

Our Vision

EThekwini Electricity - a leader in electricity distribution providing energy for the future.

Our Mission

To provide electricity, public lighting and other energy services that satisfy our customers and community whilst maintaining sound business principles.

Strategy

To develop the Electricity Unit as an undertaking that maximises the value of its electricity supplies and makes effective use of all its resources

Scope

EThekwini Electricity supplies more than 640 000 customers in an area covering nearly 2 000 square kilometres. This encompasses the area of the eThekwini Metropolitan Region and some adjacent areas.

Electricity for the main supply to the Metro Region is purchased at 275 000 volts from Eskom at three in-feed points. EThekwini Electricity also purchases electricity from Eskom for Tongaat, Winkelspruit, Mpumalanga and Magabeni. From these points electricity is transmitted and distributed for use by the full spectrum of customers ranging from the large industrial and commercial sector to the residential communities. EThekwini Electricity purchases just over 5% of the total energy generated by Eskom. EThekwini Electricity operates under the Electricity Regulation Act, 2006. Its policies are determined by the Metropolitan Council of Durban and the National Energy Regulator of South Africa (NERSA).

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HEADS OVERVIEW



◀ **Name:**

Sandile Maphumulo

◀ **Designation:**

Head - Electricity Unit

◀ **Resume':**

Sandile began his career as an apprentice electrician 25 years ago. He progressed through the ranks with the council and culminated at the helm of the organisation in November 2006 as the Head of Electricity.

Further Experience within eThekweni:

Deputy Head - MV/LV Operations
Manager - Lighting Works
Manager - Regional Operations

◀ **Professional Affiliation:**

President of the AMEU, SA
Board member of EDI Holdings
SALGA representative on national committees

As we conclude the 2009/2010 financial year, I am pleased to present eThekweni Electricity's Annual Report. This report describes our financial results for the last year and our accomplishments in pursuing our mission to provide quality energy services whilst maintaining sound business principles.

The electrical network continued to expand over the year and I am swollen with pride to announce that we have connected more than 14000 new customers to the grid. With an ever expanding network consisting of more than 6322 circuit km of over head lines and 12116 circuit km of underground cables, the maintenance and repair of the network received the highest priority to ensure the quality and reliable supply of electricity to all, with the view to continue complying with NERSA's NRS 048 requirements.

Our skills attraction and retention program beams with success as we were able to increase staffing levels by 7 %. We now have a total staff complement of 1973 employees serving a total of 662 724 customers. As the staffing levels escalates, our efficiency and service levels are sure to follow suit.

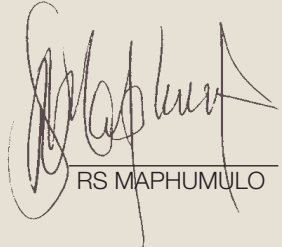
The National Energy Regulator of South Africa has allowed Eskom an average tariff increase of 31.3% for the fiscal year. In line with this, eThekweni Electricity has passed through an average increase of 28% and leveled the electricity price increase to the poor to not exceed 11.5%. Domestic customer tariffs were increased by 26.2% and Business & Industrial tariffs were inflated by 28.4%.

Looking into the future, we anticipate electricity cost challenges that in round figures, are set to rise by 26% in each of the next two years. The new national tariff regime that follows increasing energy costs will impact South African municipalities directly with no exception to eThekweni, as we will need to increase our expenditure for electricity purchases and pass on the higher costs to our customers.

As electricity prices keep rising, the importance of conserving electricity wherever possible becomes a necessary economic imperative for all electricity users. This will assist with the constraints on the power system and help consumers operate their businesses and homes more efficiently and at a lower cost. This energy conservation drive presents a great opportunity for addressing long-term climate change by reducing the carbon footprint from electricity production and delivery.

Acknowledgement

EThekweni has made great strides this year, thanks to its outstanding and dedicated employees. It's the employees, in conjunction with my executive team that makes all of the work we do possible. Looking to the future, I am certain that together we will continue to improve and do what is best for the electricity distribution industry, and for the people that we serve. As always, I am confident that we will rise to that challenges that lie ahead.



RS MAPHUMULO

HV OPERATIONS

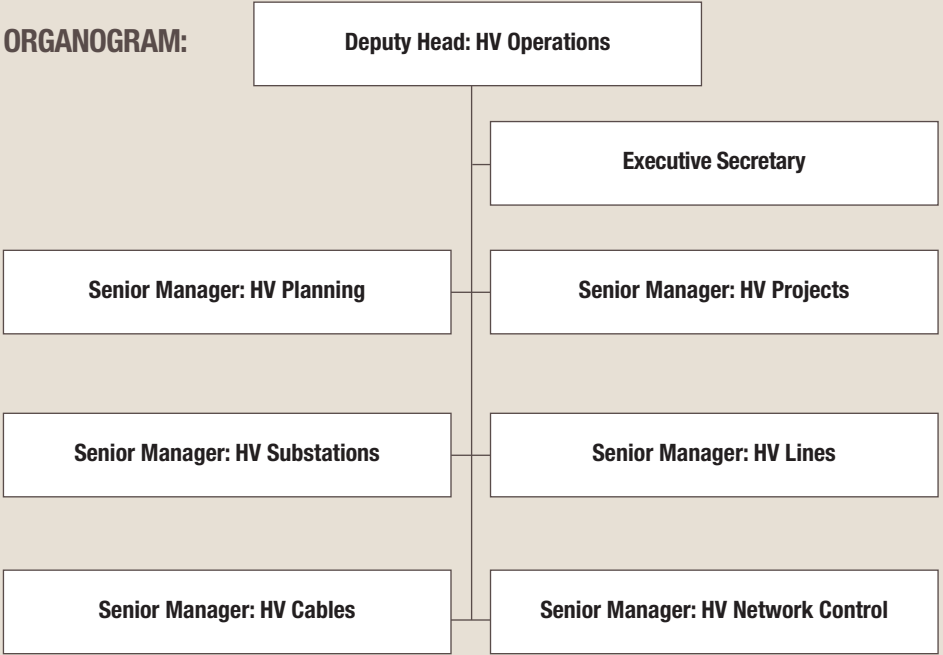


The HV Operations Department is responsible for the planning, construction, operation and maintenance of eThekweni Electricity's primary network of high voltage lines, cables and substations. The projects undertaken by this Department are to provide for increased bulk capacity and to improve the reliability of the regions electricity supply.

Accordingly they are typically large, high cost projects which require considerable time and attention to satisfy environmental legislation in the first instance and then 30 months or more in the construction phase.

Our HV Department prides itself in providing reliable, state of the art solutions for the delivery of high voltage power from our intake points to our customers and secondary networks.

- ◀ **Name:**
Anthony Dold
- ◀ **Designation:**
Deputy Head - HV Operations
- ◀ **Qualification:**
B.Sc. Electrical Engineering
- ◀ **Professional Registration:**
PrEng (ECSA)
- ◀ **Experience:**
Within eThekweni:
HV Operations 20 yrs
Project Engineer 13 yrs
Test Engineer 03 yrs
Contracts Engineer 04 yrs



HV PLANNING BRANCH

HV Planning involves the forecasting of future growth and predetermining where development and increase in demand will take place. This is done by constant liaison with major developers, other service units and large customers in order to ensure that the electrical infrastructure upgrades, which normally takes years to construct, are initiated early.

This department also carries out load flow studies to determine weak points in the network and motivate for funding to improve the network and maintain system reliability.

During the year under review, the principal details of the following proposals were concluded and handed over to the HV Projects Branch for execution:

Substation upgrades of the following 132/11kV or 33/11kV substations :

- ◀ Springfield 132/33/11 kV Substation
- ◀ Umbogintwini 33/11 kV Substation
- ◀ Plangweni 132/11 kV Substaion
- ◀ Fynnlands 132/11 kV Substation
- ◀ Ottawa 132/11 kV Substation
- ◀ Marianridge 132/11 kV Substation

Environmental impact assessment studies and planning/design work was still in progress in respect of the following projects at the end of the period reviewed in this report:

- ◀ Austerville 132/11 kV Substation
- ◀ Kloof 132/11 kV Substation
- ◀ Underwood Road Road 132/11 kV Substation
- ◀ Mahogany Ridge 132/11 kV Substation
- ◀ Stockville 132 kV Switching station
- ◀ NCP 132/11 kV Substation
- ◀ Bridge City 132/11 kV Substation
- ◀ Installation of a 275 kV bus-section at Durban South Substation
- ◀ New Klaarwater 400/275/132 kV Substation
- ◀ Bellair 275/132 kV Substation
- ◀ KE Masinga 132/11 kV Substation

The analysis of the transmission system capability is also ongoing. The transmission system network diagrams were reviewed and updated and using this data, the detailed model of the 275 kV and 132 kV transmission system was updated. This model allows HV Planning to analyse powerflows and system fault levels down to the medium voltage busbars of all 132 kV substations.

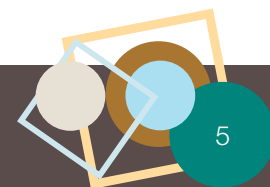
In a joint effort between eThekweni Electricity and Eskom, the voltage stability of the combined Eskom/eThekweni transmission system was analysed. The calculated stability limits serve as a guide for network control and form part of the supply agreement with Eskom.

A network master plan for the eThekweni Electricity's area of supply is being developed and this will become the basis for future planning.

HV PROJECTS BRANCH

The HV Projects Division is responsible for the detailed design, specification of equipment and management of major system reinforcement projects. There were 32 projects in progress during the year. The status of the projects at the end of the period under review is as follows:

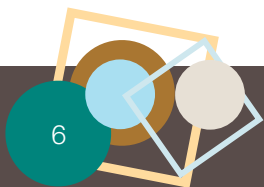
- ◀ La Mercy 132/11 kV Substation: Commissioned 2 x 30 MVA 132/11 kV transformers and associated 132 and 11 kV switchgear to provide for supply to the new King Shaka International Airport and surrounding development in the Northern Region.
- ◀ Avoca 132/11 kV Substation: Commissioned 2 x 30 MVA 132/11 kV transformers and associated 132 and 11 kV switchgear to provide for supply to the River Horse Development and surrounding areas. This substation will also facilitate the de-commissioning of the old and unreliable Coronation 33/11 kV Substation.
- ◀ Tongaat 132/11 kV Substation: Substation Buildings and Plant, 132 kV Overhead Transmission Line and Cable completed. Final testing and commissioning in advanced stage.
- ◀ Parlock 132 kV Switching Station: Civil works complete for the establishment of 132 kV switching station to provide for a new 132 kV interconnector between various sources. Installation of the primary and secondary plant is in progress.
- ◀ Phoenix Industrial 132/11 kV Substation: Extension to switchroom building completed.



Commenced with Phase 1 of replacement and extension of unreliable 11 kV switchgear.

- ◀ Hillcrest 132/11 kV Substation: Third phase of replacement and extension of unreliable 11 kV switchgear in progress.
- ◀ Phoenix North 132/11 kV Substation: Commenced with the civil work for the substation upgrade to increase the capacity of the substation from 30 MVA to 60 MVA firm. Procurement of plant and equipment in progress.
- ◀ Fynlands 132/11 kV Substation: Commenced with the civil work for the substation upgrade to increase the capacity of the substation from 30 MVA to 60 MVA firm. Procurement of plant and equipment in progress.
- ◀ Umbogintwini 132/33 kV Substation: Commenced with the civil work for the establishment of 2 new 132/11 kV transformers and associated 132 kV plant at the existing Umbogintwini Substation. Procurement of plant and equipment in progress.
- ◀ Umhlanga Ridgeside 132/11 kV Substation: Commenced with civil work for the establishment of new 132/11 kV substation to provide for supply to the various Umhlanga developments. This substation will also facilitate the de-commissioning of the old and unreliable Umhlanga and Glenashley 33/11 kV Substations.
- ◀ Pearce Road 33/11 kV Substation: Completed and commissioned the installation of the 11kV switchboard to replace the existing obsolete switchgear.
- ◀ Waterfall 132/11 kV Substation : Completed and commissioned the extension of the 11 kV switchboard.
- ◀ Pineside 132/11 kV Substation: Advanced stage of pre-commission testing of the plant for the conversion of an existing 33,000-volt substation.
- ◀ Reservoir Hills 132/11 kV Substation: Advanced stage of pre-commission testing of the plant for the replacement of the existing obsolete switchgear.
- ◀ Kingsburgh 132/11 kV Substation: Completion of the civil works for the establishment of a new 132/11 kV Substation and the commencement of the installation of 132 kV overhead transmission line and switchgear. This substation will also facilitate the de-commissioning of parts of the old and unreliable 33 000 volt network in the Southern Region.
- ◀ Klaarwater 275/132 kV Substation: Completion of the civil works for the establishment of a 5th 275/132 kV 315 MVA Transformer to increase capacity and reliability at this strategic substation. Installation of the 275 and 132 kV switchgear has commenced.

- ◀ Klaarwater and Durban North Substation Capacitor Banks : Replacement of the existing unreliable Klaarwater and Durban North Substation Capacitor Banks and associated plant was completed.
- ◀ Gyles 33/11 kV Substation: Completion of the civil for the replacement of the old and unreliable 11kV switchboard. Installation 11 kV switchgear and associated plant is in progress.
- ◀ Randles 132/11 kV Substation: Civil works for the establishment of a new 132/11 kV Substation in the Sydenham/Overport area is in progress. This substation will facilitate the de-commissioning of parts of the old and unreliable 33 000 volt network in the Central Region.
- ◀ Mondi 132/33 kV Substation: Completion of the civil works for the establishment of a new 132/33 kV Substation to increase reliability to large industrial customers in the Southern Industrial Basin. Procurement of plant and equipment in progress.
- ◀ Pinetown 132/11 kV Substation: Commenced with the civil work for the substation upgrade to increase the capacity of the substation from 30 MVA to 60 MVA firm. Procurement of plant and equipment in progress.
- ◀ Chatsworth 132/11 kV Substation: Installation of the 132 kV switchgear completed. Replacement/extension of the unreliable 11 kV switchgear has advanced and is now awaiting final completion.
- ◀ Underwood Rd 33/11 kV Substation: Replacement of the 11 kV switchboard completed and energised.
- ◀ Newlands 132/11 kV Substation: Completion of the civil work for the substation upgrade to increase the capacity of the substation from 30 MVA to 60 MVA firm. Procurement of plant and equipment in progress.
- ◀ Blair Atholl 132/11 kV Substation: Commenced with the civil work for the substation upgrade to increase the capacity of the substation from 30 MVA to 60 MVA firm. Procurement of plant and equipment in progress.
- ◀ Ridgeview 132/11 kV Substation: Completion of the installation of all plant and equipment for the establishment of a new 132/11kV substation. Commencement of the pre-commission testing in progress. This substation will provide new capacity to satisfy new demand in the Cato Manor area.
- ◀ Clermont 132/11 kV Substation: Completion of the civil work for the substation upgrade to increase the capacity of the substation from 30 MVA to 60 MVA firm. Installation of plant and equipment in progress.



- ◀ Mobei South 132/11 kV Substation: Completion of the installation and testing of all plant and equipment for the upgrade to increase the capacity of the substation from 30 MVA to 60 MVA firm.
- ◀ Greenbury 132/11 kV Substation: Completion of the installation and testing of all plant and equipment for the upgrade to increase the capacity of the substation from 30 MVA to 60 MVA firm.
- ◀ Umdloti Beach 132/11 kV Substation: Completion of the installation and testing of all plant and equipment for the upgrade to increase the capacity of the substation from 30 MVA to 60 MVA firm.
- ◀ Ottawa 132/11 kV Substation: Replacement of 2 x 132 kV transformers in progress.
- ◀ Dalton Rd 132/11 kV Substation: Completion of the installation of the 11 kV switchgear attention. Procurement of the 132 kV loop cables is in progress.

The departmental budget has increased from approximately R280 million to R400 million. The increased funds will be used for replacing critical electrical plant, such as transformers, gas insulated switchgear and high voltage cables. High voltage equipment are expensive assets. A typical high voltage transformer could cost in the region of R30 million.

The challenges of the Branch lies in the retention of skills. New engineers and supervisors generally require about five years of “hands on” working experience to adequately grasp the concepts of high voltage substation design and construction. Despite the recruitment of new engineers to the department, the inability to recruit project supervisors has resulted in slower than expected final commissioning of projects within this department. The department is currently operating with only 2 out of 4 project supervisors. Furthermore, the number of projects being managed has increased dramatically over recent years.

HV SUBSTATIONS BRANCH

The HV Substations Branch of HV Operations deals with the operation and maintenance of equipment that has voltage ranging from 6 kV to 275 kV. There are 5 National key point substations that import energy from Eskom at 275kV. The 275kV is then transformed to 132 kV, 132 kV transformed to 33 kV and 11 kV, and 33 kV is then transformed to 11 kV and in few cases to 6.6 kV. The types of equipment that the HV Substation Branch works on, covers switchgear, power transformers, instrument transformers, busbars, surge arresters,

lightning masts, and power line carriers. The different types of insulating medium in circuit breakers are oil, vacuum and gas. The oil circuit breakers are of old technology that render themselves uneconomical to maintain and unsafe to operate. Consequently they are gradually being phased out and replaced by vacuum and gas circuit breakers. However there is still a large amount of oil circuit breakers present in HV substations especially at 11 kV. As a result great resources (staff, labour, material, and time) are spent on maintaining this type of switchgear because of their old age and the insulating medium used in them.

A significant amount of plant is older than 40 years of age. There are frequent problems associated with their old age such as shortage of spares and mal-operation. This has led to substations such as Bluff and Point being de-commissioned. The completion of some major projects in the past year (and others to be completed shortly) as referred to in HV Projects Branch, will allow for de-commissioning of a number of other unreliable substations.

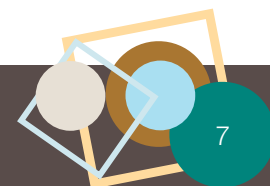
The major challenge in the HV Substation Branch was the shortage of staff especially electricians and electrical inspectors. The section operated on a 47% staff complement for the greater part of 2009/10. This made it difficult to cope with the backlog in the maintenance of equipment. The introduction of the Asset Care Center in February helped in the introduction of new business processes and new KPI's that would govern the planned maintenance of the equipment. Special focus was given to substations that were directly connected to FIFA World Cup event areas and despite the lack of resources available, we were able to successfully provide electricity during the world cup period with no HV substation failures.

Switchgear maintenance was done in an ongoing process to prevent failures. The usage of diagnostic primary multi-testing units has begun since the appointment of the Engineer. The pace of diagnostic testing is still slow though, as the senior technician posts are still in the progress of being filled.

HIGHLIGHTS

The following Power Transformers underwent full maintenance during the year:

- Sukuma Substation - 132/11 kV Transformer 1 and 2
- Umhlanga Rocks Substation - 33/11 kV Transformer T1
- Huntleys Hill Substation - 33/11 kV Transformer 1
- Livingstone Substation - 33/11 kV Transformer 2
- Jacobs Substation - 33/11 kV Transformer T2B



Eastbury Substation - 33/11 kV Transformer 1
Jameson Park Sub - 132/11 kV Transformer 2
Klaarwater Substation - 275/132 kV Transformer 21/3
Hillcrest Substation - 132/11 kV Transformer 1A
Mt Edgecombe Substation - 33/11 kV Transformer 2

Maintenance is still in progress in the following substations:

Congella Substation - 132/33 kV Transformer 1
Mobil Substation - 33/11 kV Transformer 1
Gyles Substation 33/11 kV Transformer 1

The following transformer were replaced:

Livingstone Substation - 33/11 kV Transformer 1
Kloof Substation - 33/11 kV Transformer 2

HV LINES BRANCH

The HV Lines Branch is responsible for the operation and maintenance of the high voltage overhead line system presently consisting of 141 circuit kilometres of 275 kV, 444 circuit kilometres of 132 kV and 62 circuit kilometres of 33 kV overhead line.

Maintenance projects done during the year:

- ◀ Ottawa La-Mercy 132 kV line was commissioned before June in preparation for the new airport
- ◀ La-Mercy to Tongaat 132 kV line was built which will result in the reinforcement of the supply in the Tongaat area and relieve the old 33 kV line that used to feed Tongaat for the sole benefit of Kwadukuza Municipality.
- ◀ Klaarwater to Woodlands 132 kV line - painting was completed
- ◀ Ottawa to Durban North 275 kV line - old insulators and assemblies replaced and the balance of some towers still to be painted.
- ◀ Klaarwater to Coedmore line - painting and assemblies replacement is in progress
- ◀ Illovo to Durban South line - painting is in progress.
- ◀ Avon to Ottawa 275 kV line - painting and assemblies replacement is in progress.

As part of tower steel theft mitigation, the Branch has acquired two sets of specialised security rivet machines used to install anti-vandalism pin bolts which are more difficult to remove without the specific tool. Bolts from the following towers were replaced:

- ◀ The new Ottawa-La -Mercy 132 kV lines
- ◀ The new La-Mercy to Tongaat 132 kV lines
- ◀ The rebuild of Phoenix North to Phoenix Industrial 132 kV lines
- ◀ All high risk areas in Hillcrest and the Klaarwater-Hillcrest 132 kV lines
- ◀ Currently working on the new towers from the newly built Parlock Substation

Specialised security locking pins have proved to be effective and theft has significantly been reduced. The project has also resulted in the reduced number of security personnel currently involve on patrolling high risk areas.

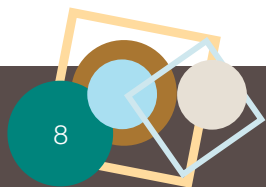
The Branch has invested in a TLB to control servitude access and to install towers and poles. An off-road terrain crane truck and trailer was purchased for transporting equipment and the TLB to site. The truck is also equipped with a crane operated bucket to lift personnel to heights in excess of 12 meters for quick emergency repair work.

A visit to the Swedish and Netherlands electricity utilities was done to assess the use of Emergency Restoration systems which the Branch is planning on implementing. With the assistance of affiliated consulting firms, we have managed to significantly reduce the number of work orders from 1 000 to 176 over the last 8 months.

The Thermal Imaging equipment that was purchased last year has proven to be effective during the year. Many hot spots were repaired on time thus reducing unnecessary equipment failure and power outages.

