STANDARD TARIFFS

FY2028 ERTSA

Eskom Retail tariff and structural adjustment

APPLICATION

31 July 2026

Executive summary

FY2028 application basis and tariff category increases

Eskom hereby requests the NERSA to approve the 2027/28 (FY2028) Eskom Retail Tariff and Structural Adjustment (ERTSA) application, together with the FY2028 Schedule of Standard Prices for Eskom tariffs ("Tariff Schedule") contained in Annexure 1.

This application sets out adjustments on the current FY2027 Standard tariffs for implementation in the 2028 financial year (FY2028). The applied for tariff category increases were prepared in accordance with the ERTSA methodology version 1: March 2016; see Table 1. The overall average increase requested is as per the NERSA MYPD6 decisions of 30 January 2025 and 07 February 2026 regarding the re-determination and liquidation of the Eskom Generation Regulated Asset Base (RAB) related revenue adjustments; see Table 2.

Table 1 : FY2028 average tariff category increases

Total Standard tariffs	**8.83%**
Municipal - 1 July	**8.84%**
Municflex	8.84%
Municrate	8.84%
Publiclighting	8.84%
Gen-Wheeling,Gen-offset, Gen-purchase	8.84%
Eskom direct	
Key industrial and urban *Megaflex, Miniflex, Nightsave Urban, WEPS, Megaflex Gen, Gen-Wheeling, Gen-offset, Gen-purchase*	**8.83%**
Other Urban *Businessrate, Public Lighting*	8.83%
Rural *Ruraflex, Nighsave Rural, Landrate, Landlight, Ruraflex Gen, Gen-Wheeling, Gen-Offset, Gen-purchase*	8.83%
Homelight 20A	8.83%
Homelight 60A	8.83%
Homepower	8.83%
Homeflex	8.83%
Gen-offset Homeflex	8.83%

Table 2 : FY2028 Standard tariffs annual average increase

		FY2026 2025/26 MYPD6 Yr 1	FY2027 2026/27 MYPD6 Yr 2	FY2028 2027/28 MYPD6 Yr 3	YOY changes
(a)	MYPD decision forecasted sales (GWh)	159 312	159 335	160 395	1 060
(b)	MYPD decision allowed revenues (R'm)	351 951	370 854	396 425	25 571
(c)	MYPD decision (c/kWh)	220.92c	232.75c	247.16c	14.40c
(d)	MYPD decisions (%)	12.74%	5.36%	6.19%	0.83%
(e)	Liquidated Generation RAB correction		12 000	23 013	11 013
%	After correction total allowed revenues	351 951	382 854	419 438	36 584
(g)	After correction decision (c/kWh)	220.92c	240.28c	261.50c	21.22c
(h)	Average price increase after correction (%)	12.74%	8.76%	8.83%	0.07% points

Implementation of 2025 RTP decision for FY2028

After updating the tariffs with the applied for FY2028 tariff increases, the rate changes required by NERSA's Retail Tariff Plan (RTP) decision for FY2028 are included. The changes are implemented while keeping to the individual tariffs' annual average increases with limited differences in customer impact as follows:

- **Generation Capacity Charge (GCC):** For all applicable tariffs, the GCC charges were increased by the FY2028 ERTSA tariff increase. To ensure that affected customers experience an annual increase consistent with the average percentage adjustment applied for in this FY2028 ERTSA submission, no further balancing adjustments were made to the variable energy components. After the ERTSA average increase, the FY2028 ERTSA GCC recovery is R6 220 million representing an increase of R505 million from Year 2 GCC baseline of R5 715 million.
- **Homepower and Homeflex fixed service charges:** The service charges are increased to be more cost reflective as the NERSA RTP decision required a third-year step. That is, these fixed service charges grow to hundred percent (100%) of the original FY2025 amount proposed in the RTP. To keep to the overall average increase, the Homepower and Homeflex energy rates have been reduced. This ensures that these tariffs' annual increase is as per the FY2028 ERTSA applied for tariff increases.

Revenue recovery testing

Eskom conducted revenue-recovery testing to assess the adjusted tariff rates using the FY2028 MYPD decision 160 395 GWh forecasted electricity sales, along with detailed related demand, reactive energy volumes, and the number of supply points. The resulting revenue recovery differs from the decision because the methodology applies the annual increase only to kilowatt-hour (kWh) sales. It does not account for changes to fixed charges or demand-related kVA and points-of-delivery volumes. Further detail on the revenue testing is provided in Section 7 of the application.

Effective dates

To implement the NERSA FY2028 ERTSA decision, non-local authority (non-municipal) tariffs will come into effect from 1 April 2027 to 31 March 2028. Local authority (municipal) tariffs will come into effect from 1 July 2027 to 30 June 2028 in compliance with the Municipal Finance Management Act (MFMA) after tabling in Parliament on or before 13 March 2027.

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1. Introduction

To implement NERSA's Multi-Year Pricing Determination (MYPD) and liquidated Regulatory Clearing Account (RCA) decisions for a given financial year, Eskom must submit an ERTSA application for NERSA approval before implementation. The ERTSA application explains how the tariff category increases are calculated and the adjustments made to the tariffs. It also includes an updated Schedule of Standard Prices containing the tariff charges and rates to be approved.

