

APPLICATION FOR TARIFF APPROVAL (2026/2027)

CENTLEC (SOC) LTD, MANGAUNG METRO MUNICIPALITY



CENTLEC (SOC) Ltd

Reg No 2003/011612/30

For Implementation

1 July 2026

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Abbreviations and Acronyms

	Description
AMI	Automated Meter Infrastructure
CENTLEC	CENTLEC (SOC) Ltd
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COS	Cost of Supply
CPI	Consumer Price Index
DBT	Declining Block Tariff
EME	Executive Manager Engineering
ERA	Electricity Regulation Act
IBT	Inclining Block Tariff
kVA	Kilovolt Ampere
kWh	Kilowatt-hour
LF	Load Factor
MD	Maximum Demand
MMM	Mangaung Metropolitan Municipality
MYPD	Multi-Year Price Determination
NERSA	National Energy Regulator of South Africa
TOU	Time-of-Use

1. BACKGROUND AND POLICIES

1.1 Introduction

In terms of section 4(ii) of the Electricity Regulation Act, 2006 (Act No. 4 of 2006) ('the ERA'), the Energy Regulator must regulate electricity prices and tariffs, and must therefore approve the annual percentage increase that municipalities can implement. In accordance with NERSA's published timelines, the tariff application for the 2026/2027 financial year is due for submission by 31 March 2026.

This document is CENTLEC's application to NERSA for the implementation of new tariffs for the 2026/2027 financial year for Mangaung Metro Municipality with an implementation date of 1 July 2026 for the proposed tariffs

1.2 Tariffs of CENTLEC (SOC) Ltd to conform to acceptable policy principles

- Municipal services need to be financially sustainable
- There is certainty in the Council, the administration of CENTLEC (SOC) Ltd on how the Council will determine and implement tariffs
- There is certainty in the community on how the Council will determine and implement tariffs
- That the tariffs of CENTLEC (SOC) Ltd comply with the applicable legal prescripts

In terms of section 74 of the Systems Act the council must adopt and implement a tariff policy that complies with the provisions of any applicable legislation on the levying of fees for municipal services provided by or on its behalf. The tariff policy may differentiate between different categories of users, debtors, service providers, services, service standards, geographical areas and other matters as long as the differentiation does not amount to unfair discrimination. Section 75 of the Act requires that the council adopt by-laws to give effect to the implementation and enforcement of its tariff policy.

In setting its annual tariffs the council shall at all times take due cognisance of the tariffs applicable elsewhere in the economic region, and of the impact which its own tariffs may have on local economic development.

Service tariffs imposed by the local municipality shall be viewed as user charges and shall not be viewed as taxes, and therefore the financial ability of the relevant consumer or user of the services to which such tariffs relate, shall not be considered as a relevant criterion, except in the case of the indigency relief measures approved by CENTLEC (SOC) Ltd from time to time.

CENTLEC (SOC) Ltd shall, as far as circumstances reasonably permit, ensure that the tariffs levied in respect of the foregoing services further generate an operating surplus each financial year as the council of Mangaung Metro Municipality may determine at the time that the annual operating budget is approved. Such surpluses shall be applied in relief of property rates and for the partial financing of general services or for the future capital expansion of the service concerned, or both. The modesty of such surplus shall prevent the service tariffs concerned from being viewed as concealed taxes.

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Mangaung Metro Municipality shall develop, approve and at least annually review an indigency policy for the municipal area. This policy shall set out clearly CENTLEC (SOC) Ltd.'s cost recovery policy in respect of the tariffs which it levies on registered indigents, and the implications of such policy for the tariffs which it imposes on other users and consumers in the municipal region.

CENTLEC (SOC) Ltd.'s tariff policy shall be transparent, and the extent to which there is cross-subsidisation between categories of consumers or users shall be evident to all consumers or users of the service in question. However, it shall always be a priority to restrict cross-subsidisation to a minimum, within the prescribed governmental prescriptions and budget constraints.

Electricity TOU tariffs are seen as complex tariffs with the specific target of transferring the high costs during peak periods to those customers using a lot of electricity within peak periods. With that in mind, CENTLEC (SOC) Ltd further undertakes to ensure that its tariffs shall be easily explainable and understood by all consumers and users affected by the tariff policy concerned.