HV CABLES BRANCH

The high voltage (HV) Cables Branch is responsible for the maintenance and operation of all 132 kV and 33 kV underground transmission cables, as well as all the 11 kV cables that form part of the primary network infrastructure.



The maintenance of pressurised gas and fluid-filled cables continues to be a problem. A number of leaks and faults had to be located and repaired on several strategic cables, some of which have now been in service in excess of 40 years. Major projects are under way to replace several unreliable cable circuits of this type in the near future. The commissioning of the new Addington 132/11 kV substation allowed for the decommissioning of the Point 33/11 kV substation which was fed by two problematic fluid-filled cables.

The HV Cables Branch also successfully installed the 11 kV loop cables on the two new 132/11 kV La Mercy and Avoca substations. The La Mercy substation allowed for the easy relocation from the old Durban Airport to the new King Shaka International Airport. The Avoca substation will create network reinforcements for the residential development at Duffs Road and the surrounding areas.

A number of cables had to be relocated to suit major development projects. The cost of this relocation was recovered from the developers but the operation put additional pressure on the limited resources of the Branch. The increase of construction due to city wide upgrades as well as the fibre cable laying projects has also resulted in additional cable damage, requiring immediate attention to restore electricity supply.

Cable jointing and terminating is a routine activity for the Branch. This is an intricate, time consuming and specialised process. Over the past years, the Branch has been under pressure when it comes to performing these jointing and terminating duties, due to issues such as resource availability, difficulty in hiring new skilled electricians and a general lack of system security. To overcome this problem, the HV Cables Branch has been successful in outsourcing the services of a reputable contractor in the field of high voltage cables to assist in performing jointing and terminating for a period of two years.

Although some of the previously vacant posts have been filled, recruitment of skilled staff still remains one of the goals for the 2010/2011 financial year. This is a major challenge due to the national skill shortage of high voltage cable jointers and other skilled individuals. The HV Cables Branch is also planning to invest in testing equipment that will enable the Branch to do diagnostic testing of cables in order to reduce the risk of unplanned, expensive outages.

HV NETWORK CONTROL

The Network Control Branch comprises of three Divisions: HV Network Control, System Performance and Network Management & Control Systems.

HV Network Control Division

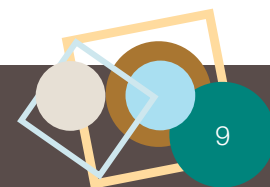
The HV Network Control Division is responsible for the safe operation and efficient performance of the High Voltage Network, which incorporates a 24-hour, manned HV network control centre with remote control and alarm facilities. Durban's primary transmission network is monitored and controlled from this network control room using a sophisticated Supervisory Control and Data Acquisition (SCADA) system. The team embarked on a massive drive to ensure the network will perform optimally during the 2010 world cup by developing and testing contingency and emergency plans.

System Performance Division

The System Performance Division is responsible for network optimisation and quality of supply. To ensure optimum performance of the network, the recently acquired DigSilent software will be utilised for complex simulation. The Branch continues to strive to ensure that customer complaints regarding power quality issues are addressed and resolved swiftly.

Network Management & Control Systems Divisions

The Network Management & Control Systems Divisions are responsible for substation automation and SCADA systems for the real time monitoring of the transmission and distribution networks. The focus of these Divisions is to increase the visibility of the electrical network so as to reduce outage times. ICAP (Integrated Control and Protection) schemes were commissioned to provide additional functionality to substation automation. Over the past year, the focus was maintaining, installing and commissioning of SCADA at the affected 2010 substations. Over the next few years these Divisions will continue to interface new RTUs on the distribution network and replace legacy RTUs. These Divisions are currently working on innovations regarding access control and CCTV security systems at substations to curb theft and vandalism.



MV/LV OPERATIONS

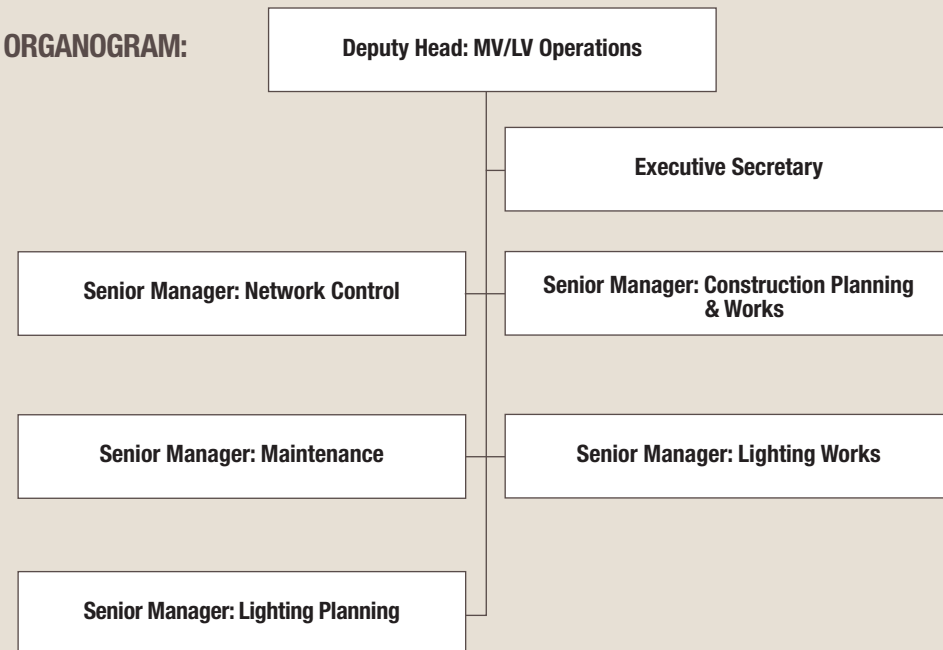


The MV/LV Operations Department is responsible for the planning, construction operation and maintenance of the Unit's medium and low voltage network. The department plays a major role in connecting new customers to the electrical grid thus helping to spread electrical services to all sectors of the community. The department is also responsible for providing public/street lighting and has a strategic focus of introducing new and improved energy efficient lighting technologies into the city. Further to the above roles, the department manages and controls all medium to low voltage substations.

Advancements in technology with the benefit of cost/operational optimization is driving significant changes in the electricity supply industry and the MV/LV Department is strategically embracing these advancements to improve the overall operation, stability and reliability of the network.

- ◀ **Name:**
Roy Wienand
- ◀ **Designation:**
Deputy Head - ML/LV Operations
- ◀ **Qualification:**
B.Sc. Electrical Engineering
Masters in Business Administration
- ◀ **Professional Registration:**
PrEng (ECSA)
- ◀ **Experience:**
Within eThekweni:
MV/LV Operations 08 yrs
Technical Services Director 12 yrs
Special Projects 05 yrs

ORGANOGRAM:



NETWORK CONTROL BRANCH

The Network Control Branch has been tasked with the mission to safely, effectively, and efficiently provide a reliable and an un-interrupted supply of energy services to the citizens within eThekweni Municipality's area of supply. On a 24-hour a day basis our staff are responsible for maintaining the electrical network and in the event of a system disruption, we must respond appropriately and promptly to facilitate the co-ordination of the system and customer load restoration.

In the 2009/2010 financial year we have shown a consistent level of commitment to ensure that we deliver acceptable levels of service standards to our fellow citizens. Our dedication was even more prevalent this year, as our City was host to the FIFA Soccer World Cup. With seven fixtures being hosted in our Moses Mabhida Stadium and with the FIFA Fan Fest and Public Viewing Areas open for every match day, we took strategic measures to ensure a reliable power supply. A 24 hour outage desk was used to serve as a communication link between the Venue Operation Center, Joint Operation Center and Eskom to provide feedback pertaining to power outages.

Unfortunately, as with the previous years we have endured many challenges such as inclement weather conditions, illegal connections and our constant battle with cable theft on our network. These factors impact on our service delivery and for the period under review, the following faults has been attended to;

Total Individual Faults:	220 263
Total LV Faults:	5 956
Total MV Faults:	5 335
Total HV Faults:	259
Total Faults:	231 813
Total Incidents of Copper theft:	1 488

In order to improve operational efficiencies and to promote technological advancements, we are in the initial stages of implementing an Outage Management System (OMS). The OMS solution provides the capability to pinpoint outages, identify affected customers, incorporate damage assessments into estimated restoration times, prioritize crew restoration activities, and improve customer communications for unplanned outages. The project kicked off in May 2010 and will be implemented in incremental stages. OMS is also expected to integrate with eThekweni Electricity's various operational systems thereby improving business processes.

In the ensuing year we intend to address our spatial constraints to accommodate the filling of vacant posts and to deliver a much needed upgrade to our control rooms. We have recognised that possible extensions, alterations and additions can be made to the existing Control Centre building. The City Architects are working jointly with us to have energy efficient and environmentally friendly construction practices implemented.

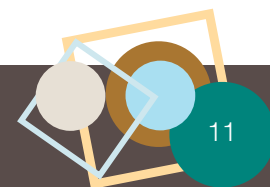
Further improvements to pleasant working conditions and rationalization of operations, is the alterations and additions undertaken by the Electricity Springfield Faultsman offices. This restructure is vital as the new faultsman and other faults staff at Springfield are currently situated in a less than ideal work space. The alterations and additions to the Electricity Springfield Faultsman offices are almost complete and workmen are putting their final touches to a professional looking establishment.

The Network Control Branch are looking forward to the opportunities that lie in the year ahead and we will hold true to our vision to be an excellent provider of energy services, through a dedicated, professional and committed team of employees, working in a safe environment.

CONSTRUCTION PLANNING AND WORKS BRANCH

Preparations for the 2010 World Cup Soccer was stepped up. Electricity supplies to the Moses Mabhida Stadium and the King Shaka International Airport/Dube Tradeport were completed within schedule, allowing adequate time for testing and commissioning of these facilities. The supplies to the training venues, Princess Magogo Stadium in Kwa Mashu and Sugar Ray Xulu Stadium in Clermont, the public viewing areas, Fan Mile on Durban's Beachfront; open areas adjacent to Bridge City in Kwa Mashu and King Zwelithini Stadium in Umlazi were upgraded.

Major medium voltage reinforcement was undertaken in the Umbilo, Reservoir Hills, Point and Mariannhill areas. The electricity supply to the Wentworth and Bluff areas was upgraded from 6 kV to 11 kV. Preparations to upgrade the supplies in the Fynnlands, Glenwood and Umbilo areas from 6,6 kV to 11 kV are in progress. A few ageing switchboards were replaced and others were commissioned to provide adequate supply to new and existing customers.



The Department of Energy provided grant funding, under the Electrification program, to offset some of the expenditure towards the 12,615 prepaid connections. This has resulted in approximately 50,000 people that can now look forward to an improved quality of life. 2,830 other customers were also connected during the year. Industrial and commercial developments were prominent in the Umhlanga and Riverhorse Valley areas. The Galleria Shopping Centre, Coastlands on the Ridge and the Holiday Inn Express opened their doors to trade.

During this year the construction of the new Warwick viaduct and widening of Old Main Road in Hillcrest kept a few construction crews busy with the relocation of several important electrical cables.

In order to keep abreast with technology PowerDraft, PowerOffice and ReticMaster are software that has been acquired for the MV Planning Section. The implementation is currently in progress. Over and above this a power systems analysis package, PowerFactory, was acquired and the high voltage network has already been modeled. The medium voltage network modeling is currently underway.

While a concerted effort was made to fill vacant positions in the Planning and Construction Branch, many still remain vacant, highlighting the scarcity of technical skills. The Construction Manager position at the Central Works Division and numerous supervisory positions viz. Superintendents and Clerks-of-Work have been filled. A severe shortage still remains with regards to Electricians, Planning Officers, Technicians and Chief Engineers. The Branch is reliant on consultants for the processing of applications for new connections and project management of electrification service installations. Contractors supplement our staff in providing services viz. installation of reticulation infrastructure and service connections. The efforts of all staff and agents, acting on our behalf, are greatly appreciated.

MAINTENANCE BRANCH

The Maintenance Branch (formerly Maintenance Planning and Works Branch) inherits the responsibility to inspect and maintain the electrical distribution network. During the 2003/2004 financial year, this Branch was born out of the amalgamation of the six Maintenance Works

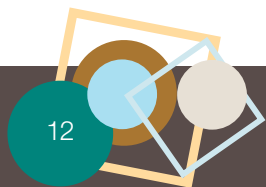
Divisions and three Maintenance Planning Divisions. The maintenance of eThekweni Electricity's distribution network is crucial in ensuring the integrity and reliability of supply to customers. At the time, the Branch faced the challenge of theft of service cables which has increased dramatically over the last seven years. The execution of the maintenance function was managed by consultants in the Northern and Southern regions however, this service was terminated in 2006 and the management consolidated internally. Rapid growth of infrastructure in the network (due to the EFA initiative), coupled with the shortage in human resources and an increase in failures, has resulted in a backlog of planned maintenance work.

The Branch has undertaken an aggressive recruitment drive, during the year under review, to bolster its internal resources and reduce the reliance on contractor personnel. Two permanent managers were appointed at the Southwestern and Northern depots and they commenced in January and February 2010 respectively. These appointments have reduced the managerial vacancy rate to 38% within the Branch.

A further nine electrical Inspectors were appointed to bolster the existing complement of inspectors. The Branch will only realise the benefit of these appointments in the next financial year when these individuals become fully competent and are able to work independently. The Branch managed to appoint eleven Electricians and two Supervisory staff.

Despite the limited resources, an increase in failures in the network and limited planned maintenance work undertaken after April 2010 due to the hosting of the 2010 FIFA Soccer World Cup, the Branch was able to reduce the substation and overhead line maintenance backlogs by 29% and 50%, respectively. The theft of overhead infrastructure (such as conductors and pole mounted transformers) continued to serve as a challenge to the Maintenance Branch.

The Branch has seen a drastic increase in maintenance expenditure over the last four years with an increase from R137 million to R257 million in carrying out its maintenance work. This increase in expenditure was mainly due to a considerable focus on fault rectification (caused by, amongst others, an ageing network, third party damage of infrastructure and theft of infrastructure) and the acquisition of Contractor personnel.



The co-operation of internal staff, consultants and contractors in delivering an acceptable service to our customers is appreciated, especially the dedication displayed in the run-up and during the 2010 FIFA World Cup.

LIGHTING WORKS BRANCH

Lighting Works Branch is responsible for the construction and maintenance of the lighting infrastructure for the eThekweni Municipality's area of supply. This means maintaining over and above 170 000 streetlights and installing an additional 100 to 1000 a year on our electrical network. The Branch completed a number of projects which were also linked to the hosting of the 2010 FIFA Soccer World Cup:

System Improvements/Upgrades of Street Lighting Infrastructure

- ◀ Malandela Rd KwaMashu
- ◀ Main Rd Hillcrest
- ◀ Umgeni and N2 Interchange

New Installations of Street Lighting

- ◀ R566 Rd from Newlands to KwaDabeka
- ◀ KwaMashu Towncentre
- ◀ KwaMakhutha Main Rd

The Branch's goals for the New Year are to fast track the training of the newly appointed electricians as well as our new electrician assistants. The Branch managed to achieve a 90% recruitment rate for the financial year. The Branch was further strengthened by the employment of 6 project supervisors that will be responsible to document and improve on our safety and technical standards.

LIGHTING PLANNING BRANCH

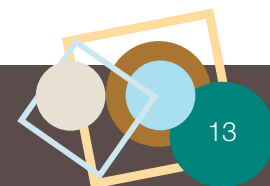
The Lighting Planning Branch is responsible for the planning, design, inspection and maintenance of the public lighting infrastructure for the eThekweni Municipality, including the planning and design of new lighting installations, upgrading of existing lighting infrastructure, research and investigation into new lighting technologies, inspection and maintenance of lighting installations and bulk lamp replacements.

The Lighting Planning Branch is also responsible for the planning, designing, installation and testing of capital projects. The annual capital budget utilised for the financial year was R20 million and projects were planned for major route improvements, new major routes, lighting of parks, stadium lighting, beachfront lighting, CBD lighting, cemetery lighting and sundry lighting. Major projects for the current and future financial years include; Umgeni Road/N2 Interchange, Mpumulanga Township, MR 577 (Kwadebeka), Snell Parade, Umhlanga Promenade, Umdloti Beach Road, Old Main Road (Hillcrest) and Inanda Road (Waterfall). Projects that were coordinated by the Strategic Projects Unit for the 2010 Soccer World Cup have been taken over by the Electricity Unit. These include most of the priority routes in the Durban CBD, routes in the vicinity of soccer stadiums and training venues used for the world cup.

The Branch operates on an annual budget of approximately 20 million rands, taking into account salaries, allowances, general expenses, repairs and maintenance. Repairs and maintenance accounts for 80 percent of this operating budget and this further broken down into beachfront painting, electrical streetlighting and pole painting. There are currently approximately 170 000 streetlight installations, 49 cemeteries, 242 parks, 12 beaches, 17 subway lanes, 31 swimming pools and 93 stadiums and sports fields that the municipality is responsible and provides lighting for.

With the national electricity crisis in recent years and the ever-increasing emphasis on energy efficiency, the Lighting Planning Branch has dedicated itself to research and investigation into new lighting technologies. Technology such as LED (Light Emitting Diode) lighting is being hailed as the future of lighting and is becoming increasingly present in our environment. A pilot project was set up on Masabalala Yengwa Avenue (previously NMR Avenue), testing and evaluating LEDs from a range of manufacturers at different heights.

This project was successful and proved that LEDs are a feasible new form of technology despite being more expensive than conventional lighting. The Branch has recently achieved an acceptable staff compliment and we now aim to work on building their skills and experience within the Division. Our long-term goals are to initiate complete audits of all public lighting systems and undertake the necessary upgrades and improvements thereof.



TECHNICAL SUPPORT



The Technical Support Department provides a diverse range of specialist services within the Electricity Unit. These services contribute towards the vision of the unit, which is to be a leader in electricity distribution industry providing energy for the future. The department comprises of seven branches, namely, Communication Networks Branch, Electrical Workshops Branch, Mechanical Workshops Branch, Network Drawing Office Branch, Protection and Test Branch, Technology Services Branch and SHERQ & Training Branch. Collectively, these branches ensure that all resources are effectively and efficiently utilised so that value is added to the 650 000 customers that the Electricity Unit supplies.

The Technical Support Department goals are set to achieve continuous improvement in all its operations to ensure we enhance the level of service delivery to the citizens of Durban.

◀ **Name:**

Veer Ramnarain

◀ **Designation:**

Deputy Head - Technical Support

◀ **Qualification:**

B.Sc. Electrical Engineering
Masters in Business Administration

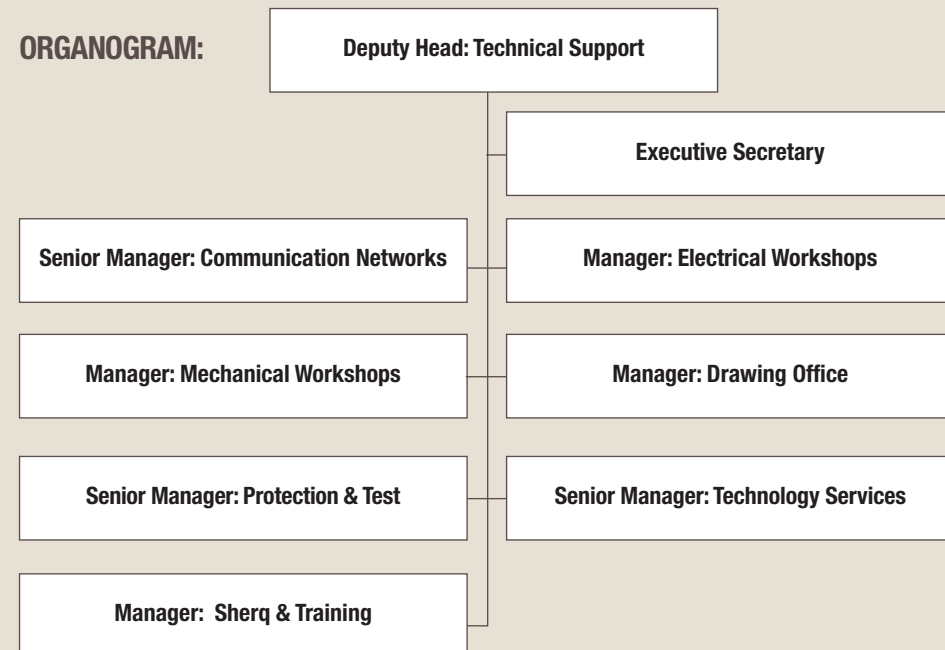
◀ **Professional Registration:**

PrEng (ECSA)

◀ **Experience:**

Siemens LTD	Engineer	03 yrs
Eskom:		
Transmission	Snr Engineer	04 yrs
Distribution	Snr Manager	08 yrs

ORGANOGRAM:



COMMUNICATION NETWORKS BRANCH

The Branch is responsible for the fibre, radio/wireless, technical data, copper pilot and other medium communication networks that provide vital communication links for all technical systems/equipment that monitor, control and protect all electrical plant and equipment in the HV transmission and MV distribution networks from which all customers are supplied. The Branch goals are thus set to investigate, plan, design, implement, up-grade, maintain and repair the required communication networks that ultimately enhance the security and quality of supply in the most effective manner.

Only four of the six new Divisions in the Branch have been made operational ie. the Communication Network Engineering, Fibre Networks, Pilot Network and Administration Divisions. The Data Networks and Radio & Wireless Networks Divisions could not be established as suitably qualified and registered technical personnel could not be found or engaged but further attempts will continue to be made. The four operational technical Divisions continued to undertake all communication network functions as best they could with the available staff resources as indicated below.

Communication Network Engineering Division

The installation of OPGW on the prevailing overhead lines refurbishment contract, on the 2nd circuit, was completed between Ottawa and Umdloti, Durban South and Himalayas Road and, Umgeni and Phoenix Industrial via Avoca substations. OPGW was installed on both circuits between Ottawa, La Mercy and Tongaat major substations. Underground fibre cable circuits were installed between Old Fort and Moses Mabhida Phase 1 DSS, Moses Mabhida Phase 1 DSS and Phase 2 DSS and Newlands and Cedarfields DSS. The OPGW installation, on the 2nd circuit between Lotus Park and Umlazi and, Durban North and Umgeni transmission substations, was postponed again because of the operational restrictions.

