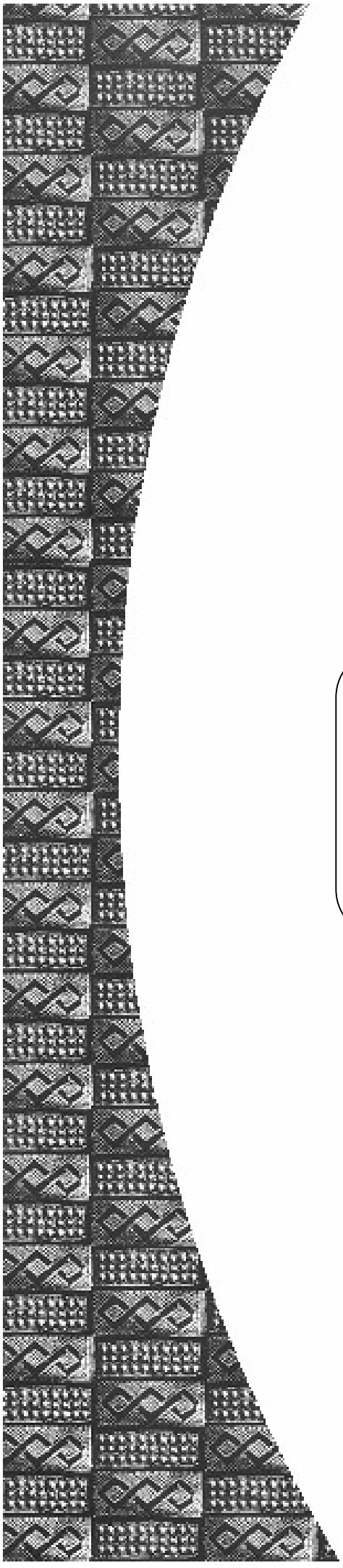


Eskom

Tariffs and Charges

Effective from
1 April 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 the confidentiality of their information;
- to one-stop service without referral;
- to quality of supply in terms of negotiated agreement; and
- 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.

Foreword

Eskom's retail tariffs and charges for 2008/9 (1 April 2008 to 30 March 2009) are based on the same tariff structures as the previous year's tariffs with the exception of a structural change to the Homelight 20A tariff. The 2007/8 prices have been adjusted by the NERSA approved price increase in order to arrive at the 2008/9 prices.

The 2008/9 price increase

The Eskom retail electricity prices will be adjusted in order to recover the NERSA approved revenue requirement for 2008/9. The revenue requirement is the sum of the costs Eskom is allowed to incur and the returns Eskom can make during a financial year. In this regard:

- The average price increase for tariffs used by customers supplied directly by Eskom, excluding local-authorities, is 14,2% effective from 1 April 2008 until 31 March 2009**. *In light of the publicised request by Eskom to implement a higher price increase for 2008/9, this increase is subject to change on the NERSA decision on the level and timing of any further price increases.***
- The publication of the local - authority rates are still subject to tabling in parliament. Rates will be published after the tabling.
- The later 1 July 2008 implementation of the local-authorities' price increase is in compliance with the Municipal Finance Management Act (MFMA). The MFMA requires that local-authorities' prices are adjusted only on 1 July of each year.
- The higher 15,02% local-authorities' price increase caters for the NERSA approved interest payment relating to the later price increase implementation date.

Changes to the Homelight 20A tariff

The change to the Homelight 20A tariff is aimed at making electricity more accessible to low consumption households. The Homelight tariff is applicable for low-usage residential supplies in urban areas. The previously offered 10A tariff option was generally viewed as being insufficient to cater for basic electricity needs.

A 20A solution was therefore required but its higher connection fee made this supply option inaccessible for low-income households. As a result, the change to the Homelight 20A tariff entails the removal of the connection fee and the positioning of this tariff as the basic supply option.

Tariff structural changes

The planned implementation of the tariff structural changes during 2008/9 has been postponed. The 2008/9 tariff charges are based on the same structures as the 2007/8 tariffs. The structural changes will be implemented once the NERSA approval of the requested structural changes is obtained and the implementation of the tariff structural changes is anticipated to be implemented during the 2009/10 financial year.

The planned tariff structural changes are aimed at enhancing the Eskom tariffs' cost-reflectivity and transparency. The planned tariff structural changes include the commencement of a gradual alignment of the rate re-balancing levy between contributing tariffs. Details of these changes are available on the Eskom web site or on request.

Energy efficiency

This 2008/9 tariff book also includes information on how to contribute to energy efficiency. Customers can benefit from cost savings resulting from lower consumption by using the energy efficiency tips provided and at the same time make a contribution towards alleviating the high electricity demand in this period of tight supply.

For additional Eskom pricing information, including details on the planned tariff restructuring, customers may visit the following web site: 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
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/kWh.

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, and 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 (eg 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.

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 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 230 V where the phases are vectorially 180 degrees apart and cannot be paralleled.

Electrification and rural subsidy *(previously known as the 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 contributions towards subsidies and the rate-rebalancing levy will therefore differ for each tariff.

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 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 the energy charge.

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 refers 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 230 V rms 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 periods
- 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	R1,16 + VAT = **R1,33/day**
> 100 kVA and ≤ 500 kVA	R14,50 + VAT = **R16,53/day**
> 500 kVA and ≤ 1 MVA	R71,10 + VAT = **R81,06/day**
> 1 MVA	R71,10 + VAT = **R81,06/day**
Key customers	R556,20+ VAT = **R634,07/day**

Administration charge

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

≤ 100 kVA	R2,85 + VAT = **R3,25/day**
> 100 kVA and ≤ 500 kVA	R4,58 + VAT = **R5,23/day**
> 500 kVA and ≤ 1 MVA	R38,10 + VAT = **R43,44/day**
> 1 MVA	R38,20 + VAT = **R43,55/day**
Key customers	R40,20 + VAT = **R45,83/day**

Network demand charge

R8,10 + VAT = **R9,24/kVA** payable for each kVA of the chargeable demand supplied during peak periods per premise per month.

