



Best Practice , Collection of Electricity Revenue.

*Eskom & EEC Supplied
(General Manager Operations -EEC)*



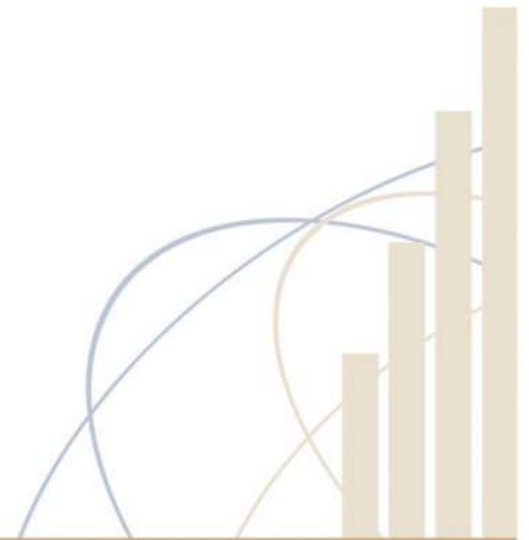
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Chartered Institute of
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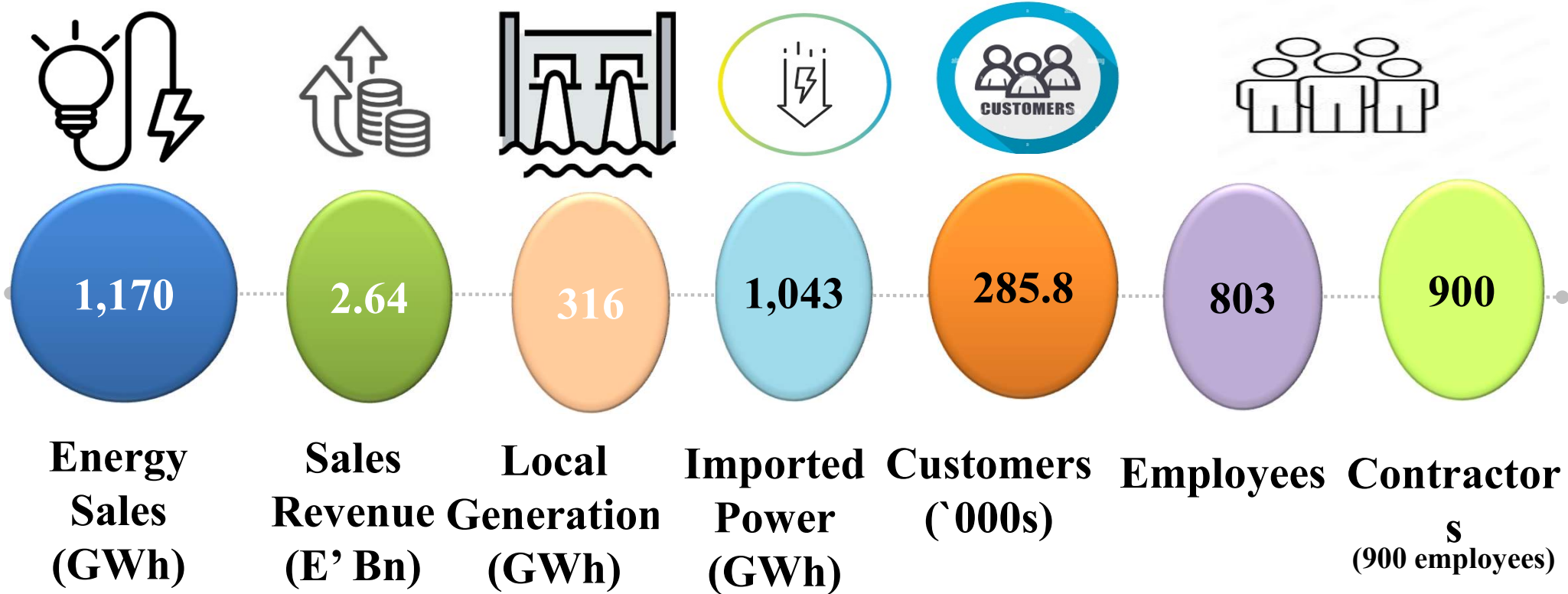
SAQA Recognised Professional Body

OUTLINE

1. Key Numbers 2023/24
2. Customer Growth
3. EEC Five Year Strategy
4. Powering Eswatini Beyond 2025.
 - a) Update on Southern African Power Pool (SAPP)
 - b) Bilateral Agreements -Eskom
5. EEC Customer Tariff Structure
6. Collection Strategies
7. Challenges
8. Q&A