In addition, CENTLEC (SOC) Ltd shall levy monthly charges for the services concerned, and these charges shall be fixed for each type of property as determined in accordance with the detailed policies set out below. In the case of electricity, it will always be a priority to charge electricity according to TOU tariff charges. As far as technology and budget constraints allow, TOU shall thus be a priority except in the case of indigents.

In considering the costing of its electricity service, CENTLEC (SOC) Ltd shall take due cognisance of the high capital cost of establishing and expanding such service, and of the resultant high fixed costs, as opposed to variable costs of operating these services. CENTLEC (SOC) Ltd therefore undertakes to plan the management and expansion of the services carefully in order to ensure that both current and reasonably expected future demands are adequately catered for, and that demand levels which fluctuate significantly over shorter periods are also met. This may mean that the services operate at less than full capacity at various periods, and the costs of such surplus capacity must also be covered in the tariffs which are annually levied.

In adopting what is fundamentally a multi-part tariff structure, namely a fixed availability charge coupled with a charge based on consumption, CENTLEC (SOC) Ltd believes that it is properly attending to the demands which both future expansion and variable demand cycles and other fluctuations will make on service delivery.

It is therefore accepted that part of CENTLEC (SOC) Ltd's tariff policy for electricity services will be to ensure that those consumers who are mainly responsible for the high costs during peak periods, and therefore for the incurring by CENTLEC (SOC) Ltd of the associated high TOU Energy charges as well as demand charges from Eskom, will have to bear the costs associated with these charges. To this end CENTLEC (SOC) Ltd shall therefore install TOU Metering equipment to cater for the TOU Energy charges as well as other approved charges i.e. the maximum demand of such consumers during certain periods. Such consumers shall therefore pay the relevant TOU charges as well as the service and energy charges directly related to their actual consumption of electricity during the relevant metering period.

1.3 Eskom Price Increase

CENTLEC's proposed tariff increase is significantly impacted by Eskom's 9.01% average price increase for the 2026/2027 period, as bulk electricity purchases from Eskom constitute a major portion of CENTLEC's budget. Our comprehensive Cost of Supply study indicated that a full 31.0% increase would be required to achieve complete cost-reflectivity immediately. However, recognizing the severe impact such an increase would have on our customers, CENTLEC has developed a multi-year phased implementation approach.

Under the phased approach toward achieving full cost reflectivity, the Cost of Supply (COS) study recommended a 14.5% increase for 2025/26 as the first step, followed by 8% in 2026/27 and 8.5% in 2027/28. However, NERSA approved only 12.4% for 2025/26.

For the 2026/27 tariff application, CENTLEC is proposing a 9.9% increase. This increase is informed by the Cost of Supply study findings, the need to continue the phased path toward full cost-reflectivity, and Eskom's approved bulk purchase increase of 9.01% for the 2026/2027 period. The proposed 9.9% increase balances revenue recovery requirements with affordability considerations for our customers.

2. HIGH LEVEL SUMMARY OF APPLICATION

2.1 Tariff design

The following factors are taken into account by CENTLEC when the new tariffs are designed as per NERSA's guidelines:

Tariffs and structures are designed after due consideration of the legal and policy frameworks.

The tariff design principles met the objectives as set out by NERSA. The following key objectives are considered:

- Tariffs should be affordable.
- Tariffs should be equitable and fair.
- Tariffs should be easy to understand and apply.
- Tariff levels and structures should accommodate social programmes.
- Tariffs should be transparent.
 - Revenue from tariffs should reflect the full cost (including a reasonable risk adjusted margin or return) to supply electricity and ensure that CENTLEC is economically viable, stable and fundable in the short, medium and long term.
- When CENTLEC designed the tariffs, the following were taken into consideration:
 - Costs were functionalised into the different unbundled services to which they relate.
 - Cost of Service: CENTLEC determined its cost of service as defined by NERSA.
 - Customer class definitions: customer classes were identified and properly defined.
 - Class revenue allocation: revenues were allocated to be collected from the defined customer classes. The revenue to be collected from each customer category is before

adjustments for cross subsidies (as stated below) to ensure that the cost structure can be tracked (cost-reflective).