Network access charge

R7,15 + VAT = **R8,16/kVA** payable each month, 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)
R37,00 + VAT = **R42,18/kVA**	R5,25 + VAT = **R5,99/kVA**

Active energy charge

High-demand season (June – August)	Low-demand season (September – May)
12,90c + VAT = **14,71c/kWh**	9,20c + VAT = **10,49c/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%
≥ 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 a central point in Johannesburg.

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

Electrification and rural subsidy

3,40c + VAT = **3,88c/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 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	R71,10 + VAT = **R81,06/day**
Key customers	R556,20 + VAT = **R634,07/day**

Administration charge

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

≥ 1 MVA	R41,00 + VAT = **R46,74/day**
Key customers	R42,50 + VAT = **R48,45/day**

Network demand charge

R8,10 + VAT = **R9,24/kVA** payable for each kVA of the chargeable demand supplied during peak and standard periods per premise per month.

Network access charge

R7,15 + VAT = **R8,16/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)
63,20c + VAT = **72,05c/kWh**	**Peak**	18,00c + VAT = **20,52c/kWh**
16,70c + VAT = **19,04c/kWh**	**Standard**	11,20c + VAT = **12,77c/kWh**
9,10c + VAT = **10,38c/kWh**	**Off-peak**	7,90c + VAT = **9,10c/kWh**

Reactive energy charge

3,20c + VAT = **3,65c/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 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%

Electrification and rural subsidy

1,84c + VAT = **2,10c/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 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	R2,65 + VAT = **R3,03/day**
> 100 kVA and ≤ 500 kVA	R14,49 + VAT = **R16,52/day**
> 500 kVA and ≤ 1 MVA	R71,10 + VAT = **R81,06/day**
> 1 MVA	R71,10 + VAT = **R81,06/day**
Key customers	R556,20 + VAT = **R634,07/day**

Administration charge

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

≤ 100 kVA	R2,99 + VAT = **R3,41/day**
> 100 kVA and ≤ 500 kVA	R4,86 + VAT = **R5,55/day**
> 500 kVA and ≤ 1 MVA	R39,70 + VAT = **R45,26/day**
> 1 MVA	R39,70 + VAT = **R45,26/day**
Key customers	R39,70 + VAT = **R45,26/day**

Network access charge

R7,15 + VAT = **R8,16/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)
64,60c + VAT = **73,65c/kWh**	Peak	20,00c + VAT = **22,80c/kWh**
18,70c + VAT = **21,32c/kWh**	Standard	13,20c + VAT = **15,05c/kWh**
9,00c + VAT = **10,26c/kWh**	Off-peak	7,80c + VAT = **8,90c/kWh**

Reactive energy charge

1,40c + VAT = **1,60c/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%

Electrification and rural subsidy

1,68c + VAT = **1,92c/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 622 kWh 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
- 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

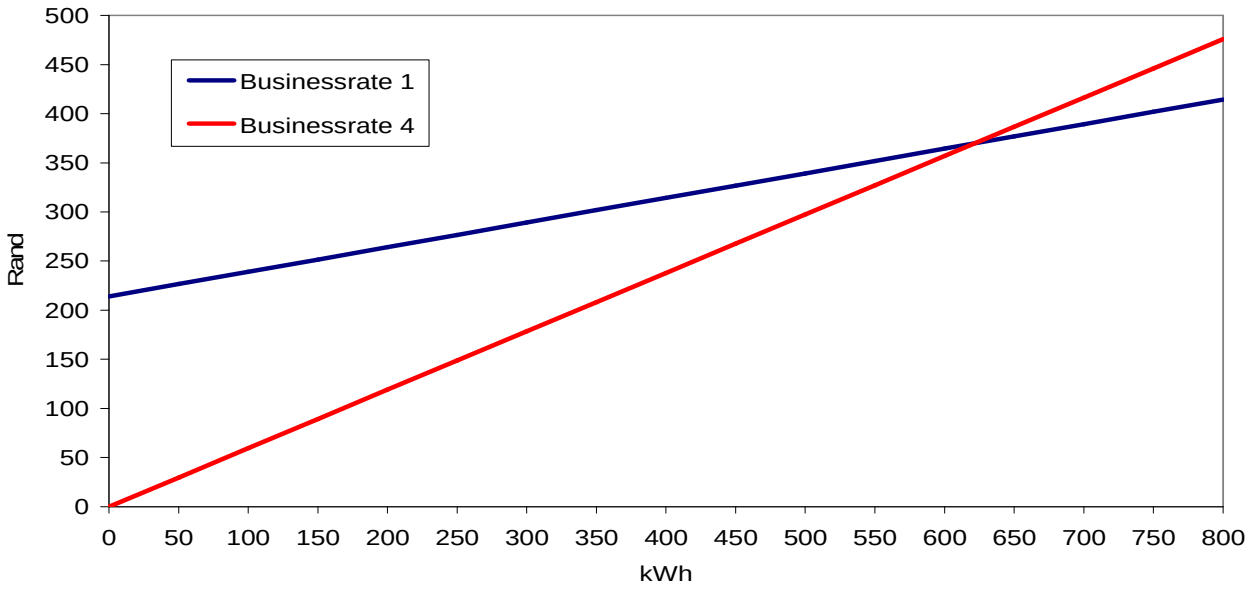
Refer to Appendix E (Table 1).

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	R3,94 + VAT = **R4,50**	R4,10 + VAT = **R4,68**	28,70c + VAT = **32,72c/kWh**
Businessrate 2	R5,70 + VAT = **R6,50**		
Businessrate 3	R11,10 + VAT = **R12,66**		
Businessrate 4	N/A	N/A	68,00c + VAT = **77,52c/kWh**

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

Comparison of 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

R3,90 + VAT = **R4,45/day** payable for each premise, whether electricity is consumed or not.

