Rev1

Eskom

Tariffs and Charges

2007/8

Charges effective from 1 April 2007 to 31 March 2008

Tariff rate component summary

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

	Tariff		Supply size	Service charge	Admin charge	Network charge	Energy demand charge	(Active) energy charge: Non-TOU	(Active) energy charge: TOU	Reactive energy charge	Rate rebalancing levy
Urban	NIGHTSAVE	Urban	≥ 25 kVA	R/day	R/day	R/kVA[4,5,V,T]	R/kVA[V,T]	c/kWh[V,T]			c/kWh
	MEGAFLEX		≥ 1 MVA	R/day	R/day	R/kVA[4,5,V,T]			c/kWh[V,T]	c/kvarh[T]	c/kWh
	MINIFLEX		≥ 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			
Residential	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			
	HOMELIGHT	1	60 A, 20 A or 10 A					c/kWh			
	HOMELIGHT	2	60 A or 20 A					c/kWh			
Rural	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 includes the administration cost components, namely meter reading, billing and meter capital.

** The service charge for this tariff includes the administration, network and energy cost components.

Customer contact numbers

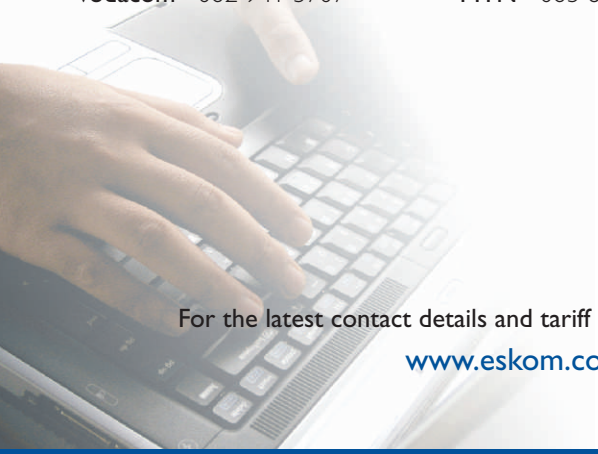
Eskom has introduced an easy-to-remember national ShareCall number:

- 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

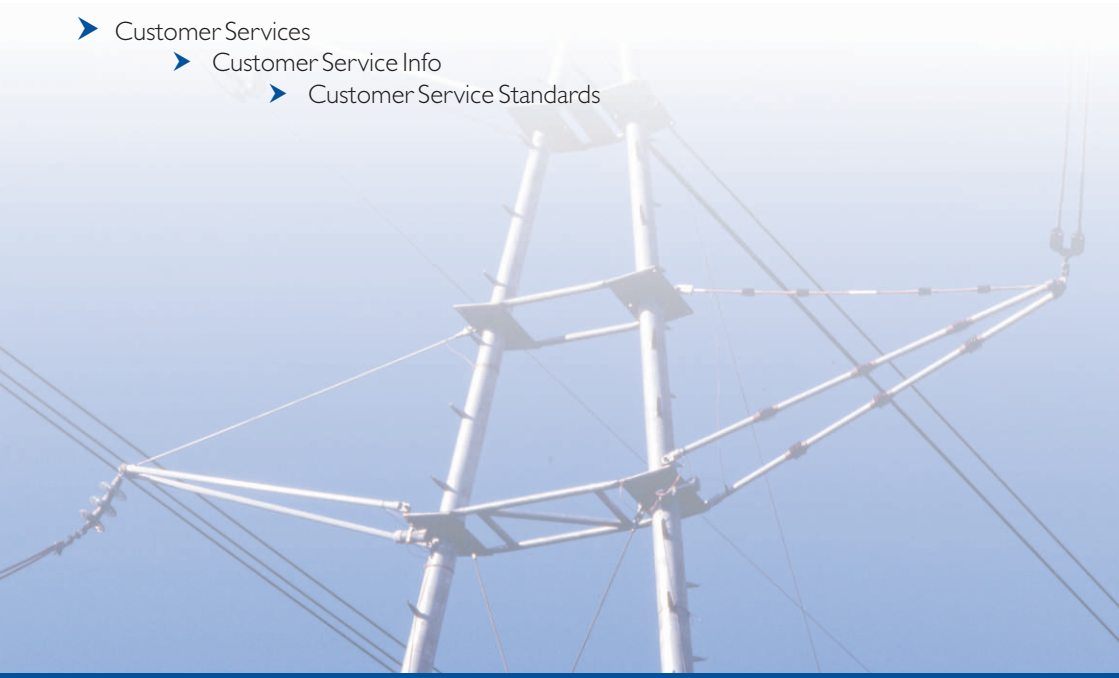
Eskom's customer service charter

Our customers have the right:

- to accurate measurement of consumption;
- to error-free bills;
- to be treated with respect;
- to experience excellent treatment in terms of Eskom's electricity supply agreement;
- to be dealt with promptly and efficiently;
- to be treated fairly;
- to have their property treated with respect.;
- to confidentiality of their information;
- to one-stop service without referral;
- to quality of supply in terms of negotiated agreement;
- to 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



Contents

p Refers to urban/rural as classified for pricing purposes

p Refers to urban/rural as classified for pricing purposes

Foreword

Eskom's tariffs aim to be cost-reflective, not only to ensure economic efficiency and sustainability but also to provide adequate revenue for reliable energy supply. All customers' needs are considered with a view to be fair and equitable. The Eskom tariffs are designed to support both energy and capacity efficiency through demand side management (DSM) options in most tariffs.

DSM options have both time-differentiated and seasonally differentiated energy rates and cost-reflective network charges to assist in optimising the utilisation of networks. Customers can participate in efficient energy use by doing the following:

- Consuming electricity during off-peak periods
- Making more efficient use of Eskom tariffs that reward load-shifting
- Choosing more optimal supply capacity
- More efficiently controlling their operations.

Eskom currently piloting a residential time-of-use (TOU) tariff called Homeflex, which should be available within the next year. The tariff is targeted for medium-usage and high-usage residential customers; that is, households with geysers. For valuable energy-saving tips, refer to page 48.

To facilitate better understanding of the 2007/8 tariffs as well as the anticipated changes to the next year's tariffs, the following explanations are provided regarding the price of electricity as well as the 2008/9 proposed tariff structural changes:

Price of electricity:
The customers' price of electricity is impacted by two different processes at Eskom:

1. The annual inflation-related price adjustment as approved by the National Energy Regulator of South Africa (NERSA)
   - In 2007/8 the average price of electricity supplied by Eskom to all its direct customers, excluding local authorities, will increase by 5,9% from 1 April 2007 and that price will be valid until 31 March 2008.
   - All local-authority supply tariffs will see an average price increase of 5,57%, applicable from 1 July 2007 until 30 June 2008 in accordance with the Municipal Finance Management Act (MFMA).
2. Tariff structural changes
   - No structural changes are proposed for 2007/8, except for the final increase to the Hometake tariff as approved by NERSA in 2006/7. Tariffs in the takeover areas are now normalised and all customers are on Homelight 2, which will be evident on customers' bills as of 1 April 2007.

- The result of the Hometake tariff change is that residential customers in areas previously taken over by Eskom will experience an effective price adjustment above the 5,9% average increase.