- Tariff structures followed the cost structure – to the extent feasible given metering, customer understanding, and acceptable bill impacts.
 - The tariffs will give end users proper information regarding the costs that their consumption imposes on CENTLEC’s business and permits the cross-subsidy of tariffs to certain categories of customers.
 - Bill and consumption impact analysis: understanding the impact of the rates designed on the typical customer. This requires that after the design of new tariff structures or restructuring of an existing tariff structure, CENTLEC considered the impact of such changes to a typical customer based on historical data (consumption patterns etc.).
- Adjustment of revenues/cross-subsidies between customer classes to address certain socio/political/environmental needs:
- Adjustments to tariffs to provide for cross-subsidies between customer classes to address certain socio/political/environmental needs are allowed.
 - CENTLEC proposed adjustments to tariff structures/principles (that are in place to address the aforementioned issues) and such adjustments will enhance effective targeting of such programmes to benefit the intended customer’s groups.
 - The adjustments of revenue between customer classes were done so that the cross-subsidies were quantified transparently while at the same time ensuring simplicity and transparency of rates.
 - Final Retail Tariffs: CENTLEC ensured that the final tariff levels proposed enabled the allowable revenue, based on the approved sales forecast, to be recovered.

2.2 Summary of Tariff Application

Informed by the findings of our comprehensive Cost of Supply (COS) study, CENTLEC has determined that a 31.0% increase would be required to achieve full cost reflectivity. To minimise the impact on customers, a multi-year phased approach has been developed. The COS study recommended a 14.5% increase for the 2025/2026 financial year as the first step toward achieving this objective.

For 2025/2026, however, NERSA approved an increase of 12.4% – 2.1 percentage points below the COS-recommended 14.5%. The full carry-over of this shortfall would justify a 10.1% increase for 2026/27 (8.0% COS Year 2 recommendation + 2.1% carry-over). CENTLEC has, however, elected to apply a 9.9% increase, absorbing part of the shortfall to minimise the burden on customers while continuing on the path to full cost-reflectivity.

This proposed increase has been applied consistently across all tariff categories, and the expected revenue from each category is presented in the table below:

Tariff	% Increase	Annual Revenue	Total kWh	Number of Customers
IBT INDIGENT FBE (Conventional & Prepaid)	9,90%	R 66 693 311,00	26 346 000	43 910
IBT INDIGENT OTHER (Conventional & Prepaid)	9,90%	R 122 245 013,92	46 368 000	
IBT DOMESTIC (Conventional)	9,90%	R 26 096 967,56	3 700 149	116
IBT DOMESTIC (Prepaid)	9,90%	R 1 910 528 638,80	521 858 389	153 325
HOMEFLEX - 1 PHASE (AMR)	9,90%	R 1 158 677,07	1 019 567	69
HOMEFLEX - 3 PHASE (AMR)	9,90%	R 41 260 457,99	12 685 917	171
FLAT BUSINESS (Conventional and AMR)	9,90%	R 43 455 225,00	8 427 591	228
FLAT BUSINESS (Prepaid)	9,90%	R 192 191 021,88	51 536 398	3 710
COMFLEX - SINGLE PHASE (AMR)	9,90%	R 1 963 747,50	807 132	68
COMFLEX - THREE PHASE (AMR)	9,90%	R 121 209 119,13	56 921 444	1 142
ELECFLEX 1 (AMR)	9,90%	R 200 139 044,97	68 367 434	3
ELECFLEX 2 (AMR)	9,90%	R 1 139 046 810,37	330 203 990	165
ELECFLEX 3 (AMR)	9,90%	R 486 353 394,61	144 103 835	621
BULK RESELL 2 (AMR)	9,90%	R 93 432 471,16	30 067 709	28
BULK RESELL 3 (AMR)	9,90%	R 125 105 370,19	37 356 715	142
SPORT STADIUMS (AMR)	9,90%	R 8 912 983,80	2 166 583	8
DEPARTMENTAL TOU (AMR)	9,90%	R 2 485 549,57	761 665	7
DEPARTMENTAL (Streetlight)	9,90%	R 163 007 355,07	86 785 995	-
SSEG (NEW)	-	-	-	-
	9,90%	R 4 745 285 159,59	1 429 484 513	203 713