Network charge

R0,77** + VAT = **R0,88/day** payable for each dwelling unit in the complex, whether electricity is consumed or not.

Energy charge

28,40c** + VAT = **32,38c/kWh**

Voltage surcharge

Calculated as a percentage of energy and network charges.

		Effective rate including voltage surcharge	
Supply voltage	**Surcharge**	***Network charge***	***Energy charge***
≥ 500 V	10,07%	*R0,80 + VAT =* ***R0,92/day***	*31,30c + VAT =* ***35,69c/kWh***
< 500 V	17,30%	*R0,90 + VAT =* ***R1,03/day***	*33,40c + VAT =* ***38,08c/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 voltage surcharge and are published at > 132 kV.*

HOMEPOWER Standard

Electricity tariff for medium-usage 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	R2,36 + VAT = **R2,70**	R1,54 + VAT = **R1,76**	33,70c + VAT = **38,42c/kWh**
Homepower 2	R5,10 + VAT = **R5,82**		
Homepower 3	R10,30 + VAT = **R11,75**		
Homepower 4	R1,21 + VAT = **R1,38**		

NOTE: The service and network charges are 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

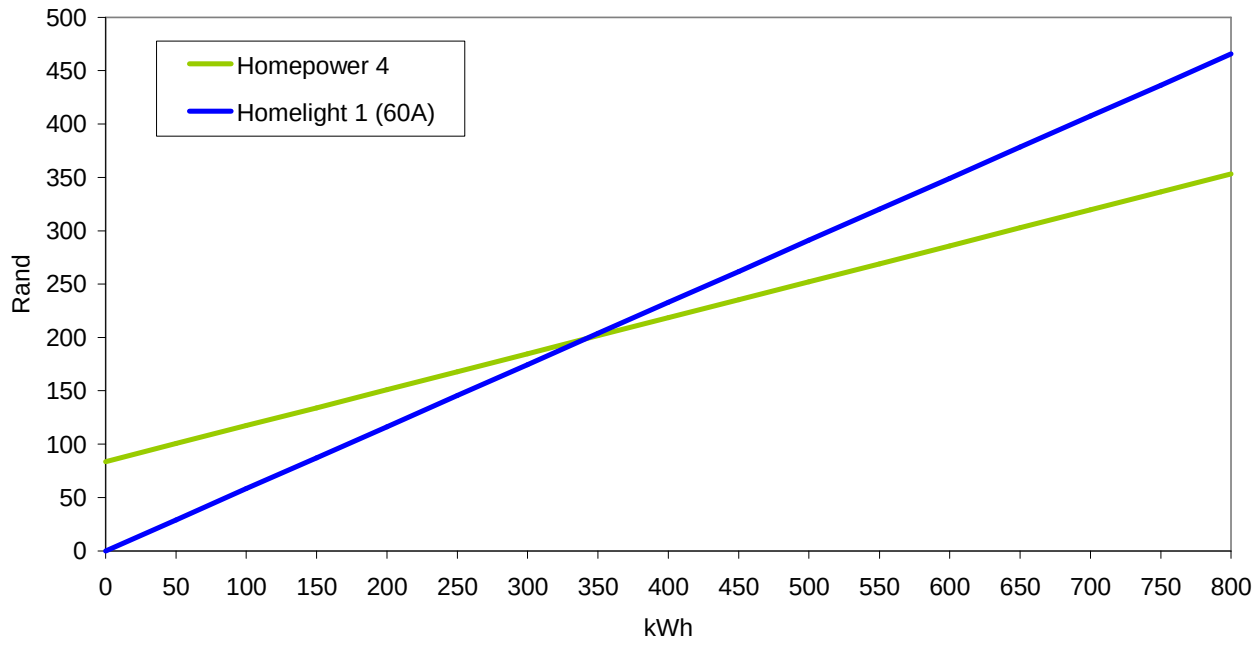
Homelight 1	**10A:**[*]	51,70c + VAT = **58,94c/kWh**
	20A:[2]	51,70c + VAT = **58,94c/kWh**
	60A:	58,20c + VAT = **66,35c/kWh**
Homelight 2	**20A:**	45,00c + VAT = **51,30c/kWh**
	60A:	51,40c + VAT = **58,60c/kWh**

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 20A** limited supplies and **12 500 W for 60A** limited supplies.

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

Comparison of Homepower 4 and Homelight 1 (60A)



The break-even between Homepower 4 and Homelight 1 (60A) is 341 kWh per month.

- If less than **341 kWh**/month is used, Homelight 1 (60 A) is cheaper.
- If more than **341 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.*

2 NERSA has approved that the Homelight 1 20A tariff as the entry level residential tariff and for this tariff the removal of the connection fee. This was implemented from 1 December 2007. The Homelight 2,5A and 10A tariffs therefore will no longer be part of the suite of supply options.

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

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	R4,14 + VAT = **R4,72/day**
> 100 kVA and ≤ 500 kVA	R14,49 + VAT = **R16,52/day**
> 500 kVA and ≤ 1 MVA	R71,10 + VAT = **R81,06/day**
> 1 MVA	R71,10 + VAT = **R81,06/day**
Key customers	R556,20 + VAT = **R634,07/day**

Administration charge

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

≤ 100 kVA	R5,92 + VAT = **R6,75/day**
> 100 kVA and ≤ 500 kVA	R7,46 + VAT = **R8,51/day**
> 500 kVA and ≤ 1 MVA	R39,60 + VAT = **R45,15/day**
> 1 MVA	R39,60 + VAT = **R45,15/day**
Key customers	R39,60 + VAT = **R45,15/day**

Network access charge[1]:

R3,16 + VAT = **R3,61/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)
R64,10+ VAT = **R73,08/kVA**	R42,20 + VAT = **R48,11/kVA**

Active energy charge

High-demand season (June – August)	Low-demand season (September – May)
14,70c + VAT = **16,76c/kWh**	10,10c + VAT = **11,52c/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 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.*

TOU electricity tariff for rural$_p$ customers with dual-phase 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 based on the sum of the monthly utilised capacity of all premises linked to an account.

