

S.B. WHITE





**By the year 2000,  
we confidently  
expect to be  
at an all time low.**

By the turn of the century, Eskom aims to produce the world's lowest cost electricity. To demonstrate our commitment we have entered into two agreements with our customers whereby we have pledged to reduce the real price of electricity by 20% between 1992 and 1996 and by a further 15% by the year 2000. The actual reduction between 1992 and 1996 was 16.8%; we are on track with the 15% reduction by 1999. This is good news for our country. We believe low cost electricity will stimulate the economy, strengthen the international competitive position of South African industry and serve as an

incentive for investment. To this end we've helped establish Investor Resource Centres to promote South Africa's investment opportunities, and to assist investors to evaluate their projects. Not only do we want to produce the lowest cost electricity in the world, but we continuously strive to drive costs down and improve the efficiencies of our business. Keeping our prices low to stimulate economic growth is just one of the ways we're making the most of our energies.



**ESKOM**

<http://www.eskom.co.za>

**MAKING THE MOST OF OUR ENERGIES**

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# Price announcement

The average price of electricity supplied by Eskom will rise by 4,5% on 1 January 1999. This has been announced by the Chairman of the Electricity Council, Reuel Khoza.

"By most current estimates, inflation will be at an average of about 6,8% during 1999. This means that the adjustment to Eskom's electricity price will be 2,3 percentage points below the consumer price index. It also means that we will be able to achieve our RDP compact, in which we promised to reduce the real price of electricity by 15% between 1994 and 2000. In terms of its license requirements, Eskom had submitted its proposed price adjustment to the National Electricity Regulator for approval.

The regulator had studied Eskom's proposal and agreed the increase was necessary in order to maintain Eskom's financial health in the long term. The regulator had requested, however, that Eskom give attention to the introduction of a poverty tariff to assist customers who were unable to pay for reasons of poverty."



**Chairman of the Electricity Council, Reuel Khoza**

"Eskom supports the introduction of measures to bring socio-economic relief to the people of South Africa. Recent census results show that many South Africans are living in extreme poverty, struggling to afford the basic necessities of life, but in the electricity distribution industry in particular, thorough research should be done into how such relief could best be provided.

As in many developing countries, electricity is a vital engine for growth, development and prosperity. Through the Reconstruction and Development programme, government has emphasised the need for access to basic services, electricity being one of them, due to socio-economic benefits that derive from its usage. Although the price of electricity in South Africa compares favourably with other countries, the issue of affordability is still a major problem to the indigent. Eskom's opinion is that the poverty tariff is a huge social undertaking, which has significant implications for Eskom, government and the industry and should only be implemented when all stakeholders had been consulted and the financial consequences understood. The introduction of such measures should also be consistent with government policies and initiatives."



**Allen Morgan Eskom's Chief Executive**

# Pricing Compact

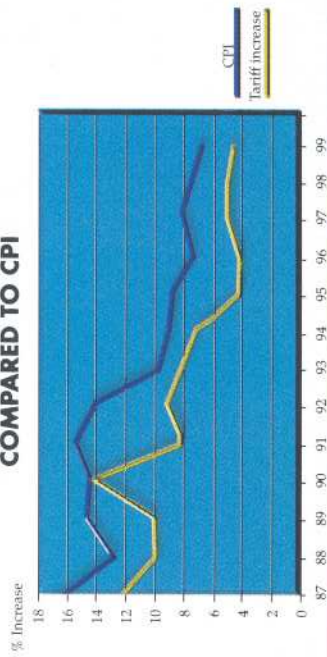
Eskom's tariffs are increased on an annual basis, usually 1 January. The average tariff increases for the last 12 years are indicated in the table below. Note that some tariffs, due to structural changes, have experienced higher or lower increases than the average tariff increase.

YEAR	TARIFF INCREASE	INFLATION RATE
Jan 1988	10,00%	12,80%
Jan 1989	10,00%	14,70%
Jan 1990	14,00%	14,40%
Jan 1991	8,00%	15,30%
Jan 1992	9,00%	14,00%
Jan 1993	8,00%	9,70%
Jan 1994	7,00%	9,00%
Jan 1995	4,00%	8,70%
Jan 1996	4,00%	7,35%
Jan 1997	5,00%	8,60%
Jan 1998	5,00%	(projected) 7,50%
Jan 1999	4,50%	(projected) 6,80%

In 1991, Eskom made a compact to reduce the real price of electricity by 20% for the period 1992 to 1996. In 1994, a second RDP compact was made in which the company committed itself to a 15% reduction in the real price of electricity for the period 1995 to 2000.

Eskom's announced price increase for 1999 is on average 4,5%, which is again below the anticipated inflation rate of 6,80%. Inflation figures have had a sharp decline since 1994, thus putting some constraints on Eskom's ability to meet the compact. Notwithstanding the current economic turmoil, Eskom will meet its compact.

**ESKOM TARIFF INCREASE COMPARED TO CPI**



# Large customer tariff components

The following charges are applicable to large customer tariffs:

## Connection fee

The connection fee is payable upfront in cash for the connection of a new supply point and is a contribution towards the cost of providing the supply.

## Basic charge

A fixed monthly charge for each point of delivery which is payable whether electricity is consumed or not. This charge increases every year with the annual price increase.

## Demand charge

Payable for each kilovolt ampere (kVA) or kilowatt (kW) of the maximum demand supplied during the month. It is calculated by integrating the measured demand over half-hourly periods for kVA measured supplies or hourly periods for kW measured supplies.

## 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 excess kilovarhour (kvarh) registered. 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 with the respective tariff.

## Voltage discount

Electricity is transmitted at as high a voltage as practical to make transmission efficient. At times it has to be transformed to a lower voltage before being supplied to a customer. The higher the supply voltage, the higher the voltage discount granted. This is calculated as a percentage of demand (where applicable) and active energy charges.

## Transmission percentage surcharge

The demand charge (where applicable), active energy charges and reactive energy charge (where applicable) are subject to a transmission surcharge (after the voltage discount has been granted), depending on the distance from Johannesburg.

## Monthly rental

The monthly rental is a contribution to the capital cost of providing a supply and is payable each month in addition to the tariff charges. Monthly rentals are calculated using an 18% (1999) discount rate, and can be paid over any period of up to 25 years.

(The capitalisation factor for 25 years is 1,411% per month.)

The customer has an option of making a cash payment instead of the monthly payments.

The monthly rental is rebated (not beyond extinction) as described in the respective tariffs.

**Getting the world's best to shed light on how you can improve your business**

It's a fact. The SA power market is becoming more competitive. And, to ensure your future success, you must become more competitive too! UtiliMark's Benchmarking Services make certain that no matter how tough the competition - you are able to hold your own. We evaluate your services, methods and strategies and compare them to those of the world's 'best practices' which will help your business run more effectively, increase your profits and ensure your continued success.

**UTILIMARK**

To arrange a meeting or for more information, please contact Ken Campbell on

**082 651 4203**



# STANDARD RATE

## Non-rural reticulation network supplies

### Typical

#### Standardrate

#### customers:

Customers with:

- a notified maximum demand of at least 25 kW/kVA;
- a relatively constant demand pattern;
- a supply not taken from rural reticulation networks.

#### Connection fee:

The greater of R2 412,28 (VAT excl.) or 5% of actual project cost (VAT excl.) payable per point of delivery.

#### Basic charge:

R157,50 + VAT = **R179,55** per month for each point of delivery whether electricity is consumed or not.

#### Monthly rental:

- When imposed in addition to the standard tariff as above, this is subject to a rebate (not beyond extinction) at the following rates:
- R2,00 per kVA or kW of chargeable demand when the energy and demand charges are applicable.
- 1,35c/kWh of active energy consumption when the maximum charge is applicable.

#### Footnote

\* 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.

\*\* From April 1998 Eskom introduced charges for excess demand, at the same rate as above. Excess demand will be calculated as follows:  $\text{Excess demand} = \text{Actual demand in kVA} \times 0,85 - \text{Actual demand in kW}$ .

#### Demand charge:

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

R36,25 + VAT = **R41,33**

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

R40,58 + VAT = **R46,26**

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.

#### Active energy charge:

6,54c + VAT = **7,46c/kWh** consumed in the month.

#### Maximum charge:

If the total of the demand charge plus the active energy charge above, divided by the number of kWh supplied in the month, exceeds 30,26c + VAT = **34,50c/kWh**, then the customer will be charged at a rate of 30,26c + VAT = **34,50c/kWh** of energy supplied in the month.

#### Voltage discount:

This is calculated as a percentage of demand and active energy charges.