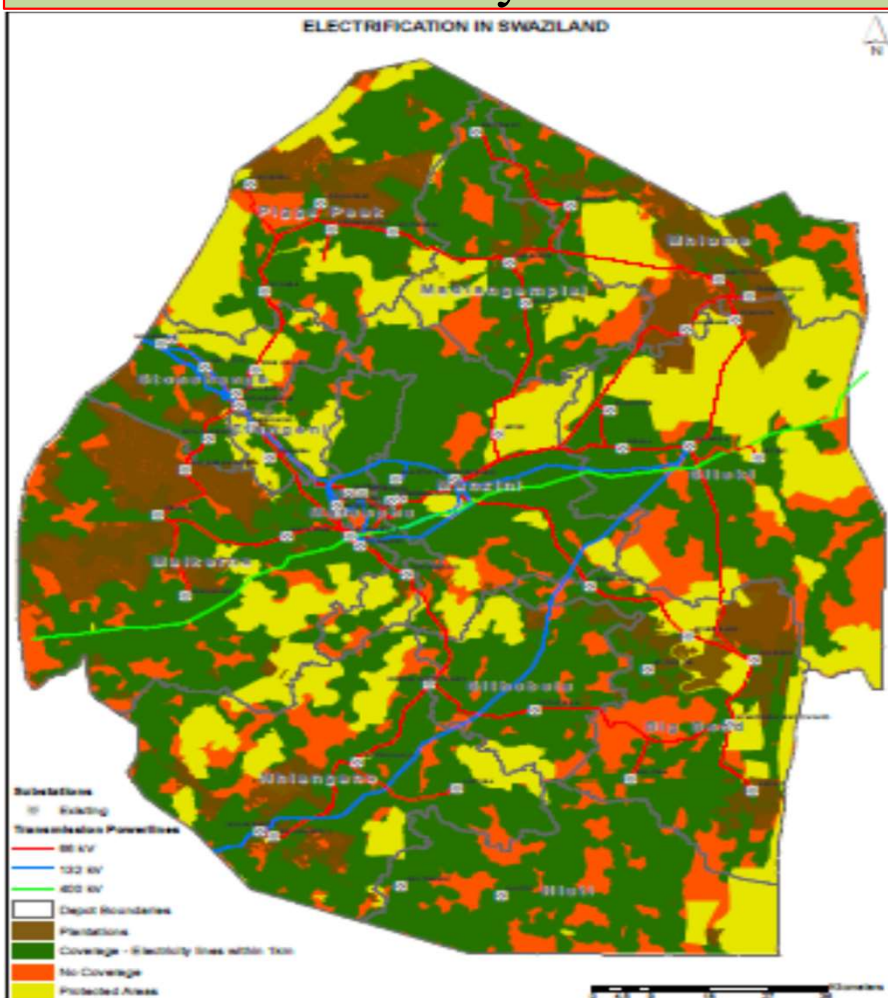


EEC IN NUMBERS 2023/24



CUSTOMER GROWTH

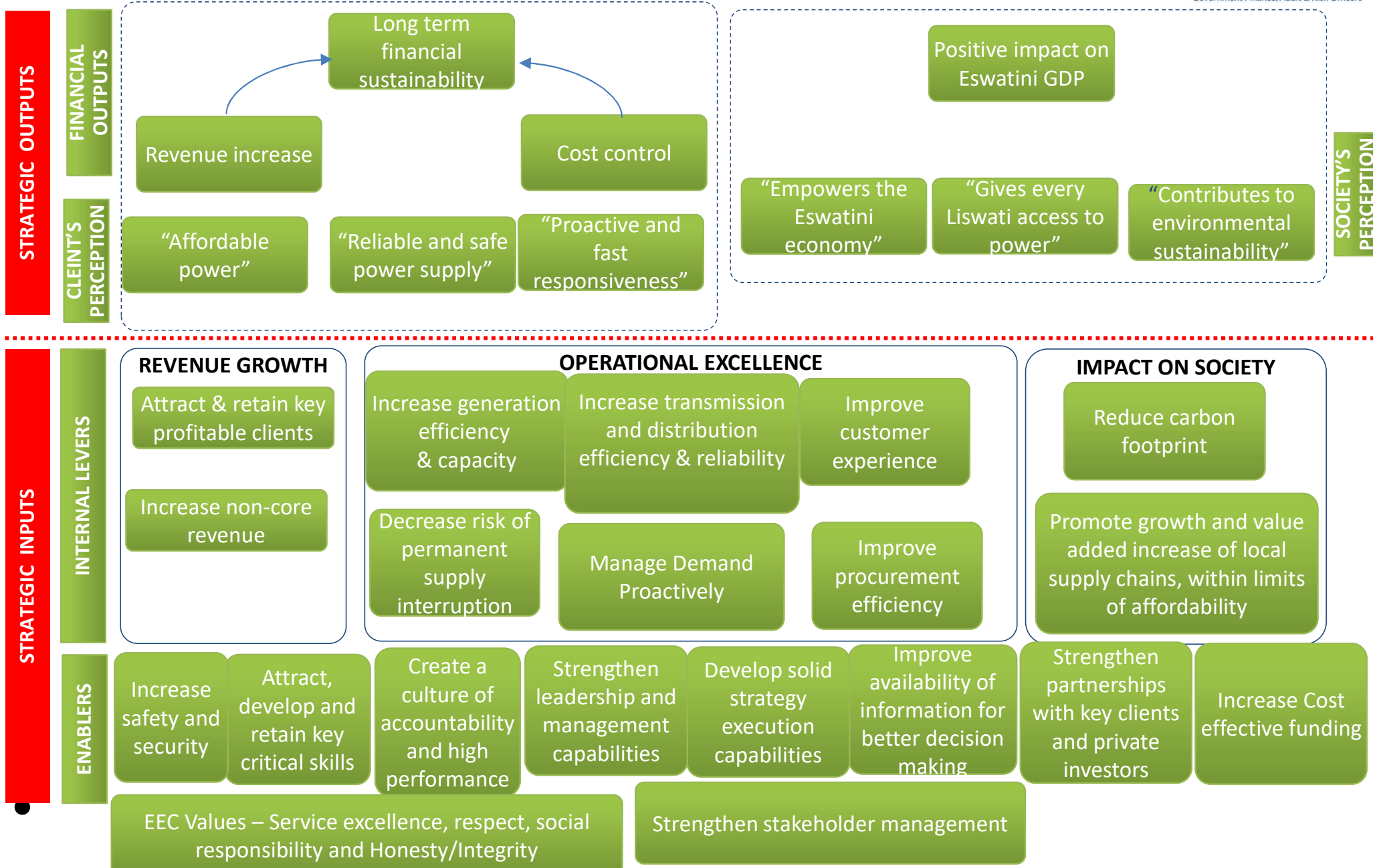
- There has been a notable increase in the customer base over the years, particularly domestic customers.
- EEC continues to give priority to large customers who are the backbone of the Eswatini economy.