≤ 100 kVA	R4,14 + VAT = **R4,72/day**
> 100 kVA and ≤ 500 kVA	R14,50 + VAT = **R16,53/day**
> 500 kVA and ≤ 1 MVA	R71,10 + VAT = **R81,06/day**
> 1 MVA	R71,10 + VAT = **R81,06/day**
Key customers	R556,20 + VAT = **R634,07/day**

Administration charge

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

≤ 100 kVA	R6,06 + VAT = **R6,91/day**
> 100 kVA and ≤ 500 kVA	R7,94 + VAT = **R9,06/day**
> 500 kVA and ≤ 1 MVA	R42,30 + VAT = **R48,23/day**
> 1 MVA	R42,30 + VAT = **R48,23/day**
Key customers	R42,30 + VAT = **R48,23/day**

Network access charge[1]

R4,16 + VAT = **R4,75/kVA** payable each month, 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)
104,40c + VAT = **119,02c/kWh**	**Peak**	29,00c + VAT = **33,06c/kWh**
27,00c + VAT = **30,78c/kWh**	**Standard**	17,70c + VAT = **20,18c/kWh**
14,40c + VAT = **16,42c/kWh**	**Off-peak**	12,30c + VAT = **14,03c/kWh**

Reactive energy charge

2,11c + VAT = **2,41c/kvarh** supplied in excess of 30% (0,96 PF) of the kWh recorded during the entire billing period. The excess reactive energy is determined using the billing period totals and will only be applicable during the high-demand season.

Voltage surcharge

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

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

Transmission surcharge

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

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

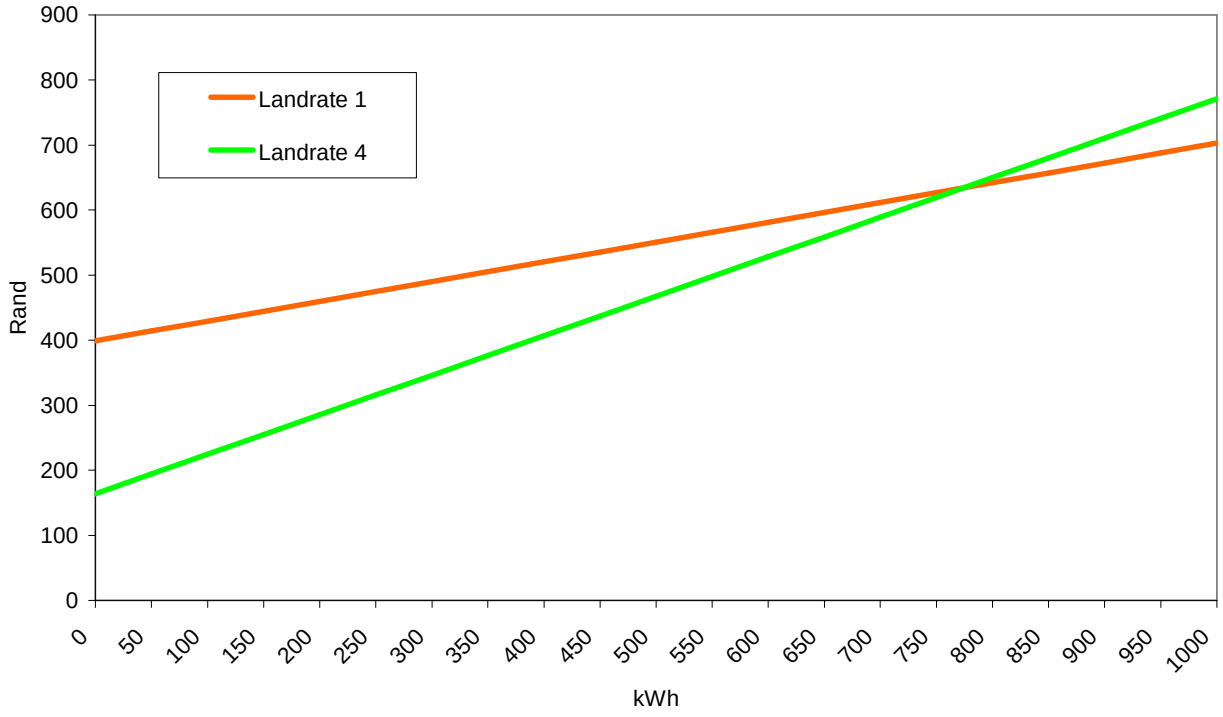
Refer to Appendix E (Table 2).

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	R6,70 + VAT = **R7,64**	R6,42 + VAT = **R7,32**	30,40c + VAT **= 34,66c/kWh**
Landrate 2	R10,40 + VAT = **R11,86**		
Landrate 3	R16,60 + VAT = **R18,93**		
Landrate 4	R5,40 + VAT = **R6,16**	N/A	60,70c + VAT = **69,20c/kWh**
Landrate Dx	N/A	R12,90 + VAT = **R14,71**	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 but 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 775 kWh per month.

- If less than **775 kWh**/month is used, Landrate 4 is cheaper.
- If more than **775 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.*

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 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, 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

R61,40 + VAT = **R70,00** per streetlight connection

R223,68 + VAT = **R225,00** 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/100 W/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

27,70c + VAT = **31,58c/kWh OR**

R4,70 + VAT = **R5,36/100 W/month**

All Night: 333,3 hours per month

22,00c + VAT = **25,08c/kWh OR**

R7,40 + VAT = **R8,44/100 W/month**

24 hours: 730 hours per month

26,00c + VAT = **29,64c/kWh OR**

R19,00 + VAT = **R21,66/100 W/month**

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

R44,00 + VAT = **R50,16/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. However, 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: R17,10 + VAT = **R19,50** per month*****

Per high-mast luminaire: R398,00+ VAT = **R453,72** per month*

The rates listed below are for local-authority supplies.