#### Supply voltage

- < 500 V
- ≥ 500 V and < 66 kV
- ≥ 66 kV and ≤ 132 kV
- > 132 kV

#### Percentage discount

- 0,00%
- 3,30%
- 6,55%
- 10,75%

#### Transmission percentage surcharge:

The demand charge and reactive energy charge are subject to a transmission surcharge, after the voltage discount has been granted depending on the distance from Johannesburg.

#### Distance from Johannesburg

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



# STANDARD RATE

## Rural reticulation network supplies

### Typical

#### Standardrate

#### customers:

- Customers with:
- a notified maximum demand of at least 25 kW/kVA;
  - a relatively constant demand pattern;
  - a supply voltage of  $\leq 22$  kV fed off a rural reticulation network.

#### Connection fee:

The greater of R2 412,28 (VAT excl.) or 5% of actual project cost (VAT excl.) payable per point of delivery.

#### Basic charge:

R157,50 + VAT = **R179,55** per month for each point of delivery whether electricity is consumed or not.

#### Monthly rental:

- When imposed in addition to the standard tariff as above, this is subject to a rebate (not beyond extinction) at the following rates:
- R2,00 per kVA or kW of chargeable demand when the energy and demand charges are applicable.
- 1,35c / kWh of active energy consumption when the maximum charge is applicable.

#### Footnote:

\* 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.

\*\* From April 1998 Eskom introduced charges for excess demand, at the same rate as above. Excess demand will be calculated as follows: Excess demand = Actual demand in kVA  $\times$  0,85 - Actual demand in kW.

#### Demand charge:

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

R38,34 + VAT = **R43,71**

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

R42,92 + VAT = **R48,93**

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.

#### Active energy charge:

6,93c + VAT = **7,90c/kWh** consumed in the month.

#### Maximum charge:

If the total of the demand charge plus the active energy charge above, divided by the number of kWh supplied in the month, exceed 32,01c + VAT = **36,49c/kWh**, then the customer will be charged at a rate of 32,01c + VAT = **36,49c/kWh** of energy supplied in the month.

#### Voltage discount:

This is calculated as a percentage of demand and active energy charges.

#### Supply voltage

< 500 V  
 $\geq 500$  V and  $\leq 22$  kV

#### Percentage discount

0,00%  
 3,30%

#### Transmission percentage surcharge:

The demand charge and active energy charge are subject to a transmission surcharge, after the voltage discount has been granted, depending on the distance from Johannesburg.

#### Distance from Johannesburg

$\leq 300$  km 0%  
 $> 300$  km and  $\leq 600$  km 1%  
 $> 600$  km and  $\leq 900$  km 2%  
 $> 900$  km 3%



# NIGHTSAVE

## Non-rural reticulation network supplies

### Typical Nightsave customers:

- Customers:
- with a notified maximum demand of at least 25 kW/kVA; and
  - who elect to pay for demand measured only during peak periods;
  - 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, Sunday and public holidays;
  - with a supply not taken from rural reticulation networks.

### Connection fee:

The greater of R2 412,28 (VAT excl.) or 5% of actual project cost (VAT excl.) payable per point of delivery.

### Basic charge:

R350,05 + VAT = **R399,06** per month per point of delivery whether electricity is consumed or not.

### Monthly rental:

- When imposed in addition to the standard tariff as above, this is subject to a rebate (not beyond extinction) at the following rates:
- R2,00 per kVA or kW of chargeable demand when the energy and demand charges are applicable.
  - 1,35c/kWh of active energy consumption when the maximum charge is applicable.

### Footnote:

\* 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.

\*\* From April 1998 Eskom introduced charges for excess demand, at the same rate as above. Excess demand will be calculated as follows: Excess demand = Actual demand in kVA x 0,85 - Actual demand in kW.

### Demand charge:

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

R36,25 + VAT = **R41,33**

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

R40,58 + VAT = **R46,26**

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.

### Active energy charge:

6,54c + VAT = **7,46c/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 30,26c + VAT = **34,50c/kWh**, then the customer will be charged at a rate of 30,26c + VAT = **34,50c/kWh** of energy supplied in the month.

### Voltage discount:

This is calculated as a percentage of demand and active energy charges.

### Supply voltage

- < 500 V
- ≥ 500 V and < 66 kV
- ≥ 66 kV and ≤ 132 kV
- > 132 kV

### Percentage discount

- 0,00%
- 3,30%
- 6,55%
- 10,75%

### Transmission percentage surcharge:

The demand charge and active energy charge are subject to a transmission surcharge after the voltage discount has been granted, depending on the distance from Johannesburg.

### Distance from Johannesburg

- ≤ 300 km
- > 300 km and ≤ 600 km
- > 600 km and ≤ 900 km
- > 900 km

- 0%
- 1%
- 2%
- 3%





# NIGHTSAVE

## Rural reticulation network supplies

### Typical

### Nightsave customers:

- Customers:
- with a notified maximum demand of at least 25 kW/kVA; and
  - who elect to pay for demand measured only during peak periods;
  - 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, Sunday and public holidays;
  - with a supply of  $\leq 22$  kV fed off a rural reticulation network.

### Connection fee:

The greater of R2 412,28 (VAT excl.) or 5% of actual project cost (VAT excl.) payable per point of delivery.

### Basic charge:

R350,05 + VAT = **R399,06** per month per point of delivery whether electricity is consumed or not.

### Monthly rental:

- When imposed in addition to the standard tariff as above, this is subject to a rebate (not beyond extinction) at the following rates:
- R2,00 per kVA or kW of chargeable demand when the energy and demand charges are applicable.
  - 1,35c/kWh of active energy consumption when the maximum charge is applicable.

### Footnote:

\* 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.

\*\* From April 1998 Eskom introduced charges for excess demand, at the same rate as above. Excess demand will be calculated as follows:  $\text{Excess demand} = \text{Actual demand} - \text{Actual demand} \times 0,85$  - Actual demand in kW.

### Demand charge:

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

R38,34 + VAT = **R43,71**

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

R42,92 + VAT = **R48,93**

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.

### Active energy charge:

6,93c + VAT = **7,90c/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 32,01c + VAT = **36,49c/kWh**, then the customer will be charged at a rate of 32,01c + VAT = **36,49c/kWh** of energy supplied in the month.

### Voltage discount:

This is calculated as a percentage of demand and active energy charges.

Supply voltage	Percentage discount
< 500 V	0,00%
$\geq 500$ V and $\leq 22$ kV	3,30%

### Transmission percentage surcharge:

The demand charge and active energy charge are subject to a transmission surcharge, after the voltage discount has been granted, depending on the distance from Johannesburg.

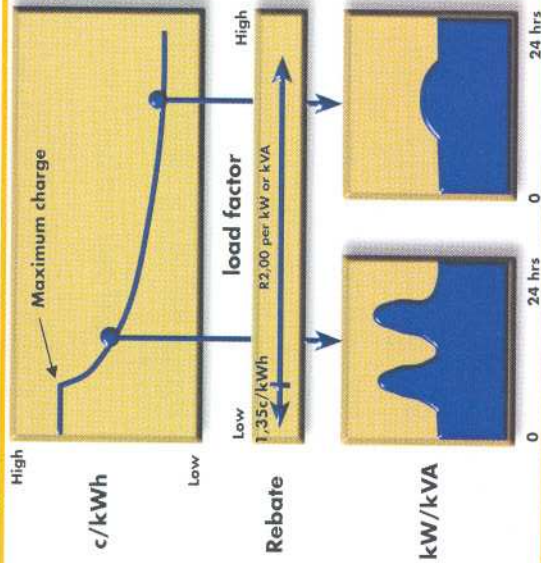
### Distance from Johannesburg

$\leq 300$ km	0%
> 300 km and $\leq 600$ km	1%
> 600 km and $\leq 900$ km	2%
> 900 km	3%



