

Tariff rate component summary

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

						cncharge	charge: Non 1OU	charge: 1OU	cncharge	levy
NIGHTSAVE Urban	25 kVA	R/day	R/day	R/kVA ^{4, 5, V, T}	R/kVA ^{V, T}		c/kWh ^{V, T}			c/kWh
MEGA FLEX	1 MVA	R/day	R/day	R/kVA ^{4, 5, V, T}			c/kWh ^{V, T}	c/kvarh ^T	c/kWh	
MINI FLEX	25 kVA and 5 MVA	R/day	R/day	R/kVA ^{4, V, T}			c/kWh ^{V, T}	c/kvarh ^T	c/kWh	
BUSINESSRATE 1	25 kVA	R/day*		R/day			c/kWh			
BUSINESSRATE 2	> 25 kVA and 50 kVA	R/day*		R/day			c/kWh			
BUSINESSRATE 3	> 50 kVA and 100 kVA	R/day*		R/day			c/kWh			
BUSINESSRATE 4	25 kVA						c/kWh			
HOMEPOWER Bulk ⁺	No limit	R/day*		R/day ^V			c/kWh ^V			
HOMEPOWER 1	25 kVA	R/day*		R/day			c/kWh			
HOMEPOWER 2	50 kVA	R/day*		R/day			c/kWh			
HOMEPOWER 3	> 50 kVA and 100 kVA	R/day*		R/day			c/kWh			
HOMEPOWER 4	16 kVA ¹	R/day*		R/day			c/kWh			
HOME LIGHT 1	60 A, 20 A or 10 A						c/kWh			
HOME LIGHT 2	60 A or 20 A						c/kWh			
NIGHTSAVE Rural	25 kVA	R/day	R/day	R/kVA ^{4, V, T}	R/kVA ^{V, T}		c/kWh ^{V, T}			
RURAFLEX	25 kVA ^{2/3}	R/day	R/day	R/kVA ^{4, V, T}			c/kWh ^{V, T}	c/kvarh ^T		
LANDRATE 1	16 kVA ¹ /32 kVA ² /25 kVA ³	R/day*		R/day			c/kWh			
LANDRATE 2	64 kVA ² /50 kVA ³	R/day*		R/day			c/kWh			
LANDRATE 3	100 kVA ^{2/3}	R/day*		R/day			c/kWh			
LANDRATE 4	16 kVA ¹			R/day			c/kWh			
LANDRATE Dx	10 A	R/day**								

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

+ Not applicable to new supplies.

V Subject to Voltage surcharge

T Subject to Transmission surcharge

1 Single-phase

2 Dual-phase

3 Three-phase

4 Network Access Charge (NAC)

5 Network Demand Charge (NDC)

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

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

Customer Contact numbers

Eskom has introduced an easy to remember national ShareCall number:

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

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

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

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

For the latest contact details and tariff information visit our web site at
www.eskom.co.za/tariffs

Eskom's customer service charter:

Our customers have the right to:

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

**Visit our web site at www.eskom.co.za for more information on Eskom's service levels.
Go to:**

Customer Services

Customer Service Info

Customer Service Standards

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

* Standard refers to all tariffs applicable to supplies other than local authorities

Foreword

The price a customer pays for electricity is influenced by two different processes within Eskom.

The first process is the annual Eskom price adjustment (normally inflation related). For the first time this year, this was determined through a Multi-Year Price Determination (MYPD) process, which is led by the National Electricity Regulator (NER). Through the MYPD process, Eskom applied for a revenue requirement that would ensure its business sustainability. The average price of electricity supplied by Eskom will rise by 5,1% for the 2006/7 financial year, a price increase that has been approved by the NER.

The second process deals with tariff structures. From a tariff structure perspective, the 2005 Retail Tariffs Restructuring Plan implementation provided the foundation for the full unbundling of tariffs in the future. Significant changes were implemented from 1 January 2005 with the unbundling of the **Megaflex**, **Miniflex** and **Nightsave Urban** tariffs into cost-reflective tariff components. This created the basis for full unbundling to be proposed in the future.

The 2006/7 Retail Tariffs Restructuring Plan consists of only small changes that are focused on rationalisation, especially of tariffs in the residential sector.

The following is a summary of the changes in the tariff structures as approved by the NER Board:

- A different price increase will be implemented for local authority supplies that takes into account the timing of the later price increase in July 2006 as required by the Municipal Finance Management Act (MFMA).
- Alignment of Homelight 1 and Hometake tariffs over a two-year period in areas previously taken over from municipalities by Eskom. These tariffs are consolidated into one tariff, Homelight 2.

As a result of the structural tariff adjustments, residential customers in areas previously taken over by Eskom will experience an effective price adjustment of either below or above the 5,1% average increase, depending on the customer's particular tariff class.

In order to comply with the MFMA, Eskom's tariffs will now be split into standard Eskom tariffs and Eskom tariffs for local authority supplies.

All standard Eskom tariffs will be subject to an average price increase of 5,1%, applicable from 1 April 2006 until 31 March 2007.

All Eskom tariffs to local authority supplies will be subject to an average price increase of 6.89%, applicable from 1 July 2006 until 30 June 2007. The aim of this higher increase is to ensure a fair and non-discriminatory recovery of Eskom's approved revenue requirement for the 2006/7 financial year. For a period of 3 months (April to June) Eskom tariffs to local authority supplies will be lower than the tariffs to other Eskom customers and for a period of 9 months, (July to March) higher. The effective price increase to Eskom tariffs to local authority supplies over the 12 month period from April 2006 to March 2007 remains, however, 5,1%.

NOTE: The 2006/7 Retail Tariff Restructuring Plan and more pricing information can be viewed at the following website: www.eskom.co.za/tariffs.

Deon Conradie

SENIOR MANAGER (ELECTRICITY PRICING)

Abbreviations

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

Definitions

Account is a grouping of premises/ points of delivery according to the same voltage or location.

(Active) energy charge is a charge for each unit of energy consumed typically charged for as c/kWh or R/MWh. For some tariffs the charge may be time and/or seasonally differentiated.

Administration charge covers the costs of the administration of the account. It is a contribution towards fixed costs such as meter reading, billing and meter capital. It is a fixed charge payable every month whether electricity is consumed or not.

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

Billing is the process of producing and delivering a bill (an account or invoice) for payment by a customer, calculated from the tariff schedule or as per agreement between the parties (e.g. Special Pricing Agreements), and for the majority of customers, the consumption measured and recorded by the metering system.

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

Bulk supply is a single point of supply to an intermediate distributor, e.g. Municipality/RED or reseller for resale to other customers. Also refer to single point of supply.

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

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

Chargeable demand is the highest average demand measured in kVA in a billing month during the chargeable time periods specified for each tariff.

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

Connection charge is the charge calculated cost from the customer for the cost of providing of new or additional capacity (irrespective of whether new investment is required or not) recovered through tariff charges.

Note: It is payable in addition to the tariff charges as an up-front payment or as a monthly connection charge where the distributor finances the connection charge.

Connection fee is a standard minimum upfront fee payable by the customer towards the cost of a new connection.

Cost-reflective tariffs are tariffs that distinguish between the unique cost components (or cost drivers) for a specific customer or customer class and where the cost components recover the full economic cost to supply electricity to that customer.

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

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

Key customer is a customer identified by Eskom that receives special services or consumes more than 100GWh per annum on contiguous sites.

Licensed area of supply is an area in for which the National Energy Regulator of South Africa (NERSA) has issued a license to Eskom under the provisions of the Electricity Act No. 41 of 1987, as amended, for the supply of electricity in that area. Eskom's tariffs are only applicable where Eskom is licensed to supply.

Load factor is a ratio between the actual energy consumed and the energy that could have been consumed had the demand remained at the maximum for a period.