ACCESS LEVEL IN MARCH 2024 – 82%

- Total Customers – 285 838
- **Total Domestic Customers 264 888 (Pre-paid)**
- Small Commercial (SMMEs) – 20 026
- Large Commercial - 924 Less than 1% of total Customers
- **Energy Sales – 1,178 GWh year end projection for 2024/25**
- Population of 1.231 Million
- 17.364 square kilometres
- Gini coefficient is 54.6 % (South Africa 63%).
- Unemployment rate 37.64% , SA : 31.9%

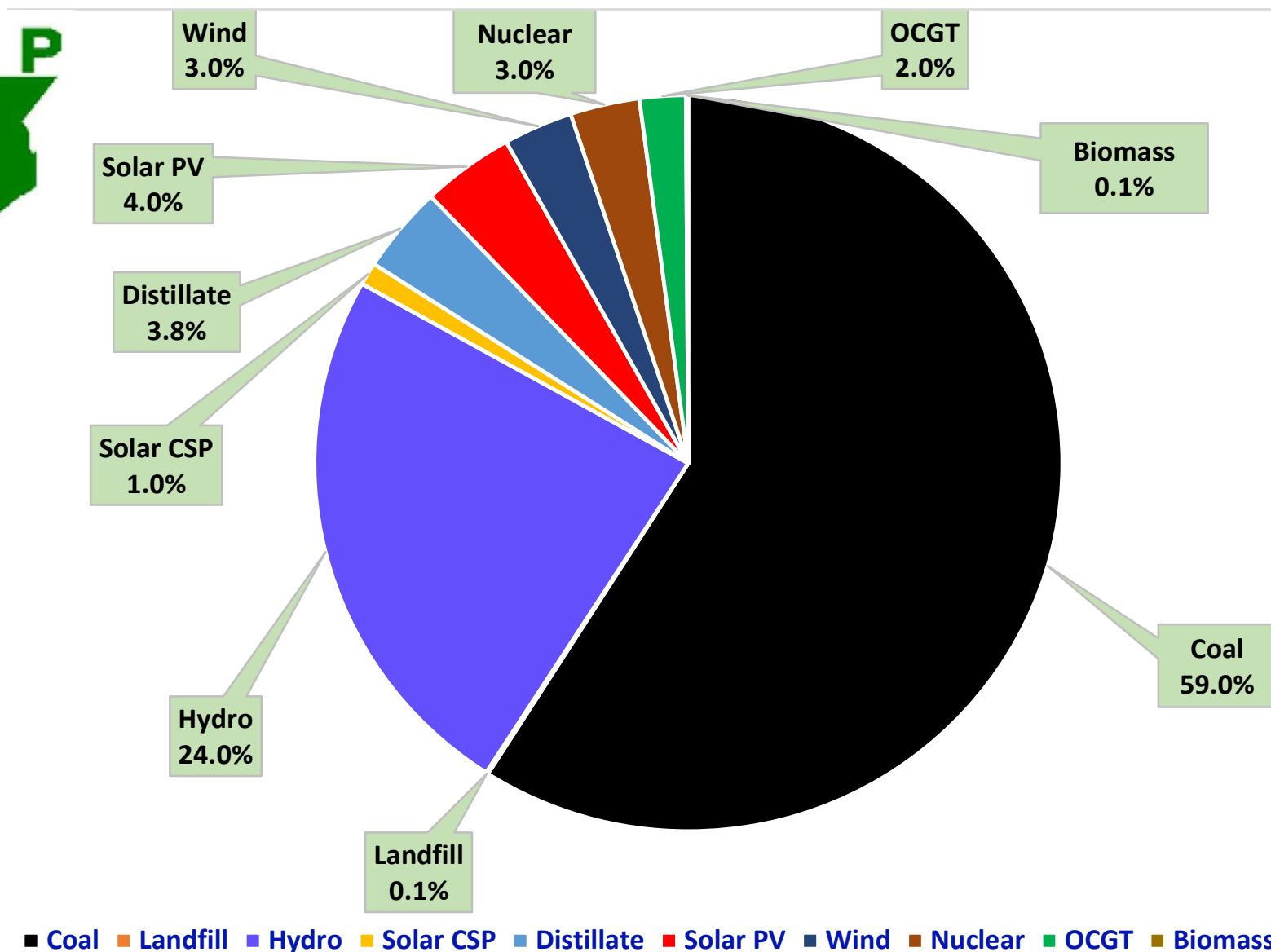
EEC STRATEGIC PLAN



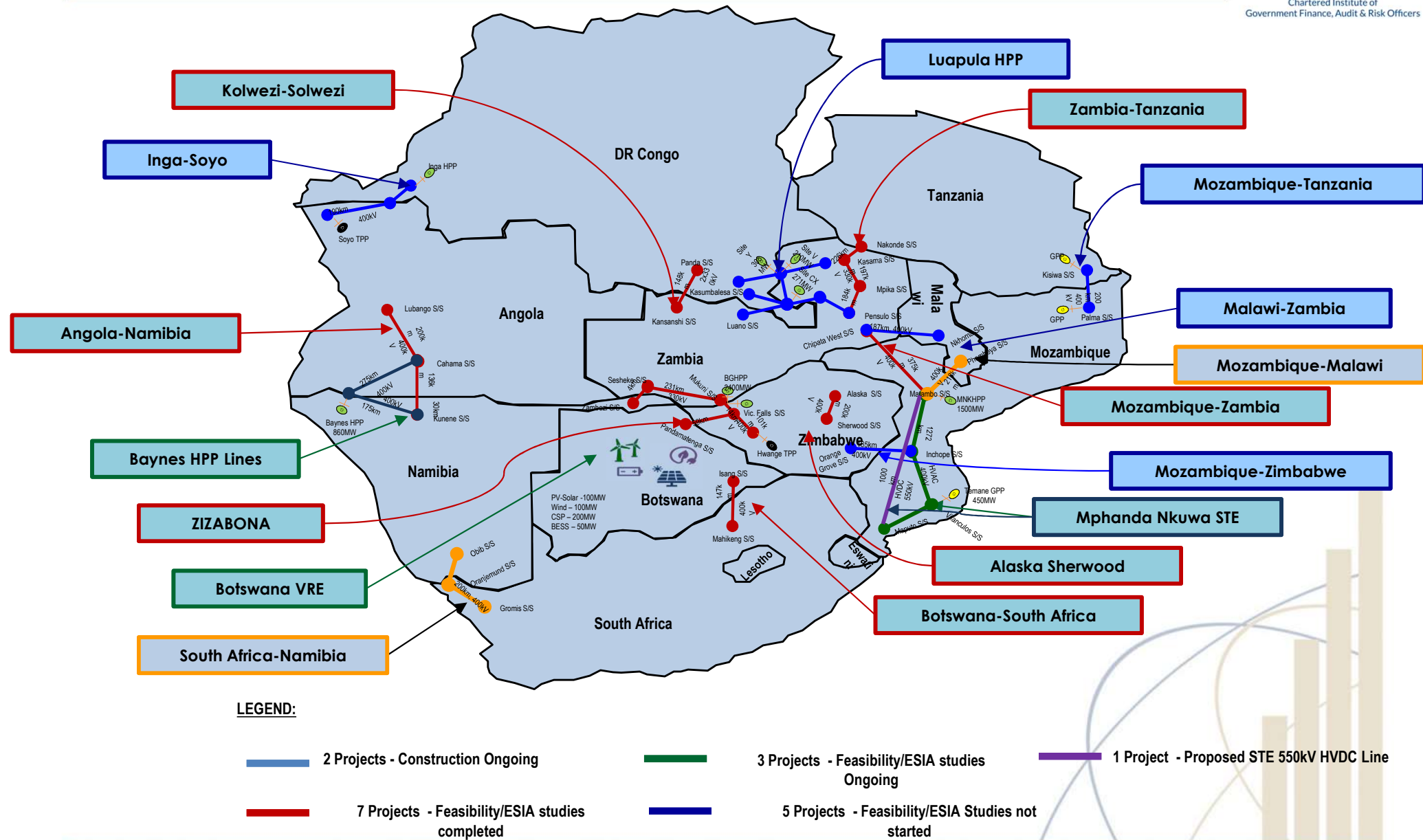
SAPP DEMAND AND SUPPLY SITUATION

Country	Utility	Installed capacity (MW)	Operating Capacity (MW)	Current Peak Demand (MW)	Peak Demand Plus Reserves, (MW)	Capacity Excess/Shortfall (MW)
Angola	RNT	6,250	5,128	2,354	2,727	2,401
Botswana	BPC	892	605	678	750	-145
DRC	SNEL	2,819	2,096	4,213	4,522	-2,426
Eswatini	EEC	71	61	239	259	-199
Lesotho	LEC	102	72	196	211	-139
Malawi	ESCOM	562	368	368	380	-12
Mozambique	EDM/HCB/ MOTRACO	2,796	2,231	2,081	2,125	106
Namibia	NamPower	624	370	643	695	-325
South Africa	Eskom	57,477	32,711	33,873	38,954	-6,243
Tanzania	TANESCO	2,129	1,480	1,573	1,733	-253
Zambia	ZESCO/CEC/ LHPC/NECL/IPP	3,676	1,590	2,135	2,297	-707
Zimbabwe	ZESA	2,412	1,400	1,724	1,900	-500
TOTAL (All)		79,810	48,112	50,077	56,554	-8,442
TOTAL (Operating Members)		70,869	41,136	45,782	51,713	-10,578

SAPP GENERATION MIX 2024



SAPP REGIONAL ENERGY PROJECTS



EEC – Eskom 25 YEAR CONTRACT REVIEW



Long Term Agreement.