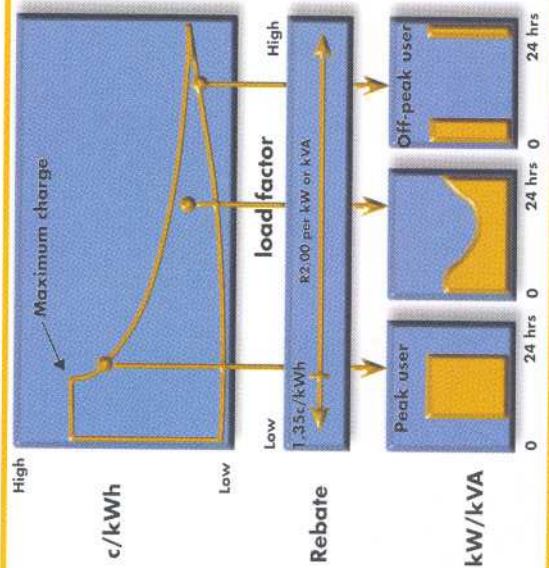
# STANDARD RATE

Average price versus load factor

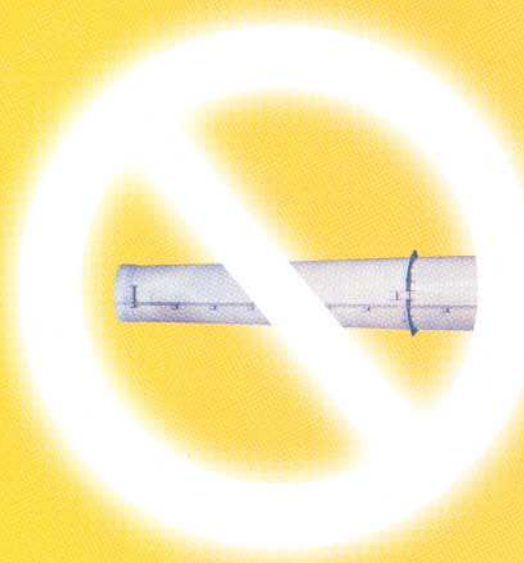


# NIGHT SAVE

Average price versus load factor



**We feel much better since we started cutting down.**



Through a combination of research and development, Eskom has managed to reduce its smoke stack particulate emissions by 70% over the past ten years. Continuous gaseous emission monitors mean that monthly air quality reports can be delivered to the Chief Air Pollution Control Officer of the Department of Environmental Affairs & Tourism, as well as to Eskom Senior Management. On average, such emissions are consistently and significantly below statutory requirements. Research continues on alternative generation and operational

technologies to further reduce emissions in the long-term. Contributing to a more healthy environment is just one of the ways in which we're making the most of our energies. For more information, or a copy of Eskom's annual Environmental Report, call the Eskom Environmental Helpline on (011) 800 4727, fax (011) 800 2938

or e-mail: [envhelp@isp.eskom.co.za](mailto:envhelp@isp.eskom.co.za)



<http://www.eskom.co.za>

**MAKING THE MOST OF OUR ENERGIES**

# MEGA FLEX

## Typical Megaflex customers:

- Customers:
- with supplies of 1 MVA and above;
  - who can shift their load to defined time periods;
  - who are not being fed off rural reticulation networks.

## Connection fee:

The greater of R2 412,28 (VAT excl.) or 5% of actual project cost (VAT excl.) payable per point of delivery.

## Basic charge:

R55,44 + VAT = **R63,20** per month per point of delivery whether electricity is consumed or not.

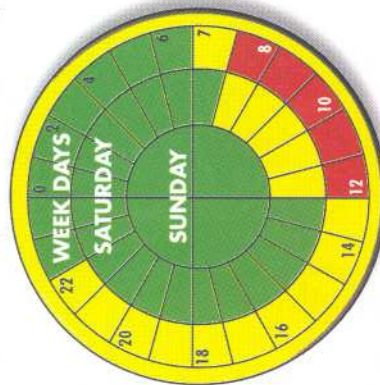
## Monthly rental:

When imposed in addition to the standard tariff as above, this is subject to a rebate (not beyond extinction) at R2,00 per kW of chargeable maximum demand.

## DEFINED TIME OF USE PERIODS

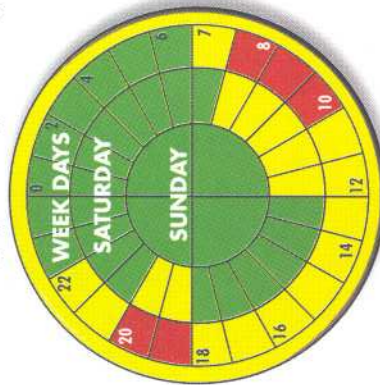
### LOW DEMAND

Summer (October - March)



### HIGH DEMAND

Winter (April - September)



## Maximum demand charge:

Payable in peak or standard periods on weekdays and Saturdays.

The integrating period is 30 minutes.

**High demand** (April - September)

R 11,59 + VAT = **R13,21/kW**

**Low demand** (October - March)

R 10,45 + VAT = **R11,91/kW**

No demand charge is applicable during the off-peak periods.

## Active energy charge:

**High demand** (April - September)

Peak 20,92c + VAT = **23,85c/kWh**

Standard 11,74c + VAT = **13,38c/kWh**

Off-peak 6,73c + VAT = **7,67c/kWh**

**Low demand** (October - March)

Peak 18,83c + VAT = **21,47c/kWh**

Standard 10,53c + VAT = **12,00c/kWh**

Off-peak 6,06c + VAT = **6,91c/kWh**

This is calculated as a percentage of demand and active energy charges.

## Supply voltage

- < 500 V
- ≥ 500 V and < 66 kV
- ≥ 66 kV and ≤ 132 kV
- > 132 kV

## Percentage discount

- 0,00%
- 3,30%
- 6,55%
- 10,75%

## Reactive energy charge:

2,42c + VAT = **2,76c/kvarh**

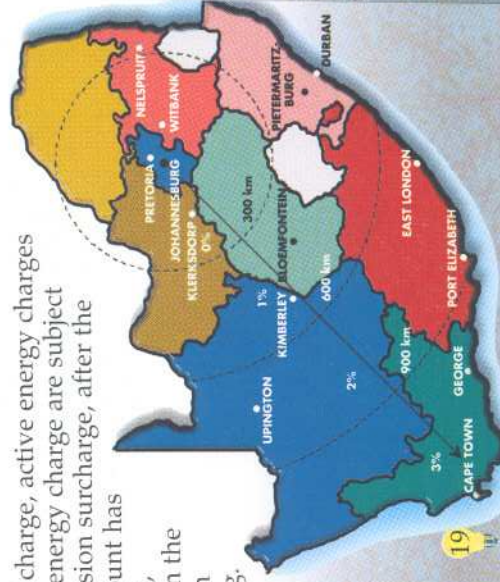
Supplied in excess of 30% (0,96PF) of kWh recorded during peak and standard periods. The excess reactive energy is determined per 30-minute integrating period and accumulated for the month.

## Transmission percentage surcharge:

The demand charge, active energy charges and reactive energy charge are subject to a transmission surcharge, after the voltage discount has been granted, depending on the distance from Johannesburg.

## Distance from Johannesburg

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



# MINIFLEX

## Typical Miniflex customers:

- Customers :
- with supplies of 100 kVA to 5 MVA;
  - who can shift their load to defined time periods;
  - who are not being fed off rural reticulation networks.

## Connection fee:

The greater of R2 412,28 (VAT excl.) or 5% of actual project cost (VAT excl.) payable per point of delivery.

## Basic charge:

R 55,44 + VAT = **R63,20** per month per point of delivery whether electricity is consumed or not.

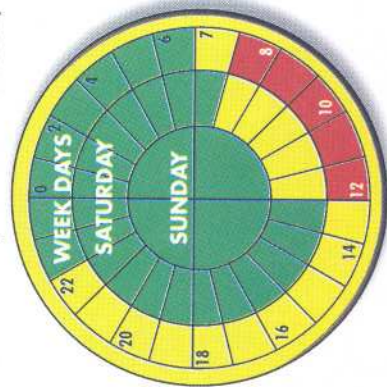
## Monthly rental:

When imposed in addition to the standard tariff as above, this is subject to a rebate (not beyond extinction) at 1,81c/kWh of all active energy consumed during peak periods.

## DEFINED TIME OF USE PERIODS

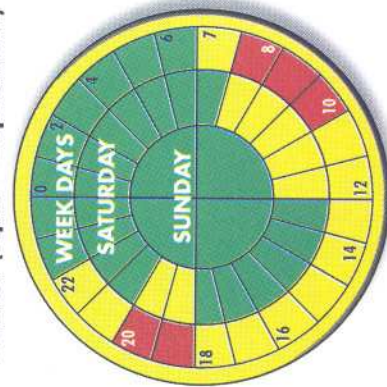
### LOW DEMAND

Summer (October - March)



### HIGH DEMAND

Winter (April - September)



PEAK

STANDARD

OFF-PEAK

## Maximum demand charge:

Not applicable.