The publication of the local - authority rates are still subject to tabling in parliament. Rates will be published after the tabling.

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 cost 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 farm 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

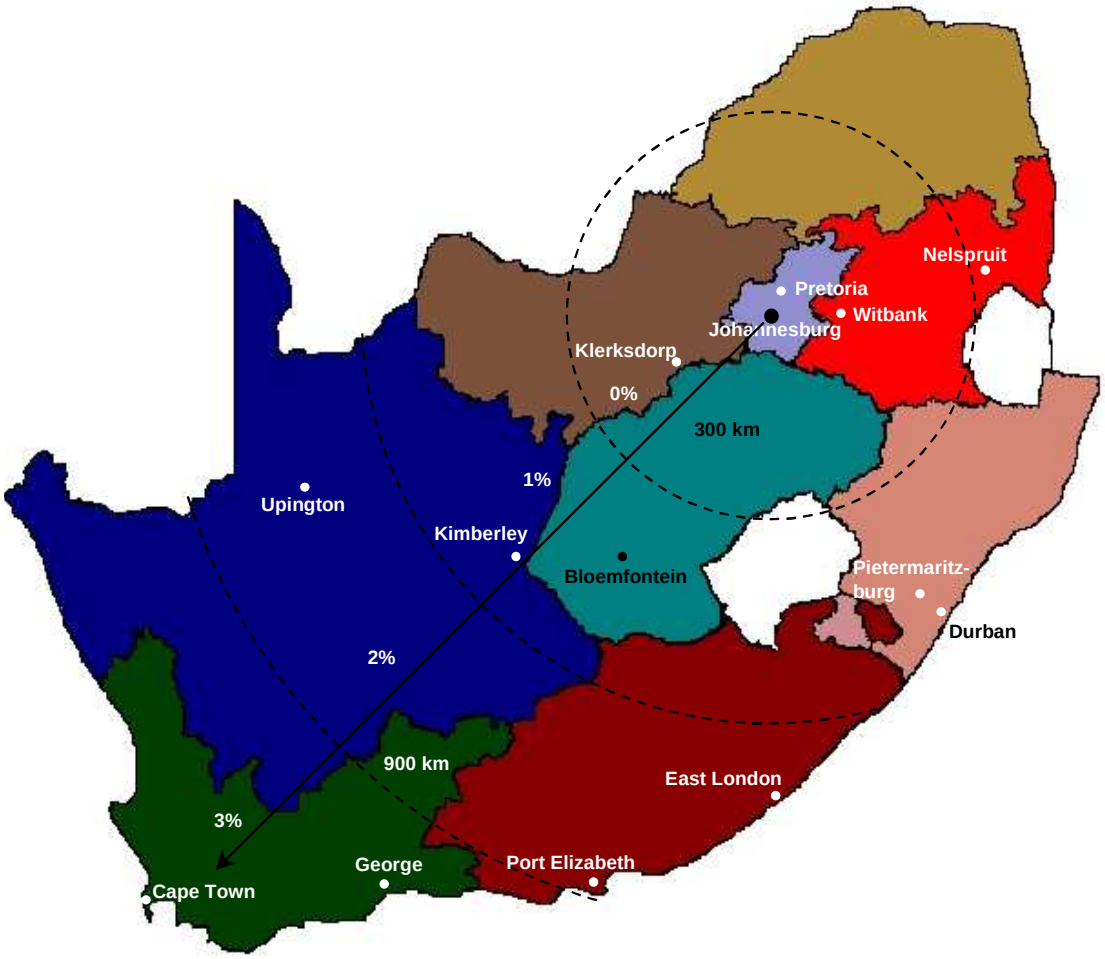
Eskom provides customers with the option of building their own power lines. Customer self-built schemes are permitted when Eskom's own construction capacity is fully utilised and/or where customers are in a position to build or extend a network sooner than Eskom can supply or at a cost more favourable 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%



Treatment of public holidays for 2008/9

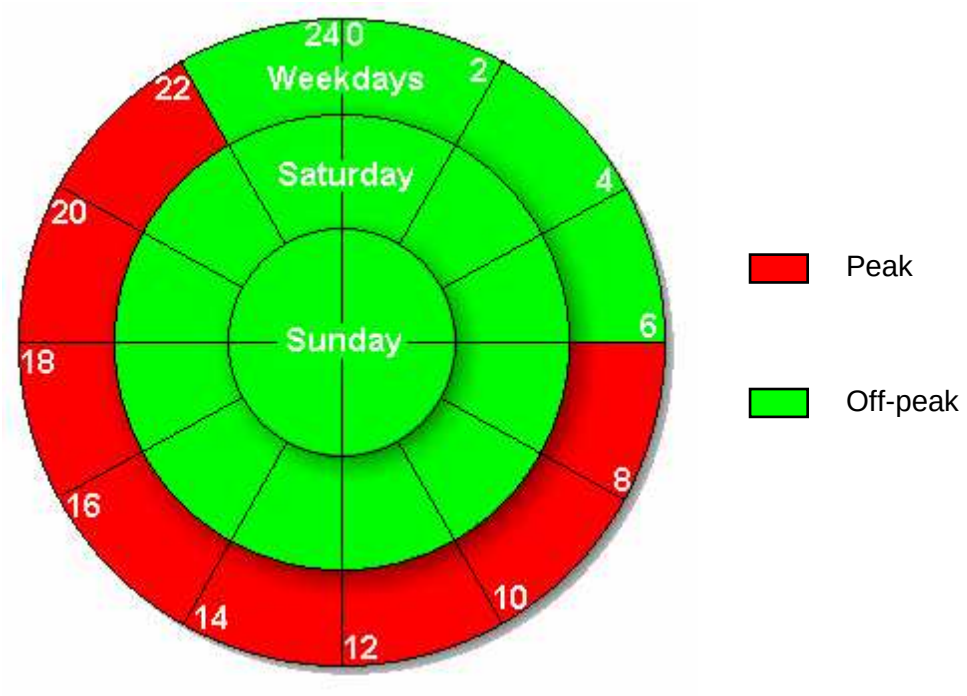
The table below indicates the treatment of public holidays in terms of the TOU tariffs, namely **Nightsave (Urban)**, **Megaflex** and **Miniflex** tariffs for the period 1 April 2008 to 31 March 2009 for non-local-authority supplies. The holidays from 24 March 2009 until 16 June 2009 are shown for local authority supplies. The appropriate seasonally differentiated energy charges will be applicable on these days. Any unexpectedly announced public holiday will be treated as the day of the week on which it falls. **This includes 2 May 2008.**