1. Eskom and EEC Power Supply Agreement started in **1985, and Contract Renewed in 2000 (25 years – August 2025)** with new terms and conditions – Motraco was also formed.
2. Negotiations ongoing with Eskom to renew for a longer term.
 - a) EEC has submitted application with ESKOM for contract renewal.
 - b) Proposal for a 5-to-10-year contract due to dynamic environment.

Tariffs

- Current tariffs too low to support new Generation Capacity.
- Due to Demand exceeding Supply, the new tariffs might escalate.
- Requirement for three months security deposit (Exploring options).

TARIFF ESCALATION

Electricity tariffs have escalated as follows:

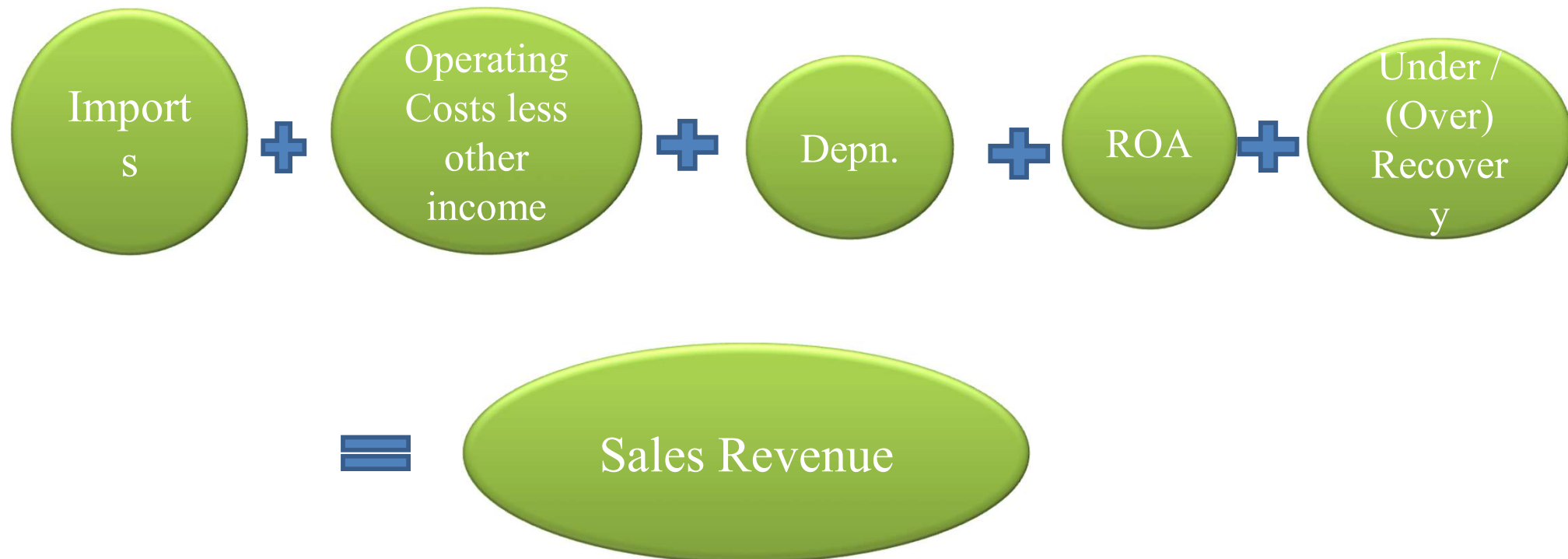
❑ FY2019/2020	(EEC) = 0%	ESKOM = 14.0%
❑ FY2020/2021	(EEC) = 0%	ESKOM = 13.5%
❑ FY2021/2022	(EEC) = -1.31%	ESKOM = 15.16%
❑ FY2022/2023	(EEC) = -1.31%	ESKOM = 10.11%
❑ FY2023/2024	(EEC) = 10.14%	ESKOM = 19.15%
❑ FY2024/2025	(EEC) = 8.02%	ESKOM = 13.24%
❑ FY2025/2026	(EEC) = 8.00%	NTCSA = 13.24%
❑ FY2026/2027	(EEC) = 7.00%	NTCSA = 5.36%

- Electricity Tariffs are decided and regulated by the Eswatini Energy Regulatory Authority (ESERA), an Independent Body.
- EEC-NTCSA agreement due for renewal in August 2025. Discussions ongoing on new tariff framework

TARIFF METHODOLOGY - COST COMPONENTS

EEC applies for revenues to cover its expected costs

Tariff methodology sets out which **costs** are allowed



EEC TARIFFS TO CUSTOMERS



Energy for the Future

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Tel: 2409 4000, Fax: 2404 2335
www.eec.co.sz Toll Free: 800 9000

PUBLIC NOTICE

TARIFF SCHEDULE FOR 2025/2026

The Eswatini Energy Regulatory Authority (ESERA) approved an average tariff increase of 14.67% for the financial year 2025/26 and 10.91% for 2026/27. Subsequent to this award, Government, in her capacity as sole shareholder of the EEC, re-adjusted the tariff downward to an average tariff increase of 8% for 2025/26 and 7% for 2026/27. EEC would therefore like to inform all customers that the effective date for the tariff adjustments for 2025/26 will be the **1st of April, 2025** as follows:

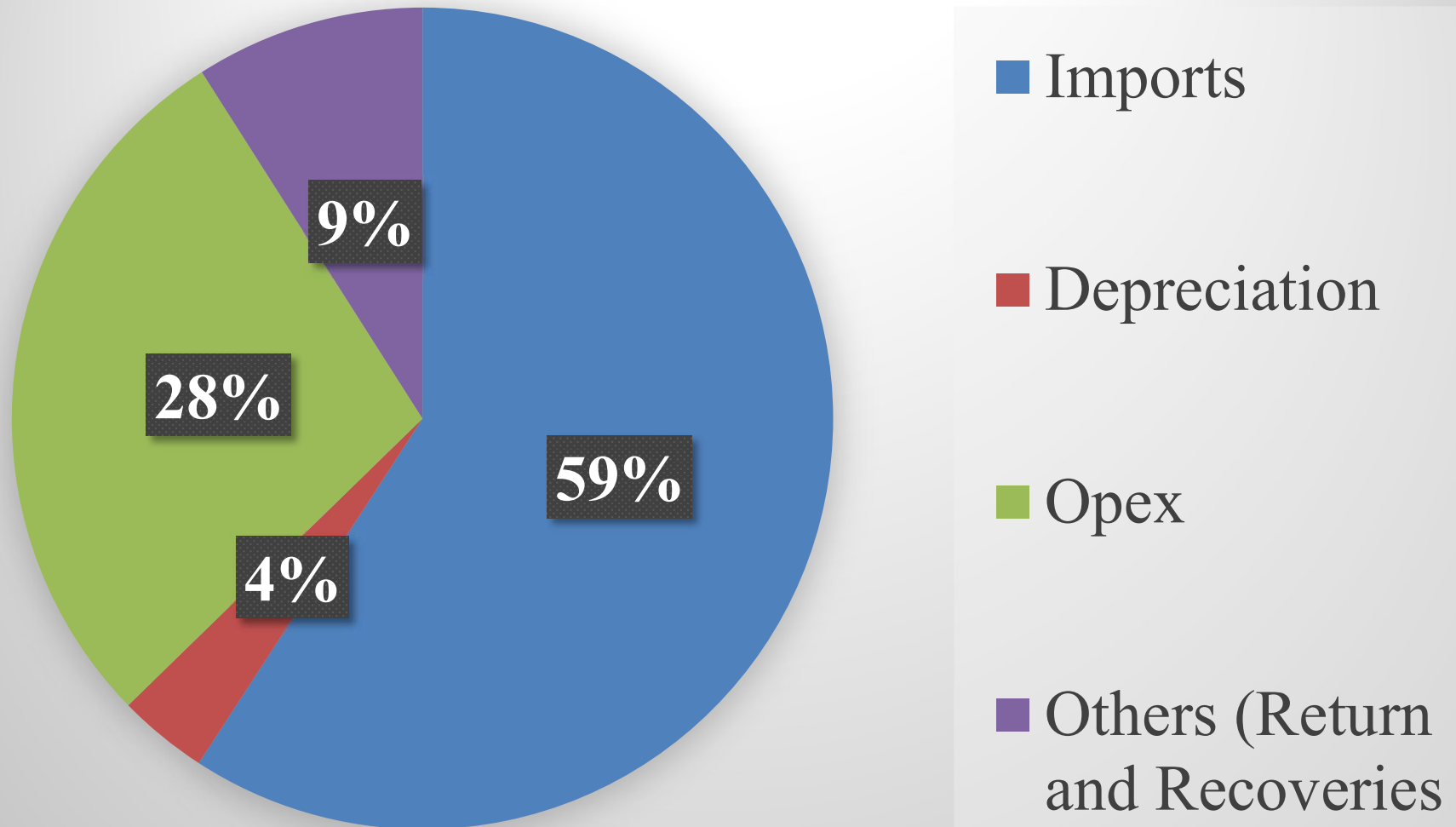
Type	NON-TOU TARIFFS		Facility Charge E/Month		Energy Charge E/kWh
S10	Lifeline (0-75 kWh)				1.4797
	Lifeline (76-100 kWh)				2.4871
	Lifeline (> 100kWh)				5.4716
S1	Domestic				2.4871
S2	General Purpose		198.51		2.9509
S3	Small Commercial - prepayment		198.51		2.9509
S3	Small Commercial - credit meter		397.02		2.9509
TOU TARIFFS		T1	T2	T3	T4
		TOU at MV at HV network	TOU at MV	TOU at LV	TOU small irrigation < 100 kVA
Facility Charge E/month		5,758.86	2,771.63	2,084.95	1,772.21
Demand Charge E/kVA		204.45	214.18	224.89	191.16
Access Charge E/kVA		66.66	69.84	66.94	62.33
Energy – Low Demand - Peak E/kWh		2.0681	2.1244	2.1620	1.8666
Energy – Low Demand - Standard E/kWh		1.4707	1.5090	1.5346	1.3334
Energy – Low Demand - Off-Peak E/kWh		1.1859	1.2156	1.2355	1.0790
Energy – High Demand - Peak E/kWh		5.8863	6.0628	6.1803	5.2535
Energy – High Demand - Standard E/kWh		1.8037	1.8580	1.8939	1.6099
Energy – High Demand - Off-Peak E/kWh		1.1859	1.2156	1.2355	1.0790

NB: Tariff schedule is inclusive of a 2.5% levy (of the energy charge) for the Rural Electrification Access Fund (REAF) and exclusive of the Value Added Tax (VAT) applicable to all non- domestic customers.