## Active energy charge:

### High demand (April - September)

Peak 31,91c + VAT = **36,38c/kWh**  
 Standard 11,74c + VAT = **13,38c/kWh**  
 Off-peak 6,73c + VAT = **7,67c/kWh**

### Low demand (October - March)

Peak 28,73c + VAT = **32,75c/kWh**  
 Standard 10,53c + VAT = **12,00c/kWh**  
 Off-peak 6,06c + VAT = **6,91c/kWh**

## Voltage discount:

This is calculated as a percentage of the active energy charges.

## Supply voltage Percentage discount

< 500 V	0,00%
≥ 500 V and < 66 kV	3,30%
≥ 66 kV and ≤ 132 kV	6,55%
> 132 kV	10,75%

## Reactive energy charge:

1,21c + VAT = **1,38c/kvarh**

Supplied in excess of 30% (0,96PF) of the kWh recorded during the entire billing period.

The excess reactive energy is determined using the billing period totals.

## Transmission percentage surcharge:

The active and reactive energy charges are subject to a transmission surcharge, after the voltage discount has been granted, depending on the distance from Johannesburg.

## Distance from Johannesburg

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



# RURAFLEX

## Typical Ruraflex customers:

- with 3-phase supplies fed off rural reticulation networks;
- who can shift their load to defined time periods;
- who take supply from 400 V up to and including 22 kV.

## Connection fee:

The greater of R2 412,28 (VAT excl.) or 5% of actual project cost (VAT excl.) payable per point of delivery.

## Basic charge:

Payable per point of delivery whether electricity is consumed or not.

### Ruraflex 1:

R299,84 + VAT = **R341,82** per month.

Applicable to customers with an installed capacity of up to and including 50 kVA.

### Ruraflex 2:

R333,16 + VAT = **R379,80** per month.

Applicable to customers with an installed capacity above 50 kVA.

## Monthly rental:

The tariff rebate covers the cost of the transformer up to 50 kVA (Ruraflex 1) or 100 kVA (Ruraflex 2) plus 200 m of line. When imposed in addition to the standard tariff as above, this is subject to a rebate (not beyond extinction) at 1,81c/kWh of all active energy consumed during peak periods.

## Active energy charge:

### High demand (April – September)

Peak 37,08c + VAT = **42,27c/kWh**  
 Standard 14,00c + VAT = **15,96c/kWh**  
 Off-peak 8,14c + VAT = **9,28c/kWh**

### Low demand (October – March)

Peak 33,28c + VAT = **37,94c/kWh**  
 Standard 12,56c + VAT = **14,32c/kWh**  
 Off-peak 7,29c + VAT = **8,31c/kWh**

## Voltage discount:

This is calculated as a percentage of the active energy charges.

## Supply voltage

< 500 V  
 ≥ 500 V and ≤ 22 kV

## Percentage discount

0,00%  
 3,30%

## Reactive energy charge:

1,21c + VAT = **1,38c/kvarh**

Supplied in excess of 30% (0,96PF) of the kWh recorded during the entire billing period.

The excess reactive energy is determined using the billing period totals.

## Transmission percentage surcharge:

The active and reactive energy charges are subject to a transmission surcharge, after the voltage discount has been granted, depending on the distance from Johannesburg.

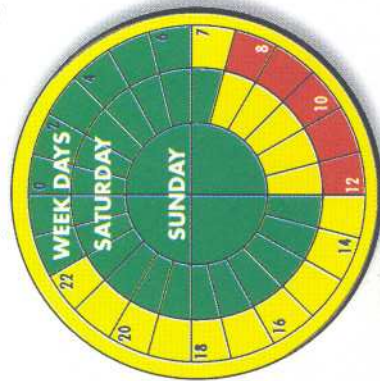
## Distance from Johannesburg

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

## DEFINED TIME OF USE PERIODS

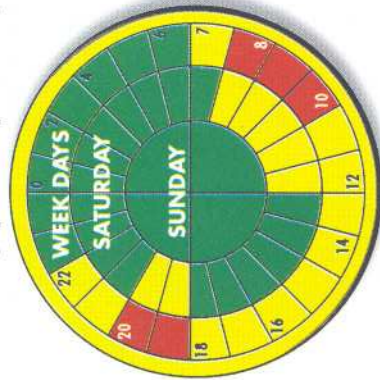
### LOW DEMAND

Summer (October - March)



### HIGH DEMAND

Winter (April - September)



# Time-of-use conversion

Time-of-use (TOU) 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.

Existing customers converting to TOU, where an impact study indicated a financial saving due to the conversion, will be subject to a conversion surcharge. The percentage payable in year of conversion as indicated in the accompanying table will be reduced every 12 months by 18% until the conversion surcharge is fully phased out.

YEAR OF CONVERSION	
1999	2000
36%	18%
MONTHS AFTER CONVERSION	
1 - 12	13 - 24
18%	18%

## TREATMENT OF PUBLIC HOLIDAYS

Public holidays are treated differently throughout the year. The table below indicates the treatment of public holidays for 1999.

DATE	DAY	NIGHTSAVE	MEGA-FLEX	MINI-FLEX
1 January	New Year's Day	Sunday (Off-peak)	Sunday (Low demand)	Sunday (Low demand)
21 March	Human Rights Day	Sunday (Off-peak)	Sunday (Low demand)	Sunday (Low demand)
22 March	Public holiday	Sunday (Off-peak)	Saturday (Low demand)	Saturday (Low demand)
2 April	Good Friday	Sunday (Off-peak)	Sunday (High demand)	Sunday (High demand)
5 April	Family Day	Sunday (Off-peak)	Sunday (High demand)	Sunday (High demand)
27 April	Freedom Day	Sunday (Off-peak)	Saturday (High demand)	Saturday (High demand)
1 May	Workers' Day	Sunday (Off-peak)	Saturday (High demand)	Saturday (High demand)
16 June	Youth Day	Sunday (Off-peak)	Saturday (High demand)	Saturday (High demand)
9 August	National Women's Day	Sunday (Off-peak)	Saturday (High demand)	Saturday (High demand)
24 September	Heritage Day	Sunday (Off-peak)	Saturday (High demand)	Saturday (High demand)
16 December	Day of Reconciliation	Sunday (Off-peak) from 22:00 on 15 Dec 1999	Saturday (Low demand)	Saturday (Low demand)
25 December	Christmas Day	until 06:00 on 3 Jan	Sunday (Low demand)	Sunday (Low demand)
26 December	Day of Goodwill	2000	Sunday (Low demand)	Sunday (Low demand)
27 December	Public holiday		Saturday (Low demand)	Saturday (Low demand)

# Large customer special pricing options

## NON-ESKOM GENERATION

A special pricing policy has been developed for customers who have their own generation which is used to supply all or part of their electricity requirements. Unique aspects of this type of supply arrangement, which are covered by the policy, are as follows:

- The supply of energy to the customer to supplement his own generation
- The provision of standby capacity to the customer to back-up his generation
- The provision of standby energy to the customer when his generation fails
- The purchase of any surplus energy, by Eskom, which the customer may be generating from time to time

## MOBILE TRANSFORMER

The mobile transformer (MT) is a product aimed at parties that require a supply for a short period of time and entities that frequently move around (e.g. diggers) and require a supply point at different locations. The MT is intended for "run-of-line" applications, i.e. where the MT can be tapped from existing Eskom lines without having to build additional lines. Please contact Agrelek or Industrelek 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. Premium power is a power quality product which 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.



# Pricing for interruptible supplies

**E**skom offers incentives for supplies which are interruptible. These incentives can be offered because of the cost savings to 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 supply option, thus interrupting 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
- To generate additional revenue by allowing non-firm marginal sales for customers with interruptible supplies during periods of uncertain surplus capacity

## THE FOLLOWING PRICING OPTIONS ARE AVAILABLE

OPTION	1	2	3	4	5
	Short-term interruptible base sales	Short term curtailable base sales	Short term interruptible marginal sales	Short term emergency base sales	Long term interruptible base & marginal 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	✓	✓		✓	✓

### Footnote:

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

## The maximum incentive to be negotiated is based on the following:

Option 1	No notice Notice	Maximum of 80% x avoided cost 60% x avoided cost
Option 2	No notice Notice	60% x avoided cost 40% x avoided cost
Option 3		Based on profit sharing between Eskom and the customer
Option 4		Cost of unserved energy to the contracted customer
Option 5		Based on individual study

Eskom's avoided cost is revised annually and is 57,20 c/kWh in 1999.

## The conditions of the interruptible agreements

- Minimum interruptions of 1 hour, 20 times per year.
- 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 the rate payable to a no-notice interruptible customer.

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.