2008/9 Proposed tariff structural changes:
The 2008/9 tariff structural changes that are part of the Eskom strategic pricing direction are geared to improve the Eskom tariff's cost reflectivity and transparency. The following tariff structural changes are proposed for the financial year 2008/9:

1. All tariff rates will be based on the latest cost of supply study.
2. Transmission and distribution network charges for Megaflex, Nightsave Urban, Miniflex, Nightsave Rural and Ruraflex tariffs will be unbundled as follows:
   - Transmission network charges will be differentiated as per the approved transmission zones.
   - Distribution network charges will be differentiated according to the approved voltage and between rural and urban supplies.
   - Technical losses on the transmission and distribution system will be shown and charged for separately in accordance with the NERSA-approved distribution and transmission loss factors.
3. In order to make the voltage differentials more cost-reflective, Eskom will increase the price differential of network charges between high-voltage and low-voltage customers from 0-17% to 0-25%.
4. The current Nightsave Urban tariff will be split into Nightsave Urban (Small) for supply sizes < 1 MVA and Nightsave Urban (Large) for supply sizes > 1 MVA.
5. The contribution made through the rate-rebalancing levy to socio-economic subsidies will be aligned in a phased approach for Megaflex, Miniflex and Nightsave Urban tariffs.
6. The time-of-use (TOU) conversion surcharge will be removed for existing and new supplies.
7. The bill will be simplified by introducing a rate matrix for Megaflex, Nightsave Urban (Small), Nightsave Urban (Large), Miniflex, Nightsave (Rural) and Ruraflex tariffs.

Deon Conradie
SENIOR MANAGER (ELECTRICITY PRICING)

NOTE: More pricing information can be viewed at the following web site: ***www.eskom.co.za/tariffs****.*

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
NERSA	National Energy Regulator of South Africa
NMD	notified maximum demand
PF	power factor
R	rand
R/kVA	rand per kilovolt-ampere
TOU	time of use or 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.

Administration charge comprises periodic charges to cover the cost of the administration of the account, such as meter reading, billing and meter capital, and is applicable irrespective of whether electricity is consumed.

Annual utilised capacity is the higher of the customer's notified maximum demand (NMD) or maximum demand (MD), 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 duration of the period from one meter reading date and time (actual or estimated) to the next meter reading date and time.

Bulk supply is a single point of supply to an intermediate distributor 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 required in order to provide capacity.

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 the demand registered will be charged for. The chargeable time periods differ and are described with each of the respective tariffs.

Connection charge is the charge recouped 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 upfront 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 include all the unique cost components of providing an electricity supply for a specific customer.
Note: It is based on the real economic costs.

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

Energy demand charge is a R/kVA or R/KWh 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 as requiring special services, or a customer that consumes more than 100 GWh per year on contiguous sites.

Licensed area of supply is an area for which the National Energy Regulator of South Africa (NERSA) has issued a licence to Eskom under the provisions of the Energy Regulation Act of August 2006, 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 percentage-based factor for a particular network applied as a multiplier on consumption to determine losses.
Note: The loss factor is differentiated between rural and urban areas and the standard voltage categories.

Maximum demand is the highest averaged demand measured in kVA or kW during any integrating period within a designated billing period.
Note: The integrating period is normally 30 minutes and the designated billing period refers to all time periods.

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

Network access charge (NAC) is a tariff component that is fixed on an annual basis and is charged as a R/kVA on the annual utilised (reserved) capacity.
Note: The NAC may also be applicable to both DUoS charges and retail tariffs.

Network charge is a charge to recover network costs (including capital, operations, maintenance and refurbishment) associated with the provision of network capacity required and reserved by the customer.
Note: The network charge in the retail or in the DUoS charges may or may not be the same in structure and value.

Network demand charge (NDC) is a charge that is variable on a monthly basis and is charged on the actual demand measured in all peak and standard periods of the billing period.
Note: The NDC may be applicable to both DUoS charges and retail tariffs.

Notified maximum demand (NMD) is the maximum demand notified in writing by the customer and accepted by Eskom.
*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 is the physical point on the electrical network where electricity is supplied to a customer. (Also see Premise)

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

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
Note: This can be a metering or summation point.

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

Rate-rebalancing levy is a separate rate component, shown on the customers' bills transparently indicating explicit levies.
Note: Historically Nightsave (Urban), Megaflex and Miniflex have made different contribution towards subsidies and the rate-rebalancing levy will therefore differ for each tariff.

Reactive energy charge is a charge based on the reactive energy used.
Note:This charge is applicable to Megaflex, Miniflex and Ruraflex

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 charge payable per account to recover service-related costs.
Note: 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 is a 50 Hz AC supply at 230V r.m.s. phase-to-neutral. The neutral carries the full load current.

Tariff is a combination of charging parameters applied to recover measured quantities such as consumption and capacity costs, as well as unmeasured quantities such as service costs.
Note: The tariff rate, multiplied by the measured service quantities, recovers the cost of service.

Three-phase supply is a 50 Hz AC supply at 230 V rms phase-to-neutral; 400 V rms phase-to-phase (120 vector phase displacement).

Time-of-use (TOU) tariff is a tariff that has different energy rates for the same tariff component during 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 zonal pricing signal to indicate the costs associated with the transmission of energy over long distances.

Urban$_p$ areas refer to urban as classified for pricing purposes.

Voltage surcharge is a percentage surcharge levied on customers with lower supply voltages.
Note: This contributes to the cost of transforming electricity 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.
- A network demand charge and energy demand charge applicable during peak period.
- A c/kWh contribution to cross subsidies to the rural and Homelight tariffs.

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 non-local-authority 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 1,01 +VAT = **R1,15/day**
> 100 kVA and ≤ 500 kVA	R 12,68 +VAT = **R 14,46/day**
> 500 kVA and ≤ 1 MVA	R 62,22 +VAT = **R 70,93/day**
> 1 MVA	R 62,22 +VAT = **R 70,93/day**
Key customers	R 487,02 +VAT = **R 555,20/day**

Administration charge:

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

≤ 100 kVA	R 2,49 +VAT = **R 2,84/day**
> 100 kVA and ≤ 500 kVA	R 4,01 +VAT = **R 4,57/day**
> 500 kVA and ≤ 1 MVA	R 33,29 +VAT = **R 37,95/day**
> 1 MVA	R 33,39 +VAT = **R 38,06/day**
Key customers	R 35,19 +VAT = **R 40,12/day**

Network demand charge:

R7,08 +VAT = **R8,07/kVA** payable for each kVA of the chargeable demand supplied during peak periods per premise per month.

Network access charge:

R 6,26 +VAT = **R 7,14/kVA** payable each month and is based on the annual utilised capacity of each premise. This charge is applicable during all time periods.

Energy demand charge:

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

High-demand season (June - August)	Low-demand season (September - May)
R 32,37 +VAT = **R 36,90/kVA**	R 4,59 +VAT = **R 5,23/kVA**

Active energy charge:

High-demand season (June - August)	Low-demand season (September - May)
11,28c +VAT = **12,86c/kWh**	8,02c +VAT = 9,14**c/kWh**

Voltage surcharge:

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

Supply voltage	Surcharge
> 132 kV	0,00%
≥ 66 kV and ≤ 132 kV	7,63%
≥ 500V and < 66 kV	10,07%
< 500V	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 a central point in Johannesburg.