Maximum demand is the highest averaged demand measured in kVA or kW during any integrating period (normally 30 minutes) within a designated billing period (during all time periods).

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

Network charge is a charge payable per premise every month. The purpose of the network charge is to recover part of the fixed network costs (including capital, operations, maintenance and refurbishment) associated with the provision of network capacity required and reserved by the customer. For some tariffs the network charge is unbundled into a Network Demand Charge (NDC) and/or a Network Access Charge (NAC).

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

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

*NOTE: The notification of demand is governed by a set of rules called the **NMD rules**, which can be viewed at the following web site: www.eskom.co.za/tariffs.*

Point of Supply means a physical point on the electrical network where electricity is supplied to the customer or where the customer's network connects to that of the utility. (Also see Premise.)

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

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

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

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

Rate-rebalancing levy is a separate rate component, shown on the Nightsave (Urban), Megaflex and Miniflex customers' bills and indicating inter-tariff subsidies (subsidies between tariffs) in a

more transparent manner. The rate-rebalancing levy is applied to the total active energy consumption and is not subject to the voltage and/or transmission surcharge.

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

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

Rural_p areas refer to rural as classified for pricing purposes.

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

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

Single-phase supply: A 50 Hz a.c. supply at 230 V r.m.s. phase-to-neutral. The neutral carries the full load current.

Tariff is a combination of monthly charges each at particular rates that are usually escalated annually and are applied to recover measured quantities such as consumption and capacity costs and unmeasured quantities such as service costs.

Three-phase supply: A 50 Hz a.c. supply at 230 V r.m.s. phase-to-neutral; 400 V r.m.s phase-to-phase (120° vector phase displacement).

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

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

Urban_p areas refer to urban as classified for pricing purposes.

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

NIGHTSAVE Urban

Electricity tariff for urban_p customers with an NMD from 25 kVA

This tariff is characterised by:

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

Capital costs:

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

Connection fee:

Refer to Appendix E (Table 1).

The rates listed below are for standard Eskom supplies. The rates for local authority supplies are listed at the end of this book.

Service charge:

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

100 kVA	R 0,95 + VAT = R 1,08/day
> 100 kVA and 500 kVA	R 11,97 + VAT = R 13,65/day
> 500 kVA and 1 MVA	R 58,75 + VAT = R 66,98/day
> 1 MVA	R 58,75 + VAT = R 66,98/day
Key customers	R459,89 + VAT = R 524,27/day

Administration charge:

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

100 kVA	R 2,35 + VAT = R 2,68/day
> 100 kVA and 500 kVA	R 3,79 + VAT = R 4,32/day
> 500 kVA and 1 MVA	R31,44 + VAT = R 35,84/day
> 1 MVA	R31,53 + VAT = R 35,94/day
Key customers	R33,23 + VAT = R 37,88/day

Network demand charge:

R6,69 + VAT = R**7,63/kVA** payable for each kVA of the chargeable demand supplied during peak periods per premise per month.

Network access charge:

R5,91 + VAT = **R6,74/kVA** payable each month and is based on the annual utilised capacity of each premise.

Energy demand charge:

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

High-demand season (June – August)

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

Low-demand season (September – May)

R4,33 + VAT = **R4,94/kVA**

Active energy charge:

High-demand season (June – August)

10,65c + VAT = **12,14c/kWh**

Low-demand season (September – May)

7,57c + VAT = **8,63c/kWh**

Voltage surcharge:

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

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

Transmission surcharge:

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

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

Rate-rebalancing levy:

2,80c + VAT = **3,19c/kWh** applied to the total active energy consumption (not subject to the voltage and/or transmission surcharge).

MEGAFLEX

TOU electricity tariff for urban_p customers with an NMD from 1 MVA

This tariff is characterised by:

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

Capital costs:

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

Connection fee:

Refer to Appendix E (Table 1).

The rates listed below are for standard Eskom supplies. The rates for local authority supplies are listed at the end of this book.

Service charge:

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

1 MVA R 58,75 + VAT = R **66,98/day**

Key customers R459,89 + VAT = **R524,27/day**

Administration charge:

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

1 MVA R33,89 + VAT = R**38,63/day**

Key customers R35,12 + VAT = R**40,04/day**

Network demand charge:

R6,69 + VAT = R**7,63/kVA** payable for each kVA of the chargeable demand supplied during peak and standard periods per premise per month.

Network access charge:

R5,91 + VAT = R**6,74/kVA** payable each month and is based on the annual utilised capacity of each premise.

Active energy charge:

High-demand season (June – August)

52,22c + VAT = **59,53c/kWh**

13,81c + VAT = **15,74c/kWh**

7,51c + VAT = **8,56c/kWh**

Peak

Standard

Off-peak

Low-demand season (September – May)

14,82c + VAT = **16,89c/kWh**

9,20c + VAT = **10,49c/kWh**

6,52c + VAT = **7,43c/kWh**

Reactive energy charge:

2,63c + VAT = **3,00c/kvarh** supplied in excess of 30% (0,96 PF) of kWh recorded during peak and standard periods. The excess reactive energy is determined per 30-minute integrating period and accumulated for the month and will only be applicable during the high demand season.

Voltage surcharge:

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

Supply voltage

Surcharge

> 132 kV

0,00%

66 kV and 132 kV

7,63%

500 V and < 66 kV

10,07%

< 500 V

17,30%

Transmission surcharge:

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

300 km

0%

> 300 km and 600 km

1%

> 600 km and 900 km

2%

> 900 km

3%

Rate-rebalancing levy:

1,52c + VAT = **1,73c/kWh** applied to the total active energy consumption (not subject to the voltage and/or transmission surcharge).



TOU electricity tariff for urban_p customers with an NMD from 25 kVA up to 5 MVA

This tariff is characterised by:

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

Capital costs:

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

Connection fee:

Refer to Appendix E (Table 1).

The rates listed below are for standard Eskom supplies. The rates for local authority supplies are listed at the end of this book.

Service charge:

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

100 kVA	R 2,19 + VAT = R 2,50/day
> 100 kVA and 500 kVA	R 11,97 + VAT = R 13,65/day
> 500 kVA and 1 MVA	R 58,75 + VAT = R 66,98/day
> 1 MVA	R 58,75 + VAT = R 66,98/day
Key customers	R459,89 + VAT = R524,27/day

Administration charge:

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

100 kVA	R 2,46 + VAT = R 2,80/day
> 100 kVA and 500 kVA	R 4,01 + VAT = R 4,57/day
> 500 kVA and 1 MVA	R32,78 + VAT = R37,37/day
> 1 MVA	R32,78 + VAT = R37,37/day
Key customers	R32,78 + VAT = R37,37/day

Network access charge:

R5,91 + VAT = **R6,74/kVA** payable each month and is based on the annual utilised capacity of each premise.

Active energy charge:

High-demand season (June – August)

53,40c + VAT = **60,88c/kWh**

15,46c + VAT = **17,62c/kWh**

7,43c + VAT = **8,47c/kWh**

Peak

Standard

Off-peak

Low-demand season (September – May)

16,47c + VAT = **18,78c/kWh**

10,91c + VAT = **12,44c/kWh**

6,44c + VAT = **7,34c/kWh**

Reactive energy charge:

1,15c + VAT = **1,31c/kvarh** supplied in excess of 30% (0,96 PF) of the kWh recorded during the entire billing period. The excess reactive energy is determined using the billing period totals and will only be applicable during the high demand season.

Voltage surcharge:

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

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

Transmission surcharge:

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

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

Rate-rebalancing levy:

1,39c + VAT = **1,58c/kWh** applied to the total active energy consumption (not subject to the voltage and/or transmission surcharge).