# Small Customer tariff components

The following charges are applicable to small customer tariffs:

## Deposit

A deposit is required for all supplies that have signed agreements and is normally equivalent to three consecutive months' electricity bill. This bill is based on the basic charge, energy charge and monthly rental (if applicable). A deposit is not applicable to Homelight or Businessrate 4 prepayment supplies.

## Connection fee

The connection fee is payable upfront in cash for the connection of a new supply point and is a contribution towards the cost of providing the supply.

## Basic charge

A fixed charge that is payable each month for each point of delivery, whether electricity is consumed or not. This charge increases every year with the annual price increase and is a contribution towards Eskom's fixed costs, such as capital, meter reading, billing, maintenance, etc.

## Energy charge

A charge linked to each kilowatt-hour (kWh) or unit of energy consumed. This charge increases every year with the annual price increase.

## Monthly rental

All small customer tariffs have a certain amount of capital included in the tariff. The monthly rental is a monthly contribution to the capital cost not recovered through the tariff, and is payable in addition to the tariff charges. Monthly rentals are calculated using an 18% (1999) discount rate, and can be repaid over any period up to a maximum of 25 years. (The capitalisation factor for 25 years is 1,411% per month). The customer has an option of making a cash payment instead of the monthly payments. No monthly rentals are allowed for single energy rate tariffs (Homelight, Businessrate 4 and Landrate Dx).

To give you individual service, we had to put ourselves in your shoes.



At Eskom we have four distinct services with a single purpose - to ensure your specific electricity needs are met promptly and professionally. Agrelek gives assistance and advice to farmers on the implementation of effective electrical solutions on their farms. ElektroServe offers the business and public sectors advice on the most efficient use of electric energy. Industrelek targets industrialists, giving customers advice on their total energy requirements, the optimisation of

production processes and new electrical technologies that will increase productivity, product quality and profitability. Our ElektroWise service caters for the residential market, providing advice and education on the safe and economic use of electricity in the home. So whatever your needs, you are guaranteed a tailor-made solution to help you make the most of your energies. For more information on Eskom and its services, visit <http://www.eskom.co.za>.

**AGRELEK**  
ESKOM AN ADVISORY SERVICE FOR AGRICULTURE

**ELEKTROSERVE**  
ESKOM PROFESSIONAL ADVICE FOR COMMERCIAL SERVICES

**INDUSTRELEK**  
ESKOM AN ADVISORY SERVICE FOR INDUSTRY

**ELEKTROWISE**  
ESKOM ELECTRICITY ADVICE FOR THE HOME



# LANDRATE

## Electricity tariff for farmers and rural businesses

The Landrate range of tariffs are applicable to supplies in low density rural areas. Typical customers are farmers, rural businesses and rural telecommunication systems. Landrate is usually supplied from 11 or 22 kV overhead networks at nominal voltage lower than 500 V. No supplies greater than 100 kVA may be supplied on Landrate.

### Landrate 1, 2, 3:

Suitable for supplies where consistently more than 1 000 kWh per month is being used. The basic charge is payable each month for each point of delivery and is graded according to the notified maximum demand of the supply.

### Landrate 4:

Suitable for supplies where consistently less than 1 000 kWh per month is being used. The notified maximum demand may not exceed 25 kVA. Landrate 4 is typically for domestic or small supplies on farms. The basic charge is payable for each point of delivery.

### Landrate Dx:

This tariff is applicable to very low usage single-phase supplies where the notified maximum demand may not exceed 16 kVA and the supply capacity is limited to 10 A. Typically suited for small telecommunication installations, where the electricity usage is low enough not to warrant metering. A fixed charge is payable each month for each point of delivery.

### Deposit:

Normally equivalent to 3 consecutive months' electricity bill.

### Connection fees:

Single-phase supply: R877,19 + VAT = **R1 000,00**\*\*  
(Conventional or prepayment meter)  
Three-phase supply: R1 754,39 + VAT = **R2 000,00**\*\*  
(Conventional meter)  
Three-phase supply: R2 105,26 + VAT = **R2 400,00**\*\*  
(Prepayment meter)

\*\* The fees listed are the minimum cash amounts payable. Additional charges based on actual costs may be raised as per current policy.

### Capital costs:

In order for Eskom to recover additional capital costs not covered by the tariff, that are incurred in providing the supply, a monthly rental and/or cash payment may be applied in addition to the above standard tariffs.

For Landrate supplies the cost of 200 m of single-phase line or 135 m of three-phase line, plus the transformer and metering equipment is covered by the tariff.

Where Eskom does the construction of a line, the cost per km of line built is as follows:

Three-phase line: R60 000

Single-phase line: R40 000

SWER line: R25 000

This option can only be offered to customers where a SWER infrastructure is available.

The above cost may be converted into a monthly rental.

### Landrate 4:

Where low consumption is expected, the rebate will be reduced accordingly.

### Landrate Dx:

Any additional capital expenditure not covered by the tariff is to be paid as cash upfront, and no monthly rentals are allowed.

### Charges applicable:

	NOTIFIED MAXIMUM DEMAND CATEGORY	BASIC CHARGE PER MONTH	ENERGY RATE PER MONTH	FIXED CHARGE PER MONTH
<b>Landrate 1</b>	≤ 25 kVA	R114,81 + VAT = R130,88	First 700 kWh @ 30,13c + VAT = 34,35c/kWh > 700 kWh @ 17,42c + VAT = 19,86c/kWh	N/A
<b>Landrate 2</b>	> 25 kVA and ≤ 50 kVA	R142,66 + VAT = R162,63	First 700 kWh @ 30,13c + VAT = 34,35c/kWh > 700 kWh @ 17,42c + VAT 19,86c/kWh	N/A
<b>Landrate 3</b>	> 50 kVA and ≤ 100 kVA	R194,94 + VAT = R222,23	First 700 kWh @ 30,13c + VAT = 34,35c/kWh > 700 kWh @ 17,42c + VAT = 19,86c/kWh	N/A
<b>Landrate 4</b>	≤ 25 kVA	R76,70 + VAT = R87,44	30,13c + VAT = 34,35c/kWh	N/A
<b>Landrate Dx</b>	16 kVA single-phase	N/A	N/A	R221,13 + VAT = R252,09

# BUSINESS RATE

## Electricity tariff for small businesses in urban areas

The Businessrate range of tariffs are applicable to supplies with a maximum demand of 100 kVA or less in areas designated by Eskom as urban or high-density. Typical customers are small businesses, but the tariff can also be applied to governmental or non-governmental supplies.

**Businessrate 1,2,3:** Suitable for supplies where more than 500 kWh per month is used. The basic charge is payable each month for each point of delivery and is graded according to the notified maximum demand of the supply.

**Businessrate 4:** Suitable for supplies where consistently less than 500 kWh per month is being used. The notified maximum demand of the tariff may not exceed 25 kVA. Businessrate 4 is typically suited for small businesses with low-usage. (There is no basic charge on Businessrate 4.)

**Deposit:** Normally equivalent to 3 consecutive months' electricity bill.

**Connection fees :**  
 Single-phase supply : R877,19 + VAT = **R1 000,00\*\***  
 (Conventional or prepayment meter)  
 Three-phase supply : R1 403,51 + VAT = **R1 600,00 \*\***  
 (Conventional meter)  
 Three-phase supply : R1 754,39 + VAT = **R2 000,00 \*\***  
 (Prepayment meter)

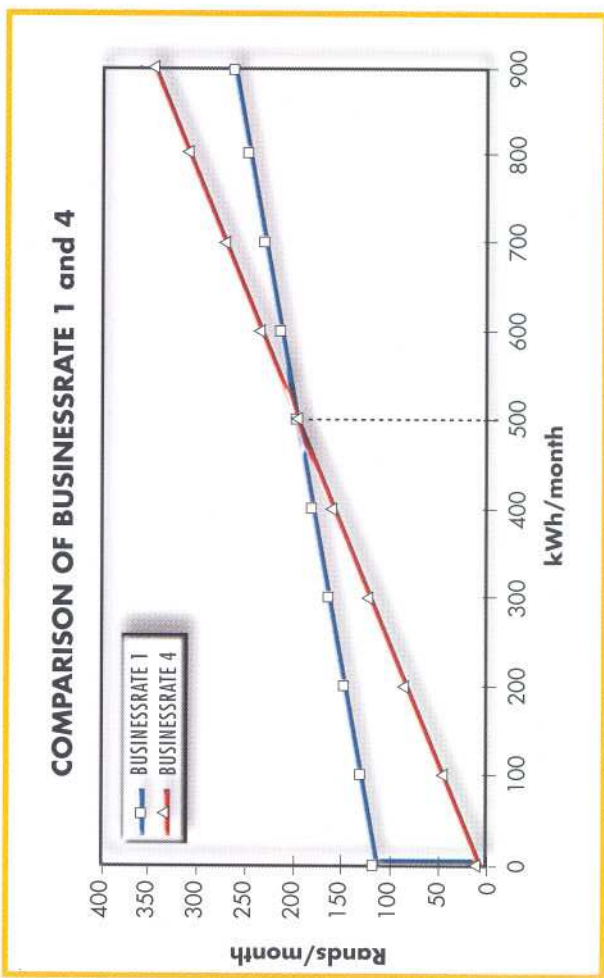
\*\*The fees listed are the minimum cash amounts payable. Additional charges based on actual costs may be raised as per current policy.