2.3 Justification for Introduction of Basic Monthly Charges

For the 2026/2027 financial year, CENTLEC proposes the introduction of a fixed monthly basic charge of R50.00 (excl. VAT) for non-indigent IBT Domestic Prepaid customers. This structural change is a critical step toward aligning CENTLEC's tariff structure with the findings and recommendations of the Cost of Supply (COS) study, and is justified on the following grounds:

1. Cost of Supply Study Evidence

The COS study determined that the cost-reflective customer charge for the IBT Domestic P&C category is R527 per point of delivery (POD) per month. This figure represents the actual fixed costs that CENTLEC incurs to maintain each customer connection, including metering infrastructure, billing and customer service operations, network availability, and administrative costs. These costs are incurred regardless of the volume of electricity consumed.

The proposed R50.00 per month represents only 9.5% of the full cost-reflective customer charge of R527 per month. This deliberately modest first step allows CENTLEC to begin the structural transition without imposing an excessive burden on customers. It is consistent with the COS study's recommendation for phased tariff reforms.

2. Revenue Structure Rebalancing

The COS study identified a fundamental structural imbalance in CENTLEC's current tariff design: more than 80% of total revenue is recovered through variable energy charges, whereas the cost analysis indicates that only approximately 55% of costs should be recovered through energy charges, with 17% through demand charges and 28% through customer (fixed) charges. Currently, customer charges account for only approximately 5% of total revenue.

This over-reliance on variable energy charges exposes CENTLEC to significant volumetric risk, meaning that any decline in electricity consumption – whether from energy efficiency, load-shedding behavioural changes, or distributed generation uptake – directly and disproportionately erodes revenue, even though the fixed costs of maintaining the network and serving customers remain unchanged. The introduction of a R50.00 basic charge is the first step toward rebalancing this revenue structure in line with the COS recommendations.

3. Declining Consumption and Financial Sustainability

CENTLEC's energy sales have declined by 11.0% over the five-year period from 2019/20 to 2023/24 (from 1,453,972,815 kWh to 1,293,994,701 kWh), while total costs have continued to rise. The COS study projects further declines over the medium term. During this same period, CENTLEC's annual financial deficit increased from R79.6 million to R527.8 million – a 563% deterioration. Without structural changes to the tariff design, this trajectory is unsustainable. A fixed basic charge provides a

stable, consumption-independent revenue stream that contributes to the financial viability of the distribution business.

4. Indigent Customer Protection

Critically, all registered indigent customers (approximately 43,910 connections) are fully exempt from the basic charge. This exemption ensures that the most vulnerable households in the Mangaung Metropolitan Municipality continue to receive affordable access to electricity, consistent with national policy on Free Basic Electricity and CENTLEC's indigency policy. The basic charge applies exclusively to non-indigent IBT Domestic Prepaid customers (approximately 153,325 connections).

5. Revenue Impact

The R50.00 basic charge is projected to generate approximately R92.0 million in annual revenue (R50.00 × 12 months × 153,325 customers), representing 4.8% of the total IBT Domestic Prepaid revenue of R1.91 billion. While modest in the context of CENTLEC's total revenue requirement of R4.75 billion, this fixed revenue component provides meaningful insulation against volumetric risk and contributes approximately 8.4% toward closing the gap between the current customer charge revenue and the COS-recommended level.

In summary, the R50.00 basic charge is a prudent, modest, and well-justified structural reform that is firmly grounded in the COS study findings. It represents less than 10% of the actual cost-reflective customer charge, protects indigent households through a full exemption, and begins the necessary process of rebalancing CENTLEC's tariff structure to ensure long-term financial sustainability while maintaining affordable electricity access for all consumers.

2.4 Justification for Introduction of Basic Charges on Flat Rate Business Tariff

CENTLEC further proposes the introduction of basic charges for Flat Rate Business customers (approximately 3,938 connections) at the same levels as the existing Complex tariff basic charges: R322.11 per month for single phase connections and R942.02 per month for three phase connections (both excluding VAT).