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

Rate-rebalancing levy:

2,97c +VAT = **3,39c/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 > 1 MVA that are able to shift load

This tariff is characterised by:

- Seasonally and time differentiated c/kWh active energy charges.
- Three time-of-use periods namely; peak, standard and off-peak.
- A R/kVA network access charge applicable during all time periods, differentiated by voltage and transmission zone.
- A R/kVA network demand charge applicable during peak and standard periods.
- A R/day service and administration charge based on the size of supply.
- A c/kWh contribution to cross-subsidies to the rural and Homelight tariffs.

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 non-local-authority 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 62,22 +VAT = **R70,93/day**
Key customers	R 487,02 +VAT = **R555,20/day**

Administration charge:

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

≥ 1 MVA	R 35,89 +VAT = **R40,91/day**
Key customers	R 37,19 +VAT = **R42,40/day**

Network demand charge:

R 7,08 + VAT = **R8,07/kVA** payable for each kVA of the chargeable demand supplied during peak and standard periods per premise per month.

Network access charge:

R 6,26+ VAT = **R7,14/kVA** payable each month and is based on the annual utilised capacity of each premise. This charge is applicable during all time periods.

Active energy charge:

High-demand season (June - August)		Low-demand season (September - May)
55,30c + VAT = **63,04c/kWh**	Peak	15,69c + VAT = **17,89c/kWh**
14,62c + VAT = **16,67c/kWh**	Standard	9,74c + VAT = **11,10c/kWh**
7,95c + VAT = **9,06c/kWh**	Off-peak	6,90c + VAT = **7,87c/kWh**

Reactive energy charge:

2,79c + VAT = **3,18c/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%
≥ 500V and < 66 kV	10,07%
< 500V	17,30%

Transmission surcharge:

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

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

Rate-rebalancing levy:

1,61c + VAT = **1,84c/kWh** applied to the total active energy consumption (not subject to the voltage and/or transmission surcharge).

MINIFLEX

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 c/kWh active energy charges.
- Three time of use periods namely; peak, standard and off-peak.
- A R/kVA network access charge applicable during all time periods, differentiated by voltage and transmission zone.
- A R/kVA network demand charge included in the energy charge.
- A R/day service and administration charge based on the size of supply.
- A c/kWh contribution to cross-subsidies to the rural and Homelight tariffs.

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 non-local-authority 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	R2,32 +VAT = **R2,64/day**
> 100 kVA and ≤ 500 kVA	R12,68 +VAT = **R14,46/day**
> 500 kVA and ≤ 1 MVA	R62,22 +VAT = **R70,93/day**
> 1 MVA	R62,22 +VAT = **R70,93/day**
Key customers	R487,02 +VAT = **R555,20/day**

Administration charge:

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

≤ 100 kVA	R2,61 +VAT = **R2,98/day**
> 100 kVA and ≤ 500 kVA	R4,25 +VAT = **R4,85/day**
> 500 kVA and ≤ 1 MVA	R34,71 +VAT = **R39,57/day**
> 1 MVA	R34,71 +VAT = **R39,57/day**
Key customers	R34,71 +VAT = **R39,57/day**

Network access charge:

R6,26+ VAT = **R7,14/kVA** payable each month and is based on the annual utilised capacity of each premise. This charge is applicable during all time periods.

Active energy charge:

High-demand season (June - August)		Low-demand season (September - May)
56,55c +VAT = **64,47c/kWh**	Peak	17,44c +VAT = **19,88c/kWh**
16,37c +VAT = **18,66c/kWh**	Standard	11,55c +VAT = **13,17c/kWh**
7,87c +VAT = **8,97c/kWh**	Off-peak	6,82c +VAT = **7,77c/kWh**

Reactive energy charge:

1,22c +VAT = **1,39c/kvarh** supplied in excess of 30% (0,96 PF) of the kWh recorded during the entire billing period. The excess reactive energy is determined using the billing period totals and will only be applicable during the high-demand season.

Voltage surcharge:

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

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

Transmission surcharge:

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

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

Rate-rebalancing levy:

1,47c +VAT = **1,68c/kWh** applied to the total active energy consumption (not subject to the voltage and/or transmission surcharge).

BUSINESSRATE

Electricity tariff for small businesses governmental institutions or similar supplies in urban$_p$ areas with an NMD up to 100 kVA

The Businessrate tariff is made up of a range of tariffs as follows:

Businessrate 1: for supplies ≤ **25 kVA** using more than 622 kWh per month
Businessrate 2: for supplies > **25 kVA** and ≤ **50 kVA**
Businessrate 3: for supplies > **50 kVA** and ≤ **100 kVA**
Businessrate 4: for supplies ≤ **25 kVA** using less than 622kWh per month

This tariff is characterised by:

- a single c/kWh active energy charge;
- a R/day network charge based on the NMD of the supply; and
- a R/day service charge based on the size of supply.

Conventional metered supplies:

Meters are read at least once every three months. Estimated charges are raised in months during which no meter readings are taken and these are subsequently adjusted when actual consumption is charged for. A security deposit covering three 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:

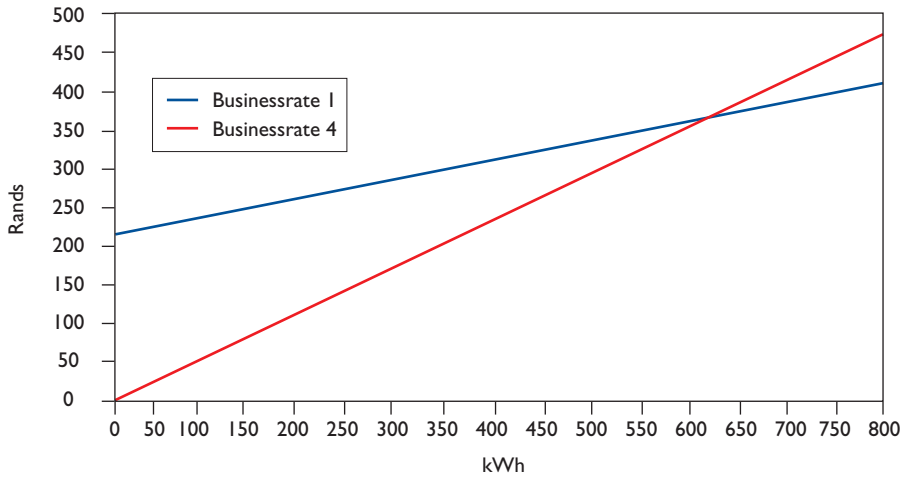
Refer to Appendix E (Table 1).

The rates listed below are for non-local-authority 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	R3,45 + VAT = **R3,93**	R3,59 + VAT = **R4,09**	25.06c + VAT = **28,57c/kWh**
Businessrate 2	R4,97 + VAT = **R5,67**		
Businessrate 3	R9,73 + VAT = **R11,09**		
Businessrate 4	N/A	N/A	59,48c + VAT = **67,81c/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 Businessrate 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*, typically sectional title developments and multiple housing units, in urban$_p$ areas connected prior to 1 January 2004

This tariff is characterised by:

- A single c/kWh active energy charge.
- A R/day network charge based on the number of individual dwelling units within the complex. This network charge is lower than the Homepower Standard network charge as Eskom does not maintain or own the low voltage circuits.
- A R/day service charge.

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 non-local-authority supplies. The rates for local-authority supplies are listed at the end of this book.

Service charge:

R3,40 + VAT = **R3,88/day** payable for each premise, whether electricity is consumed or not.

Network charge:

R0,67** + VAT = **R0,76/day** payable for each dwelling unit in the complex, whether electricity is consumed or not.