In this application, Eskom has complied with the ERTSA Methodology (Version 1, March 2016) and it therefore excludes the introduction of new tariffs or structural changes (Rules 3.1 and 3.2). To give effect to NERSA 2025 RTP decision for FY2028 while remaining compliant with the ERTSA methodology, the residential service charges for Homepower and Homeflex are adjusted only after applying the ERTSA-determined increases. The resulting FY2028 Schedule of Standard Prices for NERSA approval is contained in Annexure 1.

The application first outlines the application of the ERTSA methodology to determine the annual average increases for municipal and non-municipal tariffs, including the calculation required for the 1 July municipal increase. It then details the post-ERTSA adjustments residential service charges, followed by the revenue-recovery testing outcomes.

Upon NERSA's approval of the FY2028 ERTSA application, Eskom will submit the approved Local Authority tariffs for tabling in Parliament, as required by the Municipal Finance Management Act (MFMA). This tabling must occur on or before 13 March 2027 to enable implementation on 1 July 2027. Non-municipal tariffs will take effect from 1 April 2027 to 31 March 2028, and municipal tariffs from 1 July 2027 to 30 June 2028.

2. Annual standard tariff increases (ERTSA)

The FY2028 applied for annual average increase (ERTSA) is 8.83%. This is as per the allowable revenues for the FY2028 MYPD 6 decision plus the 07 February 2026 correction to the Generation RAB related revenue (see Table 2).

2.1. ERTSA Rules – annual average increase

2.1.1. The municipal and non-municipal annual average increases and revenues were determined as per section 5 of the ERTSA methodology.

2.1.2. That is, the ERTSA (rate of adjustment) is the annual average increase to both municipal and non-municipal tariffs and is as determined by the Energy Regulator in the MYPD (Rule 5.2). The ERTSA may be further adjusted for the purpose of implementing a regulatory clearing account balance (Rule 5.3).

2.1.3. The separate municipal and non-municipal tariffs' allowed revenues for the application year (FY2028) are determined by first increasing their respective base year or financial year preceding the application year (FY2027) annual average prices by the ERTSA (annual average increase).

2.1.4. The resulting FY2028 municipal and non-municipal average prices are then multiplied by the respective MYPD-approved forecast sales volumes for municipal and non-municipal tariffs. This calculation is done before applying any cross-subsidies (Rules 5.5, 5.6, 5.7 and 5.8).

2.2. Annual average prices and allowed revenues

2.2.1. In FY2028, over 12 months of the Eskom financial year, an 8.83% annual average increase (ERTSA) is applicable to municipal and non-municipal tariffs.

2.2.2. To determine the FY2028 Standard tariff annual average price, the FY2027 **(base year)** 240.28c/kWh was increased by 8.83% to 261.50c/kWh.

2.2.3. The FY2028 **(application year)** 261.50c/kWh annual average price multiplied by 160 395GWh results in R419 438 million that are the annual Standard tariff revenues; see Table 3.

2.3. Local authority (municipal) annual allowed revenues

2.3.1. To determine the FY2028 municipal annual average price, the FY2027 municipal tariffs' 225.66c/kWh was increased by 8.83% to 245.59c/kWh.

2.3.2. The FY2028 municipal 245.59c/kWh multiplied by 75 628GWh resulted in R185 733 million annual municipal tariff revenues; see Table 3.

2.4. Non-local authority (non-municipal) annual allowed revenues

2.4.1. To determine the FY2028 non-municipal annual average price, the FY2027 non-municipal 253.30c/kWh was increased by 8.83% to 275.67c/kWh.

2.4.2. The FY2028 non-municipal 275.67c/kWh annual average price multiplied by 84 767GWh resulted in R233 679 million annual non-municipal tariff revenues; see Table 3.

2.5. Derived Standard tariff revenues

2.5.1. The total Standard tariff revenues after increasing the municipal and non-municipal average prices with 8.83% and multiplying with the NERSA determined forecasted sales volumes results in R419 411 million. This is less R27 million than the determined R419 438 million; see Table 3.

Table 3 : Standard tariff annual average prices and revenues

	Standard tariffs decision		Municipal tariffs		Non-municipal tariffs	
	FY2027 (Base year)	**FY2028** (Application year)	**FY2027** (Base year)	**FY2028** (Application year)	**FY2027** (Base year)	**FY2028** (Application year)
Annual average increase ERTSA (%)	8.76%	8.83%	8.76%	8.83%	8.76%	8.83%
Annual average price (c/kWh)	240.28c	261.50c	225.66c	245.59c	253.30c	275.67c
Forecasted sales volumes (GWh)	159 335	160 395	75 128	75 628	84 207	84 767
Standard tariff revenues (R'million)	**382 854**	**419 438**	**169 533**	**185 733**	**213 297**	**233 679**

Difference:	
Nersa allowed revenues (R'million)	419 438
Determined municipal and non-municipal revenues (R'million)	419 411
Revenue difference (R'million)	**-27**

3. 1 April 2027 Non-municipal increase

3.1. ERTSA Rules – non-municipal increase

3.1.1. The non-municipal increase is determined by NERSA (Rule 5.2) and may be adjusted to cater for the implementation of an RCA (Rule 5.3).

3.1.2. The ERTSA (annual average increase) is the non-municipal increase (Rule 5.8).

3.2. Non-municipal (Non-Local Authority) increase

3.2.1. The non-municipal tariff increase is the 8.83% ERTSA / annual average increase. Also see Table 6 for the calculation.