BUSINESSRATE

Electricity tariff for small businesses in urban, areas with an NMD up to 100 kVA

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

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

Conventional metered supplies:

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

Capital costs:

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

Connection fees:

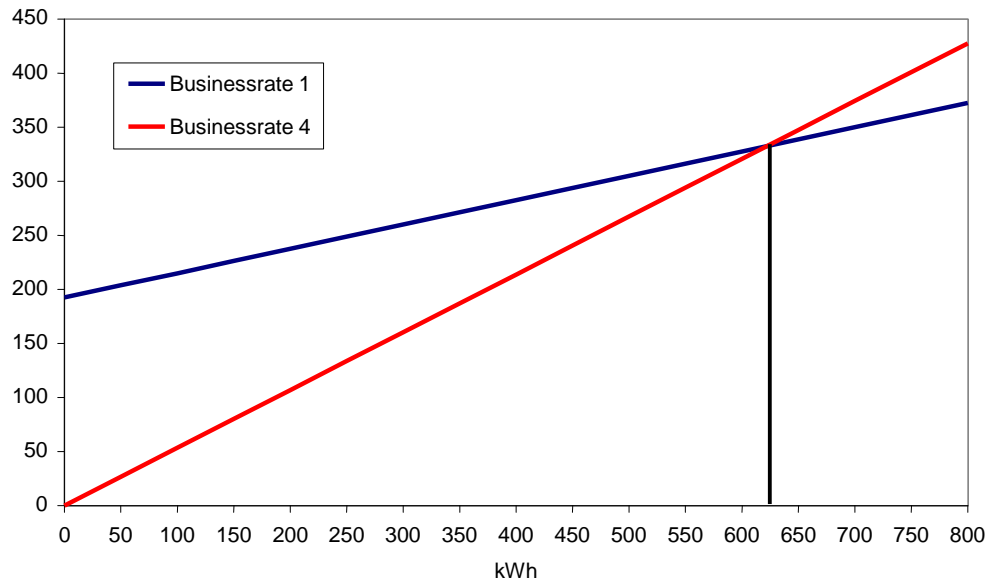
Refer to Appendix E (Table 1).

The rates listed below are for standard Eskom supplies. The rates for local authority supplies are listed at the end of this book.

Charges:	Network charge (per day)	Service charge (per day)	Energy charge (per unit)
Businessrate 1	R3,26 + VAT = R3,72	R3,39 + VAT = R3,86	23,66c + VAT = 26,97c/kWh
Businessrate 2	R4,69 + VAT = R5,35		
Businessrate 3	R9,19 + VAT = R10,48		
Businessrate 4	N/A	N/A	56,17c + VAT = 64,03c/kWh

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

Comparing Businessrate 1 and Businessrate 4



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

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

HOMEPOWER Bulk

Electricity tariff for residential bulk supplies* in urban_p areas connected prior to 1 January 2004

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

Capital costs:

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

Connection fees:

Refer to Appendix E (Table 1).

The rates listed below are for standard Eskom supplies. The rates for local authority supplies are listed at the end of this book.

Service charge:

R3,21 + VAT = **R3,66/day** payable for each premise, whether electricity is consumed or not.

Network charge:

R0,63 + VAT = **R0,72/day** payable for each dwelling unit in the complex, whether electricity is consumed or not.

Energy charge:

23,43c + VAT = **26,71c/kWh**

Voltage surcharge:

Calculated as a percentage of energy and network charges.

Supply voltage	Surcharge	Effective rate including voltage surcharge	
		Network charge	Energy charge
500 V	10,07%	$R0,69 + VAT = R0,79/day$	$25,79c + VAT = 29,40c/kWh$
< 500 V	17,30%	$R0,74 + VAT = R0,84/day$	$27,48c + VAT = 31,33c/kWh$

In terms of the Electricity Act No. 41 of 1987, a tariff such as Homepower (Standard) should be used by the Body Corporate for the billing of individual supplies within the above mentioned sectional title developments and multiple housing units.

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

HOMEPOWER Standard

Electricity tariff for medium to high-usage residential customers in urban_p areas with an NMD up to 100 kVA

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

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

Conventional metered supplies:

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

Capital costs:

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

Connection fees:

Refer to Appendix E (Table 1).

The rates listed below are for standard Eskom supplies. The rates for local authority supplies are listed at the end of this book.

Charges:	Network charge (per day)	Service charge (per day)	Energy charge (per unit)
Homepower 1	R1,95 + VAT = R2,22	R1,27 + VAT = R1,45	27,81c + VAT = 31,70c/kWh
Homepower 2	R4,21 + VAT = R4,80		
Homepower 3	R8,48 + VAT = R9,67		
Homepower 4	R1,00 + VAT = R1,14		

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

HOMELIGHT

Electricity tariff for low-usage residential customers in urban_p areas

The Homelight range of tariffs is applicable to single-phase, low-usage residential supplies in urban_p areas, but can also be applied to churches, schools, halls or similar supplies with low usage. The tariff has different connection fees and energy rates based on the supply capacity required and provide a subsidy¹ to low-usage customers.

Homelight 1: Lower connection fee with higher energy charges.

Homelight 2: Higher connection fee with lower energy charges.

Hometake: A tariff applicable to selected urban areas.

Conventional metered supplies:

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

Prepayment supplies:

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

Capital costs:

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

Connection fees:

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

Capacity	Homelight 1/ Hometake	Homelight 2
10 A (single-phase)	No charge	N/A
20 A (single-phase)	R144,74 + VAT = R 165,00	R1 021,93 + VAT = R 1 165,00
80 A (single-phase)	R964,91 + VAT = R 1 100,00	R1 842,11 + VAT = R 2 100^R

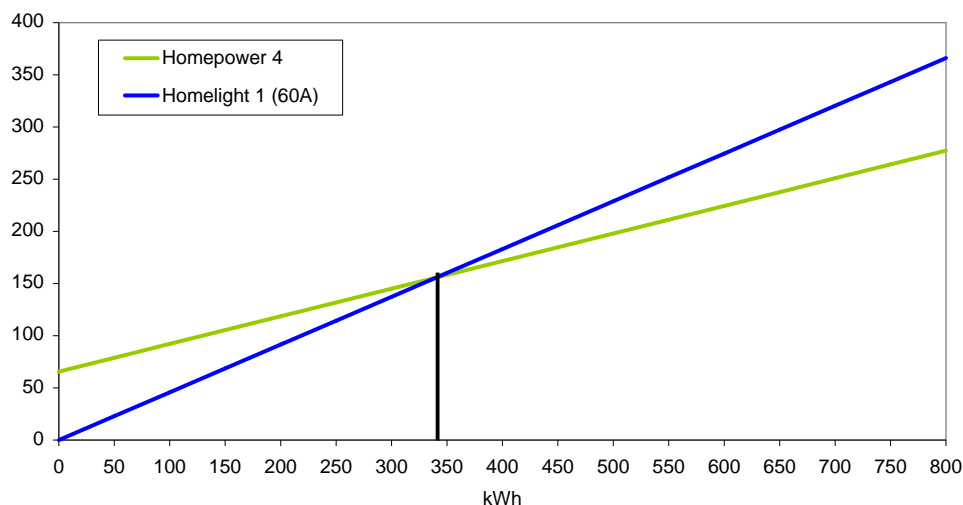
Energy charge:

Homelight 1	10 A: *	42,75c + VAT = 48,74c/kWh
	20 A:	42,75c + VAT = 48,74c/kWh
	60 A:	48,09c + VAT = 54,82c/kWh
Homelight 2	20 A:	37,13c + VAT = 42,33c/kWh
	60 A:	42,47c + VAT = 48,42c/kWh
Hometake	20 A:	37,13c + VAT = 42,33c/kWh
	60 A:	39,80c + VAT = 45,37c/kWh

Maximum wattage:

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

Comparison of Homepower 4 and Homelight 1 (60 A)



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

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

1 The Homelight tariff is subsidised by the rate-rebalancing levy on Nightsave (Urban), Megaflex and Miniflex.

R Rounded to the nearest Rand value.