MARKETING AND CORPORATE COMMUNICATIONS

Eswatini Electricity Company | *8888# Self Service | Toll Free 800 9000

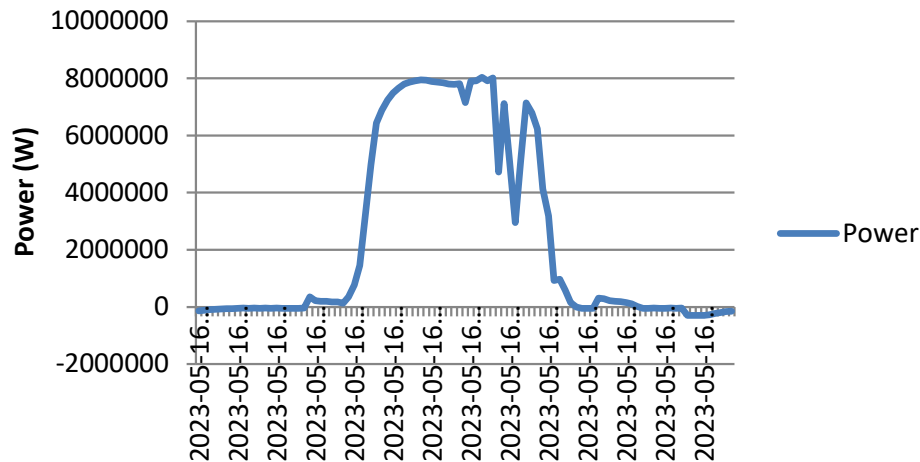
COSTS COVERED BY EEC REVENUE



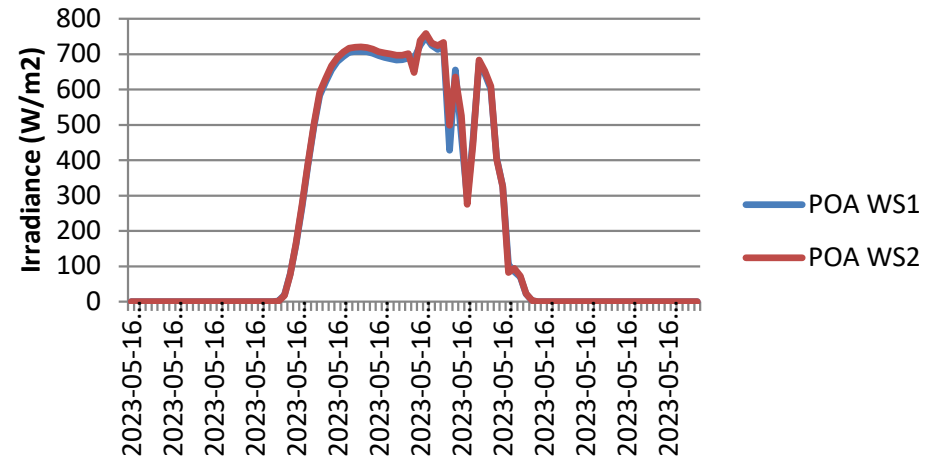
The regulator allows us to apply for revenue to cover our costs – these are the cost components which are allowed

LAVUMISA 10 MW SOLAR PV OUTPUT

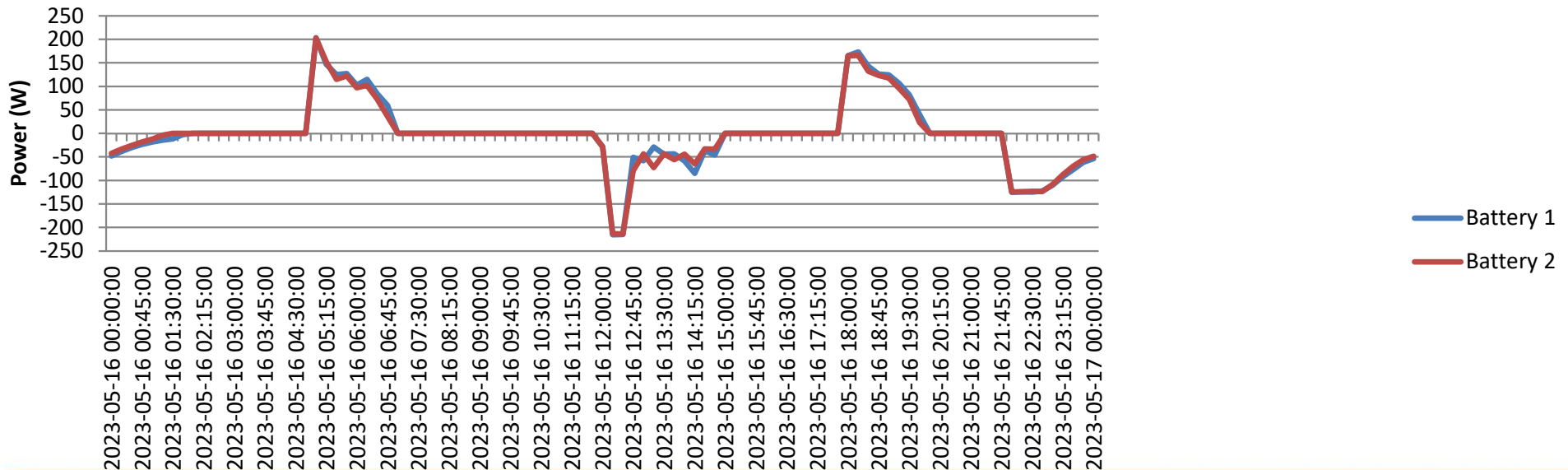
Power (W)