Energy charge:

24,81c** + VAT = **28,28c/kWh**

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

** *Network charges and Energy charges for Homepower Bulk are subject to the voltage surcharge and are published at > 132kV.*

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%	*R0,74 + VAT =* ***R0,84/day***	*27,31c + VAT =* ***31,13c/kWh***
< 500 V	17,30%	*R0,79 + VAT =* ***R0,90/day***	*29,10c + VAT =* ***33,18c/kWh***

HOMEPOWER Standard

Electricity tariff for medium to high-usage residential customers, churches, schools, halls, old age homes or similar supplies in urban$_p$ areas with an NMD up to 100 kVA

The Homepower Standard tariff is made up of a range of tariffs as follows:

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)

This tariff is characterised by:
- A single c/kWh active energy charge.
- A R/day network charge based on the NMD of the supply.
- A R/day service charge based on the size of supply.

Conventional metered supplies:
Meters are read at least once every three months. Estimated charges are raised in months during which no meter readings are taken and these are subsequently adjusted when actual consumption is charged for. A security deposit covering three 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 non-local-authority 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	R2,07 + VAT = **R2,36**	R1,34 + VAT = **R1,53**	29,45c + VAT = **33,57c/kWh**
Homepower 2	R4,46 + VAT = **R5,08**		
Homepower 3	R8,98 + VAT = **R10,24**		
Homepower 4	R1,06 + VAT = **R1,21**		

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

HOMELIGHT

Electricity tariff for 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 residential customers in urban$_p$ areas

The Homelight tariff is made up of a range of tariffs as follows:

Homelight 1: Lower connection fee with higher energy charges.
Homelight 2: Higher connection fee with lower energy charges.

This tariff is characterised by:

- A range of tariffs based on the size of supply.
- A single c/kWh active energy charge that differs according to size of supply.

Conventional metered supplies:

Meters are read at least once every three months. Estimated charges are raised in months during which no meter readings are taken and these are subsequently adjusted when actual consumption is charged for. A security deposit covering three months' consumption is required.

Prepayment supplies:

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

Capital costs:

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

Energy charge:

Homelight 1	**10 A:***	45,27c + VAT = **51,61c/kWh**
	20 A:	45,27c + VAT = **51,61c/kWh**
	60 A:	50,93c + VAT = **58,06c/kWh**
Homelight 2**	**20 A:**	39,32c + VAT = **44,82c/kWh**
	60 A:	44,98c + VAT = **51,28c/kWh**

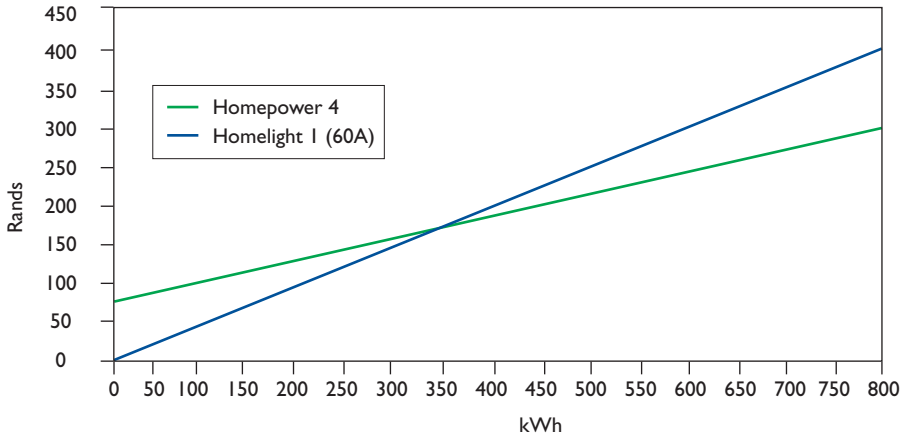
1 The Homelight tariff is subsidised by the rate-rebalancing levy on Nightsave (Urban), Megaflex and Miniflex.
R Rounded to the nearest Rand value.
** The Homelight 1 (10A) rate is also applicable to the existing 2.5A supplies connected prior to 1 January 2005.*
*** The Hometake tariff will no longer be applicable, the applicable tariff is now Homelight 2.*

Maximum wattage:

Any combination of appliances can be used at the same time as long as the capacity of all appliances does not exceed a maximum of **4 200 W for 20 A** limited supplies and **12 500 W for 60 A** limited supplies,

However, for any customers still on 2.5 A or 10 A, the following capacity should not be exceeded; ***525 W for 2.5 A*** *limited supplies,* ***2 100 W for 10 A*** *limited supplies.*

Comparison of Homepower 4 and Homelight 1 (60A)



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

- If less than **350 kWh**/month is used, Homelight 1 (60A) is cheaper.
- If more than **350 kWh**/month is used, Homepower 4 is cheaper.

NIGHTSAVE Rural

Electricity tariff for high load factor rural$_p$ customers with an NMD from 25 kVA with a supply voltage ≤22 kV (or 33 kV where designated by Eskom as rural)

This tariff is characterised by:

- Seasonally differentiated R/kVA energy demand charges and c/kWh active energy charges.
- The energy demand charge applicable during peak periods.
- A R/kVA network access charge applicable during all time periods, differentiated by voltage and transmission zone.
- No network demand charge.
- A R/day service and administration charge based on the size of supply.
- A c/kWh contribution to cross-subsidies to the rural and Homelight tariffs.

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 non-local-authority 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	R3,62 +VAT = **R4,13/day**
> 100 kVA and ≤ 500 kVA	R12,68 +VAT = **R14,46/day**
> 500 kVA and ≤ 1 MVA	R62,22 +VAT = **R70,93/day**
> 1 MVA	R62,22 +VAT = **R70,93/day**
Key customers	R487,02 +VAT = **R555,20/day**

Administration charge:

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

≤ 100 kVA	R5,18 +VAT = **R5,91/day**
> 100 kVA and ≤ 500 kVA	R6,53 +VAT = **R7,44/day**
> 500 kVA and ≤ 1 MVA	R34,64 +VAT = **R39,49/day**
> 1 MVA	R34,64 +VAT = **R39,49/day**
Key customers	R34,64 +VAT = **R39,49/day**

Network access charge[1]:

R2,76 +VAT = **R3,15/kVA** payable each month and based on the annual utilised capacity of each premise. This charge is applicable during all time periods.

Energy demand charge[2]:

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

High-demand season (June - August)	Low-demand season (September - May)
R56,07+VAT = **R63,92/kVA**	R36,93 +VAT = **R42,10/kVA**

Active energy charge:

High-demand season (June - August)	Low-demand season (September - May)
12,81c +VAT = **14,60c/kWh**	8,82c +VAT = **10,05c/kWh**

Voltage surcharge:

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

Supply voltage	Surcharge
≥ 500V and ≤ 22 kV*	10,07%
< 500V	17,30%

Transmission surcharge:

Calculated as a percentage of network access, energy demand and active energy charges after the voltage surcharge has been levied. The surcharge rate depends on the distance from a central point in 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 with a supply voltage ≤22 kV (or 33 kV where designated by Eskom as rural)

This tariff is characterised by:

- Seasonally and time of use differentiated c/kWh active energy charges.
- Three time-of-use periods namely; peak, standard and off-peak.
- A R/kVA network access charge applicable during all time periods, differentiated by voltage and transmission zone.
- No network demand charge.
- A R/day service and administration charge based on the size of supply.