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

NIGHTSAVE Rural

Electricity tariff for rural_p customers with an NMD from 25 kVA

Nightsave (Rural) is a tariff applicable to rural_p customers with an NMD from 25 kVA, with a supply voltage 22 kV*. This tariff is characterised by:

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

Capital costs:

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

Connection fee:

Refer to Appendix E (Table 2).

The rates listed below are for standard Eskom supplies. The rates for local authority supplies are listed at the end of this book.

Service charge:

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

100 kVA	R 3,42 + VAT = R 3,90/day
> 100 kVA and 500 kVA	R 11,97 + VAT = R 13,65/day
> 500 kVA and 1 MVA	R 58,75 + VAT = R 66,98/day
> 1 MVA	R 58,75 + VAT = R 66,98/day
Key customers	R459,89 + VAT = R 524,27/day

Administration charge:

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

100 kVA	R 4,89 + VAT = R 5,57/day
> 100 kVA and 500 kVA	R 6,17 + VAT = R 7,03/day
> 500 kVA and 1 MVA	R32,71 + VAT = R 37,29/day
> 1 MVA	R32,71 + VAT = R 37,29/day
Key customers	R32,71 + VAT = R 37,29/day

Network access charge²:

R2,61 + VAT = **R2,98/kVA** payable each month and based on the annual utilised capacity of each premise.

Energy demand charge²:

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

High-demand season (June – August)

R52,95+ VAT = **R60,36/kVA**

Low-demand season (September – May)

R34,87 + VAT = **R39,75/kVA**

Active energy charge:

High-demand season (June – August)

12,10c + VAT = **13,79c/kWh**

Low-demand season (September – May)

8,33c + VAT = 9,50c/kWh

Voltage surcharge:

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

Supply voltage

Surcharge

500 V and 22 kV*	10,07%
< 500 V	17,30%

Transmission surcharge:

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

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

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

2 The energy demand charge includes some network costs, i.e. there is no separate network charge.

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

RURAFLEX

TOU electricity tariff for rural_p customers with dual- and three-phase supplies with an NMD from 25 kVA

Ruraflex is a tariff applicable to dual- and three-phase rural_p customers with an NMD from 25 kVA, with a supply voltage 22 kV*. This tariff is characterised by:

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

Capital costs:

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

Connection fee:

Refer to Appendix E (Table 2).

The rates listed below are for standard Eskom supplies. The rates for local authority supplies are listed at the end of this book.

Service charge:

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

100 kVA	R 3,42 + VAT = R 3,90/day
> 100 kVA and 500 kVA	R 11,97 + VAT = R 13,65/day
> 500 kVA and 1 MVA	R 58,75 + VAT = R 66,98/day
> 1 MVA	R 58,75 + VAT = R 66,98/day
Key customers	R459,89 + VAT = R 524,27/day

Administration charge:

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

100 kVA	R 5,00 + VAT = R 5,70/day
> 100 kVA and 500 kVA	R 6,56 + VAT = R 7,48/day
> 500 kVA and 1 MVA	R34,96 + VAT = R 39,85/day
> 1 MVA	R34,96 + VAT = R 39,85/day
Key customers	R34,96 + VAT = R 39,85/day

Network access charge³:

R3,44 + VAT = **R3,92/kVA** payable each month and based on the annual utilised capacity of each premise.

Active energy charge²:

High-demand season (June – August)

86,32c + VAT = **98,40c/kWh**

22,32c + VAT = **25,44c/kWh**

11,86c + VAT = **13,52c/kWh**

Peak

Standard

Off-peak

Low-demand season (September – May)

23,91c + VAT = **27,26c/kWh**

14,59c + VAT = **16,63c/kWh**

10,15c + VAT = **11,57c/kWh**

Reactive energy charge:

1,74c + VAT = **1,98c/kvarh** supplied in excess of 30% (0,96 PF) of the kWh recorded during the entire billing period. The excess reactive energy is determined using the billing period totals and will only be applicable during the high demand season.

Voltage surcharge:

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

Supply voltage

500 V and 22 kV*

< 500 V

Surcharge

10,07%

17,30%

Transmission surcharge:

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

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

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

2 The active energy charge includes some network costs, i.e. there is no separate network charge.

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

LANDRATE

Electricity tariff for rural_p customers with an NMD up to 100 kVA

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

Standard supply sizes:

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

Conventional metered supplies:

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

Capital costs:

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

Connection fees:

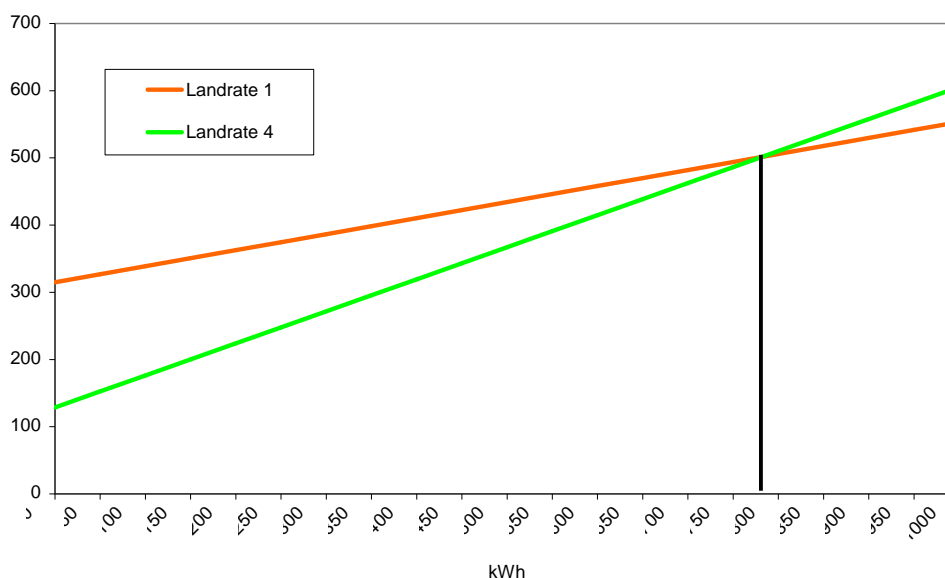
Refer to Appendix E (Table 2).

The rates listed below are for standard Eskom supplies. The rates for local authority supplies are listed at the end of this book.

Charges:	Network charge⁴ (per day)	Service charge (per day)	Energy charge (per unit)
Landrate 1	R 5,58 + VAT = R 6,36	R 5,31 + VAT = R 6,05	25,08c + VAT = 28,59c/kWh
Landrate 2	R 8,58 + VAT = R 9,78		
Landrate 3	R13,73 + VAT = R 15,65		
Landrate 4	R 4,45 + VAT = R 5,07	N/A	50,13c + VAT = 57,15c/kWh
Landrate Dx	N/A	R10,59 + VAT = R 12,07	N/A

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

Comparison of Landrate 1 and Landrate 4



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

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

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

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

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

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

Public lighting

Applicable only in an Eskom-designated urban area

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

Capital costs:

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

Connection fees:

R52,63 + VAT = **R60,00** per streetlight connection

R197,37 + VAT = **R225,00** per high-mast connection

The rates listed below are for standard Eskom supplies.

Energy charge:

There are two methods of charging for energy, either by means of a metered supply or by means of a monthly energy charge. The supply may be metered on either the Homepower or Businessrate tariff. The choice of tariff will depend on the consumption of the supply.

Where a Public Lighting supply is not metered, an energy charge based on the number of hours the supply will be used in a day and the time at which the electricity will be used, is payable per month per light fitting. The energy charge is calculated using either the c/kWh energy rate or the R/100 W/month energy rate. Where the c/kWh energy rate is used, kWh are calculated as kWh = number of lights x light wattage x hours in use.