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

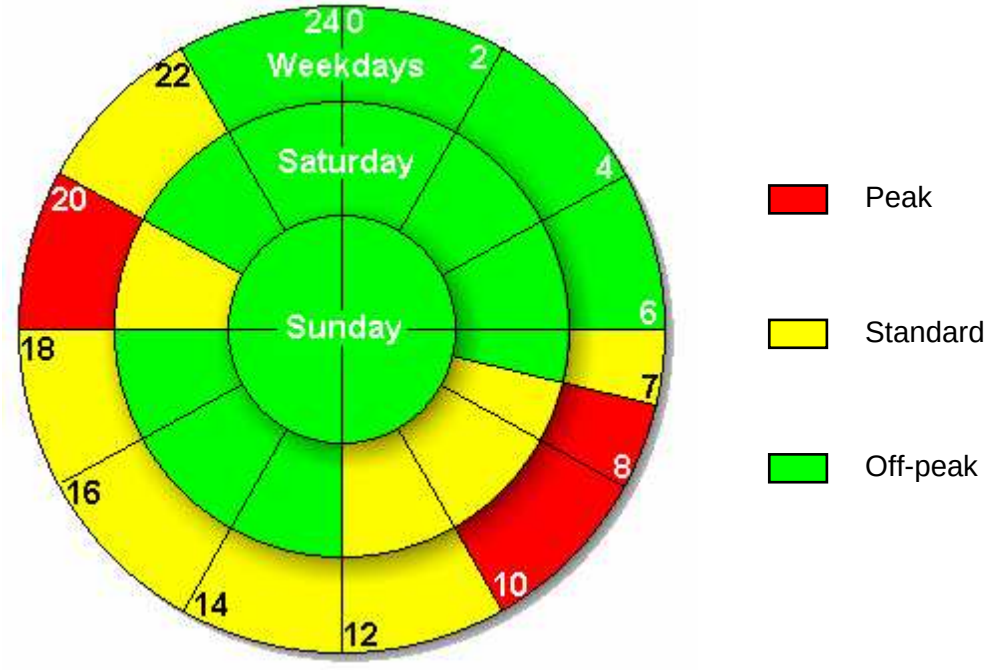
Date	Day	Actual day of the week	TOU day treated as NIGHTSAVE Urban	TOU day treated as MEGAFLEX / MINIFLEX
1 January 2008	New Year's Day	Tuesday	Sunday	Sunday
21 March 2008	Human Rights Day	Friday	Sunday	Sunday
21 March 2008	Good Friday	Friday	Sunday	Sunday
24 March 2008	Family Day	Monday	Sunday	Sunday
27 April 2008	Freedom Day	Sunday	Sunday	Sunday
28 April 2008	Public Holiday	Monday	Sunday	Saturday
1 May 2008	Workers Day	Thursday	Sunday	Saturday
16 June 2008	Youth Day	Monday	Sunday	Saturday
9 August 2008	National Women's Day	Saturday	Sunday	Saturday
24 September 2008	Heritage Day	Wednesday	Sunday	Saturday
16 December 2008	Day of Reconciliation	Tuesday	Sunday	Saturday
25 December 2008	Christmas Day	Thursday	Sunday	Sunday
26 December 2008	Day of Goodwill	Friday	Sunday	Sunday
1 January 2009	New Year's Day	Thursday	Sunday	Sunday
21 March 2009	Human Rights Day	Saturday	Sunday	Saturday
10 April 2009	Good Friday	Friday	Sunday	Sunday
13 April 2009	Family Day	Monday	Sunday	Sunday
27 April 2009	Freedom Day	Monday	Sunday	Saturday
1 May 2009	Workers Day	Friday	Sunday	Saturday
16 June 2009	Youth Day	Tuesday	Sunday	Saturday

Appendix C - Eskom's defined time periods

Nightsave (Urban) and Nightsave (Rural)



Megaflex, Miniflex and 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 following 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)