**Capital cost:** In order for Eskom to recover additional capital costs not covered by the tariff, that are incurred in providing the supply, a monthly rental and/or cash payment may be applied in addition to the above standard tariffs. No monthly rentals will be allowed for Businessrate 4.

### Charges applicable:

Businessrate	NOTIFIED MAXIMUM DEMAND CATEGORY	BASIC CHARGE PER MONTH	ENERGY RATE PER MONTH
Businessrate 1	≤ 25 kVA	R108,84 + VAT = R124,08	17,42c + VAT = 19,86c/kWh
Businessrate 2	> 25 kVA and ≤ 50 kVA	R136,73 + VAT = R155,87	17,42c + VAT = 19,86c/kWh
Businessrate 3	> 50 kVA and ≤ 100 kVA	R189,01 + VAT = R215,47	17,42c + VAT = 19,86c/kWh
Businessrate 4	≤ 25 kVA	N/A	39,19c + VAT = 44,68c/kWh

The break-even point between Businessrate 1 and 4 is 500 kWh/month. If less than 500 kWh/month is used, Businessrate 4 is cheaper than Businessrate 1. If more than 500 kWh/month is used, Businessrate 1 is cheaper than Businessrate 4. This is demonstrated in the graph below.



# HOMELIGHT

## Electricity tariff for low-usage residential customers

The Homelight range of tariffs are applicable to single-phase supplies in areas designated by Eskom as urban or high-density. The tariff has different energy rates based on the supply capacity required and provides for a subsidy to low-usage customers. Typical supplies are residential dwellings with low usage but can also be applied to churches, schools, halls or similar premises with low usage.

### Deposit:

Not applicable to prepayment supplies. If the supply is conventionally metered, a deposit normally equivalent to 3 consecutive months' electricity bill is payable.

### Connection fees:

**2.5 A:** No charge (offered in pilot projects only)

**20 A:** R 87,72 + VAT = **R100,00**\*\* (\*\*)

(Conventional or prepayment meter)

**60 A:** R701,75 + VAT = **R800,00**\*\* (\*\*)

(Conventional or prepayment meter)

\* If the supply is conventionally metered and Eskom supplies the meter box, add for single-phase supplies R131,58 + VAT = **R150,00** and for three-phase supplies R219,30 + VAT = **R250,00** to the fee indicated.

\*\* The fees listed are the minimum cash amounts payable. Additional charges based on actual costs may be raised as per current policy.

# HOMELIGHT 1

Applicable to supplies where Eskom will spend up to a maximum of R2 150,00 + VAT = **R2 451,00**, towards the cost of providing the supply. Any cost in addition to the amount covered by the tariff is payable as a cash amount.

### Energy charge:

A single energy charge.

**2.5 A:** 29,27c + VAT = **33,37 c/kWh**

(Pilot projects only)

**20 A:** 29,27c + VAT = **33,37 c/kWh**

**60 A:** 32,42c + VAT = **36,96 c/kWh**

# HOMELIGHT 2

Applicable to supplies where Eskom will spend up to a maximum of R1 150,00 + VAT = **R1 311,00**, towards the cost of providing the supply. Any cost in excess of R1 150,00 + VAT = **R1 311,00** is payable by a customer as a cash amount.

### Energy charge:

A single energy charge.

**20 A:** 25,34c + VAT = **28,89c/kWh**

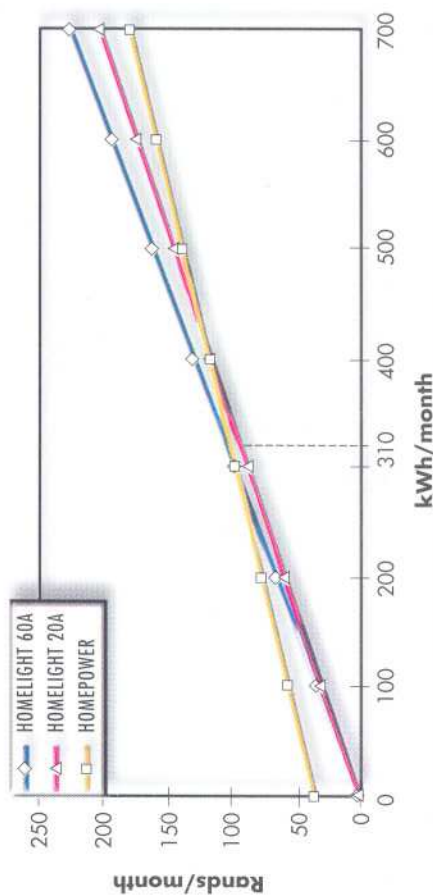
**60 A:** 28,49c + VAT = **32,48c/kWh**

The maximum wattage (indicates how many appliances can be used at the same time) for each supply size is given in the following diagram.

**2.5A - 525 watts**  
**20 A - 4 200 watts**  
**60 A - 12 500 watts**

**MAXIMUM WATTS =**

### COMPARISON OF RESIDENTIAL TARIFFS



The above graph demonstrates the break-even point between the Homelight 1 60 A and Homepower tariffs. Customers using less than 310 kWh per month will pay less on Homelight 1 60 A and customers using more than 310 kWh per month will benefit on Homepower tariff.

# HOMEPower

## Electricity tariff for medium to high-usage residential customers

**H**omepower is a tariff applicable to residential supplies in areas designated by Eskom as urban or high-density. This tariff is suitable for medium to high-usage residential customers, churches, schools, halls, old age homes or similar premises.

**Deposit:** Normally equivalent to 3 consecutive months' electricity bill.

**Connection fees:** Single-phase supply: R701,75 + VAT = **R800,00** (\*\*)  
(Conventional or prepayment meter)  
Three-phase supply: R1 403,51 + VAT = **R1 600,00** (\*\*)  
(Conventional meter)  
Three-phase supply: R1 754,39 + VAT = **R2 000,00** (\*\*)  
(Prepayment meter)

*\*\*If the supply is conventionally metered and Eskom supplies the meter box, add for single-phase supplies R131,58 + VAT = R150,00 and for three phase supplies R219,30 + VAT = R250,00 to the fee indicated.*

*\*\*The fees listed are the minimum cash amounts payable. Additional charges based on actual costs may be raised as per current policy.*

**Capital costs:** In order for Eskom to recover additional capital costs not covered by the tariff, that are incurred in providing the supply, a monthly rental and/or cash payment may be applied in addition to the above standard tariff.

**Basic charge:** R37,42 + VAT = **R42,66** is payable each month for each point of delivery whether electricity is consumed or not.

**Energy charge:** A single energy charge of 20,34c + VAT = **23,19c/kWh**

# Prepayment supplies

**P**repayment meters are available for all small customer supplies up to a supply size of 65 kVA. (The meter cannot cater for suppliers larger than 65 kVA.)

**Connection fees:** See the applicable tariff.

**Deposits:** The deposit is normally equivalent to three consecutive months' electricity bill and is based on charges included in the bill.  
Example: A prepayment Homepower customer would pay a deposit for the basic charge and monthly rental (if applicable), but not for any energy consumption.

**Tariffs:** As the normal prepayment meters cannot accommodate a tariff with a basic charge and energy rate, a monthly account will be received for the basic charge and the monthly rental (if applicable) only. A customer is required to sign a debit order for this amount, to be automatically deposited into Eskom's account.

The Landrate tariff has a high and a low-energy rate, but the meter can only accommodate one energy rate. Eskom has modified the Landrate prepayment tariffs by increasing the basic charge to include the high-energy rate, and selling all energy at the low-energy rate as indicated in the table below.