This alignment is justified on the following grounds:

1. Identical Connection Infrastructure

Flat Rate Business and Complex customers are connected at the same voltage levels and connection sizes (single phase up to 100A, three phase 80–150A). The physical infrastructure serving these

customers, including cables, transformers, and metering points, is identical. The cost of maintaining network availability for these connections is the same regardless of the tariff structure applied. It would be inequitable for Complex customers to pay a basic charge while Flat Rate Business customers on identical connections pay none.

2. Meter Replacement Programme and Migration to Complex TOU

CENTLEC is in the process of replacing all conventional rotational meters on Flat Rate Business connections with Time-of-Use (TOU) smart meters. Once replacement is complete, these customers will migrate to the Complex TOU tariff. Introducing the same basic charge now ensures a smooth and equitable transition, avoiding the need for a sudden increase upon migration. The cost of reading rotational meters manually is in fact higher than TOU meters read via AMR, further supporting the rationale that Flat Rate Business customers should not be paying less than their Complex equivalents.

3. Cost of Supply Basis

The COS study determined cost-reflective customer charges of R1,054 per month for Flat Business P&C and R1,230 per month (single phase) to R1,757 per month (three phase) for Complex customers. At R322.11 and R942.02 respectively, the proposed charges represent approximately 26–31% of the cost-reflective level for Complex and are well below the Flat Business cost-reflective charge of R1,054 per month. These charges therefore remain modest relative to the actual cost of serving these customers.

In summary, the introduction of basic charges on the Flat Rate Business tariff ensures equitable treatment of customers on identical connection infrastructure, facilitates a smooth migration to Complex TOU tariffs as the meter replacement programme progresses, and is supported by the COS study's cost-reflective analysis.

3. RECOMMENDATION

CENTLEC respectfully submits this tariff application for NERSA's approval, with the proposed tariffs to be implemented from 1 July 2026. The overall increase sought is 9.9%, serving as the second step in a multi-year approach toward achieving full cost-reflectivity. The COS study indicated that a once-off increase of 31.0% would be required to reach full cost-reflectivity immediately; however, CENTLEC had opted for a phased implementation to minimise the financial impact on customers. We are currently in the first year of this transition and are now applying for the second year of the phased adjustments.

We trust that this application demonstrates CENTLEC's commitment to sound tariff-setting principles while ensuring the continued provision of sustainable, affordable, and high-quality electricity services to the consumers of the Mangaung Metropolitan Municipality.

4. ANNEXURE A - SUMMARY OF TARIFFS PROPOSED FOR 2026/2027

IBT Indigent	2025/2026		2026/2027		% Increase
	Summer	Winter	Summer	Winter	
Block 1 (0-50 kWh)	R2,1600	R2,7407	R2,3712	R3,0121	9,90%
Block 2 (51 - 350 kWh)	R2,3000	R2,9300	R2,5236	R3,2163	9,90%
Block 3 >350 kWh)	R3,1336	R3,4716	R3,4438	R3,8153	9,90%
Average	R 2,5539	R 3,0761	R 2,7795	R 3,3479	9,90%

All prices exclude VAT

Connection Size: 0 - 80 A per phase

Type of Meter: Single or Three Phase kWh Prepaid or Rotating Disk meter

Type of Customers: Residential Connections; Customers approved as Indigents by Mangaung Metro

IBT Domestic - Prepaid and Conventional	2025/2026		2026/2027		% Increase
	Summer	Winter	Summer	Winter	
Basic Charge	N/A	N/A	R50.00	R50.00	N/A
Block 1 (0-350 kWh)	R2,7700	R3,4209	R3,0409	R3,7596	9,90%
Block 2 (>350 kWh)	R3,1945	R4,1507	R3,5108	R4,5616	9,90%
Average	R2,9823	R3,7858	R3,2758	R4,1606	9,90%

All prices exclude VAT

Connection Size: 0 - 80 A per phase

Type of Meter: Single or Three Phase kWh Prepaid or Rotating Disk meter

Type of Customers: Residential Connections: Old Age Homes, Schools, Clinics, Boarding Houses, NGO's, Crèches, Churches