Dusk to midnight: 166,67 hours per month
22,83c + VAT = **26,03c/kWh** OR
R3,81 + VAT = **R4,34/100 W/month**

All night: 333,3 hours per month
18,17c + VAT = **20,71c/kWh** OR
R6,06 + VAT = **R6,91/100 W/month**

24 hours: 730 hours per month
21,43c + VAT = **24,43c/kWh** OR
R15,64 + VAT = **R17,83/100 W/month**

Urban fixed: Based on a consumption of 200 kWh/month at the all night rate and is suitable for small urban telephony installations (telephone booths, switchgear installations, etc.). This tariff was previously called Telkom urban.
R36,34 + VAT = **R41,43/month**

Maintenance charge:

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

Where actual costs are to be charged for maintenance, an electronic system has been developed that assists in the calculation of the charges. For more information regarding the availability of this system please contact Kerry Blewett (Electricity Pricing Department) at (011) 800-5706 or e-mail kerry.blewett@eskom.co.za.

Per street light luminaire: R14,10 + VAT = **R16,07** per month*

Per high-mast luminaire: R329,09 + VAT = **R375,16** per month*

The rates listed below are for local authority supplies.

Dusk to midnight: 166,67 hours per month

23,22c + VAT = **26,47c/kWh** OR

R3,87 + VAT = **R4,41/100 W/month**

All night: 333,3 hours per month

18,48c + VAT = **21,07c/kWh** OR

R6,16 + VAT = **R7,02/100 W/month**

24 hours: 730 hours per month

21,79c + VAT = **24,84c/kWh** OR

R15,91 + VAT = **R18,14/100 W/month**

Urban fixed: Based on a consumption of 200 kWh/month at the all night rate and is suitable for small urban telephony installations (telephone booths, switchgear installations, etc.). This tariff was previously called Telkom urban.

R36,96 + VAT = R42,13/month

Maintenance charge:

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

Where actual costs are to be charged for maintenance, an electronic system has been developed that assists in the calculation of the charges. For more information regarding the availability of this system please contact Kerry Blewett (Electricity Pricing Department) at (011) 800-5706 or e-mail kerry.blewett@eskom.co.za.

Per street light luminaire: R14,34 + VAT = **R16,35** per month*

Per high-mast luminaire: R334,69 + VAT = **R381,55** per month*

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

Special pricing options

Mobile Reticulation Transformer (MRT)

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

Premium Power Supplies'

Customers may request supplies that require equipment to be installed that is above the least cost technically acceptable solution as stipulated in the NRS048 standard. A premium power supply is a power quality product that enables customers to negotiate power quality that is superior to standard quality power. This is achieved through the installation of dedicated equipment and the customer is required to pay the full costs for this equipment. These costs include new capital investment plus a share of existing equipment required to provide the premium power supply. Refurbishment costs for dedicated premium equipment will be for the customer's account. Eskom reserves the right to raise a charge to the customer to maintain premium equipment where these costs can be easily identified and allocated to the specific assets. A connection charge is payable for the premium power supply, either as a once-off up-front payment or as a monthly connection charge payable over a period not exceeding 25 years.

Electrification of worker houses

Through the National Electrification Programme, Eskom supports the electrification of worker houses by providing a payment incentive that helps to meet the electrification costs for each worker house. Workers are consumers located within the property of the Eskom customer and not direct Eskom customers. This incentive is paid to the direct Eskom customer, provided certain conditions are met and is subject to the availability of funds. This incentive applies where an Eskom customer extends an existing supply point or takes a new Eskom supply point to worker houses (this may be any number of worker houses). The Eskom customer is responsible for any work beyond the Eskom meter. In other words, the low-voltage network and infrastructure is the Eskom customer's property and this network must be built, financed, maintained and repaired by the Eskom customer.

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

Customer self-built power supply options

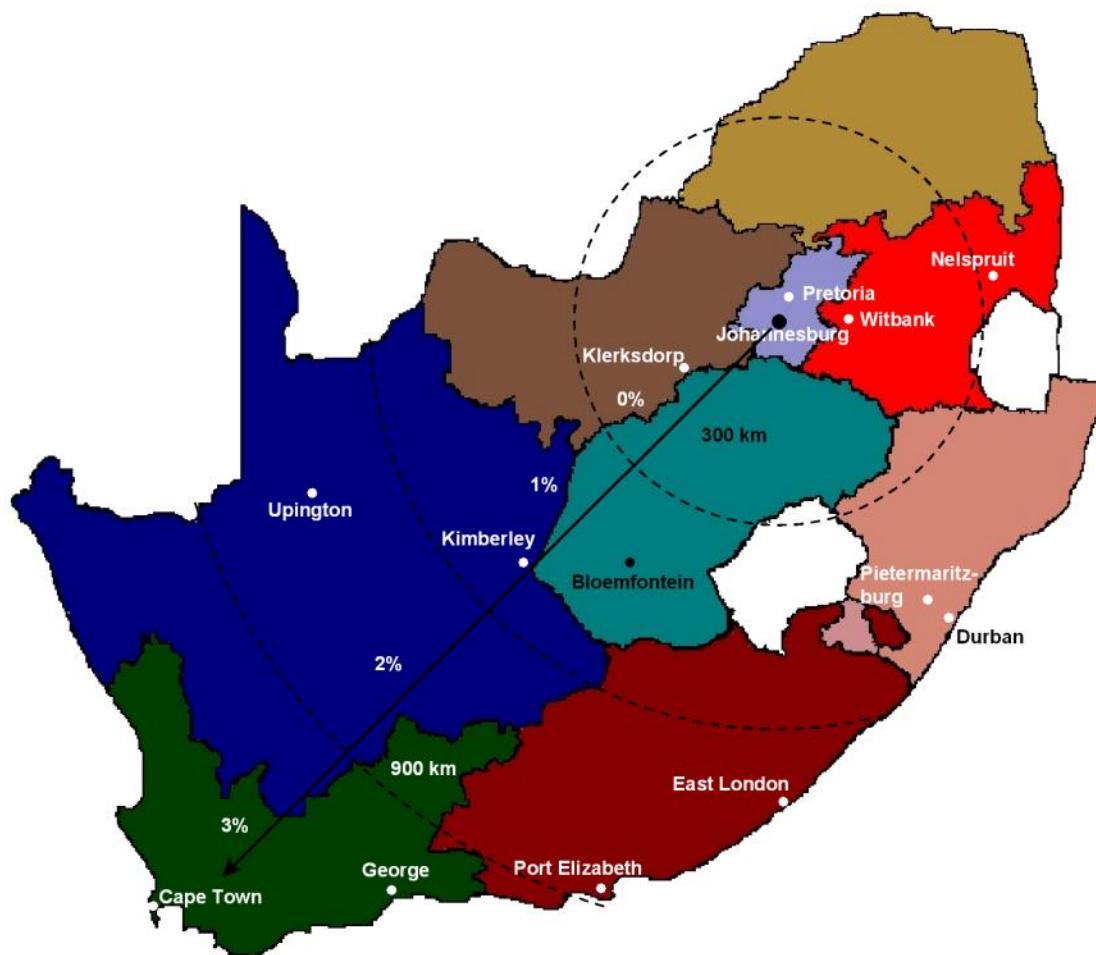
Eskom provides customers with the option of building their own power lines. Customer self-built schemes are permitted when Eskom's own construction capacity is fully utilised and/or where customers are in a position to build or extend a network sooner than Eskom can supply or at a cost more favourable than that quoted by Eskom. Customers have the choice of either engaging an Eskom approved/recommended contractor to perform the construction or undertaking the construction themselves (subject to all work complying with Eskom's technical standards). However, Eskom prefers that the customer makes use of a contractor recommended by Eskom (i.e. a contractor who is familiar with Eskom standards).