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 non-local-authority 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	R3,62 +VAT = **R4,13/day**
> 100 kVA and ≤ 500 kVA	R12,68 +VAT = **R14,46/day**
> 500 kVA and ≤ 1 MVA	R62,22 +VAT = **R70,93/day**
> 1 MVA	R62,22 +VAT = **R70,93/day**
Key customers	R487,02 +VAT = **R555,20/day**

Administration charge:

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

≤ 100 kVA	R5,30 +VAT = **R6,04/day**
> 100 kVA and ≤ 500 kVA	R 6,95 +VAT = **R7,92/day**
> 500 kVA and ≤ 1 MVA	R37,02 +VAT = **R42,20/day**
> 1 MVA	R37,02 +VAT = **R42,20/day**
Key customers	R37,02 +VAT = **R42,20/day**

Network access charge[1]:

R3,64 +VAT = **R4,15/kVA** payable each month and based on the annual utilised capacity of each premise. This charge is applicable during all time periods.

Active energy charge[2]:

High-demand season (June - August)		Low-demand season (September - May)
91,41c +VAT = **104,21c/kWh**	Peak	25,32c +VAT = **28,86c/kWh**
23,64c +VAT = **26,95c/kWh**	Standard	15,45c +VAT = **17,61c/kWh**
12,56c +VAT = **14,32c/kWh**	Off-peak	10,75c +VAT = **12,26c/kWh**

Reactive energy charge:

1,84c +VAT = **2,10c/kvarh** supplied in excess of 30% (0,96 PF) of the kWh recorded during the entire billing period. The excess reactive energy is determined using the billing period totals and will only be applicable during the high-demand season.

Voltage surcharge:

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

Supply voltage	Surcharge
≥ 500V and ≤ 22 kV*	10,07%
< 500V	17,30%

Transmission surcharge:

Calculated as a percentage of the network access, active energy and reactive energy charges after the voltage surcharge has been levied. The surcharge rate depends on the distance from a central point in 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 with a supply voltage ≤500V

The Landrate tariff is made up of a range of tariffs as follows:

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)

This tariff is characterised by:

- A single c/kWh active energy charge.
- A R/day network charge based on the NMD of the supply.
- A R/day service charge based on the size of supply.

Conventional metered supplies:

Meters are read at least once every three months. Estimated charges are raised in months during which no meter readings are taken and these are subsequently adjusted when actual consumption is charged for. A security deposit covering three 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 upfront, as no monthly connection charges are allowed.

Connection fees:

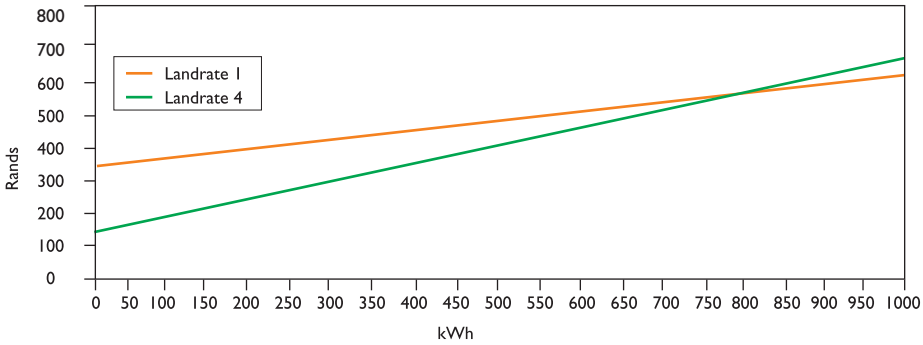
Refer to Appendix E (Table 2).

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

Charges:	Network charge[1] (per day)	Service charge (per day)	Energy charge (per unit)
Landrate 1	R5,91 + VAT = **R6,74**	R5,62 + VAT = **R6,41**	26,56c + VAT = **30,28c/kWh**
Landrate 2	R9,09 + VAT = **R10,36**		
Landrate 3	R14,54 + VAT = **R16,58**		
Landrate 4	R4,71 + VAT = **R5,37**	N/A	53,09c + VAT = **60,52c/kWh**
Landrate Dx	N/A	R11,20 + VAT = **R12,77**	N/A

NOTE: The service and network charges are 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 to 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

Electricity tariff for public lighting or similar supplies

The Public Lighting tariff is made up of a range of tariffs, as follows:

Dusk to midnight:	166,67 hours per month
All night:	333,3 hours per month
24 hours:	730 hours per month
Urban fixed:	based on consumption of 200 kWh per month

This tariff is characterised by the following:

- The energy charge per light/supply is based on the number of hours for which the supply will be used in a day and the time at which the electricity will be used.
- The energy charge is calculated using either a c/kWh energy rate or a R/100 W/month energy rate.
- If the c/kWh energy rate is used, kWh is calculated as kWh = number of lights x light wattage x hours in use.
- A monthly maintenance charge per light.

Applicable only in an Eskom-designated urban area

In 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, e.g. a local authority, the traffic department, etc, which, 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:

R 57,02 +VAT = **R65,00** per streetlight connection
R 210,53 +VAT = **R240,00** per high-mast connection

The rates listed below are for non-local-authority 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 the 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 in a day for which the supply will be used 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/100W/month energy rate. Where the c/kWh energy rate is used, kWh is calculated as kWh = number of lights x light wattage x hours in use.

Dusk to midnight:	166,67 hours per month 24,18c +VAT = **27,57c/kWh OR** R 4,03 +VAT = **R4,59/100W/month**
All Night:	333,3 hours per month 19,24c +VAT = **21,93c/kWh OR** R 6,41 +VAT = **R7,31/100W/month**
24 hours:	730 hours per month 22,69c +VAT = **25,87c/kWh OR** R16,56 +VAT = **R18,88/100W/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. R38,48 +VAT = **R43,87/month**

Maintenance charge:

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

An electronic system has been developed to assist in the calculation of the charges where actual costs are to be charged for maintenance. For more information regarding the availability of this system, please contact your regional Electricity Pricing Manager.

Per street light luminaire: R 14,93 + VAT = **R17,02** per month*
Per high-mast luminaire: R 348,51 + VAT = **R397,30** per month*

The rates listed below are for local-authority supplies:

Dusk to midnight:
166,67 hours per month
24,51c +VAT = **27,94c/kWh OR**
R 4,09 +VAT = **R4,66/100W/month**

All Night:
333,3 hours per month
19,51c +VAT = **22,24c/kWh OR**
R 6,50 +VAT = **R7,41/100W/month**

24 hours:
730 hours per month
23,00c +VAT = **26,22c/kWh OR**
R 16,79 +VAT = **R19,14/100W/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.
R 39,02 +VAT = **R 44,48/month**

Maintenance charge:

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

An electronic system has been developed to assist in the calculation of the charges where actual costs are to be charged for maintenance. For more information regarding the availability of this system, please contact your regional Electricity Pricing Manager.

Per street light luminaire: R 15,14 +VAT = **R 17,26** per month*
Per high-mast luminaire: R 353,33 +VAT = **R402,80** 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 aimed at customers that require a supply for only a short period of time (maximum three years) and for entities that move around frequently, such as 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 whose cost is higher than that of 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 of this equipment. This includes new capital investment plus a share of the 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 on the property of the Eskom customer and who are not themselves 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. The incentive applies where an Eskom customer extends an existing supply point or takes a new Eskom supply point to worker houses (this may include 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 the national electrification targets.