3.2.2. The 8.83% non-municipal 1 April increase (ERTSA) was applied to all the FY2027 approved non-municipal tariff charges before the adjustments to the service charges.

3.2.3. The 8.83% non-municipal annual average increase applies to all non-municipal tariffs including the Homelight 20A and Homelight 60A tariffs, see Table 4.

3.2.4. The change in out-of-pocket expenses for the Homelight 20A tariff and with receipt of the free 50kWh Free Basic Electricity (FBE) is as shown in Table 5.

Table 4 : Rate changes - Homelight 20A and Homelight 60A

	Homelight 20A c/kWh	Homelight 60A c/kWh
2026/27	**235.04c**	**298.79c**
2027/28	**255.79c**	**325.17c**
FY2028 increase	**8.83%**	**8.83%**

Table 5 : Out-of-pocket electricity expenses

	Electricity payment				After Government FBE support			
	2026/27	2027/28	Diff.	*% Diff*	2027/28	50kWh FBE	Out-of-pocket	*%Out-of-pocket*
Homelight 20A								
50kWh	R 118	R 128	R 10	*8.83%*	R 128	**R 128**	**R 0**	*-100.00%*
150kWh	R 353	R 384	R 31	*8.83%*	R 384	**R 128**	**R 256**	*-33.33%*
350kWh	R 823	R 895	R 73	*8.83%*	R 895	**R 128**	**R 767**	*-14.29%*
450kWh	R 1 058	R 1 151	R 93	*8.83%*	R 1 151	**R 128**	**R 1 023**	*-11.11%*
Homelight 60A								
50kWh	R 149	R 163	R 13	*8.83%*	R 163	**R 163**	**R 0**	*-100.00%*
150kWh	R 448	R 488	R 40	*8.83%*	R 488	**R 163**	**R 325**	*-33.33%*
350kWh	R 1 046	R 1 138	R 92	*8.83%*	R 1 138	**R 163**	**R 976**	*-14.29%*
450kWh	R 1 345	R 1 463	R 119	*8.83%*	R 1 463	**R 163**	**R 1 301**	*-11.11%*

4. 1 July 2027 municipal tariff increase

4.1. ERTSA Rules – Municipal increase

4.1.1. The municipal tariff increase effective 1 July was determined in line with Section 6 of the ERTSA methodology. This section outlines how the adjusted annual average ERTSA increase must be calculated for municipal tariffs. It also ensures the recovery of the annual municipal revenues determined in section 2.3 of this application (Rules 6.2, 6.3, and 6.4).

4.1.2. The 3-month municipal revenues are the forecasted sales at the base year (previous year's) approved tariffs (Rules 6.5, 6.12).

4.1.3. First, the annual revenue for the municipal application year (12 months) is reduced by the revenue expected in the first three months (April to June) at the FY2027 tariffs (no increase). This provides for the revenues applicable to the remaining nine months (July to March).

4.1.4. The nine-month average municipal tariff is then calculated using only these nine-month revenues. That is by dividing the nine-month revenues by the FY2028 municipal MYPD forecasted sales for the same nine-month period (Rules 6.6, 6.7, and 6.10).

4.1.5. The 1 July Municipal tariff increase or adjusted ERTSA is the 9-month average increase to municipal tariffs. It is the percentage increase to the municipal 9-month average price for the application year (FY2028) when compared to the 9-month average municipal average price for FY2027 or base year (Rule 6.8, 6.9, 6.11).

4.2. Municipal (Local Authority) increase

4.2.1. As shown in Table 6, to determine the allowable revenue from Local authority tariffs during April to June 2027 (3-months) of FY2028, the 2026/27 (FY2027) approved municipal tariffs were applied to the municipal 18 907GWh (10). This resulted in R45 394 million (13) revenues for the 3-month period.

4.2.2. The FY2028 annual Local authority R185 733 million (12) (as determined in section 2.3.2) less the April to June (3-month) R45 394 million (13) provides for R140 339 million (14) to be recovered during July 2027 to March 2028 (9 months).

4.2.3. The FY2028 municipal 9-month 247.42c/kWh (17) average price was determined by dividing R140 339 million (14) with the corresponding 9-month municipal 56 721GWh (11) forecasted sales volumes.

4.2.4. The percentage difference between the FY2027 July to March (9-month) 227.32c/kWh (17) and the determined FY2028 (9-month) 247.42c/kWh (17) is

8.84% (20). This 8.84% is the tariff increase to local authority tariffs (adjusted ERTSA) is effective from 1 July 2027 to 30 June 2028.

4.2.5. During April to June 2028, there is no increase to municipal tariffs and instead, the FY2027 NERSA approved tariffs are effective in compliance with the Municipal Finance Management Act (MFMA).

4.2.6. The 8.84% municipal 1 July increase (adjusted ERTSA) was applied to all the approved restructured municipal tariff charges (Rule 6.13).