Customer self-built supplies are usually permitted on rural networks only and are subject to the standard approval process within Eskom as stipulated by the particular Eskom Region. The approval for a customer self-built power supply is also, at all times, subject to the availability of capital and network capacity. The terms and conditions for each customer self-built scheme will be negotiated once the customer's written application has been received. Once the line is completed, it will be inspected and taken over by Eskom on condition that the line complies with Eskom's technical standards. On take-over, the line will become an Eskom asset, that is, it will be operated, maintained and refurbished by Eskom.

Appendix A - Transmission percentage surcharge

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

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



Appendix B - Treatment of public holidays

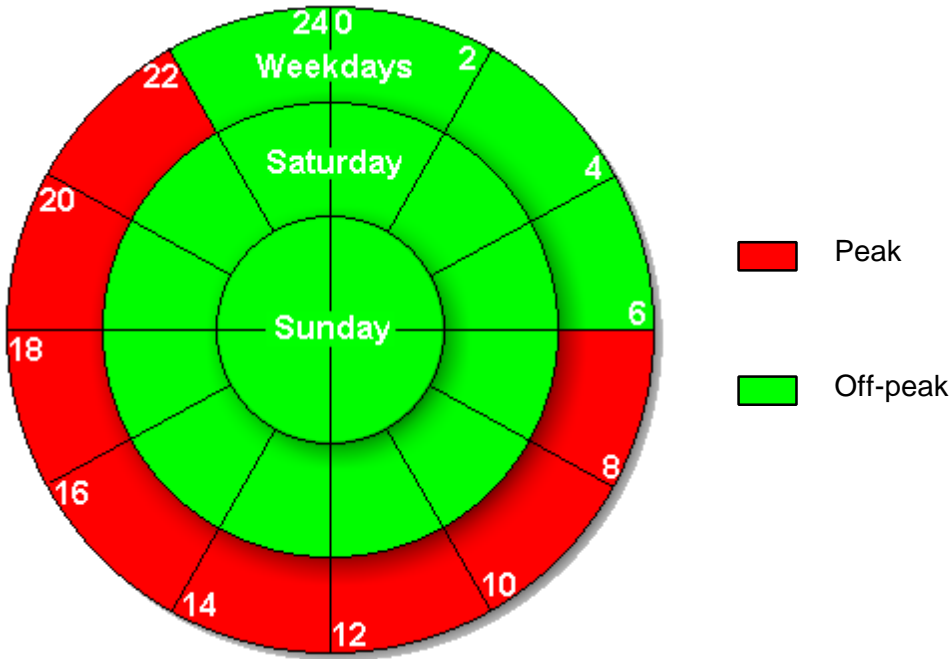
The table below indicates the treatment of public holidays for the TOU tariffs, namely; **Nightsave (Urban)**, **Megaflex** and **Miniflex** tariffs for the period 1 April 2006 to 31 March 2007 for standard Eskom supplies. The holidays from 6 April 2007 until 16 June 2007 are shown for the local authority supplies appropriate seasonally differentiated energy charges will be applicable on these days. Any unexpectedly announced public holidays will be treated as the day of the week on which it falls.

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

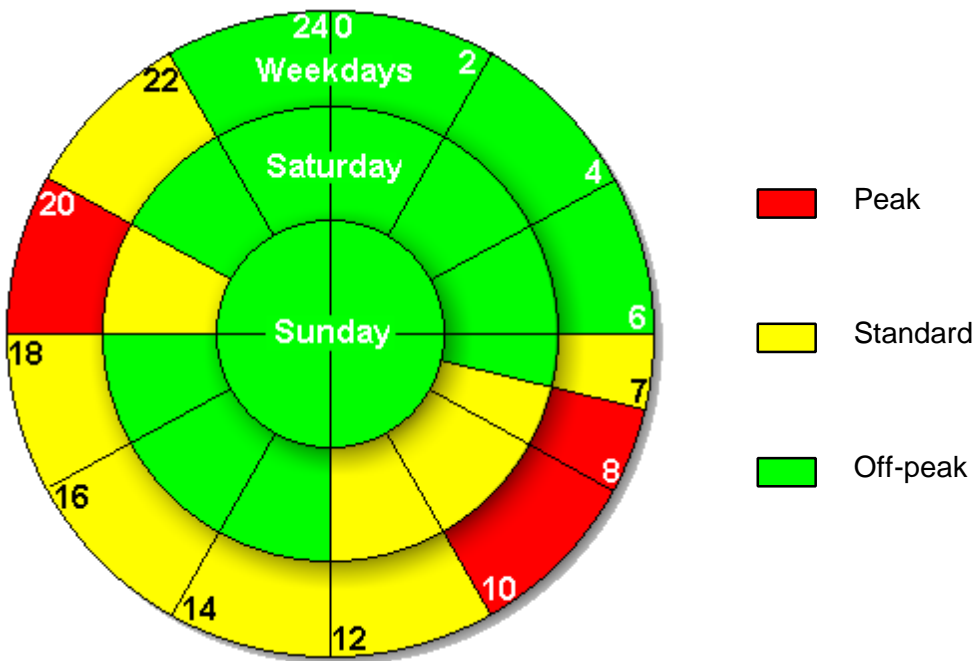
Date	Day	Actual day of the week	TOU day treated as	
			NIGHTSAVE Urban	MEGAFLEX MINIFLEX
14 April 2006	Good Friday	Friday	Sunday	Sunday
17 April 2006	Family Day	Monday	Sunday	Sunday
27 April 2006	Freedom Day	Thursday	Sunday	Saturday
1 May 2006	Workers' Day	Monday	Sunday	Saturday
16 June 2006	Youth Day	Friday	Sunday	Saturday
9 August 2006	National Womens' Day	Wednesday	Sunday	Saturday
24 September 2006	Heritage Day	Sunday	Sunday	Sunday
25 September 2006	Public Holiday	Monday	Sunday	Saturday
16 December 2006	Day of Reconciliation	Saturday	Sunday	Saturday
25 December 2006	Christmas Day	Monday	Sunday	Sunday
26 December 2006	Day of Goodwill	Tuesday	Sunday	Sunday
1 January 2007	New Year's day	Monday	Sunday	Sunday
21 March 2007	Human Rights Day	Wednesday	Sunday	Saturday
6 April 2007	Good Friday	Friday	Sunday	Sunday
9 April 2007	Family Day	Monday	Sunday	Sunday
27 April 2007	Freedom Day	Friday	Sunday	Saturday
1 May 2007	Workers' Day	Tuesday	Sunday	Saturday
16 June 2007	Youth Day	Saturday	Sunday	Saturday

Appendix C - Eskom's defined time periods

Nightsave (Urban) & Nightsave (Rural)



Megaflex, Miniflex & Ruraflex



Appendix D - TOU conversion surcharge

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

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

The reduction of the conversion surcharge is indicated below:

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

Appendix E - Connection fees

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

Table 1 – Urban connection fees (including Homepower)