Several communication tubes were also laid with several medium voltage (11kV) cables by Distribution.

Dense Wave Division Multiplexing (DWDM) equipment was received to extend between 25 major substations on the main north and south fibre rings. Training has taken place and implementation is awaiting the upgrade of panels at transmission substations.

This system will greatly assist with the establishment of high speed Ethernet networks between major substations, for camera networks at majors, for administration networks to the depots, for links into the electrical Distribution infrastructure, as well as assist with streamline change over to alternative fibre in the event of fibre faults

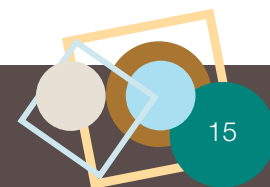
The continued implementation of a cellular-radio based system for communications between medium voltage distributor substations and Control Centre proceeded with telemetry and serial modems installed and commissioned at approximately 590 out of an identified 757 distributor substations. Phase 1 of the project also includes the linking of all remote distributor modems to the existing SCADA Master In-station which is expected to be completed by Dec 2010. To provide interim operator visibility of distributor substations that supplied power for the Soccer World Cup event, 72 substations were brought on-line via the browser based telemetry in-station.

The establishment of a new Communication Network Server Room proceeded well with all GPRS, Technical Network, KVM servers as well as multiplexers, router, switch and media converter installed and commissioned. A large high definition video display wall was also installed and partially commissioned in the new Control Room which will be used to display communication network geographic and schematic diagrams as well as in-station monitoring and configuration software. A control desk will be installed in the new year and the entire system fully commissioned.

Development also continued on the development of the new CDMA radio system which, in the future, is intended to provide high speed links between major and distributor substations principally for cable differential protection schemes which can no longer depend upon copper pilot wires which have aged and become too costly to repair. The three development modules purchased for the project were successfully commissioned and tested ready for in-house written system software to be loaded and tested in the new year.

Fibre Networks Division

The Division continued with the installation of communication Access Multiplexers at major and distributor substations with 12 being installed during the year at La Mercy, Tongaat, Avoca, Connaught, Phase 1 and Phase 2 at Moses Mabhida Stadium and Fuel Farm, ACSA Main, Support Zone and Trade Zone at the new King Shaka Airport as well as in the new Communication Server Room at Control Centre.



The system now consists of 92 multiplexers comprising 46 with STM1 (155Mbps), 53 with 4xE1 (8Mbps), and 18 with HDSL (2Mbps) capability. These access multiplexers are enabling reliable, high speed communications between substations throughout the supply area and the Control Centre at headquarters.

A total of 81 supervisory remote control units have been connected via the multiplexers back to the Control Centre and 102 protection schemes are supported on the fibre system, of which 13 use multiplexers to communicate.

A further 19 new configuration Fibre Optic Communication Panels (FCPs) were delivered to and installed at new 132kV and existing 33kV transmission substations bringing the total to 147 installed FCP units for the housing of multiplexing and LAN/WAN equipment in them.

In addition, 18 new configuration Fibre Optic Termination Panels (FTPs) were delivered to existing 132kV transmission substations and 2 were fully 'cut-in' to the network as part of the overall up-grading of existing fibre optic panels to allow more compact, structured and assessable fibre core terminations as well as organised fibre core patching in preparation for high speed, multi channel DWDM data communications.

There were 8 fibre link faults during the year between Control Centre and Windsor Park, Mobeeni South and Isipingo, Rosburgh and Karim Lane, Mount Edgecombe and Newlands, Moses Mabhida and Old Fort, Old Fort and Durban Country Club, Old Fort and Alice Street and Alice Street and Cathedral Road majors which were repaired.

Data Networks Division

A further 5 transmission substations were connected to the wide area network (WAN) bringing the total number of major substations with Ethernet nodes to 52.

A new VOIP PABX/switch was purchased to up-grade the existing analogue PABX that provides voice communications between major substations and with Control, HQ and Depots. No further telephone jack plugs were added to the 52 already installed at substations.

12 new fibre switches were installed. No further protection relay bus enclosures or busses were installed at major substations due to the lack of data staff.

The total number of installed systems remains at 34. No additional remote substation camera system or Quality of Supply device links were required.

Pilot Network Division

A total of 25 high priority copper pilot cable links were repaired and pilot boards were installed in 5 new transmission and 50 new distributor substations. This was according to the revised strategy for the repair of the old pilot cable network based on the criticality of distribution circuits in the electricity system.

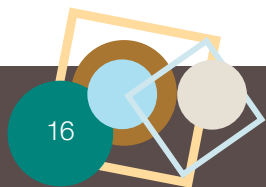
In addition, 2 electronic alarm boards were repaired after being damaged by high voltage surges.

ELECTRICAL WORKSHOPS BRANCH

This Branch was established to make sure that all equipment received from the manufacturers are tested prior to installation. This Branch is also responsible to supply other departments with mineral oils which are utilized as coolant medium in the transformers, autoreclosers, etc.

OUTPUTS AND DELIVERABLES

- ◀ Testing of new equipment to make sure they meet specifications determined by Technology Services Branch prior to installation on site.
- ◀ Repairing damaged and leaking equipment, including transformers, autoreclosers, switchgear and minisubstations; and report generation of site findings after the repairs.
- ◀ Disposal of cables which are returned from site due to failure. These cables are cut to 1metre lengths to prevent being utilized unlawfully back into the Electricity Network. Goods for disposal form is used to receive the cables from the contractors for confirmation of job completion and payment.
- ◀ Disposal of switchgear and related equipment including transformers due to failure and irreparable conditions.
- ◀ Supply to MV/LV and HV Operations regenerated oil, which is utilized as coolant/insulation medium in electrical equipment.



Highlights for the year

- ◀ Restructuring of the entire Electrical Workshops Branch and adding more personnel to meet critical targets of the Branch
- ◀ Replacement of the existing testing bays in the Electrical Workshops with new technology. This technology shall expose the Branch to modern testing facilities

Challenges

- ◀ Recruitment of sufficiently experienced staff to meet the Branch's goals.
- ◀ Retention of experienced staff due to greener pastures.

New developments

- ◀ Purchase of the regeneration plant which will minimize cost of oil drastically.
- ◀ Establishment of an oil processing and testing division, with a Chemist or Chemical Technician.
- ◀ Introduction of new oil handling equipment which will minimize the usage of oil drums which are frequently damaged due to handling and ageing.

MECHANICAL WORKSHOPS BRANCH

Mechanical Workshops Branch provides a specialist mechanical support services to Electricity unit, other units within the municipality and external customers. The Branch is involved with a wide range of repetitive fabrication, reverse engineering, maintenance, and also a diverse mechanical tasks that change on a daily as per requirements of our customers.

OUTPUTS AND DELIVERABLES

- ◀ To provide a wide range of repetitive fabrication, maintenance services and diverse range of mechanical tasks;
- ◀ Costing, planning, designing, research & purchasing based on work requests received;
- ◀ Manufacturing of galvanized equipment, repairs to fibreglass ladders, maintenance & fabrication of electrical equipment, installation of support structures, rigging services & safety inspections;
- ◀ Repetitive production work, maintenance, manufacturing & repair of electrical infrastructural equipment & component fabrication.

Highlights

- ◀ Having started the process for the ISO9001 accreditation which is ahead of schedule;
- ◀ Established the format and publication of safety operating procedures for all Mechanical workshops.

Key challenges

- ◀ To provide an on-going quality service of excellence to our customer base.
- ◀ To ensure Safety Regulations are adhered to at all times.
- ◀ Implementation of Safety Work Procedures.
- ◀ Implementation of Quality Management System.

New developments

- ◀ Replace aged machinery in the workshops.
- ◀ Attain and retain ISO 9001 accreditation.

NETWORK DRAWING OFFICE AND SURVEY BRANCH

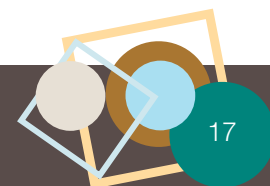
The Network Drawing Office and Survey Branch (NDO) comprises of five Divisions, namely Administration, Network Records, Geographic Information Systems (GIS), Special Projects and Survey. The need for the accurate spatially located electrical assets and an efficient GIS is essential to support the many other computer systems within the Electricity Unit (EE).

Administration Division

The Administration Division primarily provides an administrative service to all the five Divisions of the NDO and a printing and scanning service to the Electricity Unit. This Division has embarked on a scanning project to convert more than a million hard copy as-built records to an electronic format. This will make these records available to all staff in EE.

Network Records Division

The Network Records Division (NRD) is staffed by five Superintendents and 30 draughting staff. The core function of the NRD is to capture and maintain an accurate set of electronic records of the underground and overhead electrical infrastructure within the eThekweni Electricity area of supply. This data stored and updated in a Geographic Information System (GIS). The main challenge for this Division is to provide accurate spatial data that will integrate with the numerous other software applications within the Electricity Unit.



This Division has had extensive input in the preparation High Voltage data and MV/LV data for the Asset Management Project and the Outage Management Pilot Project. This Division also processes approximately 4000 plans from internal and external customers, that require cable location information and attends to 1500 visitors per annum.

GIS Division

The GIS Division comprises of a GIS Technician and two GIS Officers. The purpose of the Division is to provide a specialist software support function to the Network Drawing Office and maintain the GIS database. This Division has successfully rolled out the ArcGIS Server that makes the GIS data available to all staff of EE via a web browser. This Division also provides support to all GIS users within the Electricity Unit.

Survey Division

The Survey Division comprises of a Chief Survey Technician, six Survey Technicians and ten Survey Attendants. The core function of this Division is to provide a spacial location of all existing and proposed electrical infrastructure, for the NDO and the Electricity Unit. This results in a close working relationship between the Division's Survey Technicians and various technical staff within the Unit. Many projects unfortunately require security to accompany the Survey team to site, this often results in delays in completing work timeously. Projects that are undertaken for the HV Planning Division are usually on-going and can overlap from one year to another.

Special Projects Division

The Special Projects Division produces a wide variety of specialised drawings, certificates, signage, low voltage circuit diagrams, instructional material and detailed component drawings, for the Technology Services Branch and other Branches within the Electricity Unit. In the past year this Division has been working closely with the MV/LV Planning Branch to create a database of scanned Distribution Layout drawings that is available electronically to all staff of the EE.

PROTECTION AND TEST BRANCH

This Branch comprises of four technical Divisions viz. Protection Engineering, Protection Maintenance, Test and DC Systems.

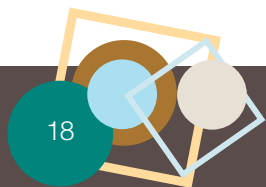
This Divisions are collectively responsible for the forward planning, analysis, design, updating, testing, auditing, maintenance and repair of all protection and dc systems in the electrical network. One of the major challenges currently facing the Branch is the recruitment and retention of the specialist staff required by the various divisions. Despite the low staff levels the Branch remains committed to providing an efficient and reliable service to the business at large. The individual divisions achievements are detailed below:

Protection Engineering Division

The Division undertook various projects as it continued to monitor the implementation of the overall protection strategy. The ERACS network analysis package was kept up to date with all substations accurately modelled on it. This software assists in achieving accurate settings of protection relays and allows for comparison of actual fault currents recorded by numeric relays with calculated values. Eighty-three ERACS studies were carried out in the past year. This year the Division also implemented the use of PowerFactory for conducting network analysis. PowerFactory is a much more powerful simulation engine and thus supports the detailed simulation of complex networks which was not entirely possible with ERACs. PowerFactory has already been utilised in 21 network studies. The Division also maintains the clearance routing system which is available on the Protection and Test Intranet website in order for all departments to more easily determine the clearance status of high and medium voltage installations. During the year this division issued 82 clearances. The task of drawing all protection and control schematic drawings into AutoCAD format was continued with 40 drawings been completed this year. System mal-operations were continuously monitored and the appropriate investigations were co-ordinated by this division. Protection settings on the high and medium voltage networks were calculated and implemented at 52 substations. This was done for both new and system improvements in the network. The Division is currently conducting research on the IEC61850 substation communication standard and working on developing an IEC61850 laboratory to provide an optimum platform for training, research and investigation into this standard.

Protection Maintenance Division

The Division undertook its protection relay maintenance function by performing secondary injection on schemes up to and including 275kV to establish compliance with Departmental Standards and good engineering practices to ensure the Unit's protection schemes are functional for safety and reliability. Protection relays were repaired, maintained and calibrated on site and a comprehensive data base of all protection schemes in the field was constantly updated.



Protection maintenance staff have managed to eradicate the MV maintenance back log, all distributors now fall within the protection maintenance five year cycle. Challenges for the forthcoming year include performing maintenance on our HV network, liaising with other Divisions and enhancing productivity by training staff.

Test Division

During the year, numerous high voltage substation installations were tested and cleared for energising by the Test Division. These included Coedmore 132kV Switching Station, Shallcross 132/11 kV Substation, La Mercy 132/11kV Substation, Avoca 132/11kV Substation and Underwood Road 33/11 kV Substation. System improvements were undertaken at the Klaarwater, Winklespruit, Hillcrest, Chatsworth, Sukuma, Trurolands, Havenside and Mobeni South Substations. In addition, 2203 cable fault locations were made, 303 equipment acceptance tests performed, 137 protection relay and instrument repairs done and 217 other commissioning tests carried out.

DC Systems Maintenance Division

The Division continued with the dc systems maintenance programme with all 220 V and 110 V battery banks and chargers maintained on a monthly basis in the high voltage network. All 30 V tripper units were maintained on a six monthly basis on the medium voltage network at the 700 plus MV substations. Battery chargers at various transmission substations were replaced either due to old age or the unavailability of spares. In preparation for 2010 World Cup, all batteries and chargers at strategic locations were also replaced. In addition the back-up dc units for the fibre optic communication network were maintained on a monthly basis in all transmission substations. All CO2 systems with dc systems were also maintained on a monthly basis in the transmission system.

TECHNOLOGY SERVICES BRANCH

Technology Services is responsible for the adjudication of all tenders for technical equipment, material and services supplied to the Service Unit, and the creation and maintenance of all technical codes of practice and instructions used by eThekweni Electricity staff and contractors.

One of the functions of the Branch is research into cost effective ways of distributing electricity. This function can be divided into two, namely, the cost of goods purchased and

the costs associated with the installation, operation, maintenance and disposal of the said goods. Over and above the issues relating to construction and maintenance, safety of staff and public is high on the agenda both during the selection of a particular type of good and during its application. The Branch has continued its active participation in NRS projects as well as participating in SANS working groups where, in conjunction with work group members from other municipalities, Eskom, mines and major suppliers, specifications and guidelines have been prepared to promote uniform requirements for equipment and design methods for use in distribution systems.

SHERQ & TRAINING BRANCH

During the course of 2009/ 2010 the move to house all technical training under one roof has been 80% completed with the 20% to be finalised during 2010/2011. It is envisaged that once operational, the Branch will co-ordinate all eThekweni Electricity's work skills requirements and training.

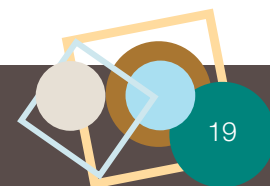
Key Outputs and Deliverables

- ◀ Ensure compliance with OHS Act and GMR 2.1 responsibilities.
- ◀ Carry out on the job observations so as to ensure a safe and healthy work environment
- ◀ Ensure compliance with environmental legislation.
- ◀ Assist with investigation into fraud and malpractices
- ◀ Undertake research on new technologies and develop training material
- ◀ Training and accreditation of staff and contractors to ensure the transfer of critical skills

The Branch is currently in the planning stages of establishing a Science Expo centre that will be used to demonstrate scientific projects to scholars in an effort to encourage them to become future artisans, technicians and engineers. The Branch is also preparing for the introduction of ISO accreditations during the next financial year.

Training adequate resources in the next 3-5 years is our main challenge, the envisaged programme is to employ trainees every 6 months as follows:

- | | |
|----------------------------|------------------------------------|
| ◀ Apprentices (Electrical) | - 20 every 6 months |
| ◀ Apprentices (Mechanical) | - 2 per annum |
| ◀ Technicians in Training | - 10 every 6 months |
| ◀ Candidate Engineers | - 8 every 6 months |
| ◀ Bursary Students | - at least 5 in each year of study |



CUSTOMER & RETAIL SERVICES



The Customer & Retail Services Department provides a customer contact and retail services function for the Electricity Unit.

The Customer & Retail Services Department consists of more than 400 employees and performs a diverse range of functions for the Electricity Unit including:

- Accurate metering of electricity consumption
- Designing of fair and cost-reflective electricity tariffs
- Providing the services of a Contact Centre for reporting power outages, street light faults and the theft of equipment and electricity by telephone, e-mail and fax
- Assists with the protection of the city's revenue
- Provides four Customer Service Centres throughout the city.

◀ **Name:**

Sewraj Harilal

◀ **Designation:**

Deputy Head - Customer & Retail Services

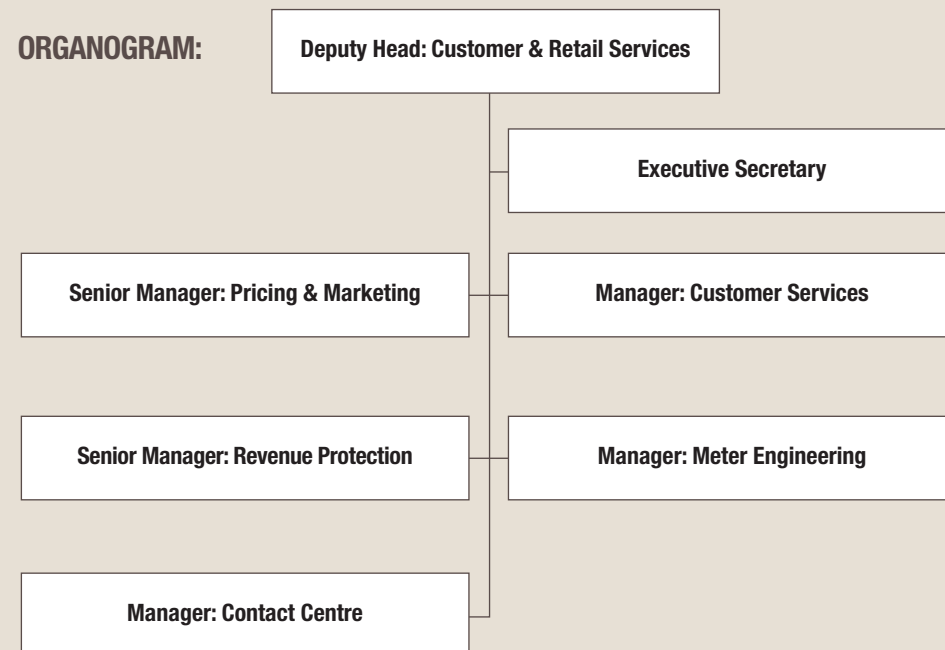
◀ **Qualification:**

Certificated Engineer (GCC)
Post Graduate diploma in Business Administration
National Teachers Diploma (Technical)

◀ **Experience:**

Within eThekweni	13 yrs
Tongaat Town - Engineer	06 yrs
Lecturer/Senior Lecturer	08 yrs
Electrician/Technician	08 yrs

ORGANOGRAM:



PRICING AND MARKETING BRANCH

The Electricity Pricing & Marketing Branch has three primary functions namely:

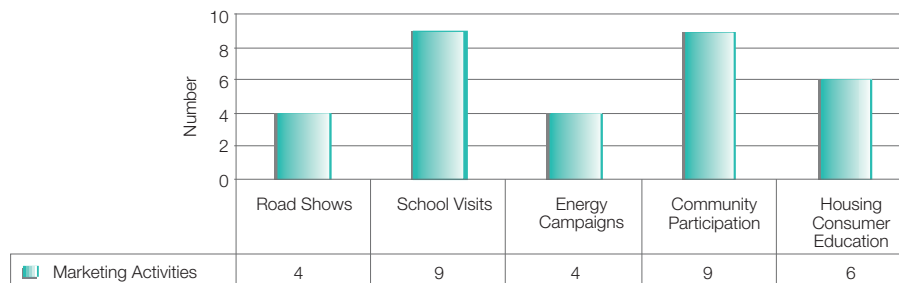
- ◀ To raise awareness about key issues involving electricity
- ◀ To design cost-effective and accurate electricity tariffs
- ◀ To maintain a statistical database for electricity purchases and sales. The energy crisis of recent years has set energy conservation awareness as the key issue in the industry. Safety precautions and theft of electricity are also at the top of the current agenda for the branch.

Marketing Division

The activities of the Marketing Division creates a platform to engage with the public to address the following:

- ◀ Energy efficiency and demand side management (DSM)
- ◀ Service delivery problems and constraints
- ◀ Theft of electricity and infrastructure
- ◀ Planned and unplanned maintenance
- ◀ Free Basic Electricity (FBE)
- ◀ Electrical safety and electrical hazards

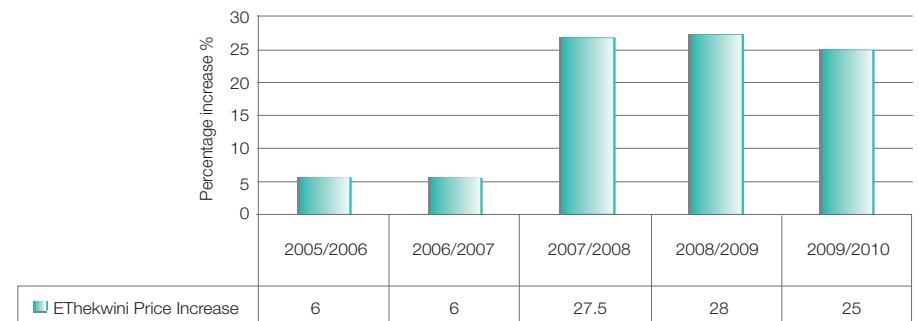
The Marketing Division is continuously holding interactive events to raise awareness and promote the ideals of the department, especially regarding energy efficiency. The marketing staff spent a great deal of time promoting the efficient use of electricity to scholars. During the course of the year, the following marketing activities were conducted per month (on average):



The Marketing Division also participates in community radio talk shows and this provides a platform for the unit to interact with members of the community directly, providing useful and up-to-date electricity related information. General topics include theft of electricity, energy efficiency and safe use of electricity. The radio shows also allow customers to raise their queries and seek advice on a resolution path. Energy Efficiency seems to be a “Hot Topic” amongst customers and is becoming more popular as customers bear the brunt of the rising energy costs. Talk shows are conducted across various radio stations including: Lotus FM, Highway radio and Gagasi 99.5 FM.

