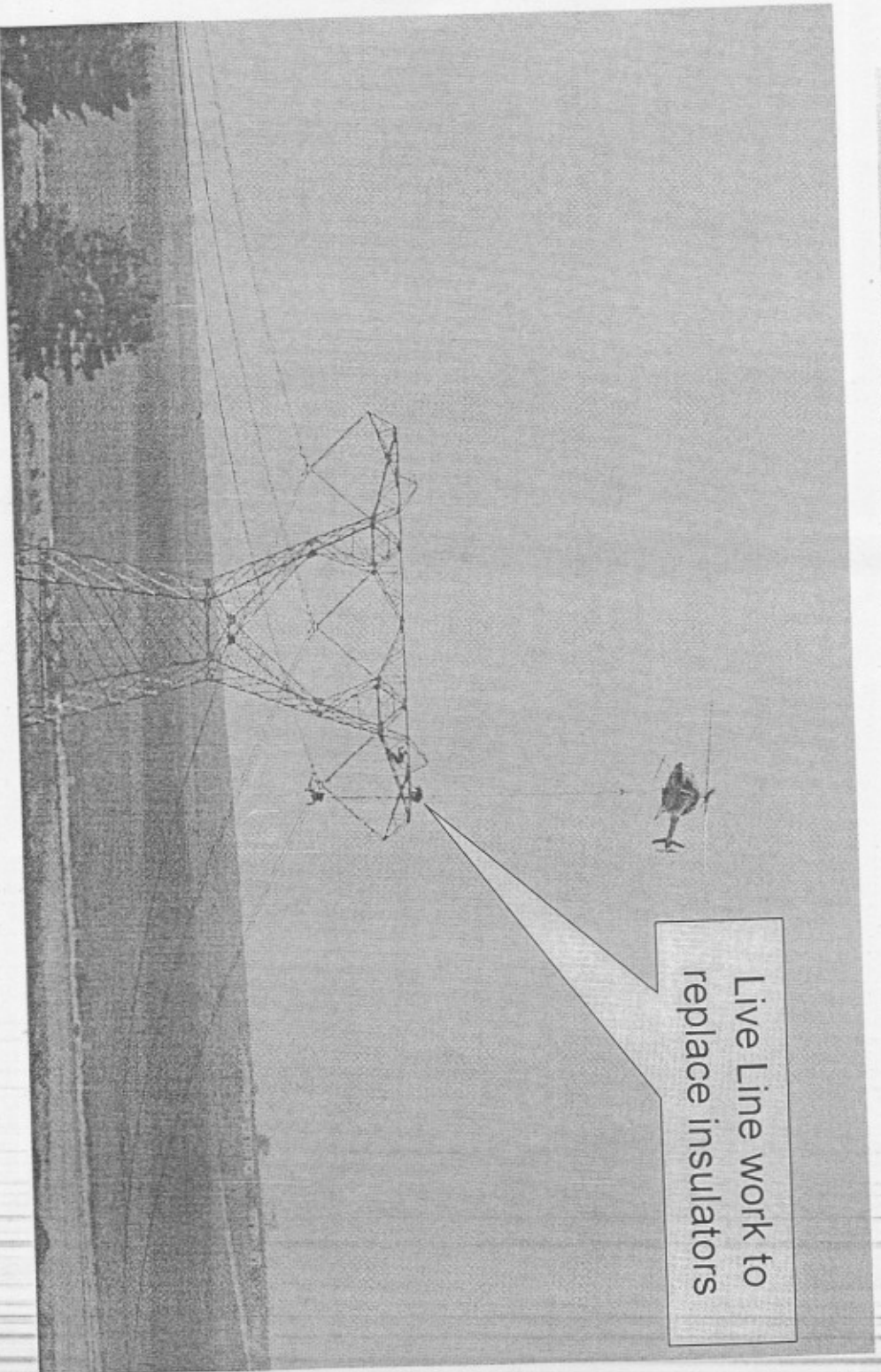


Progress – Transmission on track

Substation Insulation	3 rd Week March 2006	Completed
Compensation Equipment	4 th Week May 2006	95%
Line Re-insulation ■ Emergency re-insulation between Muldersvlei and Elandskloof Mountains complete	4 th Week July 2006	5%
Protection	4 th Week May 2006	85%
Spares	4 th Week May 2006	70%