Customer self-built power supply options

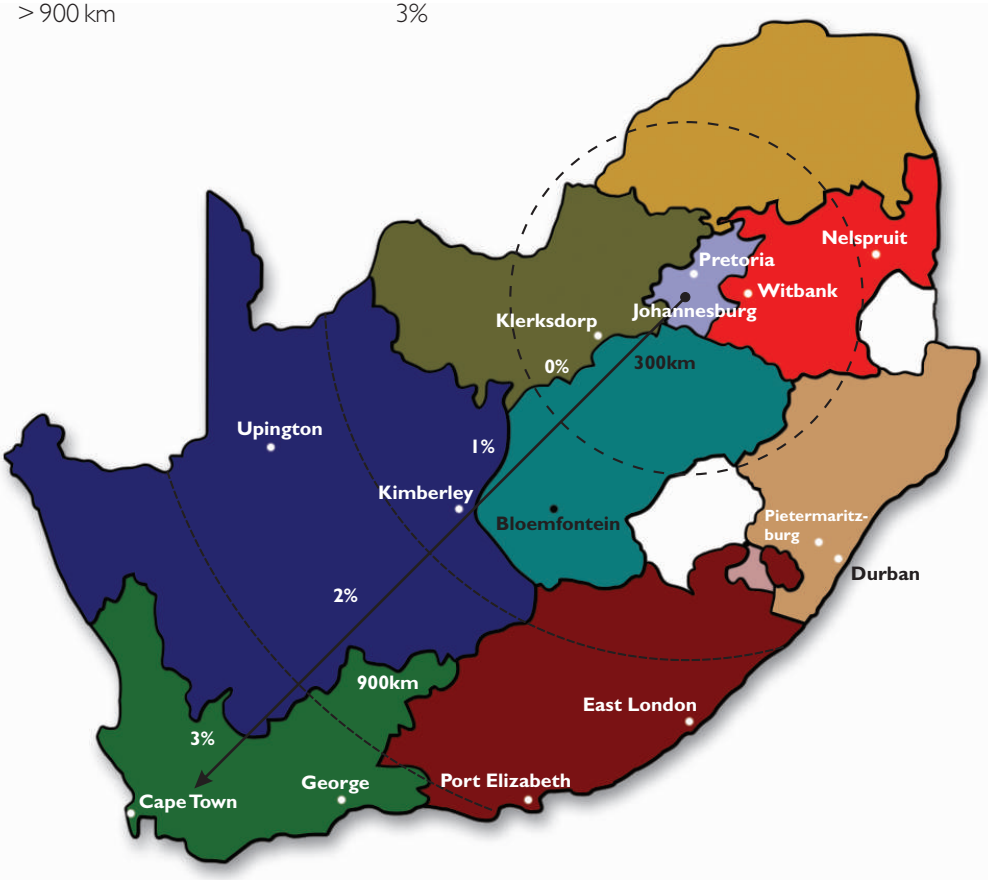
Eskom provides customers with the option of building their own power lines. Customer self-built schemes are permitted when Eskom's own construction capacity is fully utilised and/or where customers are in a position to build or extend a network sooner than Eskom can supply or at a cost more favourable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

Customer self-built supplies are usually permitted on rural networks only and are subject to the standard approval process in Eskom as stipulated by the particular Eskom Region. 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 has been completed, it will be inspected and taken over by Eskom on condition that the line complies with Eskom's technical standards. On takeover, 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 a central point in 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

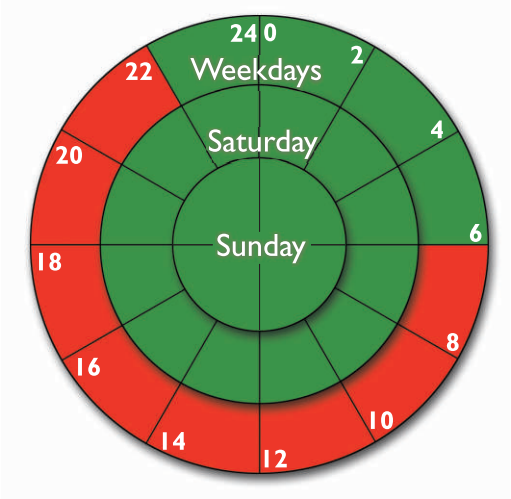
The table below indicates the treatment of public holidays for the TOU tariffs, namely; **Nightsave (Urban)**, **Megaflex** and **Miniflex** tariffs for the period 1 April 2007 to 31 March 2008 for non-local authority supplies. The holidays from 24 March 2008 until 16 June 2008 are shown for local authority supplies. The appropriate seasonally differentiated energy charges will be applicable on these days. Any unexpectedly announced public holidays will be treated as the day of the week on which it falls.

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

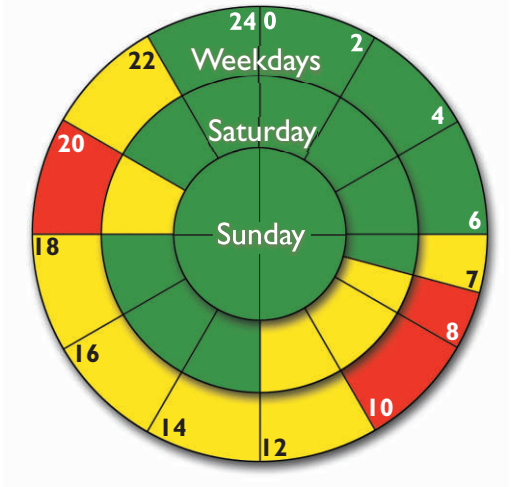
Date	Day	Actual day of the week	TOU day treated as NIGHTSAVE **Urban**	TOU day treated as MEGAFLEX / MINIFLEX
1 January 2007	New Year's Day	Monday	Sunday	Sunday
21 March 2007	Human Rights Day	Wednesday	Sunday	Saturday
6 April 2007	Good Friday	Friday	Sunday	Sunday
9 April 2007	Family Day	Monday	Sunday	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
9 August 2007	National Womens' Day	Thursday	Sunday	Saturday
24 September 2007	Heritage Day	Monday	Sunday	Saturday
16 December 2007	Day of Reconciliation	Sunday	Sunday	Sunday
17 December 2007	Public Holiday	Monday	Sunday	Saturday
25 December 2007	Christmas Day	Tuesday	Sunday	Sunday
26 December 2007	Day of Goodwill	Wednesday	Sunday	Sunday
1 January 2008	New Year's Day	Tuesday	Sunday	Sunday
21 March 2008	Human Rights Day	Friday	Sunday	Saturday
21 March 2008	Good Friday	Friday	Sunday	Sunday
24 March 2008	Family Day	Monday	Sunday	Saturday
27 April 2008	Freedom Day	Saturday	Sunday	Saturday
1 May 2008	Workers' Day	Wednesday	Sunday	Saturday
16 June 2008	Youth Day	Sunday	Sunday	Sunday

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 that are able to manage their energy consumption according to Eskom's specified time schedule. These tariffs are available upon conclusion of an electricity supply agreement with Eskom.

Existing > 150 kVA customers 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% once the customer has been on a TOU tariff for five years.