Table 6 : Calculation of the FY2028 ERTSA Tariff category increases

			MYPD 6	
			Yr2	Yr3
			FY2027	**FY2028**
			ERTSA	ERTSA
	Standard tariffs	**Units**	decision	Application
(1)	Forecasted sales	*GWh*	159 335	160 395
(2)	Revenues	*R'Million*	382 854	419 438
(3)	Average price	*c/kWh*	240.28c	261.50c
(4)	**Avg. increase**	%	**8.76%**	**8.83%**
	Non-municipal			
(5)	Forecasted sales	*GWh*	84 207	84 767
(6)	Revenues	*R'Million*	213 297	233 679
(7)	Avg. Prices	*c/kWh*	253.30c	275.67c
(8)	**1 Apr increase**	%	**8.76%**	**8.83%**
	Municipal			
(9)	Forecasted sales	*GWh*	75 128	75 628
(10)	Apr-Jun	*GWh*	18 782	18 907
(11)	Jul-Mar	*GWh*	56 346	56 721
(12)	Revenues	*R'Million*	169 533	185 733
(13)	Apr-Jun @current Yr value	*R'Million*	41 450	45 394
(14)	Jul-Mar	*R'Million*	128 083	140 339
(15)	Annual avg. price	*c/kWh*	225.66c	245.59c
(16)	Apr-Jun before LY increase	*c/kWh*	220.69c	240.09c
(17)	Jul-Mar	*c/kWh*	227.32c	247.42c
(18)	Avg. increase	%	8.76%	8.83%
(19)	Apr-Jun	%	8.01%	8.79%
(20)	**1 Jul increase**	%	**9.01%**	**8.84%**

Note:
The April to June municipal average increases shown in the table above are an outcome of previous years tariffs and changes in volume, they are not applied increases.

5. Tariff cross-subsidies

The Standard tariff subsidy charges are the affordability, ERS and Low-voltage subsidy charges. Rule 7.1 and Rule 7.2 provides for the Energy Regulator as part of the MYPD to allow cross-subsidies and that these subsidies can be implemented as a part of the annual average increase.

No new subsidies are proposed in the FY2028 tariffs. In the past, Homelight tariffs had lower increases, requiring that the affordability subsidy that catered for the lower increases was calculated and adjusted differently.

6. Implementation of the FY2025 RTP decision for FY2028

6.1. Required implementation

6.1.1. In line with the NERSA 18 February 2025 decision on Eskom's Retail Tariff Plan (RTP), Eskom has applied the FY2028 ERTSA tariff increases to the fixed service charges for Homepower and Homeflex.

6.1.2. The RTP decision requires a gradual phase-in of the GCC for all tariffs (excluding Homelight, Landlight, Public lighting and Gen-Wheeling) and to the fixed service charges for Homepower and Homeflex.

6.1.3. For FY2028, the GCC must reach 30% of the FY2025 RTP benchmark value. For Homepower and Homeflex, the fixed service charges must increase to hundred percent (100%) of their FY2025 RTP rand values.

- GCC charges are first increased by the FY2028 ERTSA tariff increase. No further GCC adjustment is then required, as the charges have already reached the 30% phase-in level required by the RTP decision.
- Then, the Homepower and Homeflex service charges are increased to recover 100% of the original value and this is followed by a reduction so that Homepower and Homeflex variable energy rates are reduced by the equivalent increase to their fixed charges.

6.2. Generation Capacity Charges (GCC)

6.2.1. After the ERTSA average increase, the FY2028 ERTSA GCC recovery is R6 220 million representing an increase of R505 million from Year 2 GCC baseline of R5 715 million. No further balancing adjustments were made to the variable energy components.

6.2.2. As shown in Figure 1, this approach results in no additional customer impact from the GCC phase-in. Large Power Users (LPUs) will therefore not experience any increase beyond the NERSA-approved average tariff increase.

6.3. Adjustment to Homepower and Homeflex service charges

6.3.1. As shown in Table 7, the RTP decision required the fixed component of Homepower and Homeflex service charges to be phased in over three years.

6.3.2. In FY2028, this translates to setting the revenue recovery from Homepower and Homeflex tariffs services to R355 million (ii) which is 100% (iii) of the Eskom submitted R355 million (i). That is, the phase-in of the first year's (33.33%), the second year's (33.33%) and the third year's (33.34%).

6.3.3. To adjust the service charges revenues to R355 million, all the Homepower and Homeflex service charge rates (excluding Homelight, Landlight and Public lighting) were adjusted by a 0.3917 factor. A corresponding factor of -0.0366 factor reduction was made to all energy rates (excluding Homelight, Landlight and Public lighting); see Table 7.

6.3.4. The result was R355 million (v) from service charges that is 100% (vii) of the base R355 million. Commensurately, the reduction of revenues from energy c/kWh rates was from R3 779 million (viii) to R3 660 million (ix);

6.3.5. Differences in the revenue outcome are due to rounding of the rates to 2 decimal places after the adjustments; see Table 7.

Table 7 : Adjustment to the Homepower and Homeflex service charges

Homepower and Homeflex		FY2028
(i)	Original proposed value	355
(ii)	NERSA RTP decision	355
(iii)	% of Year 1 + Year 2 + Year 3 phase-in	100.00%
Service charge revenues		
(iv)	Revenues before	**261**
(v)	**Revenues after adjustment factor**	**355**
(vi)	Change in revenues	94
(vii)	Revenues after adjustment % of original	*100.00%*
Energy rates tariff revenues		
(viii)	Revenues before	3 779
(ix)	**Revenues after adjustment factor**	**3 660**
(x)	Change in revenues	-119

6.4. Customer impacts after for FY2028 ERTSA after adjusting the Homepower and Homeflex service charges

6.4.1. The tariff charges and rates submitted for approval in the Schedule of Standard tariffs already include the RTP decision adjustments to the Homepower, and Homeflex charges, as well as the corresponding adjustments to the variable energy rates.