All prices exclude VAT

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Homeflex Single Phase	2025/2026		2026/2027		% Increase
	Summer	Winter	Summer	Winter	
Basic Charge	R296,0100	R296,0100	R325,3041	R325,3041	9,90%
Peak	R3,8500	R7,0836	R4,2274	R7,7849	9,90%
Standard	R2,8900	R3,8937	R3,1707	R4,2792	9,90%
Off Peak	R2,4348	R3,7529	R2,6759	R4,1244	9,90%
Average	R3,0583	R4,9101	R3,3580	R5,3962	9,90%

All prices exclude VAT

Connection Size: 0 - 100 A per phase

Type of Meter: Single phase kWh Time Of Use Meter / Single phase Time of Use Prepaid Meter

Type of Customers: Residential Connections, Old Age Homes, Schools, Clinics, Boarding Houses, NGO's, Crèches, Churches

Homeflex Three Phase	2025/2026		2026/2027		% Increase
	Summer	Winter	Summer	Winter	
Basic Charge	R843,1600	R843,1600	R926,6031	R926,6031	9,90%
Peak	R3,8466	R7,0836	R4,2274	R7,7849	9,90%
Standard	R2,8850	R3,8937	R3,1707	R4,2792	9,90%
Off Peak	R2,4348	R3,7529	R2,6759	R4,1244	9,90%
Average	R3,0555	R4,9101	R3,3580	R5,3962	9,90%

All prices exclude VAT

Connection Size: 80 - 150 A per phase (55,43 kVA TO 103,92 kVA)

Type of Meter: Three phase kWh Time Of Use Meter / Three phase Time of Use Prepaid Meter

Type of Customers: Residential Connections, Old Age Homes, Schools, Clinics, Boarding Houses, NGO's, Crèches, Churches

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BULK RESELL 2	2025/2026		2026/2027		% Increase
	Summer	Winter	Summer	Winter	
Basic Charge	R5 360,5800	R5 360,5800	R5 891,0929	R5 891,0929	9,90%
Demand Charge	R38,7431	R38,7431	R42,5787	R42,5787	9,90%
Peak	R3,3519	R4,8587	R3,6838	R5,3398	9,90%
Standard	R2,6832	R3,4577	R2,9488	R3,8000	9,90%
Off Peak	R1,9849	R2,9159	R2,1814	R3,2046	9,90%
Average	R2,6734	R3,7441	R2,9380	R4,1148	9,90%

All prices exclude VAT

Connection Size: (High Voltage 11kV) 500kVA and upwards connection size

Type of Meter: Combination kWh/kVA Time of Use meter

Type of Customers: Residential Connections, Old Age Homes, Schools, Clinics, Boarding Houses, NGO's, Creche's Churches, Townhouses

BULK RESELL 3	2025/2026		2026/2027		% Increase
	Summer	Winter	Summer	Winter	
Basic Charge	R5 578,11	R5 578,11	R6 130,14	R6 130,14	9,90%
Demand Charge	R27,66	R27,66	R30,40	R30,40	9,90%
Peak	R3,4400	R4,8772	R3,7750	R5,3600	9,90%
Standard	R2,8000	R4,0394	R3,0760	R4,4393	9,90%
Off Peak	R2,0085	R2,8208	R2,2073	R3,1000	9,90%
Average	R2,7495	R3,9125	R3,0195	R4,2998	9,90%

All prices exclude VAT

Connection Size: (Low Voltage 400V) 150A - 500kVA

Type of Meter: Combination kWh/kVA Time of Use meter or Prepaid (rated 150A to 800A)

Type of Customers: Residential Connections, Old Age Homes, Schools, Clinics, Boarding Houses, NGO's, Creche's, Churches, Townhouses

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Flat Business – Prepaid (Single Phase)	2025/2026		2026/2027		% Increase
	Summer	Winter	Summer	Winter	
Basic Charge	N/A	N/A	R322.11	R322.11	N/A
Energy Charge	R4,1300	R4,3100	R4,5333	R4,7397	9,90%
Average	R4,1300	R4,3100	R4,5333	R4,7397	9,90%