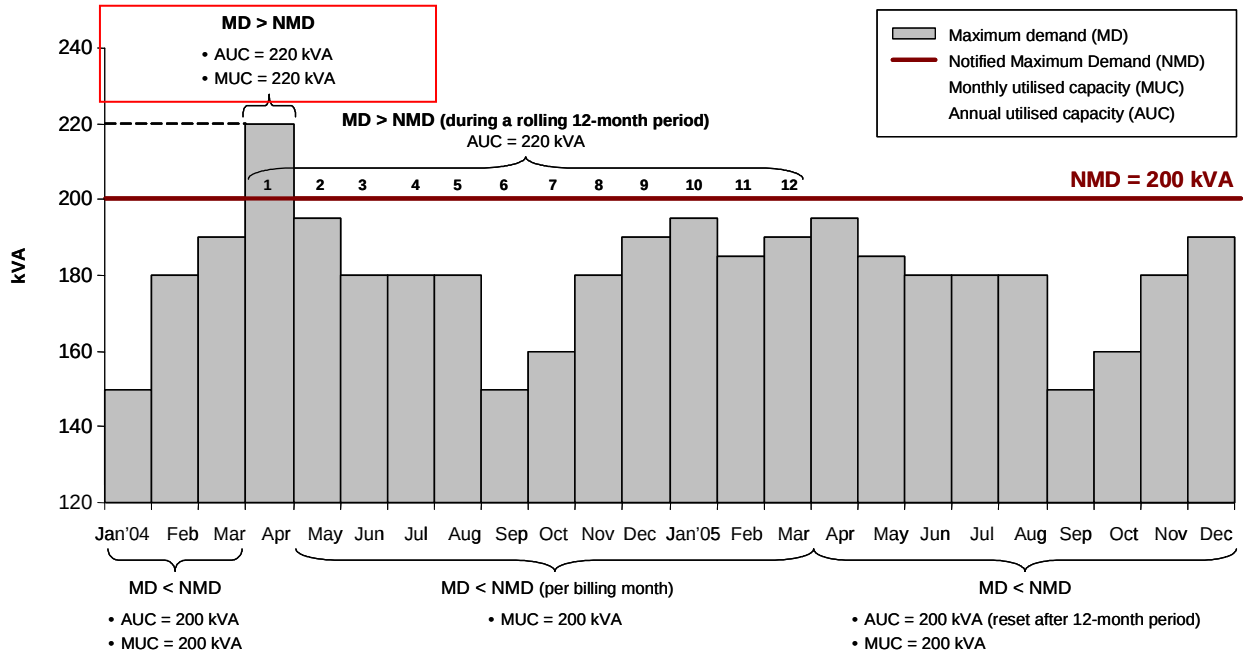
Capacity	Conventional
≤ 80 A (single-phase)	R964,91 + VAT = **R1 100,00**
16 kVA (single-phase)	R964,91 + VAT = **R1 100,00**
25 kVA (40 A per phase)	R4078,95 + VAT = **R4 650,00**
50 kVA (80 A per phase)	R4 561,40 + VAT = **R5 200,00**^{R}
70 kVA (100 A per phase)	R5 394,74 + VAT = **R6 150,00**
100 kVA (150 A per phase)	R5 394,74 + VAT = **R6 150,00**
200 kVA	R7 631,58 + VAT = **R8 700,00**
315 kVA	R8 114,04 + VAT = **R9 250,00**
500 kVA	R13 508,77 + VAT = **R15 400,00**
1 000 kVA	R27 017,54 + VAT = **R30 800,00**
> 1 000 kVA	The greater of R27 017,54 + VAT or 5% of allocated costs

Table 2 – Rural connection fees

Capacity	Conventional
5 kVA (single-phase)	R1 973,68 + VAT = **R2 250**^{R}
16 kVA (single-phase)	R3 245,61 + VAT = **R3 700**^{R}
25 kVA (three-phase)	R4 868,42 + VAT = **R5 550,00**
32 kVA (dual-phase)	R4 868,42 + VAT = **R5 550,00**
50 kVA (three-phase)	R6 666,67 + VAT = **R7 600,00**
64 kVA (dual-phase)	R6 666,67 + VAT = **R7 600,00**
100 kVA (three-phase)	R7 631,58 + VAT = **R8 700,00**
100 kVA (dual-phase)	R7 631,58 + VAT = **R8 700,00**
200 kVA	R11 140,35 + VAT = **R12 700,00**
315 kVA	R11 842,11 + VAT = **R13 500,00**
500 kVA	R19 736,84 + VAT = **R22 500,00**
1 000 kVA	R39 473,68 + VAT = **R42 000,00**
> 1 000 kVA	The greater of R39 473,68 + 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.) 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			

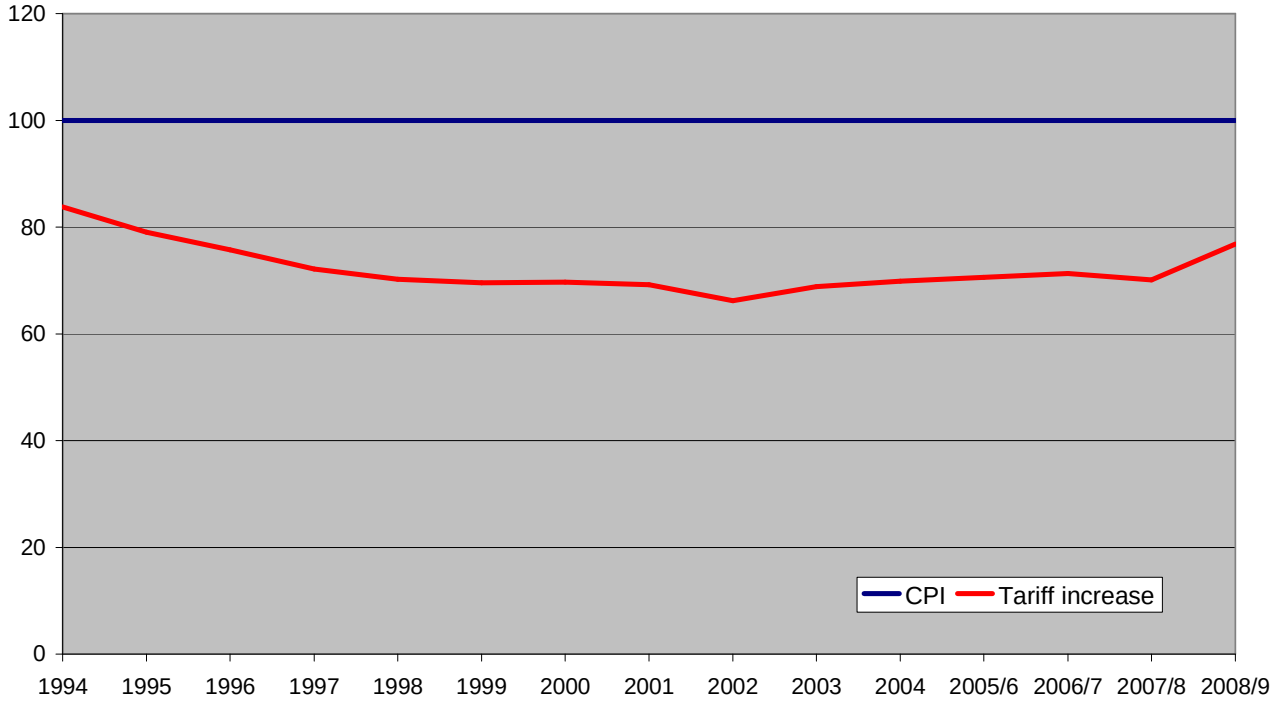
Appendix G - Eskom's average price adjustment

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 price adjustment	CPI
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%	4,70%
1 April 2007/8	5,90%	7,10%
1 April 2008/9	14,20% (Projected)	6,60%

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, the possibility of 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 larger customers.
- Significantly more network capacity is required at the lower voltage level (e.g. 500 V) 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 Electricity Regulator of South Africa. 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

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 20:00 in the evening. These are the times during which most customers 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.