6.4.2. The increases applied to the Homepower, and Homeflex service charges must be assessed together with the adjustments made to the variable energy rates.

6.4.3. As a result, the effective increases to be experienced by for Homepower and Homeflex customers are at or below the requested tariff category increases. This outcome is primarily driven by the adjustments applied to the energy rates, which offset the adjustments to Homepower, and related charges; see figure 3 for Homepower 1,2,3 and 4 residential tariffs.

6.4.4. For large power users, the annual average increases per customer resulting are equal to the average tariff category increases; see figure 1 and 2 showing large power user customers would see no additional increase over and above the 8.83% and 8.84% average increase for non-municipal and municipal customers.

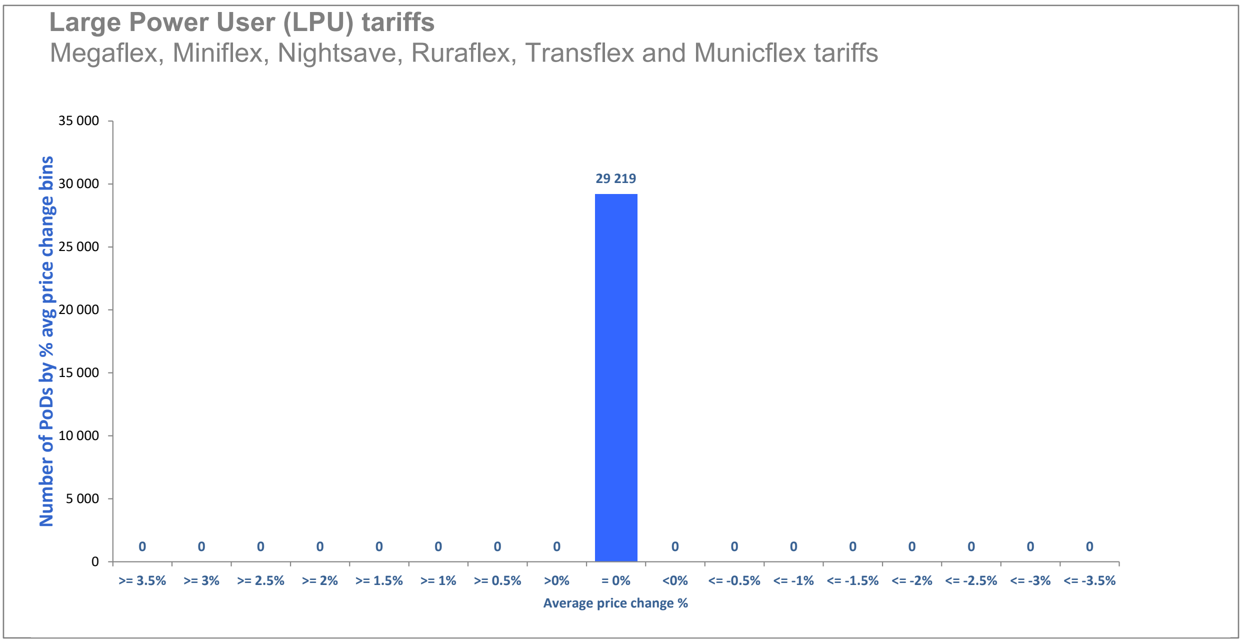

Figure 1: LPU FY2025 RTP decision adjustments compared to the average increase

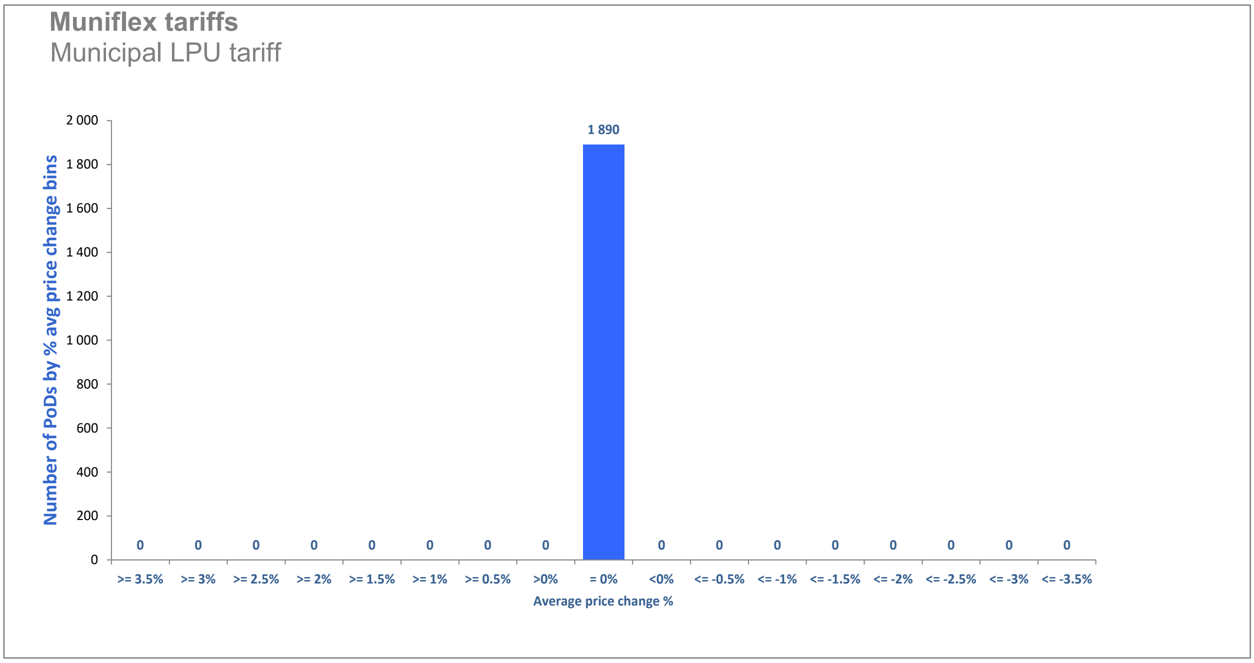

Figure 2: Municflex FY2025 RTP decision adjustments compared to the average increase