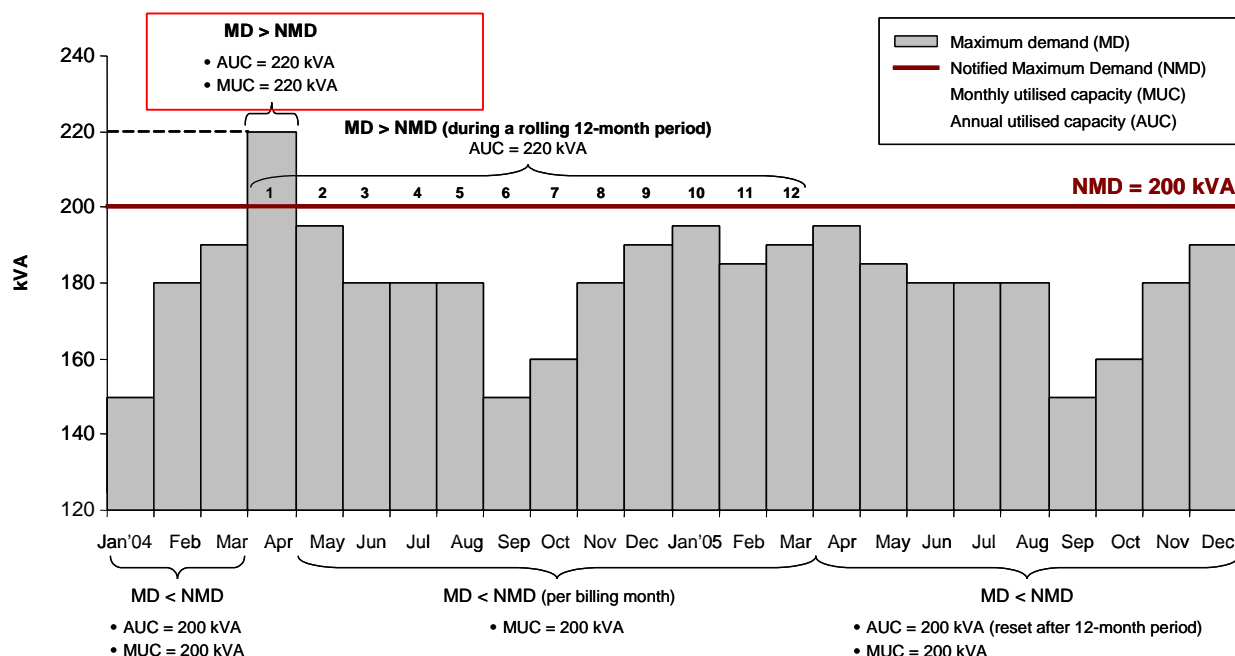
Capacity	Conventional
80 A (single-phase)	R964,91 + VAT = R1 100,00
16 kVA (single-phase)	R964,91 + VAT = R1 100,00
25 kVA (40 A per phase)	R3 596,49 + VAT = R4 100,00
50 kVA (80 A per phase)	R4 035,09 + VAT = R4 600,00
70 kVA (100 A per phase)	R4 780,70 + VAT = R5 450,00
100 kVA (150 A per phase)	R4 780,70 + VAT = R5 450,00
200 kVA	R6 710,53 + VAT = R7 650,00
315 kVA	R7 149,12 + VAT = R8 150,00
500 kVA	R11 929,82 + VAT = R13 600,00
1 000 kVA	R23 859,65 + VAT = R27 200,00
> 1 000 kVA	The greater of R23 859,65 + VAT or 5% of allocated costs.

Table 2 – Rural connection fees

Capacity	Conventional
5 kVA (single-phase)	R1 754,39 + VAT = R2 000,00
16 kVA (single-phase)	R2 850,88 + VAT = R3 250,00
25 kVA (three-phase)	R4 298,25 + VAT = R4 900,00
32 kVA (dual-phase)	R4 298,25 + VAT = R4 900,00
50 kVA (three-phase)	R5 877,19 + VAT = R6 700,00^R
64 kVA (dual-phase)	R5 877,19 + VAT = R6 700,00
100 kVA (three-phase)	R6 710,53 + VAT = R7 650,00
100 kVA (dual-phase)	R6 710,53 + VAT = R7 650,00
200 kVA	R9 824,56 + VAT = R11 200,00
315 kVA	R10 438,60 + VAT = R11 900,00
500 kVA	R17 456,14 + VAT = R19 900,00
1 000 kVA	R34 824,56 + VAT = R39 700,00
> 1 000 kVA	The greater of R34 824,56 + VAT or 5% of allocated costs.

Appendix F - Illustration of monthly and annual utilised capacity

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



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

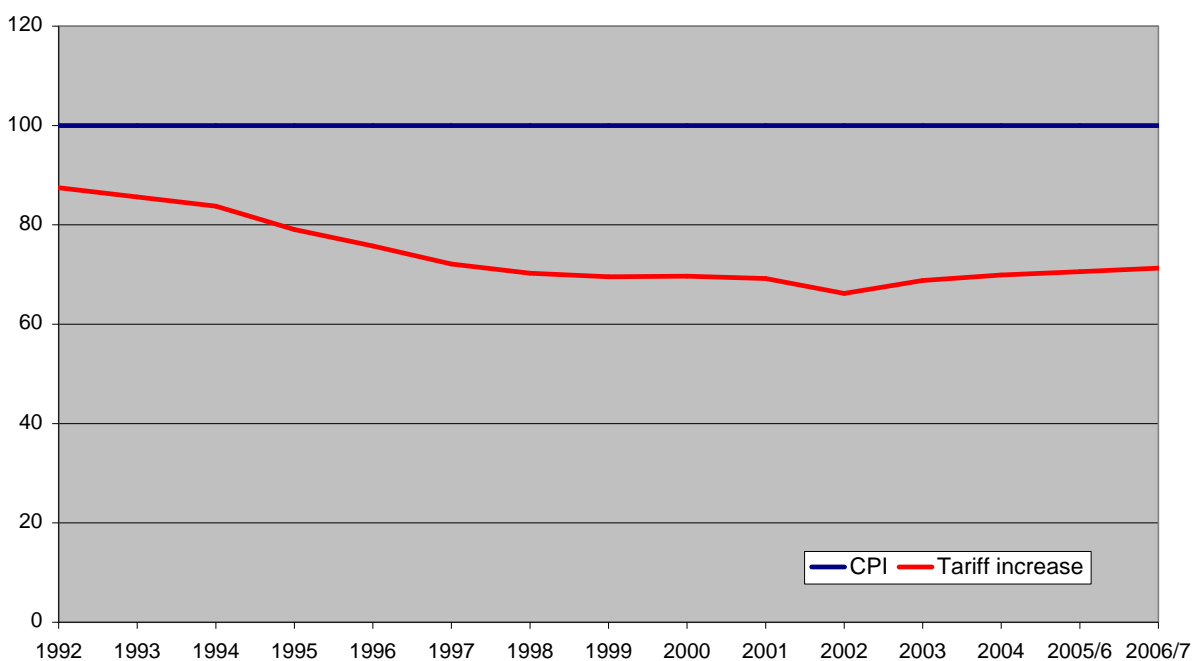
Appendix G - Eskom's average price adjustment

Eskom's tariffs are adjusted on an annual basis, previously on 1 January but due to the change in Eskom's financial year, price adjustments will now take place on 1 April of each year. The average tariff adjustments for the last 15 years are indicated in the table below. Some tariffs, due to structural changes, have experienced a higher or lower impact than the average tariff adjustment.

Eskom's average tariff adjustment for the last 15 years

Year	Average price adjustment	CPI
1 January 1992	9,00%	13,67%
1 January 1993	8,00%	9,87%
1 January 1994	7,00%	8,82%
1 January 1995	4,00%	8,71%
1 January 1996	4,00%	7,32%
1 January 1997	5,00%	8,62%
1 January 1998	5,00%	6,87%
1 January 1999	4,50%	5,21%
1 January 2000	5,50%	5,37%
1 January 2001	5,20%	5,70%
1 January 2002	6,20%	9,20%
1 January 2003	8,43%	5,80%
1 January 2004	2,50%	1,40%
1 January 2005	4,10%	(projected) 3,42%
1 April 2006	5,10%	(projected) 4,40%

Eskom's tariff adjustment as a percentage of CPI (Cumulative graph) – Base = 1990



Appendix H - Pricing of electricity

Eskom's average price for electricity is based on the overall cost to supply but, in order to determine tariffs, it is first necessary to break the overall costs into relevant cost categories. Costs are expressed in a manner that will ultimately be applied to derive the tariffs according to an appropriate cost driver. By using the correct cost driver for each cost component, inappropriate pooling of costs is reduced.