Tariffs Division

The Division designs electricity tariffs and provides tariff advice to key customers. Tariffs are designed to be cost-effective whilst ensuring accurate cost recovery and reflectivity. The Division is also responsible for auditing the Eskom bill, which amounts to approximately R5 billion per annum. Changes in the industry (shortage of electricity and rising electricity prices) have caused a drive for a reduction in consumption through improved efficiency as well as research into renewable energy sources like solar power, hydro-electric power and wind generated power. We have also implementing new 'Time of Use Tariffs' for residential and commercial customers and revamped 'Time of Use Tariffs' for industrial customers. Obsolete tariffs, namely the 'Scale 2 tariff', 'LV3 part tariff', 'Scale 5, 6 and 7 tariffs' will attract higher than average increases in coming years to dissuade customers from using them as they are not cost reflective. These pricing signals are aimed at reducing peak loads, thus minimising the risk of load shedding.



The cost of electricity in South Africa is on the rising edge and by following the trend as depicted in the above graph; it is evident that electricity is no longer a cheap resource for South Africans. As part of the multiyear price determination, NERSA awarded Eskom an average increase of 24.8% for the 2010/2011 financial year, 25.8% for 2011/2012 and 25, 9% for 2012/2013. It is hence clear that the regime of higher than average increases will continue at least over the next three years.

The impact and effects of the higher electricity pricing together with the slow-down in the economy has resulted in lower growth and demand for electricity over the last financial year. Despite a 2% growth in the customer base, there was only a 0.04% increase in sales recorded when compared to the last financial year.

During the year, the Branch has initiated the grid code monitoring program to assess the Unit's compliance to the distribution grid codes. The Distribution Grid Code is an industry code of practice that defines detailed conditions for access to and use of the Distribution System including basic rules, procedures and requirements that govern the operation and maintenance of the Distribution System. The Branch has made great headway with this project and envisages completing the assessment process by the end of the year.

CUSTOMER SERVICES BRANCH

The Customer Services Branch covers a wide spectrum of services and support to customers and other branches. The following are some of the Branches key deliverables:

- ◀ Facilitate applications for service connections /alterations
- ◀ Meter Readings
- ◀ Auditing of meter readings
- ◀ Cashiering facilities
- ◀ Registration of customers for accounts
- ◀ Providing technical advice to electrical contractors and consultants
- ◀ Customer queries.

Administration/Technical

The Branch continues to provide a good service with the same number of staff despite the larger query load due to more customers being connected and the customer financial constraints leading to more arrear payment situations with arrear and tamper situations providing a challenge to deal with.

Some of the Senior Customer Service technical staff are involved with sweeping areas to verify accurate metering on the larger installations with a good measure of success in identifying technical problems and tampering.

Meter Reading and Audit

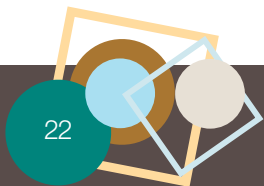
The effects of escalating crime is continuing to be felt by the meter readers as they find it more difficult to access premises. More phone calls and appointments are being made to enter premises to read meters. Audit staff continue to interrogate exception reports on meter readings for faulty and tampered meters which are handed over to Revenue Protection to do site visits to verify if theft is taking place.

REVENUE PROTECTION BRANCH

The Revenue Protection Branch ensures that the non - technical losses in the distribution network are kept to a minimum by effectively disconnecting customers whose accounts are in arrears; combating illegal connections and swiftly reconnecting the services for the customers that have settled their accounts. Combating illegal connections continues to be at the top of the agenda resulting in the Revenue Protection Enhancement Project being widely implemented.

The Branch : -

- ◀ Continues with the installation of vandal proof structures to prevent unauthorized access to our meters thus increasing the collection of revenue.
- ◀ Is doing away with the loop-type service cables in the areas where there is a high rate of theft and relocating the meters to the road side to enable effective disconnections.
- ◀ Continues with the Sweep Operations (checking for illegal connections).



The number of disconnections has increased steadily and averages 19 000 per month. The Revenue Protection Branch is in the process of implementing an advanced form of processing solution, using a highly evolved digital pen and paper technology to track the activities of the disconnectors and to transfer the data from site to the office instantaneously. The reports of illegal connections are on the increase and this is resulting in unnecessary power outages.

METER ENGINEERING BRANCH

The Meter Engineering branch is responsible for the specification, installation and maintenance of all billing equipment in eThekweni Electricity's area of supply. The billing equipment includes electromechanical single and three phase meters, electronic bulk meters and prepayment meters. The Meter Engineering branch is divided into the following Divisions: Metering Workshop, Projects, Special Metering and Bulk Metering.

Meter Workshop Division

The Meter Workshop undertakes all the testing and calibration of the electromechanical single and three phase meters, as well as that of the prepayment meters. The electromechanical meters are repaired in-house. However, due to the intricate electronic nature of the prepayment meters, these meters are dispatched to suppliers for specialised repairs. The workshop perseveres to minimise capital expenditure by restoring tested and recalibrated meters onto site. In keeping with the city's growing needs, the Meter Engineering branch has embarked on an upgrade of the current test and calibration bench to ensure prompt handling and calibration of all meters.

Projects Division

This Division, as suggested by the name, is responsible for the procurement of new technology into the branch. The Projects division carries out the specification, commissioning and implementation of all new metering endeavours. Successful past projects include the Automated Meter Reading (AMR) venture and the wireless billing of bulk customers via GSM communication.

Special Metering Division

Special Metering is allocated to deal with new metering applications and the upgrades of special case metering. These special cases consist of small businesses, commercial and sectional-title residential customers. This Division is also responsible for the investigation and repair of field faults on intricate meter installations.

Bulk Metering Division

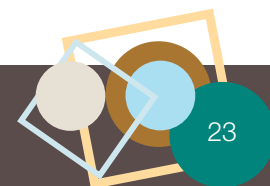
Over thirty percent of the revenue is brought in by the Council's 800 large power customers. In light of the importance of this contribution, the Bulk Metering section is devoted to the maintenance and billing of these complex meter points. This Division is also responsible for the implementation of all new bulk metering applications, upgrades of existing applications as well as the investigation of load profiles. Investigations of this nature are essential for tariff analysis, planning and estimation purposes. All bulk meters are electronic meters, which allow for higher accuracy in billing and revenue collection.

Some future projects in the Meter Engineering branch include a DSM (Demand Side Management) pilot project. The DSM pilot project aims at remotely monitoring the power consumption of consumers and therefore managing peak and off-peak loads. This would prove to be a cost effective initiative for both the consumer and the Council. The branch will also be rolling out a Smart Meter pilot project. Smart Metering maintains load limiting as its prime function and can thus be used to avoid load shedding in the future. The Meter Engineering branch perseveres to provide proficient and valuable service to all out customers.

CONTACT CENTRE BRANCH

The Contact Centre provides a fault reporting service on a 24-hour, seven-days-a week basis. The Contact Centre is equipped to document faults and alert the necessary branches for corrective action. The centre deals with all consumer categories reporting a wide range of faults, typical faults include:

- ◀ Loss of electricity supply
- ◀ Metering faults
- ◀ Street light failure
- ◀ Poor quality of supply
- ◀ Cable Theft



General queries and reports are fielded by our toll-free number and email

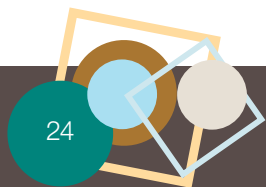
Toll-Free number: 080 1313 111

E-mail: custocare@elec.durban.gov.za

As members of the public join forces to help curb cable theft, there has been an influx of calls in this regard, the Contact Centre has, therefore set-up a dedicated 24 hour hotline to report cable theft.

Cable Theft Hotline: 031 311 9611

In an effort to improve feedback to our customers, the city is in the process of implementing an Outage Management System. This new state of the art system will be able to automatically communicate with customers when outages/faults occur.



COMMERCIAL



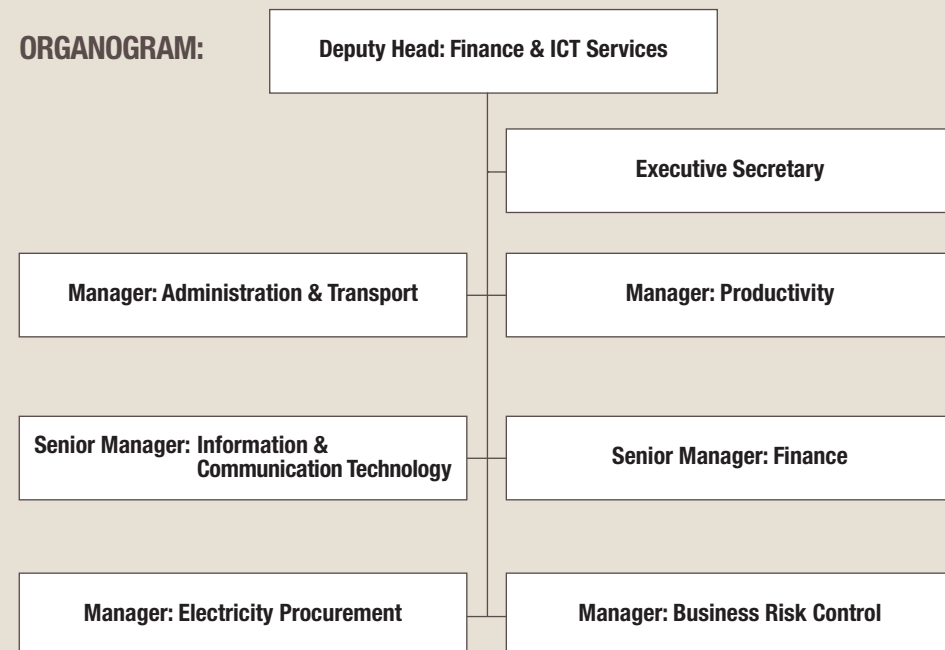
The Commercial Departments of Finance, Information Communication Technology, Productivity and Business Process Engineering, Supply Chain Management, Business Risk, Administration and Transport play a vital support role to eThekweni Electricity. They also participate in numerous other Council projects/committees. Within the staffing constraints currently experienced they strive to provide effective logistical support to the technical operations. A key feature of these departments is to ensure that throughout legislative practices, controls and policies and procedures are complied with.

In addition to the onerous Local Government Legislative and governance controls we also have to comply with the National Electricity Regulators (NERSA) stringent requirements pertaining to reporting as a ring-fenced Business Unit. NERSA's Framework for Economic Regulation is complex and is presenting significant compliance challenges going forward.

- ◀ **Name:**
Keith Moulder
- ◀ **Designation:**
Deputy Head: Finance & ICT Services
- ◀ **Qualification:**
FCIS
Post Graduate Diploma-Business Admin
- ◀ **Experience:**

Within eThekweni		19 yrs
Romatex	- Director	10 yrs
Robinson & Co	- Financial Manager	10 yrs
Standard Bank	- Management	03 yrs

ORGANOGRAM:



ADMINISTRATION BRANCH

The Administration Branch covers three key areas of the Department: Administration, Buildings, and Transport.

The Administrative Section is responsible for providing an efficient and effective Document Management System, and operates within the parameters of an approved Governmental Archival System. Various other Administrative functions are, customer liaison, word processing of letters, reports, contract documents the micro-filming of electricity application forms and transcribing of meetings, disciplines etc.

The Building Maintenance Section is responsible for the general building maintenance/security and the upkeep of the gardens/grounds at the Electricity Springfield Training Centre and HQ Complex. The continuous provision of office accommodation and parking areas has been a major challenge. Three major building works have been planned to address the challenges.

- ◀ The expansion of the standby accommodation at Springfield to cater for the growing number of staff and centralisation of the faults section.
- ◀ The Control Building upgrade, and additional two floors to cater for our Faults and ICT Departments.
- ◀ A planned new building at our HQ Complex to accommodate additional staff.

The Transport Section controls and maintains the Service Unit's large fleet of vehicles and plant. This responsibility includes, purchase/disposals of vehicles, servicing, repairs and all statutory requirements.

The introduction of AARTO (Administrative Adjudication of Road Traffic Offences) has presented a whole new set of challenges viz the time taken to identify the driver of the vehicle and communicate the information to the relevant authorities. Our vehicle monitoring system (C-Track) has a facility called Driver ID Key. A Driver ID Key is programmable with the Driver's Name, licence code, and expiry date of licence. The Driver ID Key is used to mobilise the vehicle, and the programmed information on the Key is then recorded. The recorded information, may be accessed via a report, therefore enabling easy recognition of the Driver at any given time. This facility will be activated in the forthcoming year.

Rapid Staffing turnover is an ongoing challenge, which has impacted negatively on the Department. However, the current staff have done an excellent job under challenging times. The staff are to be commended on this.

PRODUCTIVITY BRANCH

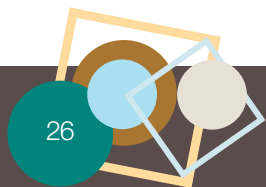
The Productivity Branch contributes to the upgrading of productivity and efficiency throughout the Unit by closely monitoring the productivity of both in-house and contractors teams, and ensuring that the undertaking remains cost effective whilst maintaining a high level service standard to management.

The highlight of 2009 was winning an award from "Productivity" SA for outstanding achievement in productivity improvement in the public sector category. Unfortunately we were unable to complete the new Incentive Bonus computer programme due to staff shortages within ICT but this project has been earmarked for completion within the next financial year. With the ever increasing number of contractors working for our Unit the monitoring and verification of worked claimed is essential in ensuring that a high standard of efficiency and productivity is maintained and that any fraudulent booking of work is brought to the immediate notice of management. Below are the average working efficiencies recorded for the various sections:

In-house Maintenance	In-house Construction	Contractors Maintenance
85.85%	80.15%	98.2%

With the formation of a Business Process Section within the Productivity Branch we will have the ability to increase overall efficiency and productivity by ensuring the most appropriate solutions are used to meet the business needs. This will be achieved by creating a documented overview of all business processes within the Unit, to identify improvement priorities and to ensure that business processes meet both the user and business requirements, and that the best business practices are effectively managed.

The challenge for the forthcoming year will be the creation of the Business Process Section and getting the appropriate organogram changes approved and thereafter the creation of the relevant duty schedules and filling of positions.



INFORMATION TECHNOLOGY BRANCH

It has been another busy year for ICT, with a large number of new ICT and ICT Related projects being undertaken, despite the continued high vacancy rate. Recruitment and retention of skilled ICT Resources therefore remained a key challenge as there has been a steady increase in reliance on technology to improve the effectiveness and efficiency of business processes. Also, as the number of systems implemented in eThekwini Electricity has increased, so too has the complexity and interdependency of our ICT Systems Landscape and as a result has increased the level of the skills set required to support it.

Facilities

To facilitate additional Servers and Networking Hardware for the recently acquired Outage Management System, and to resolve long standing issues with cooling and UPS in the Data Centre, an upgrade of the facility was required. The improvement included the replacement of outdated server cabinets, with state of the art units, that provide advanced power and environmental management functionality. Also included in this project was the replacement of the unreliable and inadequate air-conditioning units. The new air-conditioning system is fully redundant and is specifically designed for use in Data Centres. The upgrade also included a new UPS that will provide clean, uninterrupted supply for all enterprise systems. In addition to these improvements, the data network cabling was neaten up and improved upon. As EE is a 24/7 operation, downtime had to be kept to a minimum especially during core working hours, requiring all preparatory work and the final cut over to the new infrastructure, being carried out after hours and over weekends. The success of this project was due to good detailed planning and management.

The imminent implementation of the Outage Management System (OMS), necessitated a comprehensive upgrade of our Network Infrastructure including our core network switches. We introduced improved network management and security features to isolate and secure the OMS system on the network. This included upgrading of physical cabling and replacement of copper with fiber optic.

Development

The development team have been kept extremely busy this year with huge demands being placed on their time. Apart from the involvement in the key projects such as the Asset Management System Implementation, OMS, RMS GRAP17 etc. the team have also busied

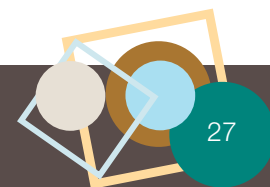
themselves with the Conversion from FNB to SBSA, implementing a new commission structure for the PrePaid System, introducing the 80/20 Debt recovery for Prepaid consumers, the implementation of a debt management system in Ellipse for Prepaid customers and the migration of 100 000+ images from the old archives for the drawing office. This is in addition to the development of reports for the Asset Care Centre and ad-hoc requests.

Support

The Support service is under huge strain due to the high vacancy rate and increase in demand for services. For much of the year, only two Support Technicians, One Helpdesk Operator and two Network Administrators were responsible for all On-Site support for 16 eThekwini Electricity Sites, over 1000 users and thousands of devices. In addition, these few resources were responsible for the procurement, configuration delivery and installation of all end user hardware installations (270) of Personal Computers, Notebooks, Printers, Scanners, Plotters etc as well as all End User Application Software throughout eThekwini Electricity.

The implementation of Novell's ZenWorks and IDM Technology during the year resulted in improvement in the Support Service which will enable better use of resources. Technologies such as Remote Control, and Provisioning will greatly assist Support Technicians who will be able to resolve end user problems remotely and over the network. Self Service for password resets will also reduce the number of Helpdesk Calls as currently up to 60% of all calls to the Helpdesk are for Password Resets. The limitation of the current PBX will be resolved when the Helpdesk is linked to the Call Centre Switch hosted by eThekwini Water. Project Office

The introduction of Novell's Teaming (now know as Vibe) as a collaboration tool and project documentation repository has many benefits. ICT have developed a Project Registration and Management Workflow to facilitate collaboration by members of a project team and assists with the document management for projects. ICT has developed templates for the typical project documentation which will go a long way to formalize the Project Management Methodology as recommended by the Auditor General. Currently 57 ICT related projects are registered and managed by the ICT Project office.



FINANCE BRANCH

The Finance Branch is responsible for the financial control over all activities of the Department. This includes, inter alia, the management, monitoring and control of revenue, expenditure, capital expenditure, insurance claims, financial systems, procedures and the provision of advice and guidance on matters related to finance to all personnel. The Department's annual and medium term budgets, annual financial statements and monthly management reports are prepared by the Finance Branch. The Branch also monitors compliance with statutory and internal regulations.

During the year under review, the Finance Branch contributed to several projects in the Department, namely, the Outage Management System (OMS), the Revenue Management System (RMS) and the Asset Management System (AMS). In addition, the annual financial statements for the 2009/2010 year and the multi year budgets for the 2010/2011 year onwards were prepared and approved within deadlines.

Significant progress has been made in the rollout of the OMS and AMS projects. During the year the implementation phase of the new accounting standards to comply with Generally Recognised Accounting Practice (GRAP) as required by National Treasury has also been successfully completed. The emphasis for this year was mainly to meet certain requirements of the new asset accounting standards which was successfully implemented. This entailed the input of many long hours by Finance staff to meet the financial year deadline.

Plans for the next financial year are to continue with the implementation of further phases of the new accounting standards and the OMS, RMS and AMS projects referred to above. The estimated completion periods for these projects vary between the next two to three years. A new project to introduce super vending and upfront vending for the sale of prepayment electricity is already in the advanced stage of implementation. The aim of this project is to increase the department's footprint of sales outlets for prepayment electricity within the eThekweni region and to provide several alternative methods of sale. In addition to the Finance Branch, several other branches are involved in this project. A further multiyear project intended for commencement is the Regulatory Reporting Manuals (RRM) required by the National Energy Regulator of South Africa (NERSA). This project involves some major changes to systems and processes, as well as the training of personnel throughout the Department.

In conclusion, it is fair to say that the efficiency and effectiveness of the Finance Branch is due to the dedication and enthusiasm which the staff have always displayed. Management appreciates their contributions in helping to achieve the goals of the Branch.

PROCUREMENT BRANCH

Bid Administration

The Bid Administration Section administers 77 contracts for the supply of goods and services of which 9 are labour contracts.

The theft of cable was a huge challenge in the last financial year. We installed decals on all the contractors vehicles and changed their overalls to red to ensure that they were easily identifiable. 12 apprentice electricians qualified as electricians.

Eleven appeals were received by the Appeals Committee and were successfully defended.

The following table is reflective of the actual awards to Black Business Enterprises for labour contracts:

BID ADMINISTRATION

Black	PPG	Women	Disabled	Location			SMME
				EM	KZN	SA	
84%	40%	5%	0%	98%	0%	1%	90%

PURCHASE ORDER STATISTICS JULY 2009 TO JUNE 2010

ORDER GROUP	ORDER TYPE	NO.OF ORDERS	VALUE (R)
Contract	Stock Purchase Orders	1979	326,036,896.60
Contract	Service Purchase Orders	3760	512,368,126.17
Contract	Non Stock Purchase Orders	10	238,574.82
Contract	Field Release Purchase Orders	157	199,363,175.31
Non-Contract	Stock Purchase Orders	2097	32,918,130.93
Non-Contract	Service Purchase Orders	4746	620,521,856.60
Non-Contract	Non Stock Purchase Orders	2470	80,001,649.69
Non-Contract	Field Release Purchase Orders	2	1,458.60

STORES

The Stores Branch is within the Finance & Administration Department. We operate 22 Stores located throughout the distribution area and stock approximately 3500 items. In addition to the warehousing and issuing of stock items, the Stores are responsible for receiving of all direct (outside) purchases.

