPPLY</b>												
<b>UP OR DOWN GRADES IN SUPPLY SIZE</b>												
CHANGE OF SUPPLY FROM 20A TO 60A		(R263,16) R300		(R263,16) R300	(R263,16) R300							
CHANGE OF SUPPLY FROM 60A TO 20A	R50 CREDIT		R50 CREDIT									
CHANGE OF BREAKER (WITHOUT CHANGE IN BASIC CHARGE)					ACTUAL COSTS ABOVE 60A	(R92,11) R105	(R92,11) R105					
CHANGE OF CIRCUIT BREAKER (WITH CHANGE IN BASIC CHARGE)						(R92,11) R105**	(R614,04) R700					
OR CHANGE OF TRANSFORMER					ACTUAL COSTS	(R92,11) R105	(R614,04) R700		ACTUAL COSTS	(R3596,49)R4100**	(R1798,25)R2100**	(R1798,25)R2100**
<b>CHANGE OF PHASE</b>												
SINGLE TO THREE PHASE					(R1315,79)R1500**	(R1315,79)R1500**	(R614,04) R700**					
THREE TO SINGLE PHASE					(R92,11) R105**	(R92,11) R105**	(R614,04) R700**					
<b>SHIFT IN POINT OF SUPPLY</b>												
OVERHEAD IN URBAN AREAS	(R43,86) R50	(R43,86) R50	(R43,86) R50	(R43,86) R50	(R43,86) R50	ACTUAL COSTS			ACTUAL COSTS	ACTUAL COSTS	ACTUAL COSTS	ACTUAL COSTS
UNDERGROUND OR IN RURAL AREAS	ACTUAL COSTS	ACTUAL COSTS	ACTUAL COSTS	ACTUAL COSTS	ACTUAL COSTS	ACTUAL COSTS	ACTUAL COSTS	ACTUAL COSTS	ACTUAL COSTS	ACTUAL COSTS	ACTUAL COSTS	ACTUAL COSTS
<b>CHANGE IN METER TYPE - THIS FEE IS PAYABLE OVER AND ABOVE CHANGE IN SUPPLY SIZE FEE, IF THE CHANGE IN METER TYPE COINCIDES WITH A CHANGE IN SUPPLY SIZE.</b>												
CONVENTIONAL	(R526,32) R600	(R526,32) R600	(R526,32) R600	((R526,32) R600	(R526,32) R600	(R526,32) R600	(R526,32) R600					
CONVENTIONAL					(R1315,79)R1500	(R1315,79)R1500	(R1315,79)R1500					
NON TIME OF USE												
SEE TARIFF CHANGE FEE												
<b>TARIFF CHANGE FEE - IF THE TARIFF CHANGE COINCIDES WITH A METER CHANGE OR CHANGE OF SUPPLY SIZE, THEN THE METER CHANGE FEE OR THE CHANGE IN SUPPLY SIZE FEE ONLY IS THE MINIMUM FEE PAYABLE</b>												
<b>THIS IS A GUIDELINE OF THE CHARGES - WHERE THERE ARE NEGOTIATIONS OR ADDITIONAL COSTS INVOLVED THESE CHARGES MAY BE DIFFERENT</b>												
HOMELIGHT 1 - 20A		(R263,16) R 300			(R263,16) R 300	SEE CONNECTION FEE						
HOMELIGHT 1 - 60A	R50 CREDIT				(R43,86) R 50	SEE CONNECTION FEE						
HOME LIGHT 2 - 20A				(R263,16) R 300		SEE CONNECTION FEE						
HOMELIGHT 2 - 60A			R50 CREDIT			SEE CONNECTION FEE						
HOMEPOWER	(R43,86) R 50	(R43,86) R 50								(R3596,49)R4100**	(R1798,25)R2100**	
BUSINESSRATE	(R43,86) R 50	(R263,16) R 300			(R43,86) R 50**					(R3596,49)R4100**	(R1798,25)R2100**	
LANDRATE												(R1798,25)R2100**
STANDARDRATE AND NIGHTSAVE												
RURAFLEX						SEE CONNECTION FEE	(R1228,07)R1400**			(R3596,49)R4100**	(R1798,25)R2100**	
<b>SERVICE CHARGES</b>												
<b>TRANSFER FEES - PAYABLE BY A NEW CUSTOMER WHEN OWNERSHIP OF A CONVENTIONALLY METERED SUPPLY CHANGES HANDS</b>												
URBAN (HIGH DENSITY) AREAS	(R30,70) R 35	(R30,70) R 35	(R30,70) R 35	(R30,70) R 35	(R30,70) R 35	(R30,70) R 35			(R30,70) R 35	(R30,70) R 35	(R30,70) R 35	
RURAL (LOW DENSITY) AREAS							(R92,11) R 105	(R92,11) R 105	(R92,11) R 105	(R92,11) R 105		(R92,11) R 105