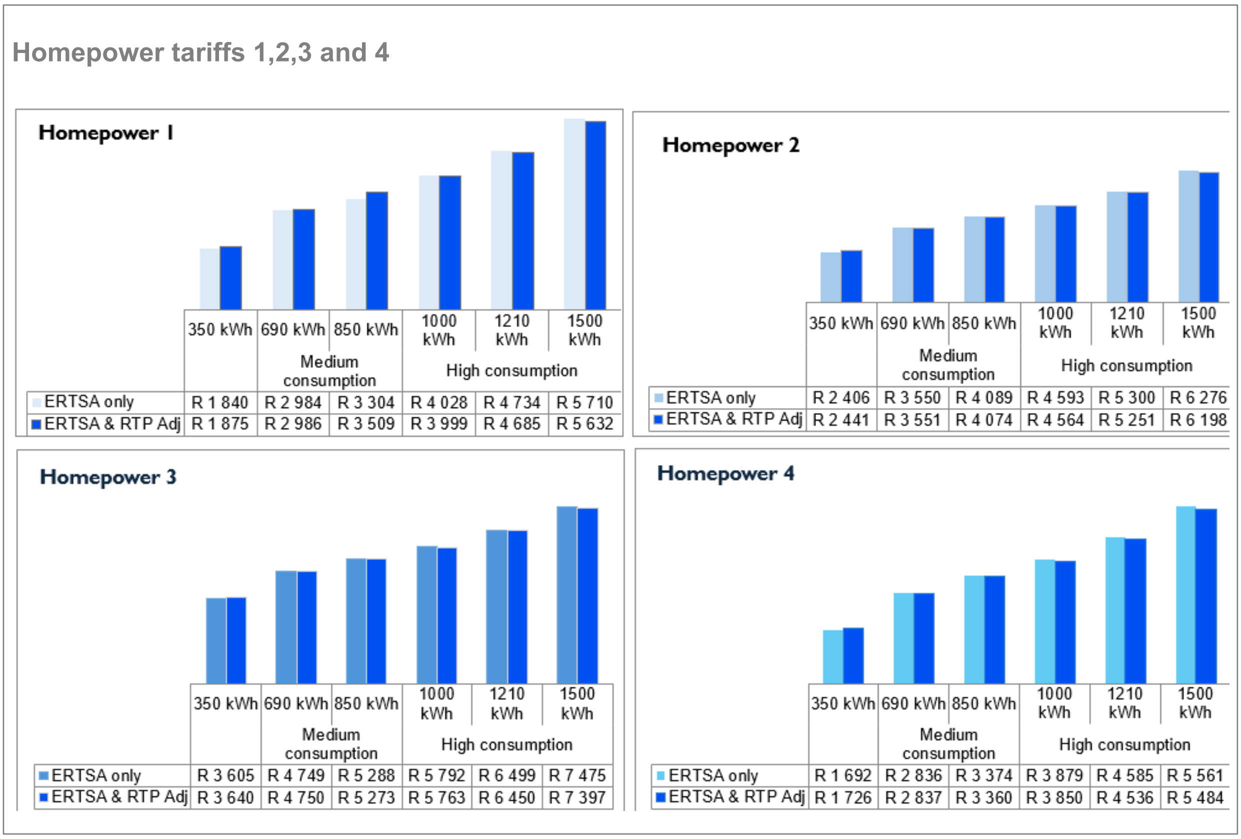

Figure 3: Homepower 1,2,3 and 4 FY2025 RTP decision adjustments compared to the average increase

7. Revenue recovery testing

7.1. Detailed testing context

7.1.1. The revenue recovery testing applies the submitted FY2028 tariff increases to the FY2027 tariff rates. Thereafter, the adjusted tariff rates are rounded to two-decimal places and are the submitted FY2028 rates contained in the Tariff Schedule.

7.1.2. The revenue recovery testing reflects a billing environment by applying the FY2028 rates in the Tariff Schedule to the NERSA MYPD 6 approved FY2028 detailed forecasted sales volumes, which include separate values for energy sales (kWh), demand sales (kVA), reactive energy (kVArh), and the number of points of delivery (PoDs).

7.2. Revenue testing results

7.2.1. A summary of the revenue recovery testing is as shown in Table 8. The result of the revenue recovery testing demonstrates results after adjusting the service charges, the difference is R8 569 million (2.00%).

7.2.2. The summary of the FY2028 revenue recovery provided in Table 8 provides the effective annual average increases that are a comparison of the FY2027 tariffs and applied for FY2028 tariffs on the same forecasted volumes. This is done to eliminate the volume variance and provide a view of applied tariff increases. Consequently, the comparison excludes year-on-year volume change and enables a view of the tariff category increases by tariff.