Tariff	Basic charge	Basic charge	Energy charge
Businessrate 1	R108,94 + VAT = R124,07		17,42c + VAT = 19,86c/kWh
Businessrate 2	R136,73 + VAT = R155,86		17,42c + VAT = 19,86c/kWh
Businessrate 3	R189,01 + VAT = R215,46		17,42c + VAT = 19,86c/kWh
Businessrate 4	N/A		39,19c + VAT = 44,68c/kWh
Landrate 1	R204,78 + VAT = R232,29		17,42c + VAT = 19,86c/kWh
Landrate 2	R231,63 + VAT = R264,04		17,42c + VAT = 19,86c/kWh
Landrate 3	R283,91 + VAT = R323,64		17,42c + VAT = 19,86c/kWh
Landrate 4	R76,70 + VAT = R87,44		30,13c + VAT = 34,35c/kWh
Homepower	R37,42 + VAT = R42,66		20,34c + VAT = 23,19c/kWh
Homelight 1 - 20 A	N/A		29,27c + VAT = 33,37c/kWh
Homelight 1 - 60 A	N/A		32,42c + VAT = 36,96c/kWh
Homelight 2 - 20 A	N/A		25,34c + VAT = 28,89c/kWh
Homelight 2 - 60 A	N/A		28,49c + VAT = 32,48c/kWh

**Meter change fee:** A change in meter type fee is payable when converting from/to a conventional to/from a prepayment meter.

**Capital expenditure:** Monthly rentals are allowed with the above prepayment tariffs, with the exception of the Homelight and Businessrate 4 tariffs.

# Public lighting

In order to provide a public lighting service in its licensed area of supply, Eskom will enter into a supply agreement 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 agreement with home dwellers.

Typical supplies provided on this tariff:

- Street lights
- Lights in telephone booths
- Traffic lights
- Neon and billboard signs

Note: This tariff is only available in an Eskom-designated urban area.



## THE CHARGES FOR PUBLIC LIGHTING ARE AS FOLLOWS:

### Connection fee

R 28,95 + VAT = **R33,00** per pole  
R144,74 + VAT = **R165,00** per high-mast

### Energy charge

A public lighting supply is not metered but a fixed energy charge is payable per month per light fitting. This energy charge is based on the number of hours the supply will be used in a day, and the time at which the electricity will be used. The fixed energy charge is calculated using either the R/100 W/month energy rate or the c/kWh energy rate. Where the c/kWh energy rate is used, the kilowatt-hours (kWh's) are calculated as follows: kWh's = number of lights x light wattage x hours in use

Dusk to midnight  
(166,67 hours per month)

15,92c/kWh + VAT  
= **18,15c/kWh**  
OR  
R2,65/100 W/month + VAT  
= **R3,02/100 W/month**

All night  
(333,3 hours per month)

12,67c/kWh + VAT  
= **14,44c/kWh**  
OR  
R4,22/100 W/month + VAT  
= **R4,81/100 W/month**

24 Hours  
(730 hours per month)

14,95c/kWh + VAT  
= **17,04c/kWh**  
OR  
R10,91/100 W/month + VAT  
= **R12,44/100 W/month**

### Maintenance charge

A monthly maintenance charge is payable where Eskom is required to maintain the public lighting network. If the customer chooses to pay the monthly maintenance charge and actual maintenance costs are much higher than the monthly charge, provision can be made to charge the higher fees. The maintenance charge does not recover refurbishment costs.

Per street light

R8,10 + VAT = **R9,23** per month OR  
actual costs depending on  
maintenance agreement.

Per high-mast light

R188,98 + VAT = **R215,44** per month  
OR actual costs depending  
on maintenance agreement.

### Capital financing

If Eskom finances a public lighting network, the capital spent can be repaid through a monthly rental. The monthly rental is calculated using an 18% (1999) discount rate, and can be paid over any period of up to 10 years. (The capitalisation factor for 10 years is 1,717% per month). The customer has an option of making a cash payment instead of the monthly payment.

# Understanding your electricity bill

## What is a watt?

Electricity is measured in units of power called watts. A watt is such a small amount of power that the more commonly used measurement is the kilowatt, which represents 1 000 watts.

Some appliances require more electricity to operate than others.



2 000 watts

The higher the wattage or kilowatt rating of a particular appliance, the more electricity it consumes.

The table below shows some typical appliances and their approximate wattages.

Appliances	Wattage	Appliances	Wattage
Video recorder	35	Iron	1 000
Light bulb (60 W)	60	Toaster (pop up)	1 100
Television (70cm colour)	100	Microwave oven	1 300
Food mixer	150	Heater: 2 bars	1 300
Hi-Fi 30 watt speakers	180	Two plate hotplate	2 000
Home computer	180	Lawn-mower	2 000
Refrigerator (no freezer)	250	Kettle	2 400
Pool pump	750	Geyser	3 000

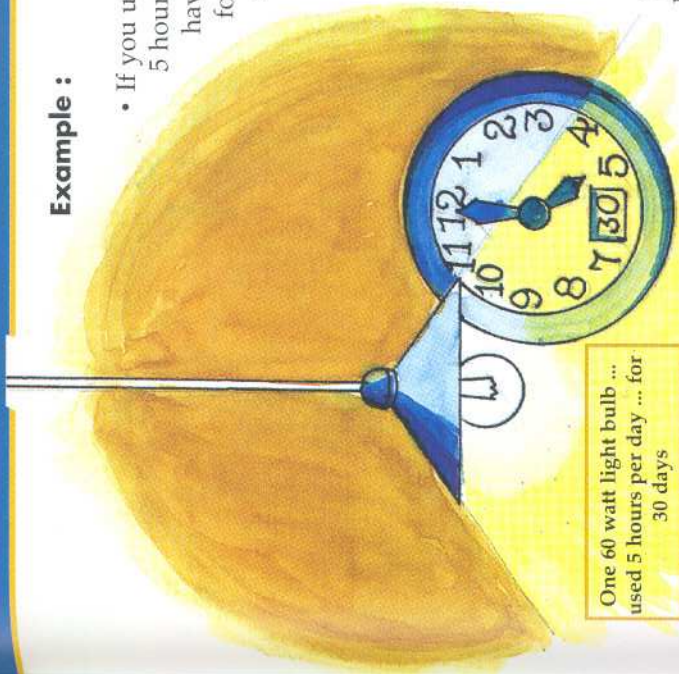
The above wattages are guidelines. Please check the particular appliance that is being used to determine the correct wattage for the appliance.

## What is a kilowatt-hour?

The amount of electricity used over a period of time is measured in kilowatt-hours (kWh). Kilowatt-hours are determined by multiplying the number of kilowatts required by the number of hours of use.

## Example :

- If you use a 60 watt light bulb 5 hours a day for 30 days, you have used 60 watts of power for 150 hours.
  - 60 watts x 150 hours = 9 000 watt-hours of electrical energy.
  - Divide the 9 000 watt-hours by 1 000 to get to 9 kilowatt-hours (kWh).



## How much does it cost to use an appliance?

Once you have calculated the amount of kilowatt-hours you are using for a particular appliance per month, you must calculate what this means in rand terms.

For Eskom's small customer tariffs, the electricity is sold in cents per kilowatt-hour (c/kWh). This is called the energy charge. The energy charge differs, depending which tariff you are on.

Multiply the amount of kWh consumed by the energy rate (c/kWh) applicable to your tariff, in order to calculate the cost of running the appliance, and divide by 100 to get to the rand value.

## Example

The **HOMEPOWER** tariff energy rate is 23,19c/kWh (including VAT). In the above example, 9 kWh of energy was consumed. 9 kWh x 23,19c/kWh = 208,71 cents or R2,09.

**IT WILL COST THE HOMEPOWER CUSTOMER R2,09 TO USE A 60 WATT LIGHT BULB 5 HOURS A DAY FOR 30 DAYS.**

# Small customer special pricing options

## ELECTRIFICATION OF WORKER HOUSES

Eskom supports the electrification of worker houses located on an Eskom customer's premises in rural areas, by providing a maximum of a R1 000 incentive towards the costs of electrification for each worker house electrified. This incentive is paid to the 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 workers are consumers of the Eskom customer and not direct Eskom customers. These connections are treated as part of Eskom's electrification targets.

## 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 a grid extension is impractical or uneconomical.

## RESIDENTIAL DEMAND-SIDE MANAGEMENT (RDSM)

Due to the electrification drive and the usage patterns of households, the residential sector will have a great influence on peak demand over the next two decades. The increase in the peak demand will speed up Eskom's need to add supply infrastructure that costs as much as R3 billion per 1 000 MW. To avoid or delay these costs, Eskom is pursuing an aggressive RDSM programme. Eskom's main RDSM strategies involve motivating residential customers to shift their use of electricity from peak to off-peak periods and to switch to more electricity-efficient light bulbs, geysers and appliances. The RDSM initiatives will have a large positive environmental impact by reducing the use of valuable resources as well as by minimising the emission of greenhouse gases and local pollutants. RDSM will also have financial benefits for all South Africans by helping to keep the cost of electricity low.