The reduction of the conversion surcharge is indicated below:

	Months after conversion				
	1 - 12	13 - 24	25 - 36	37 - 48	49 - 60
Conversion surcharge	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 815,79 + VAT = **R4 350,00**
50 kVA (80 A per phase)	R4 254,39 + VAT = **R4 850**[R]
70 kVA (100 A per phase)	R5 043,86 + VAT = **R5 750,00**
100 kVA (150 A per phase)	R5 043,86 + VAT = **R5 750,00**
200 kVA	R7 105,26 + VAT = **R8 100,00**
315 kVA	R7 587,72 + VAT = **R8 650,00**
500 kVA	R12 631,58 + VAT = **R14 400,00**
1 000 kVA	R25 263,16 + VAT = **R28 800,00**
> 1 000 kVA	The greater of R25 263,16 + VAT or 5% of allocated costs.

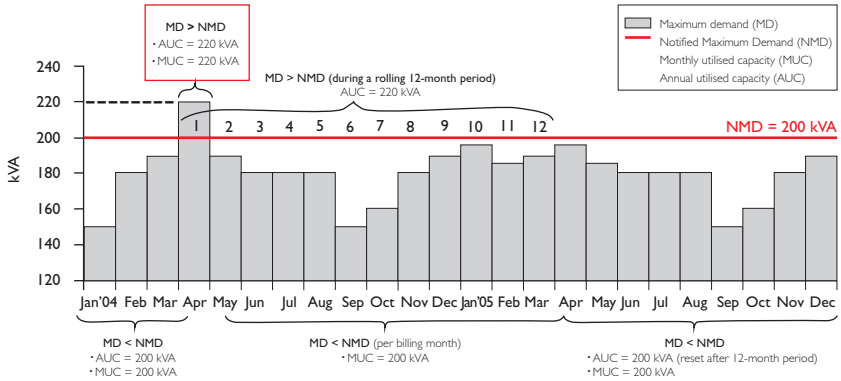
Table 2 Rural connection fees

Capacity	Conventional
5 kVA (single-phase)	R1 842,11 + VAT = **R2 100**[R]
16 kVA (single-phase)	R3 026,32 + VAT = **R3 450**[R]
25 kVA (three-phase)	R4 561,40 + VAT = **R5 200,00**
32 kVA (dual-phase)	R4 561,40 + VAT = **R5 200,00**
50 kVA (three-phase)	R6 228,07+ VAT = **R7 100**[R]
64 kVA (dual-phase)	R6 228,07 + VAT = **R7 100,00**
100 kVA (three-phase)	R7 105,26 + VAT = **R8 100,00**
100 kVA (dual-phase)	R7 105,26 + VAT = **R8 100,00**
200 kVA	R10 394,74 + VAT = **R11 850,00**
315 kVA	R11 052,63 + VAT = **R12 600,00**
500 kVA	R18 464,91 + VAT = **R21 050,00**
1 000 kVA	R36 885,96 + VAT = **R42 050,00**
> 1 000 kVA	The greater of R36 885,96 + VAT or 5% of allocated costs.

R Rounded to the nearest Rand value.

Appendix F: Illustration of monthly & 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 the billing month. (MUC is reset.) MD registered in April '04 is higher than NMD over a 12-month period. (AUC remains at higher level.)	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	NMD is higher than MD for billing month and over a 12-month period. (MD registered in April '04 is no longer applicable. AUC is reset.)	200	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			

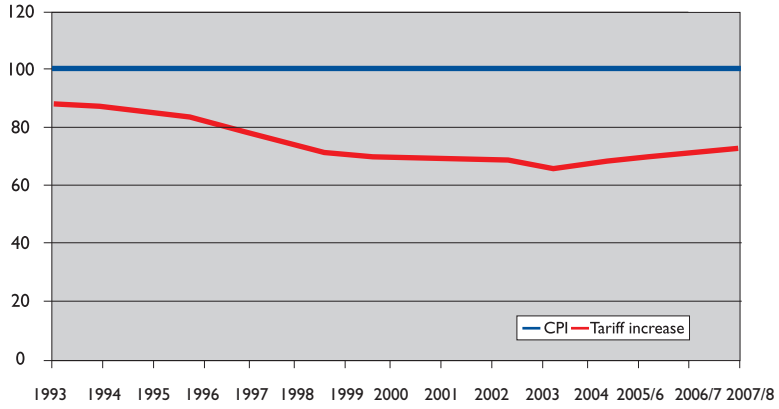
Appendix G: Eskom's average price adjustment

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 now take place on 1 April every 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 tariff adjustment	CPI
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%	3,42%
1 April 2006/7	5,10%	(projected) 4,60%
1 April 2007/8	5,90%	(projected) 5,20%

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 of supply but, in order to determine tariffs, it is first necessary to break down 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 R/customer/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 according to:
  - 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, as well as limitations on tariff complexity and the impact of changes to existing tariffs. For more energy-intensive users of electricity, tariff structures tend to be more complex, whereas for users 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:

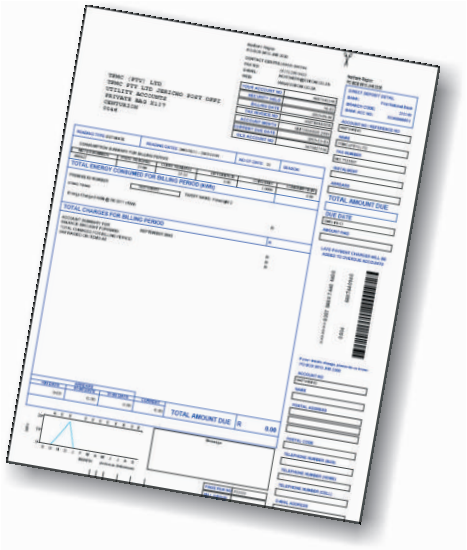
- As a ratio of overall consumption, smaller customers tend to use much more electricity in the more expensive peak periods and have a poorer load factor than that of larger customers.
- Significantly more network capacity is required at the lower voltage level (e.g. 500V) to supply a smaller customer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

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 Energy Regulator of South Africa (NERSA). 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:

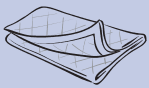
- At times of price changes.
- Where a billing period spans the price change period.
- Where readings for demand or energy are not measured.

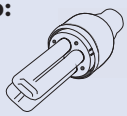
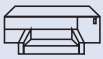


Appendix I: Energy saving tips for residential customers

Here are some energy saving tips that can help consumers to use electricity effectively especially during peak times.

Peak times are between 07:00 and 10:00 in the morning and 18:00 and 21:00 in the evening. These are the times during which most households consume large amounts of electricity. So, consumers can use appliances as efficiently as possible by switching off non-essentials during these peak periods, and in this way, a surprising amount of electricity can be conserved.

Air conditioner: 	Avoid using the air conditioner to heat your bedroom, because as far as appliances go, it's the largest user of electricity in your house.
Cellphone: 	If your cellphone is not charging, unplug the charger from the wall remember, while it is plugged in it stills pulls current!
Computer: 	Always switch your computer off at the main power switch. If you leave it on standby or on sleep mode, it uses up to 50% of the power it uses when it is actually on.
Dishwasher: 	Remember, every time you switch on your dishwasher, it's the same as switching on 120 CFLs (compact fluorescent lamps). So, to save electricity, wait until the dishwasher is full and use it only during off-peak periods.
Electric blanket: 	Instead of heating the entire bedroom with a heater or air-conditioner, use an electric blanket to make your bed cosy. But switch off the electric blanket before you fall asleep. It's not only dangerous to keep it on while you are sleeping; it's an energy waster.
Fridge: 	When you leave your fridge door open for a long time, the fridge loses cool air. To cool it down again takes a lot of electricity. So be quick and don't let all that cool air out!
Geyser: 	To save electricity, get a geyser blanket. Insulate the hot water pipes and turn the thermostat down to 60 degrees. Better still, switch off your geyser when you get home after work and switch it back on when you go to bed. Take a shower in the mornings rather than a bath; you'll save a small fortune.