All prices exclude VAT

Connection Size: 0 – 100 A per phase

Type of Meter: Single Phase kWh Conventional meter

Type of Customers: Small Business Connections

Flat Business – Prepaid (Three Phase)	2025/2026		2026/2027		% Increase
	Summer	Winter	Summer	Winter	
Basic Charge	N/A	N/A	R942.02	R942.02	N/A
Energy Charge	R4,1300	R4,3100	R4,5333	R4,7397	9,90%
Average	R4,1300	R4,3100	R4,5333	R4,7397	9,90%

All prices exclude VAT

Connection Size: 0 – 150 A per phase (Type of Meter: 100A / 150A Prepaid)

Connection Size: 200 – 800 A per phase (Type of Meter: New Prepaid Meter with Current Rating ranging from 200A to 800A)

Type of Meter: Three Phase kWh Prepaid meter

Type of Customers: Small to Large Business Connections

Flat Business – Conventional (Single Phase)	2025/2026		2026/2027		% Increase
	Summer	Winter	Summer	Winter	
Basic Charge	N/A	N/A	R322.11	R322.11	N/A
Energy Charge	R4,1300	R4,3100	R4,5333	R4,7397	9,90%
Average	R4,1300	R4,3100	R4,5333	R4,7397	9,90%

All prices exclude VAT

Connection Size: 0 – 100/150 A per phase

Type of Meter: Single Phase Rotational meter (to be phase out)

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Type of Customers: Small Business Connections

Flat Business – Conventional (Three Phase)	2025/2026		2026/2027		% Increase
	Summer	Winter	Summer	Winter	
Basic Charge	N/A	N/A	R942.02	R942.02	N/A
Energy Charge	R4,1300	R4,3100	R4,5333	R4,7397	9,90%
Average	R4,1300	R4,3100	R4,5333	R4,7397	9,90%

All prices exclude VAT

Connection Size: 0 – 100/150 A per phase

Type of Meter: Three Phase Rotational meter (to be phase out)

Type of Customers: Small Business Connections

Comflex Single Phase	2025/2026		2026/2027		% Increase
	Summer	Winter	Summer	Winter	
Basic Charge Single Phase	R293,0909	R293,0909	R322,1069	R322,1069	9,90%
Peak	R4,5496	R6,7431	R5,0000	R7,4106	9,90%
Standard	R2,5389	R4,1231	R2,7902	R4,5312	9,90%
Off Peak	R2,3561	R3,0262	R2,5893	R3,3258	9,90%
Average	R3,1482	R4,4171	R3,4598	R5,0892	9,90%

All prices exclude VAT

Connection Size: 0 – 100 A per phase

Type of Meter: Single phase kWh Time of Use meter / Single phase Time of Use Prepaid meter

Type of Customers: Commercial

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Complex Three Phase	2025/2026		2026/2027		% Increase
	Summer	Winter	Summer	Winter	
Basic Charge Three Phase	R869,1900	R869,1900	R942,0238	R942,0238	9,90%
Peak	R4,5000	R6,6732	R4,8740	R7,2239	9,90%
Standard	R2,5100	R4,0800	R2,7199	R4,4171	9,90%
Off Peak	R2,3300	R2,9900	R2,5241	R3,2420	9,90%
Average	R3,1133	R4,5811	R3,3727	R4,9610	9,90%

All prices exclude VAT

Connection Size: 80 – 150 A per phase (55,43 kVA to 103,92 kVA)

Type of Meter: Three phase kWh Time of Use meter / Three phase Time of Use Prepaid meter

Type of Customers: Commercial

Elecflex 1	2025/2026		2026/2027		% Increase
	Summer	Winter	Summer	Winter	
Basic Charge	R6 021,6400	R6 021,6400	R6 617,5748	R6 617,5748	9,90%
Access Charge	R89,8200	R89,8200	R98,7057	R98,7057	9,90%
Demand Charge	R250,3000	R250,3000	R275,0744	R275,0744	9,90%
Peak	R2,8100	R5,5300	R3,0856	R6,0727	9,90%
Standard	R1,8417	R2,8301	R2,0241	R3,1103	9,90%
Off Peak	R1,7100	R2,6504	R1,8761	R2,9128	9,90%
Average	R2,1206	R3,6702	R2,3286	R4,0319	9,90%