7.2.3. The calculated revenue differences would be treated through the RCA for FY2028. This is because the MYPD decision is based on a forecast, and the actual sales volumes and revenues would be evaluated against the MYPD 6 FY2028 decision.

7.3. Reasons for revenue differences

7.3.1. The revenue recovery mismatch to the FY2028 Standard tariffs allowable revenues is because of the following reasons.

7.3.2. The first reason is that the ERTSA methodology overlooks the underlying different time-of-use (ToU), R/kVA and R/POD charges and their associated volumes in the determination of the Standard tariff increases.

7.3.3. The second reason is the calculation of the municipal increase. Although the recoverable revenues from the 1 July increase are ring-fenced to the application year, the 1 July increase refers to the previous year's (base year) average price instead of the application year's 9-month average price before an increase. This is also compounded by the difference between the application and base year forecasted sales volume.

Table 8: FY2028 Revenue recovery testing results of requested FY2028 tariffs

Total Standard tariffs, large power and urban tariffs

	2027/28 (FY2028) MYPD forecasted sales at 2027/28 Standard tariffs after service charges adjustments (Municipality Apr-June at FY2027 approved tariffs)											
	Forecasted sales (GWh)			Revenues (R'm)			Average price (c/kWh)			Effective increase (%)		
	Munic	Non-munic	Total	Munic	Non-munic	Total	Munic	Non-munic	Total	Munic	Non-munic	Total
Standard tariffs	**75 628**	**84 767**	**160 395**	**189 076**	**238 931**	**428 007**	**250.01c**	**281.87c**	**266.85c**	**6.58%**	**8.82%**	**7.82%**
Apr-Jun	18 907	21 422	40 329	45 392	61 091	106 483	240.09c	285.18c	264.04c	0.00%	8.82%	4.87%
Jul-Mar	56 721	63 345	120 066	143 684	177 840	321 523	253.32c	280.75c	267.79c	8.84%	8.82%	8.83%
Large industrial and urban												
(Incld. Affordability charge)	**75 295**	**64 218**	**139 513**	**187 577**	**166 269**	**353 847**	**249.12c**	**258.91c**	**253.63c**	**6.58%**	**8.83%**	**7.62%**
Apr-Jun	18 827	16 311	35 138	45 050	42 890	87 941	239.29c	262.95c	250.27c	0.00%	8.83%	4.12%
Jul-Mar	56 468	47 906	104 375	142 527	123 379	265 906	252.40c	257.54c	254.76c	8.84%	8.83%	8.83%
Affordability charge	**0**	**65 615**	**65 615**	**0**	**3 642**	**3 642**		**5.55c**	**5.55c**		8.82%	8.82%
Apr-Jun	0	16 531	16 531	0	917	917		5.55c	5.55c		8.82%	8.82%
Jul-Mar	0	49 085	49 085	0	2 724	2 724		5.55c	5.55c		8.82%	8.82%
Large urban tariffs excld affordability												
	75 295	**64 218**	**139 513**	**187 577**	**162 628**	**350 205**	**249.12c**	**253.24c**	**251.02c**	**6.58%**	**8.83%**	**7.61%**
Apr-Jun	18 827	16 311	35 138	45 050	41 973	87 023	239.29c	257.32c	247.66c	0.00%	8.83%	4.07%
Jul-Mar	56 468	47 906	104 375	142 527	120 655	263 182	252.40c	251.85c	252.15c	8.84%	8.83%	8.83%
Municflex	**75 376**	**0**	**75 376**	**187 703**	**0**	**187 703**	**249.02c**		**249.02c**	**6.58%**		**6.58%**
Apr-Jun	18 841	0	18 841	45 075	0	45 075	239.23c		239.23c	0.00%		0.00%
Jul-Mar	56 535	0	56 535	142 628	0	142 628	252.28c		252.28c	8.84%		8.84%
Megaflex	**0**	**58 204**	**58 204**	**0**	**141 438**	**141 438**		**243.00c**	**243.00c**		**8.83%**	**8.83%**
Apr-Jun	0	14 660	14 660	0	36 344	36 344		247.92c	247.92c		8.83%	8.83%
Jul-Mar	0	43 544	43 544	0	105 094	105 094		241.35c	241.35c		8.83%	8.83%
Miniflex	**0**	**3 856**	**3 856**	**0**	**11 550**	**11 550**		**299.53c**	**299.53c**		**8.83%**	**8.83%**
Apr-Jun	0	969	969	0	2 959	2 959		305.43c	305.43c		8.83%	8.83%
Jul-Mar	0	2 887	2 887	0	8 591	8 591		297.55c	297.55c		8.83%	8.83%
Nightsave Large	**0**	**962**	**962**	**0**	**3 434**	**3 434**		**357.03c**	**357.03c**		**8.83%**	**8.83%**
Apr-Jun	0	242	242	0	873	873		360.56c	360.56c		8.83%	8.83%
Jul-Mar	0	720	720	0	2 561	2 561		355.85c	355.85c		8.83%	8.83%
Nightsave Small	**0**	**827**	**827**	**0**	**2 822**	**2 822**		**341.15c**	**341.15c**		**8.83%**	**8.83%**
Apr-Jun	0	205	205	0	713	713		348.02c	348.02c		8.83%	8.83%
Jul-Mar	0	622	622	0	2 109	2 109		338.89c	338.89c		8.83%	8.83%
Transflex	**0**	**1 767**	**1 767**	**0**	**5 587**	**5 587**		**316.24c**	**316.24c**		**8.83%**	**8.83%**
Apr-Jun	0	455	455	0	1450	1450		318.58c	318.58c		8.83%	8.83%
Jul-Mar	0	1312	1312	0	4 137	4 137		315.43c	315.43c		8.83%	8.83%