Residential users

- Efficient lighting
- Install ceiling insulation
- Efficient cooking methods
- Choice of efficient appliances
- Use compact fluorescent lamps (CFL's)
- Switch off your geyser when you get up and on in the evenings
- Insulate the geyser with a geyser blanket
- Install a solar water heater
- Use a pressure cooker or a microwave to cook instead of a stove
- Do not open refrigerator door unnecessarily
- Use electric blankets and turn them off when you go to bed.
- insulate the ceiling and seal air gaps in the home
- fill dishwasher completely before operating,
- Defrost freezers regularly
- a front loading washing machine uses less water and costs less to operate,
- Use correct temperature settings to minimise the amount of electricity used, when using a tumble dryer. Use sunny days to hang out clothes
- by removing clothing promptly from the dryer and folding them carefully, many items will require no ironing,
- iron low temperature fabrics first to reduce warm-up time
- boil enough water according to your need.
- Switch off appliances at the wall (not the remote control)
- Switch off all lights when not in use except security lights
- Switch off lights in offices from 22:00 to 06:00. This is mandatory for government buildings, except for security lights.
- Fix leaking taps
- Install an aerated shower head
- Lower thermostat to 60 degrees

Commercial

- Keep doors closed between conditioned and unconditioned spaces.
- Repair cracks, broken windows, and other places where infiltration of unconditioned air can take place.
- Use centralised air conditioning.
- Set internal temperature to the maximum acceptable point.
- Make sure that the inside design or layout of the building enables adequate airflow. If the airflow is not adequate the HVAC system has to work harder to get the inside temperature of the building to the desired set point.
- Evaluate night setback control against dynamic control.
- Relate chilled water temperature to building load.
- Reduce warm fresh air intake to an acceptable limit and recycle colder inside air.
- Use the cold outside air during the night to cool the building (free cooling).
- Switch off non-essential electrical loads or enable power save mode, if available, during the night.
- Electricity is also wasted by the HVAC system in overcoming this temperature build up.
- Insulation of walls, double glazed windows etc. can reduce the consumption of the HVAC system by reducing thermal flow of heat from unconditioned to conditioned spaces and vice versa.
- Install a Building Management System (BMS) to automatically connect lighting and HVAC system.
- Install efficient lighting systems
- Use Electronic ballasts
- Lighting controls in buildings can make sure that energy is conserved during periods of low occupancy.
- Optimising the design and location of light fittings can also save electricity.
- Switch off equipment that is not used.
- Enabling power save mode on computers can reduce their electricity consumption with around 40% Switch these equipment off in the evening.
- If the pipes or ducts are poorly placed or designed, then the pump or fan motors use more energy electricity than would be the case to deliver the same volumes with more correctly designed fluid and gas flow systems.
- Leaky pipes, valves or ducts also require more power to deliver the same volume needed.
- Filters and fan belts should be replaced at the appropriate times to ensure efficient energy consumption.
- The pump or fan curve should be properly matched to the load curve.
- Right-sizing of pumps and fans to match the load is important in implementing energy efficiency.
- Technical knowledge and operations and maintenance skills on fans and pumps in industry and commerce are essential to the successful energy efficiency.
- Avoid fan belt slippage - replace if worn instead off electric light as far as possible.
- While working in your office use daylight

Industrial

- Switch off any drive that is running when it is not adding value to the operation for which it was intended
- Use electricity efficient motors
- Replace efficient motors rather than rewinding them
- Upgrade to higher efficiency motors
- Evaluate pump and fan systems regularly to check for leaks and proper placement
- Assure thorough maintenance of systems
- Replace fan belts and filters at the appropriate times
- Match the pump of and fan curve to the load curve
- Ensure the right-sizing of pumps and fans match the load
- Consider alternatives to conventional pumping where feasible
- Check conditions of fan belts
- Replace let-down valves by with expanders to recover energy
- Optimise the operation of cooling systems
- Install electricity-efficient lighting systems
- Use electronic ballasts and save up to 60% of the required energy
- Switch off lights
- Install lighting control systems
- Install energy-efficient lighting
- Install variable speed drives on cubed law loads and save up to 60% on energy

Investigate energy saving opportunities in the following cases:

- Water pumps that feed into or from dams
    - Cooling equipment that operates in conjunction with cool storage media (for example, ice storage and fridge plants in mines)
    - Heating equipment that operates in collaboration with heat storage facilities (for example, electrical elements in hot water storage tanks)
    - Materials handling equipment that work in conjunction with silos or stockpiles (for example, conveyors and bunkers)
    - Dual fuel systems that operate on switch between electricity and other energy sources carriers sources at the discretion of the consumer.
    - Discretionary loads that can be shed for short periods of time (for example, cycling air conditioners and tolerating higher temperatures)
    - Maximum demand control devices that shed loads in a load priority sequence
    - Production equipment and plant utilities that do not need to run all the time - can be scheduled to run off-peak
    - Maintenance can be scheduled to switch equipment off during peak periods
    - Test equipment requiring large amounts of power should be utilized at off-peak periods.

Eskom's 2008/9 tariff rates for local authority supplies from 1 July 2008

The publication of the local - authority rates are still subject to tabling in parliament. Rates will be published after the tabling.

Notes