Heater: 	To save electricity in winter, use a temperature-controlled oil heater or a gas heater.
Kettle: 	Pouring one cup of water into the kettle for one cup of tea will save time and money. Also remember that, boiling water in a kettle is much easier and cheaper than using the stove.
Light bulb: 	Replace as many of your light bulbs as possible with CFL energy-saving bulbs. They last much longer and they use far less electricity. (CFLs last eight times longer and use 80% less electricity than ordinary light bulbs.) Also, remember to switch off non-essential lighting; you'll save a lot of money in the long run.
Microwave: 	Did you know that a conventional oven uses the same amount of power as 18 microwave ovens? So, rather use a microwave oven to cook. It's much quicker and a lot cheaper.
Printer and related equipment: 	Any office equipment, such as printers, should also be switched off when they are not in use. By leaving them on, you're just wasting electricity and putting the machine under unnecessary strain.
Radio: 	Here's another tip to tune into. If you're not listening to the radio or the stereo system, switch it off. It's an instant saving.
Shower: 	Shower instead of taking a bath; you'll save a considerable amount of money. And by fitting a low-flow shower head, you will save even more money.
Stove: 	When you use your stove, match your pots to the size of your stove plate. Also, keep the lid on the pot to conserve heat and energy.
Tumble dryer: 	When the weather is good, try drying your clothes on the line outside. It's just as effective as the tumble dryer and you'll save a lot of money in the long run.
TV: 	Did you know that if you leave your TV on standby mode, the standby light alone uses up to 50% of the power that your TV uses when it is actually on? So, switch it off at the power button if nobody is watching. You'll be amazed at how much electricity you'll save.

Local-authority supplies

Eskom's 2007/8 tariff rates for local-authority supplies from 1 July 2007

TARIFF COMPONENTS	Homelight 1		Homelight 2		Homepower		Homepower BULK*		Businessrate		Landrate	
	2007	+VAT	2007	+VAT	2007	+VAT	2007	+VAT	2007	+VAT	2007	+VAT
SERVICE CHARGE (R/DAY)												
1					R1,36	R1,55	R3,44	R3,92	R3,64	R4,15	R5,70	R6,50
2									R3,64	R4,15	R5,70	R6,50
3									R3,64	R4,15	R5,70	R6,50
4												
10 Amperes / Dx											R11,36	R12,95
NETWORK CHARGE* (R/DAY)							R0,68	R0,78				
1					R2,10	R2,39			R3,49	R3,98	R6,00	R6,84
2					R4,53	R5,16			R5,04	R5,75	R9,21	R10,50
3					R9,11	R10,39			R9,86	R11,24	R14,74	R16,80
4					R1,08	R1,23					R4,77	R5,44
ACTIVE ENERGY CHARGE (c/kWh)					29,86	34,04	25,16	28,68	25,40	28,96	26,92	30,69
2.5/10 Amps	45,90	52,33										
20 Amps	45,90	52,33	39,86	45,44								
60 Amps	51,63	58,86	45,60	51,98								
Hometake 60A or Landrate 4 or Businessrate 4			45,60	51,98					60,30	68,74	53,83	61,37

All local-authority tariffs will be subject to an average price increase of 6,89%, applicable from 1 July 2007 until 30 June 2008. 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 three months (April to June) local-authority tariffs will be lower than non-local-authority tariffs; and for a period of nine months (July to March) local-authority tariffs will be higher than non-local-authority tariffs. However, the effective price increase to local authorities over the 12-month period from April 2007 to March 2008 remains 5,57%.

* *Network charges and Energy charges for Homepower Bulk are subject to the voltage surcharge and are published at >132kV.*

TARIFF COMPONENTS	Nightsave (Urban)		Nightsave (Rural)		Megaflex		Miniflex		Ruraflex	
	2007	+VAT	2007	+VAT	2007	+VAT	2007	+VAT	+VAT	+VAT
SERVICE CHARGE (R/day)										
0 to <100 kVA	R1,01	R1,15	R3,66	R4,17			R2,34	R2,67	R3,66	R4,17
100kVA to <500kVA	R12,85	R14,65	R12,85	R14,65			R12,85	R14,65	R12,85	R14,65
500 kVA to <1 MVA	R63,08	R71,91	R63,08	R71,91			R63,08	R71,91	R63,08	R71,91
>1 MVA	R63,08	R71,91	R63,08	R71,91	R63,08	R71,91	R63,.08	R71,91	R63,08	R71,91
Key Customers	R493,77	R562,90	R493,77	R562,90	R493,77	R562,90	R493,77	R562,90	R493,77	R562,90
ADMINISTRATION CHARGE (R/day)										
0 to <100 kVA	R2,52	R2,87	R5,25	R5,99			R2,64	R3,01	R5,37	R6,12
100kVA to <500kVA	R4,08	R4,65	R6,62	R7,55			R4,31	R4,91	R7,04	R8,03
500 kVA to <1 MVA	R33,75	R38,48	R35,11	R40,03			R35,20	R40,13	R37,53	R42,78
>1 MVA	R33,86	R38,60	R35,11	R40,03	R36,39	R41,48	R35,20	R40,13	R37,53	R42,78
Key Customers	R35,68	R40,68	R35,11	R40,03	R37,71	R42,99	R35,20	R40,13	R37,53	R42,78
NETWORK CHARGE (R/kVA)										
Network Demand Charge (R/kVA)*#	R7,19	R8,20			R7,19	R8,20				
Network Access Charge (R/kVA)*#	R6,34	R7,23	R2,80	R3,19	R6,34	R7,23	R6,34	R7,23	R3,69	R4,21
ENERGY (c/kWh)										
Non-TOU: High Demand Season*#	11,43	13,03	12,99	14,81						
Non-TOU: Low Demand Season*#	8,13	9,27	8,95	10,20						
TOU energy rate: High Demand Season (c/kWh)										
Peak*#					56,07	63,92	57,34	65,37	92,68	105,66
Standard *#					14,83	16,91	16,60	18,92	23,96	27,31
Off-peak*#					8,07	9,20	7,98	9,10	12,73	14,51
TOU energy rate: Low Demand Season (c/kWh)										
Peak*#					15,91	18,14	17,68	20,16	25,67	29,26
Standard *#					9,87	11,25	11,72	13,36	15,67	17,86
Off-peak*#					7,00	7,98	6,91	7,88	10,91	12,44
Rate Rebalancing Levy / Subsidy (c/kWh)	3,00	3,42			1,64	1,87	1,49	1,70		
ENERGY DEMAND CHARGES (R/kVA)										
High Demand Season*#	R32,82	R37,41	R56,85	R64,81						
Low Demand Season*#	R4,65	R5,30	R37,45	R42,69						
REACTIVE ENERGY (c/kvarh)					2,82	3,21	1,24	1,41	1,87	2,13

* *Subject to voltage surcharge*
\# *Subject to transmission surcharge*

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