The Branch has recruited 18 new Stores Assistants; the new recruits will definitely alleviate the staff shortage situation of the Branch and are sure to improve productivity. The staff within the Branch has shown great dedication to their jobs and two members have been nominated by customers for the City Stars Awards. The Branch has embarked on implementing numerous technologies to ensure better control and coordination. New scanning systems were introduced at meter stores to capture individual meter details. This will allow for easier tracking of meters and accurate capturing of meter details. The computer systems have been upgraded and more computer units have been purchased for storekeepers. This will allow for better monitoring of stock control and coordination.

The Branch has made major improvements during the last financial year and hopes to achieve the following in the New Year:

- ◀ Improve Stock turnover rates
- ◀ Improve on customer service levels
- ◀ Improve on training of staff and uplifting their skills

STORES STATISTICS FROM JULY 2009 TO JUNE 2010

	Total YTD
Total Stock value	R 773,266,451.00
Average Stock Value	R 64,438,871
Stock Turns (Excluding Strategic)	7.39

BUSINESS RISK CONTROL BRANCH

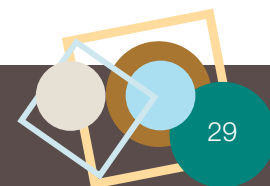
The Business Risk Branch comprises of the Risk Management, Investigations and Network Theft sections. The Risk Management section is responsible for the identification, assessment and mitigation of risks within eThekweni Electricity. The Investigation section is responsible for the investigation of incidents relating to mala dministration within the organization whilst the Network Theft section is responsible for the investigation and mitigation of theft on eThekweni Electricity's reticulation network.

During the 2009/2010 financial year, the specialized task teams employed by eThekweni Electricity successfully arrested a number of syndicates and individuals that have been responsible for network theft and illegal connections. There have been a number of arrests that led to convictions resulting in prison terms, hefty fines and suspended sentences. The period from November 2009 to June 2010 revealed that a total of 130 arrests that have been made as follows:

- ◀ Cable theft 61
- ◀ Illegal connections 47
- ◀ Theft at substations 4
- ◀ Theft of transformers 8
- ◀ Theft of pylons 10

Technology to monitor and prevent the unauthorized entry into a number of substations have been successfully implemented.

Risk identification and assessments processes were completed within the organization and the results thereof have been captured onto Council's risk management software. The mitigation strategies for these risks will be monitored, assessed and revised on an ongoing basis. In the ensuing year, the Branch intends to prioritise the recruitment of personnel. With a full complement of staff and available resources, we hope to intensify our operations which we are confident, would add value to the organization.



HUMAN RESOURCES



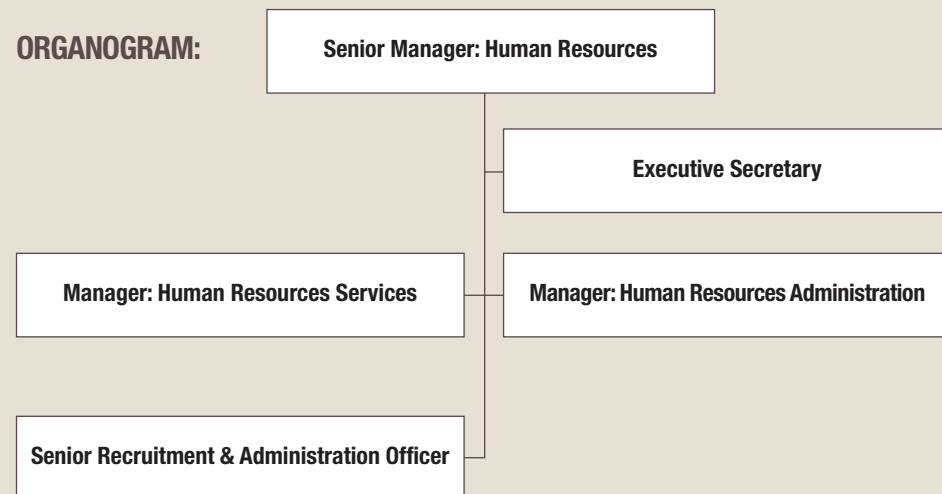
The Human Resource Division is responsible for providing guidance and support to the employees and management of eThekweni Electricity Unit. HR Staff are involved in addressing issues which impact Human Resource management for the unit as a whole, through coordination of policy issues and involvement in labour relations activities.

Functions of the Human Resource Division include:

- Sourcing and recruitment of staff
- Labour Disputes
- Staff Retention
- Talent and Performance Management

- ◀ **Name:**
Vincent Mthembu
- ◀ **Designation:**
Senior Manager - Human Resources
- ◀ **Qualification:**
B.Tech - HR
National Diploma - HR
- ◀ **Experience:**
Within eThekweni 08 yrs
Rennies Stevedores 13 yrs
Toyota SA Manufacturing 07 yrs

ORGANOGRAM:



HUMAN RESOURCES SERVICES BRANCH

Electricity Unit hosted a Wellness Campaign from 31 August 2010 to 3 September 2010 from 8h30 to 15h00 at four venues throughout the municipality. Approximately 523 employees were assessed during the campaign.

Participation consisted of:

1. 252 (52% total group of participants) employees assessed from MV/LV Operations
2. 79 (16%) from Technical Support
3. 74 (15%) from Administration
4. 41 (8%) from Customer and Retail Services
5. 32 (7%) from HV Operations
6. 9 (2%) from Human Resources

The Wellness Campaign included a Health & Wellness Risk Assessment, a Soccer Shootout and a variety of exhibitors that offered health & wellness related products and services.

The Health & Wellness Risk Assessment included:

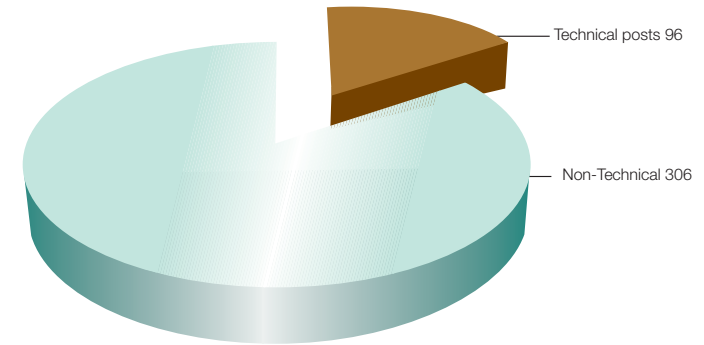
- ◀ Qualitative assessment: Health and Wellbeing Risk Questionnaires of which 523 employees submitted completed questionnaires
- ◀ Quantitative assessment: Biometric assessments comprising blood pressure, random glucose, random cholesterol, body mass index and flexibility testing.

The Electricity Unit Wellness Campaign from 31 August to 3 September 2010 yielded significant results based on 523 participants who were screened.

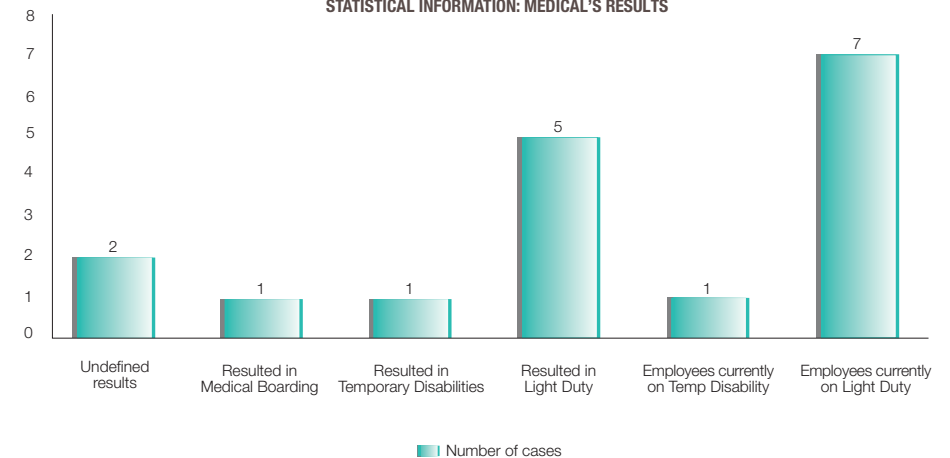
Participants were exposed to:

- ◀ Occupational Health & Safety
- ◀ ICAS
- ◀ 4 Medical Aid Schemes: Key Health, Hosmed, Bonitas and LA Health
- ◀ Diabetes South Africa
- ◀ The Heart Foundation
- ◀ Virgin Active
- ◀ Men's Health International
- ◀ Herbalife
- ◀ Alcoholic Anonymous
- ◀ AIDS ADVISE programme

STATISTICAL INFORMATION: NUMBER OF POST FILLED DURING THE YEAR



STATISTICAL INFORMATION: MEDICAL'S RESULTS





HUMAN RESOURCES ADMINISTRATION BRANCH

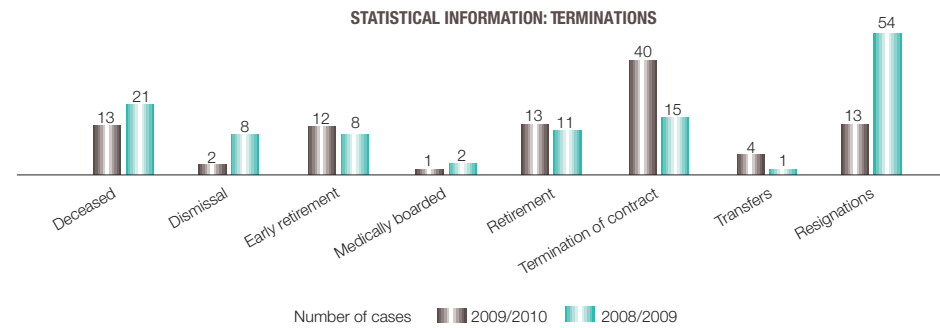
The Human Resources Administration Branch provides services of an administrative and advisory service to the staff, line management of the eThekweni Electricity Department. The Branch also contributes to special projects as and when required. The Branch also plays an active role in assisting staff resolve any pay related queries they may have as well as ensuring that families of deceased employees are assisted in finalising all relevant documentation, to ensure that they receive payment without any delays.

The introduction of the new Dynamic Resource Link computer system brought with it new challenges. We tested our ability to provide service delivery under extreme conditions, working with limited resources and within very tight deadlines. We had taken the challenge in our stride and successfully completed all tasks expected of us. The Human Resources Administration staff had diligently completed all training and testing of the new computerised HR system expected of them. To ensure the accuracy of the new computerised HR system, this Branch had embarked on a number of “cleanup” exercises, such as sending out “Personal Detail” questionnaires to every employee in order to verify data on the system. During the period under review the Human Resources Department had undertaken to fill all funded vacant posts, resulting in an increased volumes of applications received, hence resulting in additional pressure on the Branch.

The Human Resources Branch can be seen as the “Hub” of Human Resources as we interact on a regular basis with all Departments and staff extending our service to all.

Appointments made during the year under review:-

◀ New Engagements	-	246
◀ Promotions	-	156
◀ Apprentices	-	19
◀ Candidate Engineers	-	8
◀ Learner Technicians	-	5



TRAINING/SKILLS DEVELOPMENT BRANCH

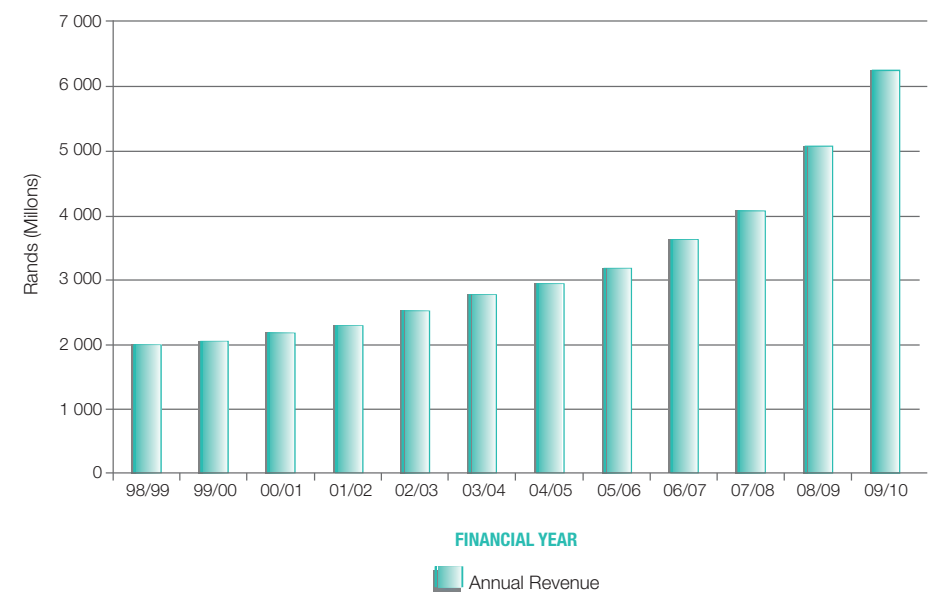
The Skills Development Branch is responsible for ensuring that the Unit meets the requirements of the 'Skills Development Act'. We focus on non-technical training which includes ABET, Computer Training, Assisted Education, In Service Training, In-House Courses and External Courses by service providers. We assist the unit in developing and implementing the Workplace Skills Plan - monitoring and reporting on the WSPs of all its employees. We also source potential in-service trainees from the tertiary institutions for practical training in the Unit. Overall, our Branch strives to meet the learning needs of the Unit and identify learning solutions and innovations.

The financial year saw our Branch become more customer focused by employing a dedicated Skills Development Practitioner who assists managers on skills development issues. In the future, the Branch plans are to increase attendance at our training courses and to develop more technical learnership programmes within the Unit.

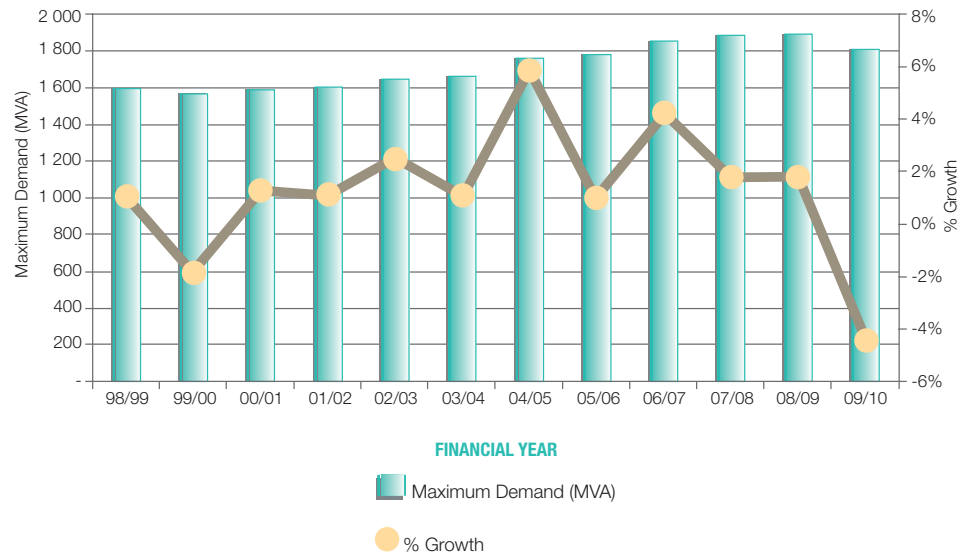
GRAPHS

ANNUAL CAPITAL EXPENDITURE

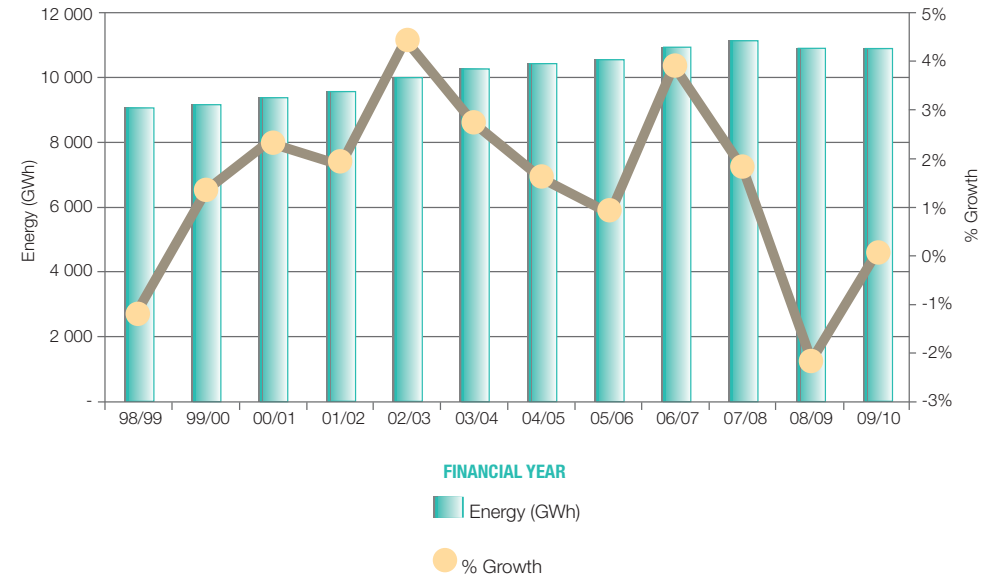
ANNUAL REVENUE



SYSTEM MAXIMUM DEMAND



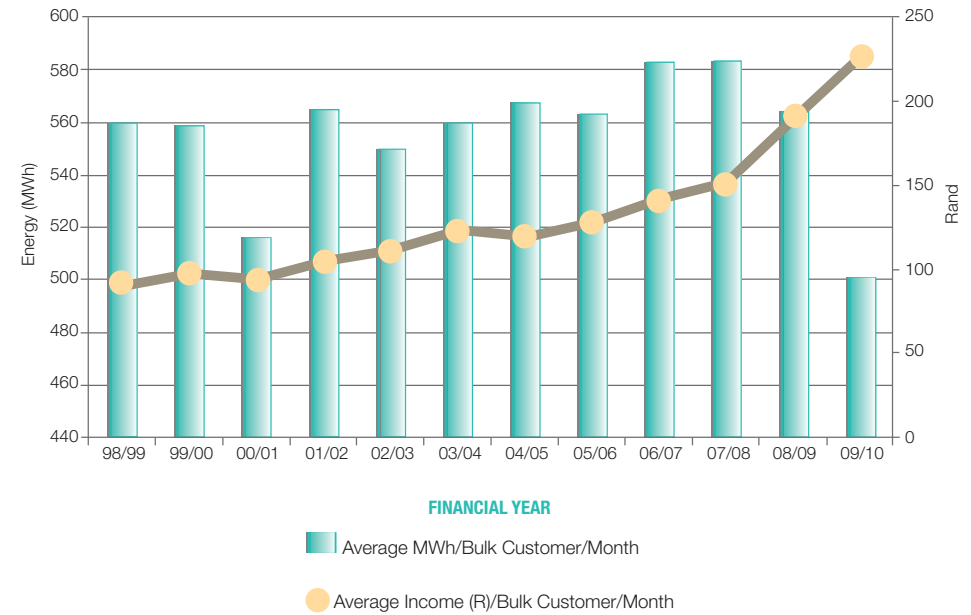
ENERGY SALES PER ANNUM



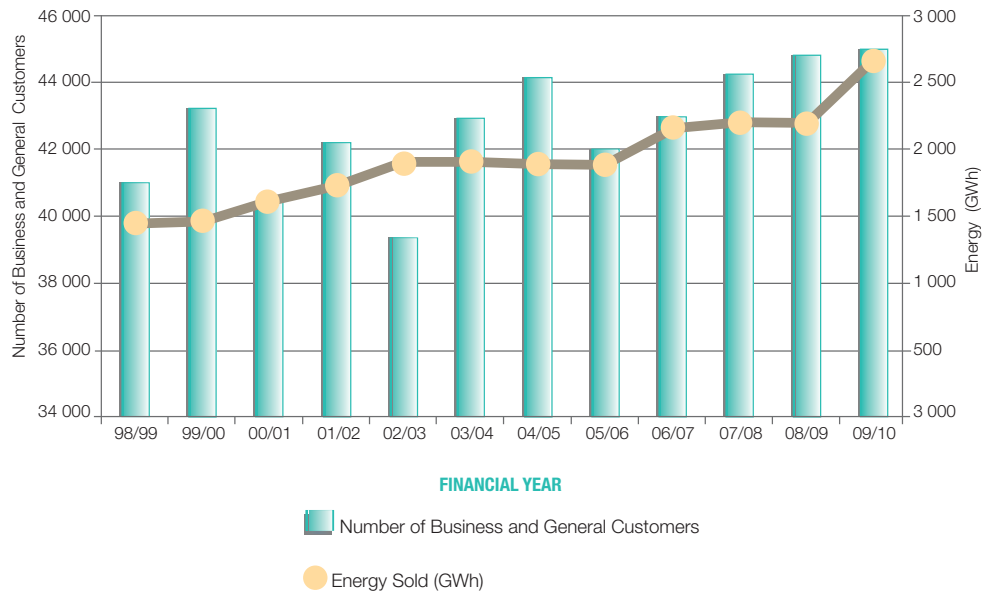
GROWTH OF BULK CUSTOMERS



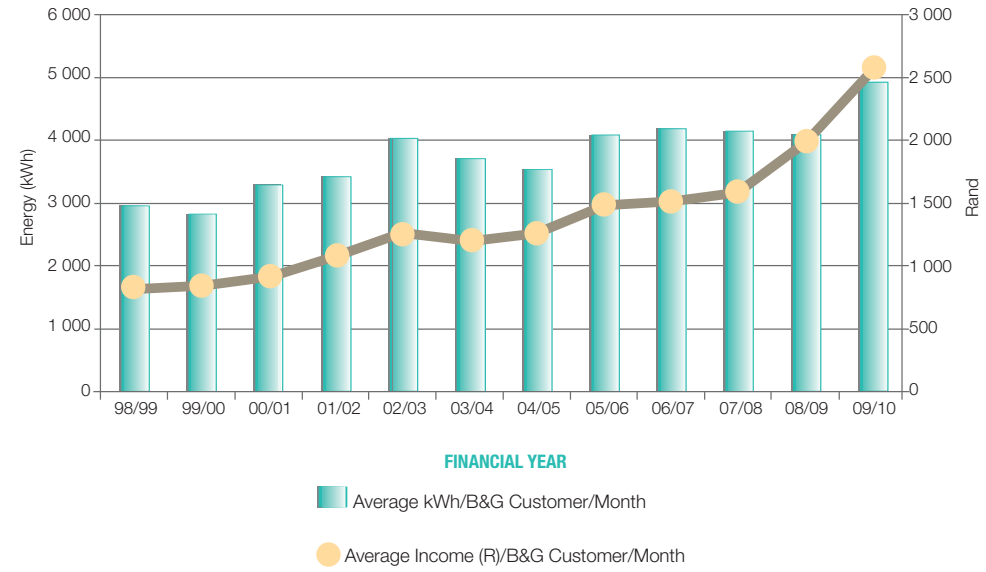
AVERAGE MWh PER BULK CUSTOMER/MONTH



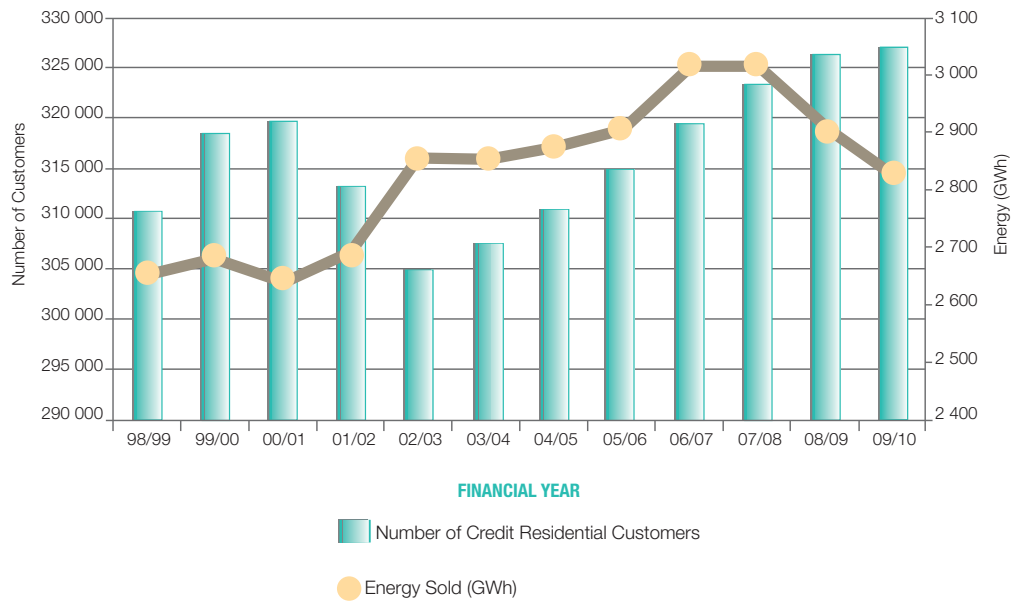
GROWTH OF BUSINESS AND GENERAL CUSTOMERS