Common cost drivers are:

- R/customer/month or /day - typically for customer service and administration costs
- R/kVA - typically for network costs
- c/kWh - typically for energy costs
- c/kvarh - reactive energy costs
- Energy loss factors for energy loss costs

The cost of providing electricity to customers varies according to:

- The quantity of electricity used and the period (time or season) when the electricity is used
- The size/capacity of the supply required
- The geographic location of the customer
- The voltage at which supply is provided
- The cost of connecting a supply

A totally cost-reflective tariff will reflect the cost drivers and the factors that could influence cost by taking into account the following:

- The time of use and seasonal variance of energy costs
- Unbundled costs for distribution and transmission networks. These costs are differentiated by:
 - The supply voltage
 - The density of the points of delivery
- Retail charges that reflect the size of the customer and the service provided
- A connection charge that reflects the location of the supply and the impact on upstream costs

However, the tariff applied depends on meter capability, billing functionality and logistics, and limitations on tariff complexity and impact of changes to existing tariffs. For more energy-intensive users of electricity, tariff structures tend to be more complex, while for customers such as domestic customers, tariffs are simpler.

A larger customer will have a much lower supply cost than a smaller customer. In Eskom, larger customers generally subsidise smaller customers. The reasons for the higher cost for small customers are as follows:

- As a ratio of overall consumption, smaller customers tend to use much more electricity in the more expensive peak periods and have a poorer load factor than that of larger customers.
- There is significantly more network required at the lower voltage level (eg 500V), to supply a smaller customer than that required to supply a larger customer (eg 132 kV). This means that more electrical networks have to be built, maintained and operated. There are also more electrical losses that occur.

For Eskom the overall price of electricity is regulated and is based on approved costs plus a return on investment as determined by the National Electricity Regulator. While Eskom's **average** price (total revenue/total consumption) is based on cost, **individual** price levels per customer or per customer class might not be cost reflective. This is due to cost averaging, historical cross subsidies and social factors such as the customer's ability to pay the determined price.

Pro-rating of customer bills

The rates will be pro-rated based on the number of days in each period:

- At times of price changes
- Where a billing period spans the price change period
- Where readings for demand or energy are not measured

All Eskom tariffs to local authority supplies will be subject to an average price increase of 6.89%, applicable from 1 July 2006 until 30 June 2007. The aim of this higher increase is to ensure a fair and non-discriminatory recovery of Eskom's approved revenue requirement for the 2006/7 financial year. For a period of 3 months (April to June) local authority tariffs will be lower than standard Eskom tariffs and for a period of 9 months, (July to March) higher. The effective price increase to local authority supplies over the 12 month period from April 2006 to March 2007 remains, however, 5,1%.

ESKOM'S 2006/7 TARIFFS FOR LOCAL AUTHORITY SUPPLIES FROM JULY 2006												
	Homelight 1		Homelight 2/Hometake		Homepower Standard		Homepower Bulk		Businessrate		Landrate	
	2006	+VAT	2006	+VAT	2006	+VAT	2006	+VAT	2006	+VAT	2006	+VAT
SERVICE CHARGE (R/DAY)												
1					R1.29	R 1.47	R3.26	R 3.72	R3.45	R 3.93	R5.40	R 6.16
2									R3.45	R 3.93	R5.40	R 6.16
3									R3.45	R 3.93	R5.40	R 6.16
4												
10Amperes / Dx											R10.76	R 12.27
NETWORK CHARGE (R/DAY)							R0.64	R 0.73				
1					R1.99	R 2.27			R3.31	R 3.77	R5.68	R 6.48
2					R4.29	R 4.89			R4.77	R 5.44	R8.72	R 9.94
3					R8.63	R 9.84			R9.34	R 10.65	R13.96	R 15.91
4					R1.02	R 1.16					R4.52	R 5.15
ACTIVE ENERGY CHARGE (c/kWh)					28.28	32.24	23.83	27.17	24.06	27.43	25.50	29.07
Homelight 10/2.5 Amps	43.48	49.57										
Hometake/Homelight 20 Amps	43.48	49.57	37.76	43.05								
Homelight 60 Amps	48.91	55.76	43.19	49.24								
Hometake 60A or Landrate 4 or Businessrate 4			40.48	46.15					57.12	65.12	50.99	58.13

ESKOM'S 2006/7 TARIFFS FOR LOCAL AUTHORITY SUPPLIES FROM JULY 2006

	Nightsave (Urban)		Nightsave (Rural)		Megaflex		Miniflex		Ruraflex	
	2006	+VAT	2006	+VAT	2006	+VAT	2006	+VAT	2006	+VAT
SERVICE CHARGE (R/day)										
0 to <100 kVA	R 0.96	R 1.09	R 3.47	R 3.96			R 2.22	R 2.53	R 3.47	R 3.96
100kVA to <500kVA	R 12.17	R 13.87	R 12.17	R 13.87			R 12.17	R 13.87	R 12.17	R 13.87
500 kVA to <1 MVA	R 59.75	R 68.12	R 59.75	R 68.12			R 59.75	R 68.12	R 59.75	R 68.12
>1 MVA	R 59.75	R 68.12	R 59.75	R 68.12	R 59.75	R 68.12	R 59.75	R 68.12	R 59.75	R 68.12
Key Customers	R 467.72	R 533.20	R 467.72	R 533.20	R 467.72	R 533.20	R 467.72	R 533.20	R 467.72	R 533.20
ADMINISTRATION CHARGE (R/day)										
0 to <100 kVA	R 2.39	R 2.72	R 4.97	R 5.67			R 2.50	R 2.85	R 5.09	R 5.80
100kVA to <500kVA	R 3.86	R 4.40	R 6.27	R 7.15			R 4.08	R 4.65	R 6.67	R 7.60
500 kVA to <1 MVA	R 31.97	R 36.45	R 33.26	R 37.92			R 33.34	R 38.01	R 35.55	R 40.53
>1 MVA	R 32.07	R 36.56	R 33.26	R 37.92	R 34.47	R 39.30	R 33.34	R 38.01	R 35.55	R 40.53
Key Customers	R 33.80	R 38.53	R 33.26	R 37.92	R 35.72	R 40.72	R 33.34	R 38.01	R 35.55	R 40.53
NETWORK CHARGE (R/kVA)										
NETWORK DEMAND CHARGE (R/kVA)*#	R 6.81	R 7.76			R 6.81	R 7.76				
NETWORK ACCESS CHARGE (R/kVA)*#	R 6.01	R 6.85	R 2.65	R 3.02	R 6.01	R 6.85	R 6.01	R 6.85	R 3.50	R 3.99
ENERGY (c/kWh)										
Non-TOU: High Demand Season*#	10.83	12.35	12.30	14.02						
Non-TOU: Low Demand Season*#	7.70	8.78	8.48	9.67						
TOU energy rate: High Demand Season (c/kWh)										
Peak*#					53.11	60.55	54.31	61.91	87.79	100.08
Standard *#					14.05	16.02	15.72	17.92	22.70	25.88
Off-peak*#					7.64	8.71	7.56	8.62	12.06	13.75
TOU energy rate: Low Demand Season (c/kWh)										
Peak*#					15.07	17.18	16.75	19.10	24.32	27.72
Standard *#					9.35	10.66	11.10	12.65	14.84	16.92
Off-peak*#					6.63	7.56	6.55	7.47	10.33	11.78
Rate Rebalancing Levy / Subsidy (c/kWh)										
	2.84	3.24			1.55	1.77	1.41	1.61		
ENERGY DEMAND CHARGES (R/kVA)										
High Demand Season*#	R 31.09	R 35.44	R 53.85	R 61.39						
Low Demand Season*#	R 4.40	R 5.02	R 35.47	R 40.44						
REACTIVE ENERGY (c/kvarh)										
					2.67	3.04	1.17	1.33	1.77	2.02