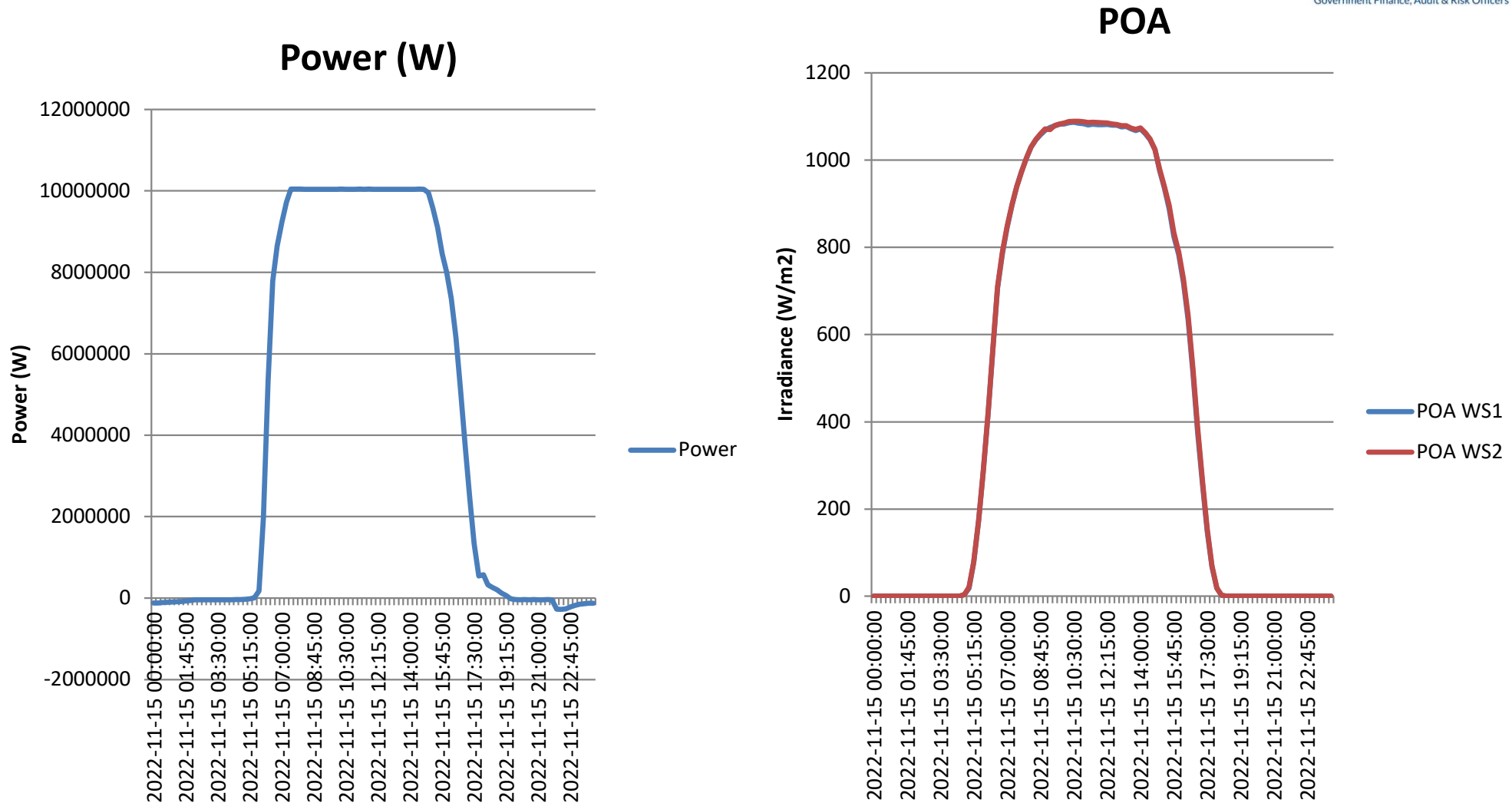
POA



Battery Power



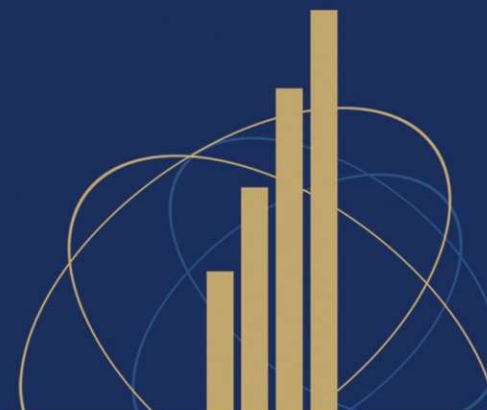
LAVUMISA 10 MW SOLAR PV OUTPUT



Load – factor affects tariff level and structure.



Thank You!



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