Table 8: FY2028 Revenue recovery testing results of requested FY2028 tariffs

Small-power user tariffs

	2027/28 (FY2028) MYPD forecasted sales at 2027/28 Standard tariffs after service charges adjustments (Municipality Apr-June at FY2027 approved tariffs)											
	Forecasted sales (GWh)			Revenues (R'm)			Average price (c/kWh)			Effective increase (%)		
	Munic	Non-munic	Total	Munic	Non-munic	Total	Munic	Non-munic	Total	Munic	Non-munic	Total
Other Standard tariffs												
Municrate	**233**	**0**	**233**	**1 202**	**0**	**1 202**	**514.91c**		**514.91c**	**6.68%**		**6.68%**
Apr-Jun	56	0	56	275	0	275	489.76c		489.76c	0.00%		0.00%
Jul-Mar	177	0	177	927	0	927	522.88c		522.88c	8.84%		8.84%
Businessrate	**0**	**984**	**984**	**0**	**3 419**	**3 419**		**347.62c**	**347.62c**		**8.83%**	**8.83%**
Apr-Jun	0	246	246	0	854	854		347.58c	347.58c		8.83%	8.83%
Jul-Mar	0	738	738	0	2 565	2 565		347.63c	347.63c		8.83%	8.83%
Public Lighting	**99**	**110**	**209**	**296**	**313**	**609**	**298.69c**	**283.69c**	**290.79c**	**6.71%**	**8.83%**	**7.79%**
Apr-Jun	24	28	51	67	78	145	279.74c	283.68c	281.85c	0.00%	8.83%	4.57%
Jul-Mar	75	83	158	229	235	464	304.73c	283.70c	293.70c	8.84%	8.83%	8.83%
Ruraflex	**0**	**5 993**	**5 993**	**0**	**20 212**	**20 212**		**337.25c**	**337.25c**		**8.83%**	**8.83%**
Apr-Jun	0	1437	1437	0	4 965	4 965		345.40c	345.40c		8.83%	8.83%
Jul-Mar	0	4 556	4 556	0	15 247	15 247		334.68c	334.68c		8.83%	8.83%
Nightsave Rural	**0**	**1 123**	**1 123**	**0**	**4 147**	**4 147**		**369.39c**	**369.39c**		**8.83%**	**8.83%**
Apr-Jun	0	280	280	0	1071	1071		382.76c	382.76c		8.83%	8.83%
Jul-Mar	0	843	843	0	3 076	3 076		364.95c	364.95c		8.83%	8.83%
Landrate	**0**	**3 717**	**3 717**	**0**	**18 728**	**18 728**		**503.82c**	**503.82c**		**8.83%**	**8.83%**
Apr-Jun	0	914	914	0	4 632	4 632		506.47c	506.47c		8.83%	8.83%
Jul-Mar	0	2 803	2 803	0	14 096	14 096		502.96c	502.96c		8.83%	8.83%
Homelight 20A	**0**	**4 563**	**4 563**	**0**	**11 671**	**11 671**		**255.79c**	**255.79c**		**8.83%**	**8.83%**
Apr-Jun	0	1173	1173	0	3 001	3 001		255.79c	255.79c		8.83%	8.83%
Jul-Mar	0	3 389	3 389	0	8 670	8 670		255.79c	255.79c		8.83%	8.83%
Homelight 60A	**0**	**2 820**	**2 820**	**0**	**9 170**	**9 170**		**325.17c**	**325.17c**		**8.83%**	**8.83%**
Apr-Jun	0	722	722	0	2 346	2 346		325.17c	325.17c		8.83%	8.83%
Jul-Mar	0	2 098	2 098	0	6 823	6 823		325.17c	325.17c		8.83%	8.83%
Homepower	**0**	**1 240**	**1 240**	**0**	**5 002**	**5 002**		**403.37c**	**403.37c**		**8.24%**	**8.24%**
Apr-Jun	0	311	311	0	1253	1253		403.19c	403.19c		8.24%	8.24%
Jul-Mar	0	929	929	0	3 749	3 749		403.43c	403.43c		8.24%	8.24%

8. Conclusion

Eskom hereby requests the NERSA to approve the FY2028 ERTSA application. This application updates existing electricity tariffs in line with NERSA MYPD decisions. The application complies with the NERSA ERTSA methodology and the FY2025 RTP decision for implementation in FY2028.

The approach applied to implement the RTP decision changes to Homepower and Homeflex service charges ensures that whereas the fixed charges increase, energy c/kWh charges are reduced to keep the impact neutral to the MYPD approved annual revenues and applied for FY2028 ERTSA tariff category increases.

Upon the NERSA approval of this FY2028 ERTSA application, non-local authority (non-municipal) tariffs will come into effect from 1 April 2027 to 31 March 2028. Local authority (municipal) tariffs will be effective from 1 July 2027 to 30 June 2028 in compliance with the Municipal Finance Management Act (MFMA) after tabling in Parliament on or before 13 March 2027.

Annexure 1: 2027/28 Schedule of Standard prices for Eskom Tariffs