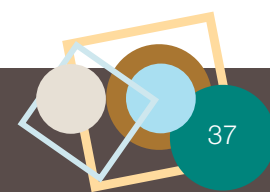
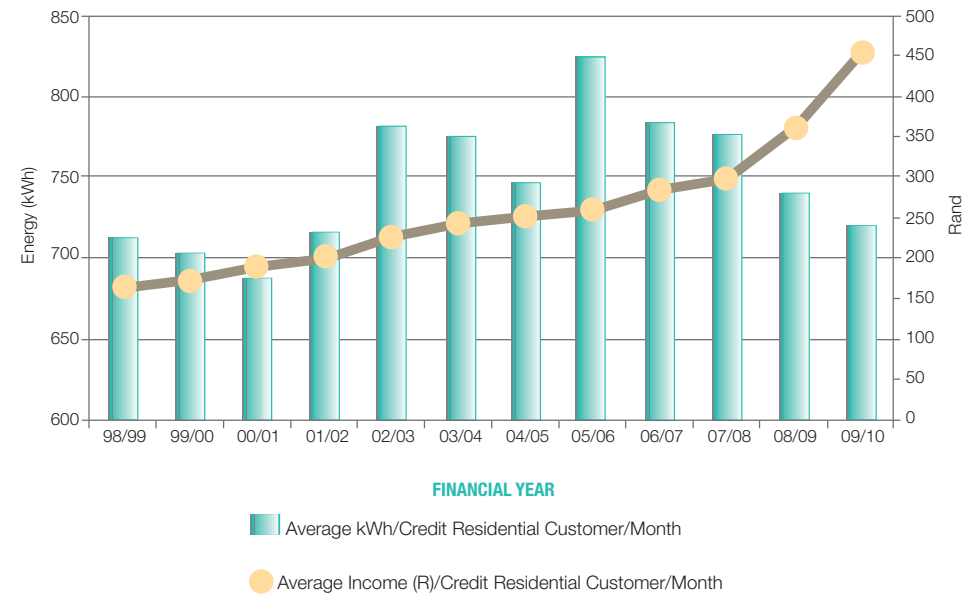
AVERAGE kWh PER BUSINESS AND GENERAL CUSTOMER/MONTH



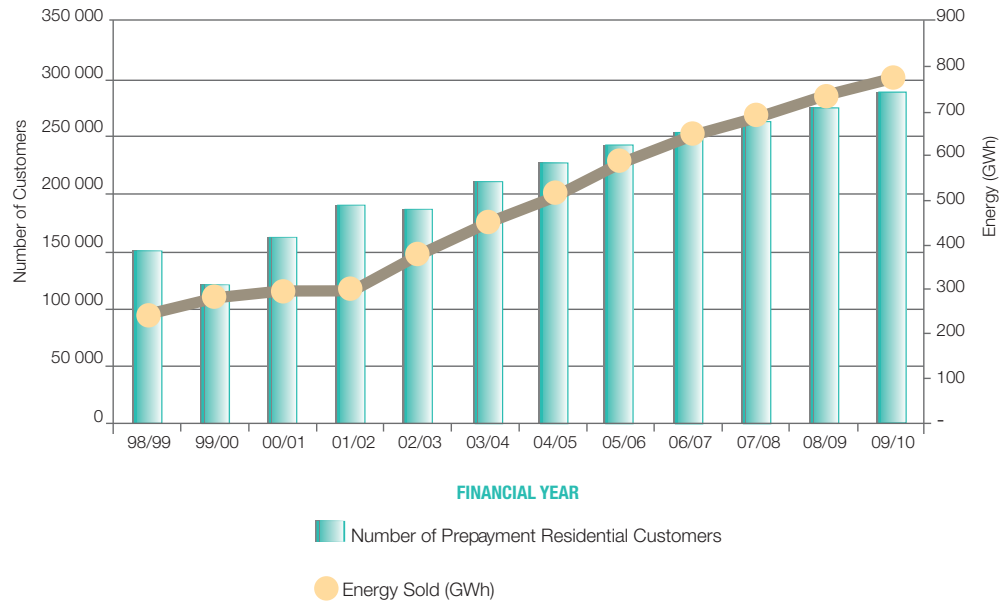
GROWTH OF CREDIT RESIDENTIAL CUSTOMERS



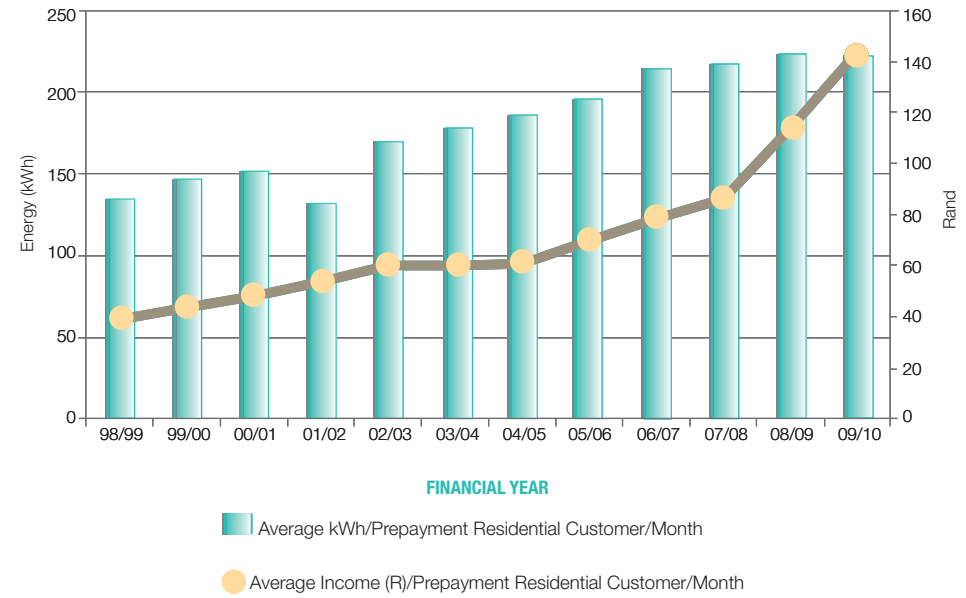
AVERAGE kWh PER CREDIT RESIDENTIAL CUSTOMER/MONTH



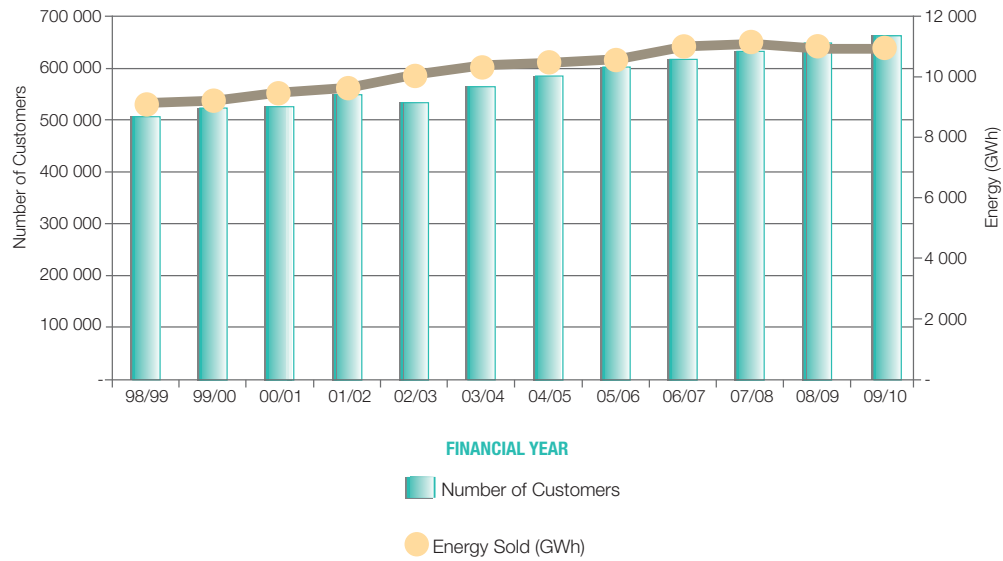
GROWTH OF PREPAYMENT RESIDENTIAL CUSTOMERS



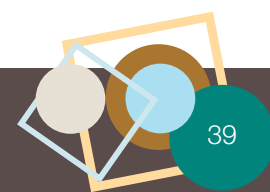
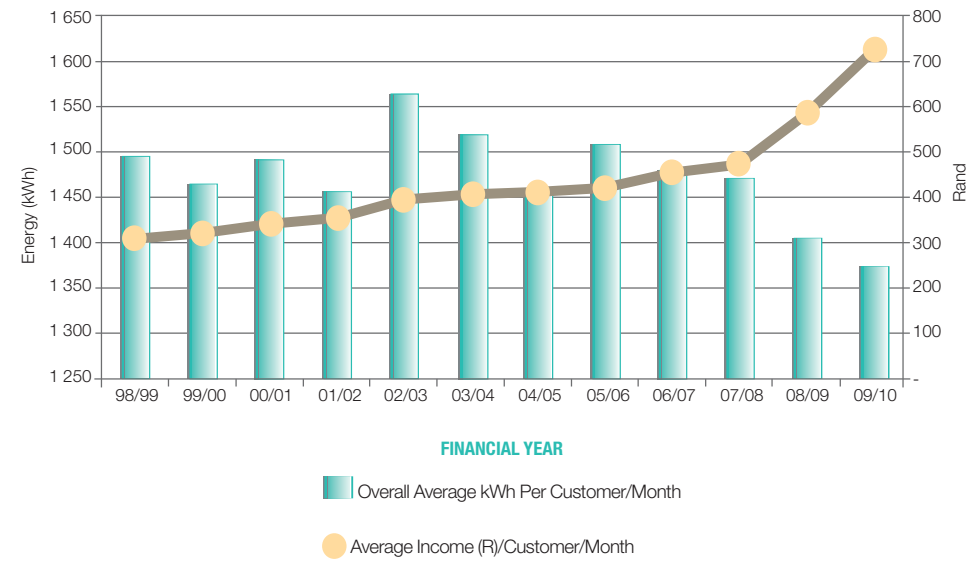
AVERAGE kWh PER PREPAYMENT RESIDENTIAL CUSTOMER/MONTH