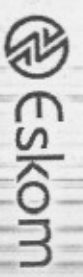
Progress – Replacing insulators

Live Line work to
replace insulators



CITY OF CAPE TOWN | LIMPOPO PROVINCE | FREE STATE
THIS CITY WORKS FOR YOU

RED1



Progress – Leased-in Generation on track

- Three 22 MW leased-in generators on site at PetroSA
 - Commercial operation on track for 3rd week of May 2006

- Progress to date
 - Construction of the fuel line from the tank farm to the leased plant site complete
 - Temporary 132 kV busbar constructed
 - Cabling installations complete
 - Commissioning in final stages

Progress – Energy Savings to date

PROGRAMME AREA	TARGET <i>(1 June target)</i>	ACHIEVED TO DATE	EXPECTED TO DATE	PROGRESS
Efficient lighting	155 MW <i>(100 MW)</i>	27MW	50MW	☹️ ■ Implementation in progress. 860k bulbs replaced to date (163k replaced in last week). Progress too slow
Customer self generation	50 MW <i>(50 MW)</i>	51MW	35MW	😊 ■ Letter of Agreement/Contacts signed for 51 MW
Industrial and commercial efficiency including HWLC	40 MW <i>(20 MW)</i> <i>(6.75)</i>	-	0MW	☹️ ■ 40 MW of identified opportunities (inclusive of HWLC) ■ Implementation of projects and delivery of MWs due to commence ■ Upgrades & extensions of HWLC systems for 7.5 MW
Subsidy of energy efficient appliances and devices through retailers and suppliers	25 MW <i>(2 MW)</i>	0.13MW	0.13MW	😊 Appliances currently supported: 1.) 280k geyser blankets to be installed. 1,972 installations completed. Proposals for 200k approved in principle by procurement 2.) 10k low flow shower heads to be installed end May 3.) Solar water heaters under investigation
Voluntary Conservation campaign	80 MW to 160 MW <i>(180 MW)</i>	5MW	0MW	😊 ■ Interactive control centre in development (150MW) ■ Voluntary load shedding commitments for 5MW to date
Gas Conversion	50 MW <i>(5 MW)</i>	-	0MW	☹️ ■ 75k double plate hotplates due for distribution in May ■ Retail subsidies for gas appliances to be launched 12/05
Total DSM plan	400 MW	83 MW	85.3 MW	
Demand Market Participation	-	95 MW	-	😊 ■ Confirmed DMP contracts placed for 95MW (operational from 1 May) with further 24MW availability during morning peak.
Network Optimisation	-	7 MW	-	😊 ■ 7MW gained by reallocating open point on Hydra line ■ Potential of MW voltage reductions being investigated
Total Energy Savings		185 MW		

Update – Load Shedding to date

- Load Shedding is required during periods where energy demand exceeds supply capacity
 - No load shedding has taken place since 11 April past
 - Weekly schedules are published in the newspapers a week in advance

Medium Term Plans for Recovery


- Demand Side Management (DSM)
 - Continue short term DSM programmes in medium to long term
 - Explore additional measures for implementation in the medium term
 - Solar Water Heating
 - Cogeneration
 - Time Of Use Tariffs
 - Establish a task team to investigate the feasibility of alternative DSM options, with associated business plan and targets

- Build Generating Plants
 - Two liquid fuel generating plants are being built in Atlantis and Mossel Bay at a cost of R3.5bn
 - Designed for peaking capacity
 - Total capacity of approximately 1050MW
 - Target completion before the winter of 2007

- Strengthen the Transmission Grid
 - Plans to reinforce the Cape Network at advanced stage with investment decisions expected in 2006

Thank You

RED1

 Eskom

LET'S GET TOGETHER | UNITED WE STAND | THIS CITY WORKS FOR YOU