

# Understanding Business Electricity Tariffs



A "tariff" means a service charge that the City charges for the use of services it renders such as electricity. The price of this service should be affordable to the people who use the service, and to the City itself.

**Business Tariff** - This tariff shall primarily be applicable to supply consumption capacities not exceeding 100 kVA. This includes a supply for business and industrial purposes; nursing homes, clinics and hospitals; hotels; recreation halls and clubs; bed & breakfast houses; educational institutions including schools and registered crèches; sporting facilities; mixed load of non-residential and residential; welfare organizations of a commercial nature; traffic intersections; streetlights and billboards; and temporary connections;

- o Business tariffs apply for consumption capacities not exceeding 100 kVA, exceptions can be made to accommodate consumers with greater than 100 kVA capacity, provided that they cannot be classified as large consumers;
- o Any customer in this tariff category that do not have a special concession and who exceed the maximum consumption of 100 kVA, will automatically be converted to the category of large consumers;
- o Resellers servicing the business market will qualify for a conventional tariff, depending on their supply structure to the ultimate consumers;
- o Due to capacity constraints everyone may be expected to take part in any of City of Johannesburg energy saving initiatives;
- o Business Prepaid customers will be liable for a network surcharge of 6c/kWh. The network surcharge will remain unchanged at 6c/kWh.

**Large Consumers Tariff** - This tariff shall be applicable to business consumers with supply capacities exceeding 100 kVA and shall, on application, be available to all qualifying consumers with supply exceeding 100 kVA.

- Only large power users are subject to demand charges;
- The summer rate will be applicable from September to May - both months inclusive. This amounts to a 9-month period per annum;
- The winter rate will be applicable from June to August - both months inclusive. This amounts to a 3-month period per annum.

**Industrial Time of Use (TOU) Tariff** - The tariff is suitable for Large Consumers who elect to reduce their demand during peak and standard periods and who can reallocate all or part of their load by load management and load shifting capability, as well as other qualifying criteria as may be set by City Power.

## Expanded Social Package (ESP)

- All individuals/customers who qualify for the Extended Social Package (ESP) will receive free electricity as approved by Social Development Department;
- Customers on the (ESP) who are disconnected may not accumulate the allocation of free electricity during the period of disconnection;
- A maximum of 150 kWh per month may be allocated as free electricity under the (ESP), and will be limited to actual consumption if less than 150 kWh per month is consumed;
- Billed customers on the ESP will receive the grant as a credit on their bills, the value of which will equal the monetary value to their allocated free bundle;
- Free allocations that are not claimed in any particular month will be forfeited and may not be carried over to subsequent months.

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