All prices exclude VAT

Connection Size: All customers feeding directly from a Distribution Centre

Type of Meter: Combination kWh/kVA Time of Use meter

Type of Customers: Bulk Business Connections

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Elecflex 2	2025/2026		2026/2027		% Increase
	Summer	Winter	Summer	Winter	
Basic Charge	R3 990,0100	R3 990,0100	R4 384,8901	R4 384,8901	9,90%
Access Charge	R99,4915	R99,4915	R109,3411	R109,3411	9,90%
Demand Charge	R270,0000	R270,0000	R296,7249	R296,7249	9,90%
Peak	R2,8100	R5,5200	R3,0856	R6,0641	9,90%
Standard	R1,8400	R2,8230	R2,0241	R3,1024	9,90%
Off Peak	R1,6300	R2,5900	R1,7864	R2,8439	9,90%
Average	R2,0933	R3,6443	R2,2987	R4,0035	9,90%

All prices exclude VAT

Connection Size: (Medium Voltage 11kV) 500kVA and upwards connection size

Type of Meter: Combination kWh/kVA Time of Use meter

Type of Customers: Bulk Business Connections

Elecflex 3	2025/2026		2026/2027		% Increase
	Summer	Winter	Summer	Winter	
Basic Charge	R3 110,1900	R3 110,1900	R3 417,9886	R3 417,9886	9,90%
Access Charge	R103,9400	R103,9400	R114,2283	R114,2283	9,90%
Demand Charge	R291,6200	R291,6200	R320,4771	R320,4771	9,90%
Peak	R2,9507	R5,5233	R3,2428	R6,0701	9,90%
Standard	R1,9336	R2,8147	R2,1250	R3,0933	9,90%
Off Peak	R1,7305	R2,6342	R1,9018	R2,8950	9,90%
Average	R2,2049	R3,6574	R2,4232	R4,0195	9,90%

All prices exclude VAT

Connection Size: 150A - 500kVA

Type of Meter: Combination kWh/kVA Time of Use meter / Three phase Time of Use Prepaid meter

Type of Customers: Bulk Business Connections

APPLICATION FOR TARIFF APPROVAL (2026/2027)

SPORT STADIUMS	2025/2026		2026/2027		% Increase
	Summer	Winter	Summer	Winter	
Peak	R5,4685	R9,7917	R6,0099	R10,7611	9,90%
Standard	R3,4585	R5,3049	R3,8009	R5,8301	9,90%
Off Peak	R2,9445	R4,7675	R3,2360	R5,2395	9,90%
Average	R3,9572	R6,6214	R4,3489	R7,2769	9,90%

All prices exclude VAT

DEPARTMENTAL TOU	2025/2026		2026/2027		% Increase
	Summer	Winter	Summer	Winter	
Peak	R3,3186	R6,2396	R3,6471	R6,8574	9,90%
Standard	R2,1266	R3,5521	R2,3371	R3,9038	9,90%
Off Peak	R1,8693	R3,3886	R2,0544	R3,7241	9,90%
Average	R2,4382	R4,3935	R2,6795	R4,8284	9,90%

All prices exclude VAT

DEPARTMENTAL (Streetlights)	2025/2026		2026/2027		% Increase
	Summer	Winter	Summer	Winter	
Energy Charge	R3,1315	R3,1315	R3,4415	R3,4415	9,90%
Average	R3,1315	R3,1315	R3,4415	R3,4415	9,90%

All prices exclude VAT

SSEG NET-BILLING (NEW)	2026/2027 IMPORT		2026/2027 EXPORT	
	Summer	Winter	Summer	Winter
Basic Charge	Applicable Import Tariff (Homeflex 1 & 3 Phase, Comflex 1 & 3 Phase, Elecflex 1, 2 & 3, Bulk Resell 2 & 3)		R110,0000	R110,0000
Peak (kWh)			R1,1457	R2,7607
Standard (kWh)			R0,6442	R0,6902
Off Peak (kWh)			R0,4601	R0,4601

Only Applicable for customers on one of the CENTLEC's TOU tariffs

Type of Meter: Combination kWh/kVA Time of Use meter / Three phase Time of Use Prepaid meter

Type of Customers: Domestic / Commercial & Bulk Business Connections.