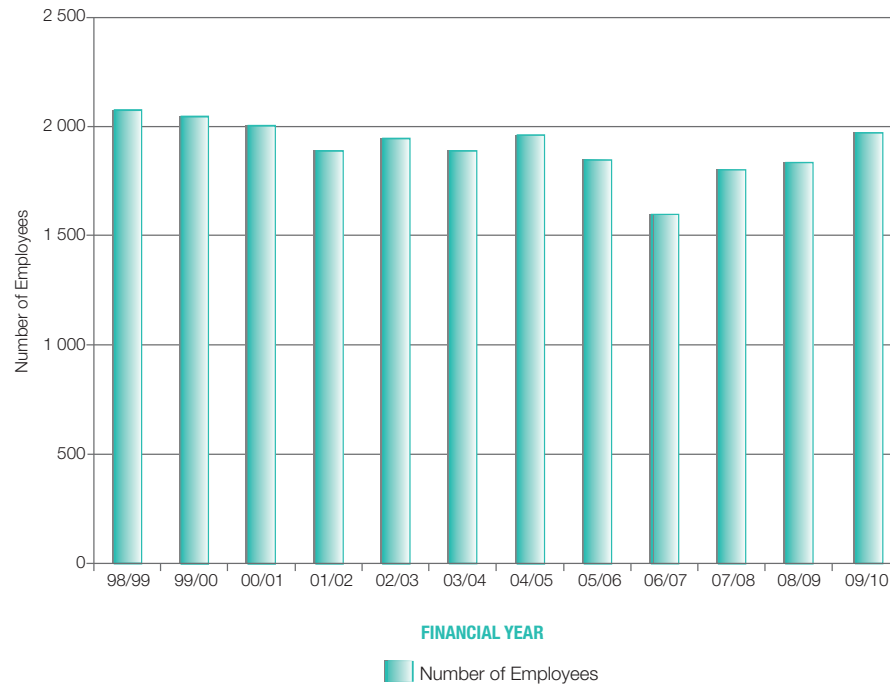
OVERALL GROWTH OF CUSTOMERS



OVERALL AVERAGE kWh PER CUSTOMER/MONTH



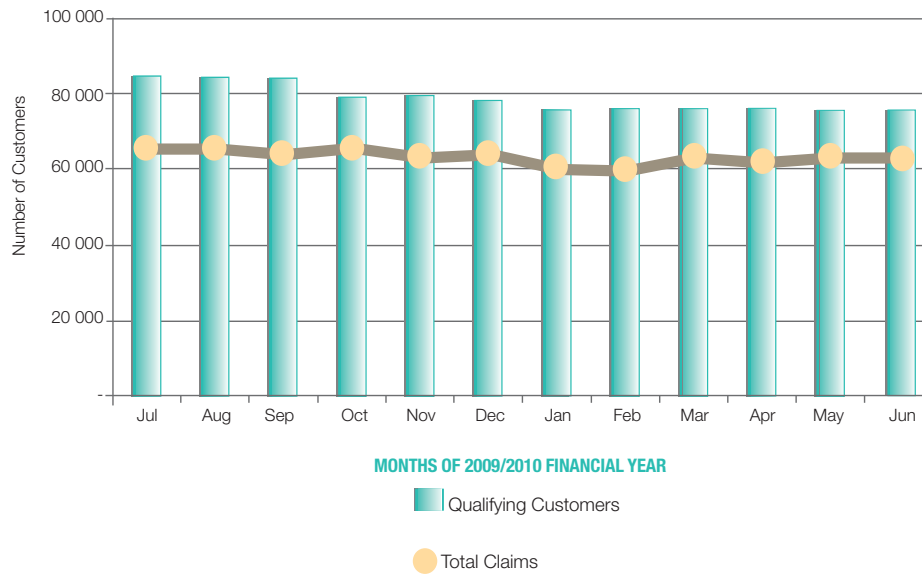
NUMBER OF EMPLOYEES



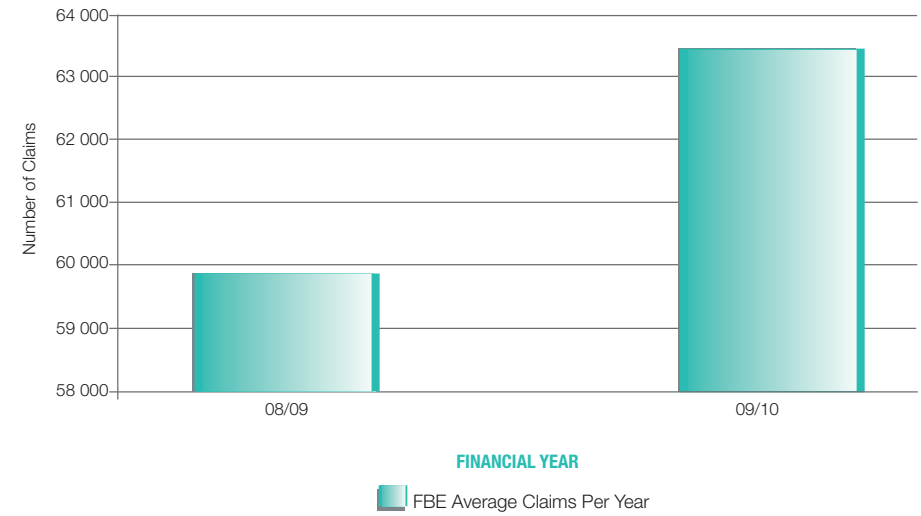
ENERGY SOLD PER EMPLOYEE



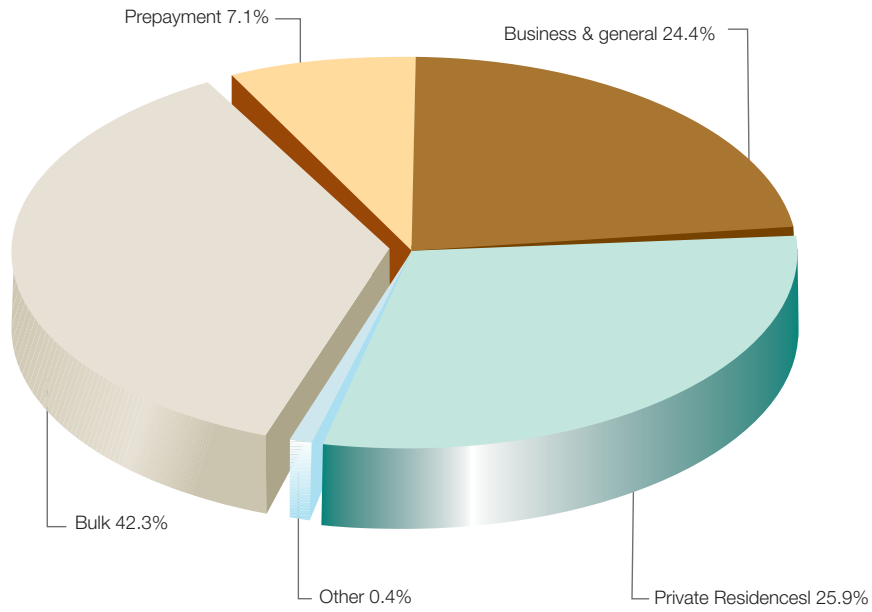
FREE BASIC ELECTRICITY CLAIMS PER MONTH



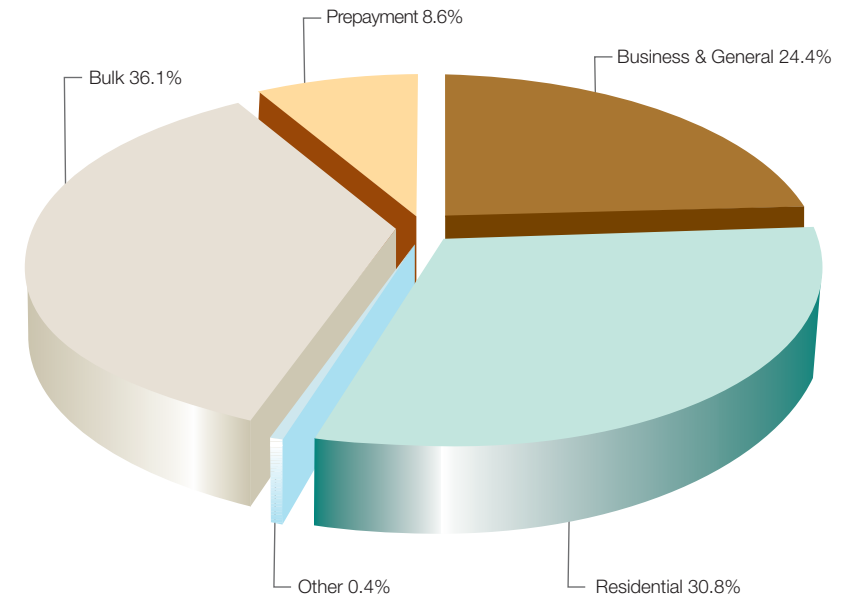
AVERAGE FREE BASIC ELECTRICITY CLAIMS PER YEAR



DISTRIBUTION OF ENERGY SALES 2009/2010

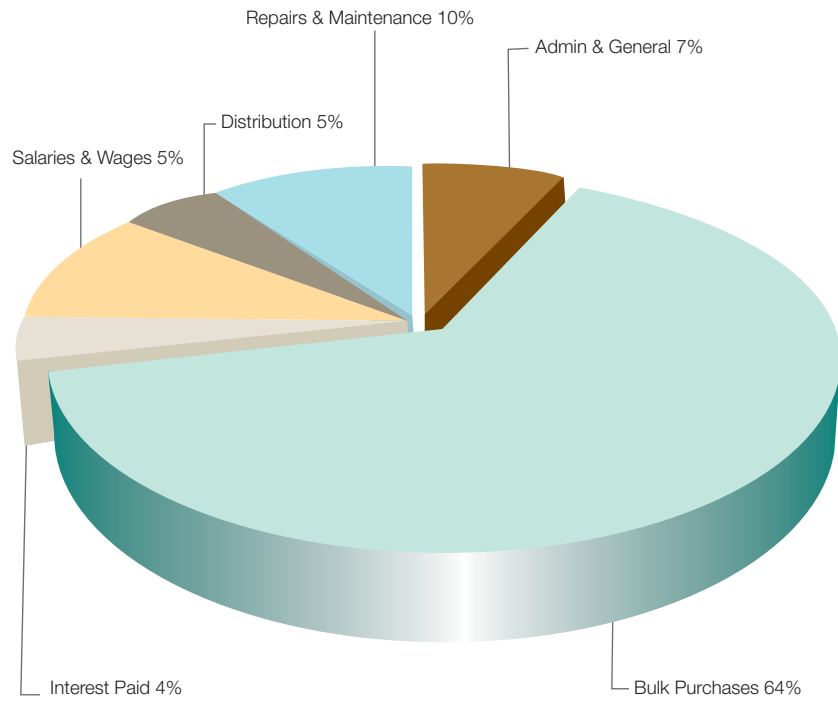


DISTRIBUTION OF REVENUE FROM SALES 2009/2010

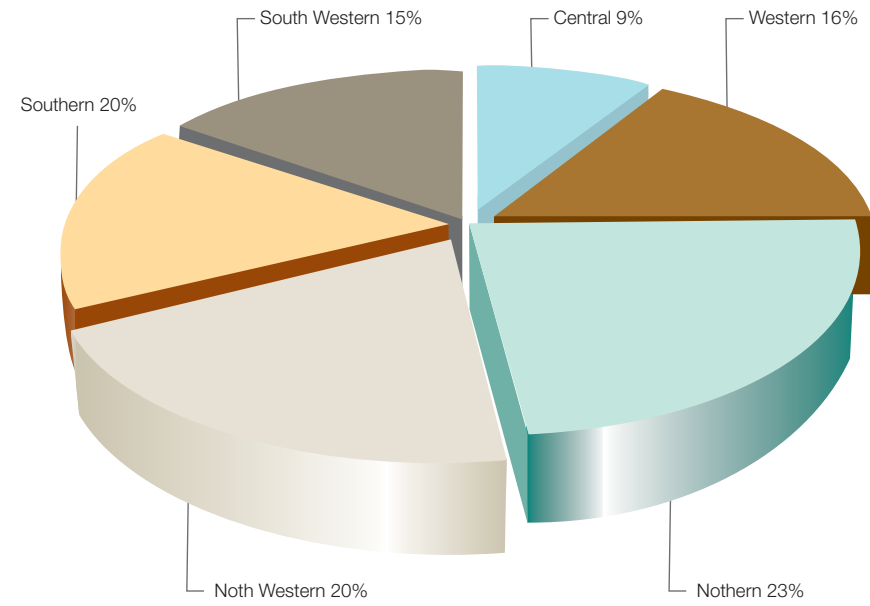


OTHER: Streetlighting, Traffic signals & Public lighting

DISTRIBUTION OF EXPENDITURE 2009/2010



NEW CONNECTIONS PER REGION 2009/2010



FINANCIALS

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2010

NET ASSETS AND LIABILITIES

Net Assets

	NOTE	2010 R	2009 R
Capital replacement reserve		504 353 954	551 990 799
Capitalisation reserve		0	0
Government grant reserve		573 225 662	502 413 122
Donations and public contribution reserves		100 468 692	86 977 408
Self-insurance reserve		0	0
COVID reserve		0	0
Revaluation reserve		0	0
Accumulated Surplus/(Deficit)		1 539 890 092	1 240 841 409

LIABILITIES

Non-current liabilities

Long-term liabilities	1	1 811 521 697	1 696 428 912
Non-current provisions		0	0

Current liabilities

Consumer deposits	2	615 597 342	518 122 192
Provisions		0	0
Creditors	3	879 697 707	656 250 313
Unspent conditional grants and receipts		0	0
VAT	4	0	0
Bank overdraft		0	0

Total Net Assets and Liabilities

6 024 755 146 **5 253 024 155**

ASSETS

Non-current assets

Property, plant and equipment	5	3 654 200 775	3 266 794 564
Intangible Assets	18	70 681 070	65 739 152
Investments	6	20 885 980	20 885 980

Current assets

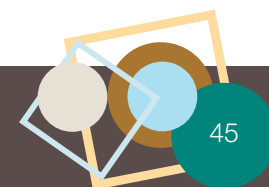
Inventory	7	82 696 225	74 962 495
Consumer debtors	8	580 085 962	487 097 122
Other debtors	9	131 523 499	108 049 988
VAT	19	19 296 031	7 497 667
Bank balances and cash		1 465 385 604	1 221 997 187

Total Assets

6 024 755 146 **5 253 024 155**

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2010

	Note	ACTUALS 2010 R	ADJUSTED BUDGET 2010 R	ACTUALS 2009 R
REVENUE				
Service Charges	11	5 725 179 676	5 849 174 900	4 578 056 585
Rental of Facilities and Equipment		1 146 351	1 410 030	1 327 627
Interest Earned		72 787 155	90 252 450	74 102 489
Interest Earned - Outstanding Debtors		22 608 818	33 856 200	31 830 648
Other Income	12	168 868 005	65 357 960	75 306 048
Government Grants and Subsidies	13	95 368 736	108 661 780	174 886 585
Public Contributions and Donations		16 978 153	6 000 000	3 045 567
Gains on disposal of Prop; Plant; Equip		4 876 151	4 000 000	7 467 179
Internal Income		148 059 947	121 279 210	145 867 016
Total Revenue		6 255 872 991	6 279 992 530	5 091 889 744
EXPENDITURE				
Employee Related Costs	14	532 185 093	675 461 270	460 156 643
Contribution to Provision for Bad Debts		57 636 811	14 740 450	19 103 994
Depreciation		259 016 588	228 811 080	222 433 253
Repairs and Maintenance		536 667 113	519 232 910	391 069 539
Interest Paid	15	204 605 993	208 908 580	182 419 882
Bulk Purchases	16	3 466 747 419	3 608 946 180	2 640 807 130
Contracted Services		85 731 817	98 441 030	57 839 145
General Expenses		122 124 661	150 629 490	133 618 958
Loss on disposal of Prop; Plant; Equip		23 124 759	5 620	591 658
Internal Charges		184 111 556	206 879 600	137 148 446
Total Expenditure		5 471 951 809	5 712 056 210	4 245 188 648
Operating Surplus		783 921 181	567 936 320	846 701 096
Cross Subsidisation		-448 205 520	-448 205 490	-395 876 280
Other		-335 715 661	-119 730 830	-450 824 816
SURPLUS FOR THE YEAR		0	0	0



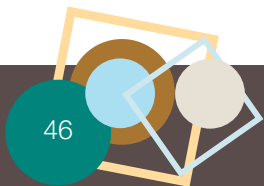
STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2010

ELECTRICITY

	Housing Development Fund	Capital Replacement Reserve	Capitalisation Reserve	Government Grant Reserve	Donations and Public Contributions Reserve	Self-Insurance Reserve	C.O.I.D. Reserve	Revaluation Reserve	Accumulated Surplus / (Deficit)	TOTAL
	R	R	R	R	R	R	R	R	R	R
Opening Balance 01 July 2008	0	366 886 157	0	355 623 341	87 348 092	0	0	0	833 229 609	1 643 087 199
Adjustments (Note 20)	0	0	0	0	0	0	0	0	288 310 723	0
Opening Balance 01 July 2008 as restated	0	366 886 157	0	355 623 341	87 348 092	0	0	0	1 121 540 332	1 931 397 922
Surplus / (Deficit) for the year	0	0	0	0	0	0	0	0	450 824 816	450 824 816
Transfer to Capital Replacement Reserve	0	267 102 468	0	0	0	0	0	0	(267 102 468)	0
PPE purchased	0	(81 997 826)	0	0	0	0	0	0	81 997 826	0
Capital Grants used to purchase PPE	0	0	0	174 886 585	0	0	0	0	(174 886 585)	0
Donated / contributed PPE	0	0	0	0	3 045 567	0	0	0	(3 045 567)	0
Contribution to Insurance Reserve	0	0	0	0	0	0	0	0	0	0
Insurance claims processed	0	0	0	0	0	0	0	0	0	0
Transfer to Housing Development Fund	0	0	0	0	0	0	0	0	0	0
Offsetting of Depreciation	0	0	0	(28 096 804)	(3 416 251)	0	0	0	31 513 055	0
Closing Balance at 30 June 2009 as restated	0	551 990 799	0	502 413 122	86 977 408	0	0	0	1 240 841 409	2 382 222 738
Re-stated Balance	0	551 990 799	0	502 413 122	86 977 408	0	0	0	1 240 841 409	2 382 222 738
Surplus / (Deficit) for the year	0	0	0	0	0	0	0	0	335 715 661	335 715 661
Transfer to Capital Replacement Reserve	0	251 411 837	0	0	0	0	0	0	(251 411 837)	(0)
PPE purchased	0	(299 048 682)	0	0	0	0	0	0	299 048 628	0
Capital Grants used to purchase PPE	0	0	0	95 368 736	0	0	0	0	(95 368 736)	0
Donated / contributed PPE	0	0	0	0	16 978 154	0	0	0	(16 978 154)	0
Contribution to Insurance Reserve	0	0	0	0	0	0	0	0	0	0
Insurance claims processed	0	0	0	0	0	0	0	0	0	0
Transfer to Housing Development Fund	0	0	0	0	0	0	0	0	0	0
Offsetting of Depreciation / Asset Disposals	0	0	0	(24 556 196)	(3 486 870)	0	0	0	28 043 066	0
Balance at 30 June 2010	0	504 353 954	0	573 225 662	100 468 692	0	0	0	1 539 890 091	2 717 938 399

Reconciliation of Surplus for the year 2010

Surplus for the year	174 737 718
Capital Replacement Reserve	76 674 119
PPE Purchased:	
Capital Grants used to purchase PPE	95 368 736
Donations and Public Contributions	16 978 154
Offsetting of Depreciation	(28 043 066)
Total Received for the Year	335 715 661



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 R	2009 R
1. LONG-TERM LIABILITIES		
External Financing Fund		
Development Bank of South Africa	1 462 480 430	1 329 111 316
European Investment Bank	115 143 211	121 811 700
Internal Loans - ESF	148 942 481	156 010 742
Nedbank Loan	84 955 574	89 495 154
Total External Loans	1 811 521 697	1 696 428 912
2. CONSUMER DEPOSITS		
Electricity Deposits	575 685 391	481 804 608
Guarantees in Lieu of Deposits	840 000	610 000
Interest on Consumer Deposits	39 071 951	35 707 584
Total Consumer Deposits	615 597 342	518 122 192
Included in deposits is an accrual of interest at an effective rate of 3.00% p.a (2009: 3.00% p.a) which is paid to consumers when deposits are refunded.		
Guarantees iro prepayment vendors	840 000	610 000
Interest paid on consumer deposits	6 840 287	6 056 586

3. CREDITORS

Trade Creditors	740 735 655	556 091 104
Payments Received in Advance	36 115 804	28 424 359
Retentions	25 749 814	4 899 239
Staff Leave	30 272 627	23 297 587
Other Creditors	46 823 807	43 538 024

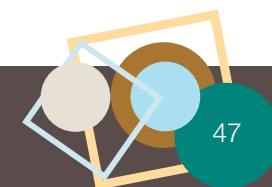
879 697 707 **656 250 313**

4. VAT

Vat Payable

0 **0**

VAT is payable on the receipts basis. Only once payment is received from debtors is VAT paid over to SARS



5. PROPERTY, PLANT AND EQUIPMENT

Reconciliation of Carrying Value at 30 June 2010

Carrying Values at 1 July 2009

	Land R	Buildings R	Infrastructure R	Other R	Total R
Carrying Values at 1 July 2009	56 721 823	71 144 913	2 979 347 001	159 580 829	3 266 794 566
Cost	56 721 823	94 036 709	4 342 987 111	337 009 549	4 830 755 192
Valuation	0	0	0	0	0
Accumulated depreciation	0	(22 891 796)	(1 363 640 110)	(177 428 720)	(1 563 960 626)
- Cost	0	(22 891 796)	(1 363 640 110)	(177 428 720)	(1 563 960 626)
- Revaluation	0	0	0	0	0
Acquisitions	16 858 295	0	251 368 553	53 512 824	321 739 672
Capital under construction	0	6 267 211	321 075 377	22 496 410	349 838 998
Increases/decreases in revaluation	0	0	0	0	0
Transfers - Cost	0	0	0	0	0
Transfers - Depreciation	0	0	(73 588 662)	(9 140 519)	(82 729 181)
Depreciation	0	(1 917 456)	(133 003 241)	(34 758 739)	(169 679 436)
- based on cost	0	(1 917 456)	(133 003 241)	(34 758 739)	(169 679 436)
- based on revaluation	0	0	0	0	0
Carrying value of disposals	0	0	(24 725 127)	(1 999 287)	(26 724 413)
Cost/revaluation	0	0	(50 836 446)	(17 830 564)	(68 667 010)
Accumulated depreciation	0	0	26 111 319	15 831 277	41 942 596
Impairment losses	0	0	(5 039 424)	0	0
Other movements - Intangible Assets - Cost	0	0	(7 933 360)	0	0
Other movements - Intangible Assets - Accumulated Depreciation	0	0	2 893 936	0	0

Carrying values at 30 June 2010

Carrying values at 30 June 2010	73 580 118	75 494 668	3 315 434 477	189 691 518	3 654 200 775
Cost	73 580 118	100 303 920	4 864 594 595	395 188 219	5 433 666 852
Revaluation	0	0	0	0	0
Accumulated depreciation	0	(24 809 252)	(1 549 160 118)	(205 496 701)	(1 779 466 071)
- Cost	0	(24 809 252)	(1 475 571 456)	(196 356 182)	(1 696 736 890)
- Revaluation	0	0	0	0	0

Reconciliation of Carrying Value at 30 June 2009

	Land R	Buildings R	Infrastructure R	Other R	Total R
Carrying Values at 1 July 2008	53 928 691	68 063 639	2 718 835 061	138 470 926	2 979 298 314
Cost	53 928 691	88 210 155	3 872 350 578	274 166 864	4 288 656 288
Valuation	0	0	0	0	0
Accumulated depreciation	0	(20 146 516)	(1 153 515 517)	(135 695 938)	(1 309 357 971)
- Cost	0	(20 146 516)	(1 155 210 370)	(137 074 507)	(1 312 431 393)
- Revaluation	0	0	1 694 853	1 378 569	3 073 422
Acquisitions	2 793 132	5 826 554	239 872 786	70 007 377	318 499 849
Capital under construction	0	0	231 114 980	0	231 114 980
Increases/decreases in revaluation	0	0	0	0	0
Transfers - Cost	0	0	2 843 350	(5 455 451)	(2 612 101)
Transfers - Depreciation	0	0	0	0	0
Depreciation	0	(2 745 280)	(211 179 887)	(41 017 811)	(254 942 978)
- based on cost	0	(2 745 280)	(211 179 887)	(41 017 811)	(254 942 978)
- based on revaluation	0	0	0	0	0
Carry value of disposals	0	0	(444 436)	(1 045 643)	(1 490 078)
Cost/revaluation	0	0	(3 194 583)	(1 709 241)	(4 903 824)
Accumulated depreciation	0	0	2 750 147	663 598	3 413 745
Impairment losses	0	0	0	0	0
Other movements - Intangible Assets - Cost	0	0	0	0	0
Other movements - Intangible Assets - Accumulated Depreciation	0	0	0	0	0
Carrying values at 30 June 2009	56 721 823	71 144 913	2 979 347 001	159 580 829	3 266 794 564
Cost	56 721 823	94 036 709	4 342 987 111	337 009 549	4 830 755 192
Revaluation	0	0	0	0	0
Accumulated depreciation	0	(22 891 796)	(1 363 640 110)	(177 428 720)	(1 563 960 626)
- Cost	0	(22 891 796)	(1 363 640 110)	(177 428 720)	(1 563 960 626)
- Revaluation	0	0	0	0	0

6. INVESTMENTS

C.I.F. Investment

Investments held in the Consolidated Investment Fund are invested in accordance with Municipal Investment Regulations which forms part of the Municipal Finance Management Act, No. 56 of 2003.

Moneys were invested in fixed deposits and call deposits with the Banks, earning an average interest rate of 9.961% (2010) and 12.09% (2009)

7. INVENTORY

Stock on hand

8. CONSUMER DEBTORS

As at 30 June 2010

Service Debtors

Total

As at 30 June 2009

Service Debtors

Electricity: Ageing

Current (0 - 30 days)

31 - 60 Days

61 - 90 Days

91 - 120 Days

121 - 365 Days

+365 Days

Total

	2010 R	2009 R	
	20 885 980	20 885 980	
	82 696 225	74 962 495	
	GROSS BALANCES	PROVISION FOR BAD DEBTS	NET BALANCES
	770 135 976	-190 050 014	580 085 962
	770 135 976	(190 050 014)	580 085 962
	644 745 676	-157 648 553	487 097 123
	644 745 676	(157 648 553)	487 097 123
	491 057 523	417 374 178	
	90 835 867	50 744 174	
	15 519 131	11 290 916	
	45 488 011	37 469 895	
	127 235 444	127 866 513	
	770 135 976	644 745 676	

Summary of Debtors by Customer Classification

30 JUNE 2010

Current (0 - 30 days)
 31 - 60 Days
 61 - 90 Days
 91 - 120 Days
 121 - 365 Days
 +365 Days
 Sub-total
 Less: Provision for bad debts

	Customers R	Industrial/ Commercial R
Current (0 - 30 days)	282 106 137	207 599 550
31 - 60 Days	52 184 020	38 401 784
61 - 90 Days	8 915 538	6 560 870
91 - 120 Days	26 132 269	19 230 518
121 - 365 Days	74 316 441	54 688 849
+365 Days	0	0
Sub-total	443 654 405	326 481 571
Less: Provision for bad debts	(119 333 730)	(70 716 284)

Total debtors by customer classification

324 320 675 255 765 287

Summary of Debtors by Customer Classification

30 JUNE 2009

Current (0 - 30 days)
 31 - 60 Days
 61 - 90 Days
 91 - 120 Days
 121 - 365 Days
 +365 Days
 Sub-total
 Less: Provision for bad debts

Current (0 - 30 days)	215 036 241	202 340 513
31 - 60 Days	36 318 358	14 425 816
61 - 90 Days	11 290 916	0
91 - 120 Days	37 469 894	0
121 - 365 Days	77 585 654	50 278 283
+365 Days	0	0
Sub-total	377 701 063	267 044 612
Less: Provision for bad debts	(107 370 270)	(50 278 283)

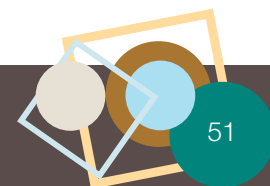
Total debtors by customer classification

270 330 793 216 766 329

Reconciliation of bad debts provision

Balance at beginning of the year
 Contributions to Provision
 Bad debts Written off against provision

	2010 R	2009 R
Balance at beginning of the year	157 648 553	140 000 000
Contributions to Provision	58 000 000	20 000 000
Bad debts Written off against provision	-25 598 539	-2 351 447
	190 050 014	157 648 553



9. OTHER DEBTORS

	2010 R	2009 R
Insurance Recoverables	91 156 125	55 726 227
Private Jobs - Cost of Work done	19 233 890	11 656 303
Prepayment Meter Token Sales	9 636 038	9 223 772
Sundry Debtors - General	8 811 941	29 365 199
Metro Water	352 476	63 796
Mechanical Workshops	52 679	47 939
Debtors Capital	1 311 328	1 174 391
Insurance Sundry Accounts	815 919	792 361
Apprentice Tools Cost/Recovery	153 103	0

131 523 499

108 049 988

10. BANK, CASH & OVERDRAFT BALANCES

Ethekewini Electricity has the following bank accounts:

Electricity Expenditure Account

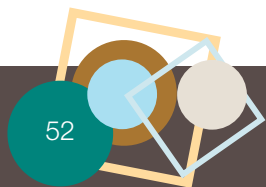
First National Bank - Umhlanga -
Account Number 62085722348

Cash book balance at beginning of year - overdrawn	786 001 813	857 374 801
Cash book balance at end of year - overdrawn	667 250 616	786 001 813
Bank statement balance at beginning of year - overdrawn	5 743 965	14 883 329
Bank statement balance at end of year	7 255 589	5 743 965

Electricity EFT Account

First National Bank - Umhlanga -
Account Number 62085722463

Cash book balance at beginning of year	12 019 213 334	8 078 774 444
Cash book balance at end of year	16 949 116 852	12 019 213 334
Bank statement balance at beginning of year	609 108 869	476 406 127
Bank statement balance at end of year	362 592 778	609 108 869