## CUSTOMER-BUILT POWER SUPPLY

Eskom provides customers with the option to build their own power lines. This enables customers to reduce the amount payable to Eskom for line costs, by using own resources to construct the power supply.

# Methods of payment

## POST

You may post your cheque or postal order to the address printed on your electricity bill. You must enclose the counterfoil/receipt stub 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 mail transfer of money or postal order.

## PERSONALLY

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

## DEBIT ORDERS

Sign a special agreement with Eskom for your electricity bill to be debited directly from your bank account each month and receive a discount (R2 per bill). 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 other methods. If you have more than one account with Eskom, you may arrange to have the outstanding amount debited against your bank account as one amount, thereby saving further on bank charges. You will still receive your discount for every account.

## CREDIT CARDS

Payments may be made through your credit card. This may be done telephonically via a toll-free telephone number, or you may call at an Eskom office to effect payment.

## DIRECT DEBIT

You may pay your account directly into an Eskom bank account after which the payment will be transferred electronically to your Eskom electricity account.

## PREPAYMENT

A personal token (a card or a number) can be purchased. This token is used to credit the meter with the electricity purchased 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 mobile supply points.

## LATE PAYMENTS

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

# ADVISORY SERVICES

**E**skom 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. The advisory service is free of charge except in the case where a particular detailed study is undertaken on request by an industrial, commercial, agricultural or redistributor customer.



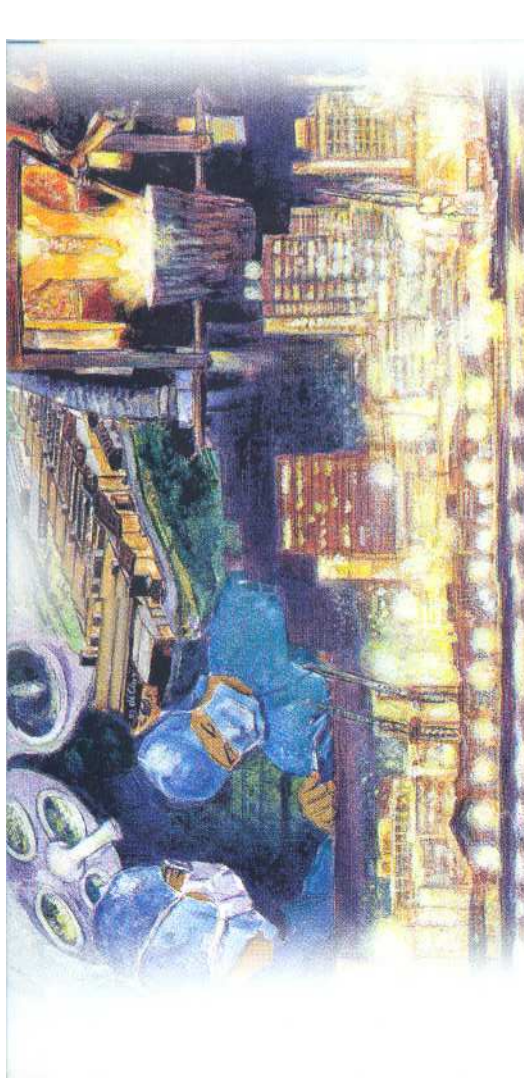
**ELEKTROWISE** provides residential customers with free advice on the safe, economic and efficient use of electricity. Further information is provided regarding available appliances so that customers can instantly experience the benefits of electricity. ElektroWise customers include rural and urban residential customers of all income groups. Examples of products developed for this market include basic appliance packages (e.g. hot plates, kettles and irons) available at cost and a bucket hot water system. For further information, phone your nearest Eskom office.



**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 0800 036 333 toll-free or your nearest Eskom office.



**AGRELEK** renders an advisory service to agriculture. Agrelek advisors introduce farmers to new electrotechnologies 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 0800 037 333 toll-free or your nearest Eskom office.



**INDUSTRELEK** is a branded service from Eskom in the field of energy usage. It offers manufacturing and processing industries proven, best practice energy solutions. This includes advice on the wider and wiser use of electricity, optimisation of production processes, information on new electrotechnologies and cost-effective tariffs. Industrelek covers various sectors, such as chemicals, mining, non-metallic, textiles and leather, metals, timber and paper and food and beverage. For more information call us toll-free on 0800 036 333 or visit our website on [www.industrelek.co.za](http://www.industrelek.co.za)



**UTILISEMARK** is a team of skilled and experienced marketers from Eskom dedicated to the provision of products and services which will help local authority electricity distributors to enhance customer service and improve profitability. Areas of focus include: Marketing Planning, Market Research, Marketing Communication and Demand Information Management. For further information, call Ken Campbell on 082 651 4203.



**KEYLINK** is a service provided to key industrial customers (generally consuming more than 100 GWh/annum), which facilitates all aspects of service to these customers. The customer can make use of this service by contacting the Customer Executive who will harness the appropriate Eskom resources to find the best solution to the customer's service or process query. Contact Peter Craig on 0135-933702 for more information.

**WEBSITE: <http://www.eskom.co.za>**  
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# Contact numbers

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

Bellville	(021) 915-9111	Newcastle	(03431) 5-1274
Benoni	(011) 422-3900	Nigel	(011) 814-1212
Bethal	(017) 647-1200	Oudtshoorn	(0442) 79-1667
Bethlehem	(058) 303-5133	Parys	(0568) 2341
Bloemfontein	(051) 404-2111	Phalaborwa	(015) 781-7331
Bothaville	(056) 515-2118	Pietermaritzburg	(0331) 42-6013
Brits	(012) 252-3438	Pietersburg	(015) 299-0000
Colesberg	(051) 753-0741	Piketberg	(0261) 3-1180
Delareyville	(053) 948-1228	Port Elizabeth	(041) 34-3424
Durban	(031) 204-5600	Potchefstroom	(0148) 293-0232
East London	(0431) 39-2111	Pretoria	(012) 421-3111
Edgemoed (CT)	(021) 58-1150	Queenstown	(0451) 7080
Empangeni	(0351) 92-5131	Randfontein	(011) 693-5348
George	(044) 801-2911	Rustenburg	(0142) 97-2570
Germiston	(011) 871-3481	Sandton	(011) 803-5464
Grabouw	(021) 859-5303	Senekal	(05848) 3801
Grahamstown	(046) 622-7031	Somerset West	(021) 851-7117
Groblersdal	(013) 262-4039	Soweto	(011) 494-4320
Harrismith	(05861) 3-1788	Thabazimbi	(014773) 7-1638
Johannesburg	(011) 711-9111	Thohoyandou	(0159) 82-5432
Kimberley	(053) 830-5758	Upington	(054) 38-1111
Klerksdorp	(018) 464-6666	Umtata	(0471) 31-0475
Kraaifontein	(021) 988-7457	Vanderbijlpark	(0169) 81-4030
Kroonstad	(0562) 3-2757	Vereeniging	(016) 421-3410
Kuruman	(05373) 2-2151	Vredenburg	(02281) 3-1153
Ladysmith	(0361) 31-0370	Vredendal	(0271) 3-1020
Lichtenburg	(018) 632-6284	Vryburg	(05391) 7-1116
Lydenburg	(013235) 2314	Warmbaths	(014) 736-2140
Malmesbury	(0224) 7-1530	Welkom	(057) 913-3000
Margate	(03931) 7-6363	Westville	(031) 204-5688
Middelburg	(013) 246-1631	Witbank	(0135) 93-3111
Midrand	(011) 315-2060	Wolmaransstad	(018) 2-2515
Mnambatho	(018) 387-6100	Worcester	(0231) 2-2394
Nelspruit	(013) 755-9000		

**For 11 million South Africans there really is light at the end of the tunnel.**



Eskom has undertaken to electrify 1.7 million homes by the turn of the century, bringing hope to more than 11 million people. Such an initiative is unprecedented anywhere else in the world and wouldn't have been possible without the support of government, financiers, large and small contractors and community members. In conjunction with local and international donors, Eskom also provides solar power to rural schools and clinics which are not close

to the national electricity grid, resulting in improved education and health services. For its dedication to rural and urban electrification Eskom was presented with the Edison Award – the international electricity utility's highest honour. Bringing light and hope into millions of homes and lives is just one of the ways we're making the most of our energies.



**ESKOM**  
MAKING THE MOST OF OUR ENERGIES

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