<b>CALL OUT FEE - PAYABLE WHEN ESKOM IS CALLED OUT DUE TO A SUPPLY INTERRUPTION, AND THE FAULT IS FOUND TO BE ON THE CUSTOMER'S INSTALLATION</b>												
URBAN (HIGH DENSITY) AREAS	(R43,86) R 50	(R43,86) R 50	(R43,86) R 50	(R43,86) R 50	(R43,86) R 50	(R43,86) R 50			(R43,86) R 50	(R43,86) R 50	(R43,86) R 50	
RURAL (LOW DENSITY) AREAS							(R92,11) R 105	(R92,11) R 105	(R92,11) R 105	(R92,11) R 105		(R92,11) R 105
<b>SPECIAL METER READING FEE - PAYABLE WHEN A SPECIAL METER READING IS DONE AT THE CUSTOMER'S REQUEST</b>												
SPECIAL METER READING FEE	(R92,11) R 105	(R92,11) R 105	(R92,11) R 105	(R92,11) R 105	(R92,11) R 105	(R92,11) R 105	(R92,11) R 105		(R92,11) R 105	(R92,11) R 105	(R92,11) R 105	(R92,11) R 105
<b>METER TEST FEE - PAYABLE WHEN A METER TEST IS REQUESTED BY THE CUSTOMER. IF A FAULT IS FOUND WITH METER, THE FEE IS REFUNDED.</b>												
SINGLE PHASE METER	(R105,26) R 120	(R105,26) R 120	(R105,26) R 120	(R105,26) R 120	(R105,26) R 120	(R105,26) R 120	(R105,26) R 120					
THREE PHASE METER					(R140,35) R 160	(R140,35) R 160	(R140,35) R 160					
PROGRAMMABLE METER	(R166,67) R 190	(R166,67) R 190	(R166,67) R 190	(R166,67) R 190	(R166,67) R 190	(R166,67) R 190	(R166,67) R 190					
METERING INSTALLATION									ACTUAL COSTS	ACTUAL COSTS	ACTUAL COSTS	ACTUAL COSTS
<b>REMEDIAL ACTION CHARGES</b>												
<b>RECONNECTION IN THE EVENT OF A CUT-OFF DUE TO NON PAYMENT</b>												
URBAN ( HIGH DENSITY) AREAS	(R92,11) R 105	(R92,11) R 105	(R92,11) R 105	(R92,11) R 105	(R92,11) R 105	(R92,11) R 105			(R92,11) R 105	(R92,11) R 105	(R92,11) R 105	
RURAL (LOW DENSITY) AREAS							(R184,21) R 210	(R184,21) R 210	(R184,21) R 210	(R184,21) R 210		(R184,21) R 210
WHERE SUPPLY IS RECONNECTED ILLEGALLY	(R657,89) R750											
AS ABOVE, BUT WHERE SERVICE CONNECTION HAS PREVIOUSLY BEEN REMOVED BY ESKOM	(R1096,46) R1250											
ILLEGAL CONNECTION	(R657,89) R750											
REPEAT OF ILLEGAL CONNECTION	PROSECUTION											
** THE FEE GIVEN IS THE MINIMUM AMOUNT PAYABLE. IF ACTUAL COSTS ARE HIGHER THAN THE FEE GIVEN, THEN ACTUAL COSTS ARE PAYABLE. THE DIFFERENCE BETWEEN ACTUAL COSTS AND THE FEE GIVEN MAY IN SOME CASES BE CONVERTED TO A MONTHLY RENTAL.												

# ESKOM: GENERAL TARIFF GUIDELINE





# GENERAL TARIFF GUIDELINE

Do you need more than 100kVA per month?

Example:  
 130 kVA - Fast foods  
 300 kVA - Factory  
 3 000 kVA - Hospital  
 50 000 kVA - Industry

Example:  
 2 kVA - Hut  
 12 kVA - House  
 25 kVA - Farm

NO

NO

YES



Are you a residential user?

YES

NO

NO

YES



Are you in a high-density area?



Are you in a high-density area?

How many kWh do you use each month?

No more than 400 kWh  
**HOMELIGHT**

Between 400 and 2 000 kWh  
**HOMEPOWER**

NO

YES

5 MVA

YES

YES



NO

Can you use more electricity at night or over weekends?

Do you need more than 5 MVA?

**MINIFLEX**

**MEGAFLEX**

**BUSINESSRATE**

**RURAFLEX**

**LANDRATE**