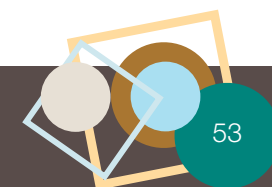


11. SERVICE CHARGES

	ACTUALS 2010	ADJUSTED BUDGET 2010	ACTUALS 2009
00101 - Bulk Supply	2 091 798 009	2 204 202 010	1 711 042 139
00102 - Business Cooking - Scale 5	26 994 087	32 814 570	24 500 260
00103 - Business and General Scale 1	1 096 561 486	1 064 717 740	850 982 875
00106 - Industrial Water Heating & Pumping	7 360 845	9 253 190	6 630 683
00107 - Prepayment Meters - FBE	34 541 626	0	0
00108 - Prepayment Meters	429 361 068	421 248 960	353 635 610
00109 - Residential Scale 3 and 4	1 783 179 751	1 848 653 650	1 416 756 092
00111 - Sundry Income - Private Lights	860 356	469 890	486 368
00112 - Two Rate - Scale 2	260 550 072	274 059 620	192 926 573
00120 - Poverty Relief/Indigent/EBBST	31 046 590	28 192 440	23 530 472
00201 - Surcharge Business Levy	0	0	2 065 712
20300 - Electricity	-6 027 625	-5 894 730	-4 500 199
20385 - Free Basic Electricity - Municipality	-31 046 590	-28 542 440	0

Total Service Charges**5 725 179 676****5 849 174 900****4 578 056 585****12. OTHER INCOME**

00119 - Traffic Signals	3 797 274	2 664 830	2 162 408
00201 - Surcharge Business Levy	117 620	0	0
00202 - EB Steam - Wheeling Charges	19 298 575	20 000 000	18 289 177
00204 - Lotus Park - Wheeling Charges	97 045	7 200	21 082
00405 - Admin Charge - PAFC & Insurance	12 832 989	1 200 000	0
00408 - Meter Reconnection and Test Fees	13 804 871	9 765 710	9 338 496
00412 - Sundry Income - Taxable	684 689	1 060 000	354 213
00413 - Sundry Sales	1 119 623	1 043 400	604 461
00416 - Settlement Discount	4 005 130	1 978 800	0
00417 - Tender Document Fees	270 250	224 080	215 500
00418 - Sweep Reconnection Fees	106 456	397 500	37 607
00425 - Training - Local Government	108 114	76 000	64 167
00426 - Training - Contractors	315 614	150 000	328 609
00427 - Training - Outside Organisations	682 922	581 500	444 200



12. OTHER INCOME

00431 - Meter Test Fees	59 434	608 940	326 392
00434 - Promotional Items	1 935	0	0
00435 - Proceeds from Insurance - Operating	39 723 060	0	0
00506 - Prepayment Connection Fess	6 327 231	3 600 000	5 177 384
00507 - Conventional Connection Fees	40 889 897	22 000 000	37 942 352
00508 - Proceeds from Insurance - Capital	24 625 275	0	0

Total Other Income	168 868 005	65 357 960	75 306 048
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13. GOVERNMENT GRANTS AND SUBSIDIES

00121 - Municipal Infrastructure Grant	0	0	0
00122 - Electrification Programme - D.M.E	0	0	0
00123 - Equitable Share	0	0	0
00500 - Capital Grant - MIG	0	5 293 050	7 199 609
00501 - Capital Grant - Demandside Management	0	8 000 000	0
00502 - Capital Grant - Equit Share	47 568 736	47 568 730	93 526 976
00503 - Capital Grant - Electr. Prog	47 800 000	47 800 000	74 160 000

Total Government Grants and Subsidies	95 368 736	108 661 780	174 886 585
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13.1 M.I.G. Grant

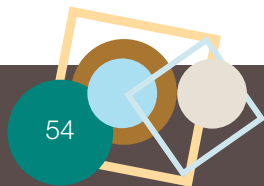
Balance unspent at beginning of year	0	0
Current years receipts	0	7 199 609
Conditions met - transferred to revenue	0	(7 199 609)
Conditions still to be met - transferred to liabilities	0	0

13.2 Electrification Programme - D.M.E

Balance unspent at beginning of year	0	0
Current years receipts	47 800 000	74 160 000
Conditions met - transferred to revenue	(47 800 000)	(74 160 000)
Conditions still to be met - transferred to liabilities	0	0

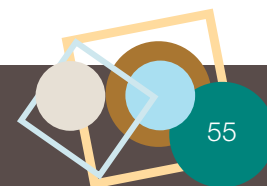
13.3 Equitable Share

Balance unspent at beginning of year	0	0
Current years receipts	47 568 736	93 526 976
Conditions met - transferred to revenue	(47 568 736)	(93 526 976)
Conditions still to be met - transferred to liabilities	0	0



14. EMPLOYEE RELATED COSTS

	ACTUALS 2010	ADJUSTED BUDGET 2010	ACTUALS 2009
10100 - Staff Salaries	282 892 960	335 482 980	241 983 879
10101 - Staff Overtime	65 055 119	64 583 200	52 814 951
10103 - Leave Commutation	4 496 054	5 600 000	3 651 610
10104 - Pensioners Medical Aid	7 605 880	7 605 860	6 790 980
10105 - Council Pensions	6 032 090	6 032 100	5 385 840
10106 - Housing Subsidy	2 823 412	6 142 930	4 088 635
10107 - Durban Pension Fund	48 580 881	60 379 040	42 806 281
10110 - Medical Aid	20 454 993	30 158 140	17 091 003
10112 - Long Service Allowances	0	40 000	32 000
10116 - Holiday Bonus	20 998 550	27 203 120	18 231 712
10120 - Market/Scarce Skills Allowance	20 012 595	29 208 660	19 776 588
10198 - Task Implementation	0	2 000 000	6 688
10199 - Contingency Staff Vacancy	0	30 000 000	0
10220 - Cell Phone Allowances	1 800	0	897 185
10300 - Executive Packages	9 509 877	10 033 020	7 586 108
10400 - Locomotion Allowances	21 821 707	37 721 900	19 917 424
10401 - Travelling Allowances	40 536	101 310	74 433
10402 - Telephone Allowances	6 478	6 230	6 589
10403 - Travel and Subsistence	302 618	383 790	167 372
10500 - Temporary Staff	2 625 759	3 004 270	2 769 175
10501 - Uniforms	1 123 874	2 142 850	897 039
10502 - Education Fees	404 517	475 000	279 779
10503 - Travel & Removal Costs	658 812	805 380	73 137
10506 - Unemployment Insurance Fund	2 415 246	2 821 290	2 232 542
10507 - Employment Services	7 346 297	10 530 200	9 670 727
10508 - Leave Comm - Trf Ex Provision	6 975 040	3 000 000	2 924 966
Total Employee Related Costs	532 185 093	675 461 270	460 156 643



15. INTEREST PAID

29560 - Interest
 29563 - Interest - Consumer Deposits

Total of Interest Paid**16. BULK PURCHASES**

00901 - Eskom - Maximum Demand Charge
 00902 - Eskom - Unit Charge
 00905 - Service Fees
 00908 - Elect - Landfill Site - Marianhill
 00909 - Elect - Landfill Site - La Mercy
 00911 - Elect - Landfill Site - Bissar Road

Total Bulk Purchases**17. CAPITAL COMMITMENTS**

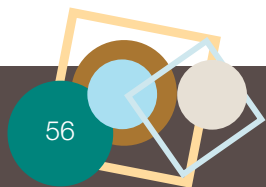
Commitments in respect of Capital Expenditure:
 Approved and contracted for - Electricity
 Approved but not yet contracted for - Electricity

Total

This expenditure will be financed from:

Government Grants
 Own Resources

	ACTUALS 2010	ADJUSTED BUDGET 2010	ACTUALS 2009
	197 765 706	203 402 940	176 363 296
	6 840 287	5 505 640	6 056 586
Total of Interest Paid	204 605 993	208 908 580	182 419 882
	291 658 828	590 115 050	444 662 350
	3 162 243 829	3 004 853 700	2 189 928 165
	500 655	418 020	244 926
	1 068 904	1 100 000	330 263
	0	0	-1 748
	11 275 203	12 459 410	5 643 174
Total Bulk Purchases	3 466 747 419	3 608 946 180	2 640 807 130
	41 944 320	109 240 508	
	645 352 140	440 843 124	
Total	687 296 460	550 083 632	
	269 021 330	109 970 800	
	418 275 130	440 112 832	



	2010	2009
	R	R
18. INTANGIBLE ASSETS		
Servitudes		
Opening Balance	42 845 271	42 596 574
Acquisitions	4 789 331	248 697
Disposals - Cost	0	0
	47 634 602	42 845 271
Computer Software		
Opening Balance	22 893 881	9 324 434
Accumulated Depreciation	(235 782)	(9 324 434)
	22 658 099	0
Acquisitions	6 869 972	11 990 449
Depreciation for the year	(6 463 967)	(4 793 527)
Transfers - Cost	0	19 922 526
Transfer - Depreciation	0	(4 225 567)
Disposals - Cost	(1 469 385)	0
Disposals - Depreciation	1 451 749	0
	23 046 468	22 893 881
19. VAT		
Vat Receivable	19 296 031	7 497 667
20. CHANGE IN ACCOUNTING POLICY		
The following adjustments were made to amounts previously reported in the annual financial statements arising from the full compliance of GRAP 17 standards as per Government Gazette no. 30013.		
Property, Plant and Equipment		
During the year the municipality changed its accounting policy for property, plant and equipment so as to comply more fully with GRAP 17 standards. The useful lives and residual values of assets were reviewed and resulted in changes of certain categories of assets.		
Accumulated Surplus		
Balance Previously reported	833 229 609	
Accumulated Depreciation adjustment - prior to 2007-08	288 310 723	
	1 121 540 332	

STATISTICAL DATA: CUSTOMER BASE STATISTICS

* Adjusted to registered meters on database

	98 / 99	99 / 00	00 / 01	01 / 02	02 / 03*	03 / 04*	04 / 05*	05 / 06*	06 / 07*	07 / 08*	08 / 09*	09/10
NUMBER OF CUSTOMERS												
Business & General	40 996	43 238	40 576	42 199	39 374	42 952	44 143	42 010	42 980	44 261	44 832	45 007
Private Residences	310 811	318 525	319 763	313 244	304 831	307 608	310 955	314 975	319 516	323 389	326 386	327 002
Other	1 798	1 749	1 619	1 537	1 563	1 449	1 398	1 173	4	4	4	4
Bulk	675	682	754	702	725	734	739	748	730	746	744	769
Prepayment	151 221	158 982	162 839	191 020	187 044	211 784	227 895	243 549	254 017	263 712	275 670	289 946
Total	505 501	523 176	525 551	548 702	533 537	564 527	585 130	602 455	617 247	632 112	647 636	662 724
UNITS (kWh)												
Business & General	1 458 813 260	1 470 443 457	1 604 265 450	1 733 881 698	1 906 430 575	1 912 939 115	1 900 283 815	1 887 628 514	2 161 999 56	2 203 077 556	2 205 258 603	2 662 458 083
Private Residences	2 657 073 205	2 688 920 844	2 640 769 302	2 691 882 060	2 860 048 650	2 862 123 618	2 873 337 222	2 900 907 487	3 006 373 582	3 013 288 241	2 900 914 449	2 826 464 091
Other	181 010 121	182 979 615	197 188 369	102 439 716	86 911 187	132 286 050	140 222 213	123 385 815	36 693 199	37 605 719	37 677 922	39 678 620
Bulk	4 531 910 454	4 573 099 876	4 668 286 749	4 758 234 877	4 780 752 550	4 931 845 221	5 029 924 160	5 056 990 152	5 105 603 247	5 221 414 480	5 037 894 890	4 621 341 025
Prepayment	244 605 860	280 478 980	296 930 339	302 677 501	380 972 540	451 783 592	514 181 235	587 881 511	652 855 481	687 805 495	738 475 562	774 714 890
Total	9 073 412 900	9 195 922 772	9 407 440 209	9 589 115 852	10 015 115 502	10 290 977 596	10 457 948 645	10 556 793 479	10 963 525 073	11 163 191 492	10 920 221 425	10 924 656 709
UNITS GROWTH												
Business & General	-1.58%	0.80%	9.10%	8.08%	9.95%	0.34%	0.34%	-6.91%	14.54%	1.90%	0.10%	20.73%
Private Residences	-2.92%	1.20%	-1.79%	1.94%	6.25%	0.07%	0.07%	0.96%	3.64%	0.23%	-3.73%	-2.57%
Other	-11.48%	1.09%	7.77%	-48.05%	-15.16%	52.21%	52.21%	-12.01%	-70.26%	2.49%	0.19%	5.31%
Bulk	-0.93%	0.91%	2.08%	1.93%	0.47%	3.16%	3.16%	3.15%	0.96%	2.27%	-3.51%	-8.27%
Prepayment	32.04%	14.67%	5.87%	1.94%	25.87%	18.59%	18.59%	14.33%	11.05%	5.35%	7.37%	4.91%
Total	-1.19%	1.35%	2.30%	1.93%	4.44%	2.75%	1.62%	0.95%	3.85%	1.82%	-2.18%	0.04%
INCOME IN RANDS												
Business & General	408 643 217	436 274 970	445 179 115	547 072 134	591 530 415	619 394 717	672 858 784	687 641 951	779 362 349	844 191 522	1 075 040 391	1 391 466 489
Private Residences	613 826 976	655 686 067	722 925 897	753 137 505	824 037 901	894 861 179	941 481 632	981 363 145	1 090 027 087	1 150 908 334	1 416 756 093	1 783 179 755
Other	30 791 039	32 191 903	35 205 659	13 405 297	15 775 113	18 036 972	22 214 691	20 181 773	13 433 024	15 189 096	19 709 806	25 294 174
Bulk	747 881 450	798 197 146	847 835 582	883 707 491	965 030 032	1 079 243 856	1 062 055 560	1 153 442 450	1 231 234 899	1 353 175 863	1 711 042 139	2 091 798 008
Prepayment	71 865 355	84 182 759	96 138 266	123 766 823	134 997 906	154 263 532	168 477 331	204 733 254	241 183 183	275 381 501	377 042 920	494 949 284
Total	1 873 008 037	2 006 532 845	2 147 284 519	2 321 089 250	2 531 371 367	2 765 800 256	2 867 087 998	3 047 362 573	3 355 240 542	3 638 846 315	4 599 591 348	5 786 687 710
CENTS/UNIT												
Business & General	28.01	29.67	27.75	31.6	31.03	32.38	35.41	36.43	36.05	38.32	48.75	52.26
Private Residences	23.10	24.38	27.38	28.0	28.81	31.27	32.77	33.83	36.26	38.19	48.84	63.09
Other	17.01	17.59	17.85	13.1	18.15	13.63	15.84	16.36	36.61	40.39	52.31	63.75
Bulk	16.50	17.45	18.16	18.6	20.19	21.88	21.11	22.81	24.12	25.92	33.96	45.26
Prepayment	29.38	30.01	32.38	40.9	35.44	34.15	32.77	34.83	36.94	40.04	51.06	63.89
Total	20.64	21.82	22.83	24.21	25.28	26.88	27.42	28.87	30.60	32.60	42.12	52.97
Ave Units/Mnth/Cust												
Business & General	2 965	2 834	3 295	3 424	4 035	3 711	3 542	4 087	4 192	4 148	4 099	4 930
Private Residences	712	703	688	716	782	775	747	825	784	776	741	720
Other	8 389	8 718	10 150	5 554	4 634	7 608	8 359	8 766	764 442	783 452	784 957	826 638
Bulk	559 495	558 785	515 947	564 843	549 512	559 928	567 199	563 390	582 831	583 268	564 280	500 796
Prepayment	135	147	152	132	170	178	186	196	214	217	223	223
Total	1 496	1 465	1 492	1 456	1 564	1 519	1 459	1 509	1 480	1 472	1 405	1 374
Ave Rands/Month/Cust												
Business & General	831	841	914	1 080	1 252	1 202	1 254	1 489	1 511	1 589	1 998	2 576
Private Residences	165	172	188	200	225	242	252	260	284	297	362	454
Other	1 427	1 534	1 812	727	841	1 037	1 324	1 434	279 855	316 440	410 621	526 962
Bulk	92 331	97 531	93 704	104 904	110 923	122 530	119 763	128 503	140 552	151 159	191 649	226 697
Prepayment	40	44	49	54	60	61	62	70	79	87	114	142
Total	309	320	340	353	395	408	408	422	453	480	592	728

STATISTICAL DATA: MAXIMUM DEMAND AND ENERGY SALES PER ANNUM

Year	MaximumkVA	Percent growth	Energy (kWh) sold	Percent growth	Energy (kWh) purchased	Percent growth	Percent loss	Power factor at system peak	Average monthly load factor	Number of customers
81/82	1 075 492	12.00%	5 624 814 026	11.73%	5 981 248 000	13.10%	5.96%	89.60%	73.00%	198 338
82/83	1 051 830	-2.20%	4 998 457 230	-11.14%	5 201 796 550	-13.03%	3.91%	93.00%	71.40%	205 961
83/84	1 060 522	0.83%	5 435 381 442	8.74%	5 680 986 500	9.21%	4.32%	92.00%	71.10%	214 095
84/85	1 078 638	1.71%	5 859 883 622	7.81%	6 145 270 000	8.17%	4.64%	93.00%	71.89%	223 420
85/86	1 084 951	0.59%	6 105 393 784	4.19%	6 464 060 277	5.19%	5.55%	94.00%	73.37%	228 193
86/87	1 126 872	3.86%	6 373 238 576	4.39%	6 689 247 137	3.48%	4.72%	99.60%	71.21%	237 857
87/88	1 151 613	2.20%	6 590 701 115	3.41%	6 889 777 935	3.00%	4.34%	97.20%	70.47%	245 831
88/89	1 196 636	3.91%	6 986 105 898	6.00%	7 337 830 336	6.50%	4.79%	98.40%	72.73%	252 518
89/90	1 232 618	3.01%	7 201 068 113	3.08%	7 634 669 960	4.05%	5.68%	100.00%	72.92%	284 661
90/91	1 268 538	2.91%	7 426 490 766	3.13%	7 697 377 076	0.82%	3.52%	100.00%	73.87%	290 070
91/92	1 286 335	1.40%	7 548 660 345	1.65%	7 928 532 199	3.00%	4.79%	97.50%	72.90%	299 948
92/93	1 313 385	2.10%	7 688 164 852	1.85%	8 145 319 531	2.73%	5.61%	100.00%	70.80%	329 969
93/94	1 383 431	5.33%	8 047 317 773	4.67%	8 494 913 446	4.29%	5.27%	99.90%	72.80%	359 516
94/95	1 426 277	3.10%	8 202 460 186	1.93%	8 738 907 153	2.87%	6.14%	99.90%	72.90%	386 361
95/96	1 469 256	3.01%	8 419 518 677	2.65%	9 021 770 028	3.24%	6.68%	99.90%	73.46%	428 035
96/97	1 585 122	7.89%	8 941 330 717	6.20%	9 571 358 173	6.09%	6.58%	99.90%	74.37%	451 751
97/98 #	1 585 060	0.00%	9 183 151 356	2.70%	9 813 695 486	2.53%	6.43%	99.90%	76.26%	477 416
98/99 #	1 601 635	1.05%	9 073 412 900	-1.19%	9 851 495 987	0.39%	7.90%	99.90%	76.55%	505 501
99/00 #	1 572 339	-1.83%	9 195 922 772	1.35%	9 956 607 592	1.07%	7.64%	98.60%	77.37%	523 176
00/01 #	1 592 211	1.26%	9 407 440 209	2.30%	10 105 748 000	1.50%	6.91%	98.60%	78.52%	525 551
01/02 #	1 610 173	1.13%	9 589 115 852	1.93%	10 224 641 034	1.18%	6.22%	98.10%	79.45%	548 702
02/03 #	1 650 089	2.48%	10 015 115 502	4.44%	10 552 641 000	3.21%	5.09%	98.00%	78.49%	533 527
03/04 #	1 667 942	1.08%	10 290 977 595	2.75%	10 803 947 948	2.38%	4.75%	99.90%	74.15%	564 527
04/05 #	1 765 855	5.87%	10 457 948 645	1.62%	11 053 953 456	2.31%	5.39%	99.80%	76.53%	585 130
05/06 #	1 783 038	0.97%	10 556 793 479	0.95%	11 186 048 110	1.19%	5.63%	99.90%	72.75%	602 455
06/07 #	1 857 178	4.16%	10 963 525 073	3.85%	11 580 771 534	3.53%	5.33%	98.13%	73.98%	617 247
07/08 #	1 890 043	1.77%	11 163 191 492	1.82%	11 751 787 312	1.48%	5.01%	97.27%	75.90%	632 112
08 / 09 #	1 897 005	0.37%	10 920 221 425	-2.18%	11 504 658 024	-2.10%	5.08%	95.65%	74.42%	647 636
09 / 10	1 812 881	-4.43%	10 924 565 709	0.04%	11 495 870 884	-0.08%	5.00%	95.57%	74.24%	662 727

Figures now include sales and purchases for Tongaat, Mpumalanga and Magabeni.

STATISTICAL DATA: EXPENDITURE PER ANNUM

NOTE: Ratios of Admin and General Distribution have varied as a result of restructuring

ITEM OF EXPENDITURE	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10
DISTRIBUTION and Admin												
Admin and general	114 852 554	295 184 635	309 775 667	340 287 001	384 858 119	424 125 981	468 674 230	624 140 246	766 654 479	844 540 463	1 068 195 348	1 172 269 797
Distribution	332 950 185	159 970 654	178 709 812	203 666 642	217 681 180	231 773 520	237 287 044	248 674 868	258 564 682	351 321 008	391 069 539	536 667 113
Sub Total	447 802 739	455 155 289	488 485 479	543 953 643	602 539 299	655 899 501	705 961 274	872 815 114	1 025 219 161	1 195 861 471	1 459 264 887	1 708 936 910
% increase	8%	2%	7%	11%	11%	9%	8%	24%	17%	17%	22%	17.1%
% of total expenditure	22%	22%	22%	24%	24%	24%	24%	27%	28%	29%	29%	27.3%
FUNDS												
Capital Development	0	0	0	0	0	0	0	0	0	0	0	0
Rates and General	110 509 462	117 609 509	127 863 067	136 554 095	147 832 718	157 905 047	169 912 469	189 162 190	357 509 683	477 063 733	395 876 280	448 205 520
Working Capital	35 446 087	26 356 120	51 263 120	11 688 488	99 076 208	121 334 894	149 687 274	90 000 000	258 235 673	290 856 887	413 521 565	247 377 149
Durban Metro	0	0	0	0	0	0	0	181 914 287	0	0	0	0
Sub-Total	145 955 549	143 965 629	179 126 187	148 242 583	246 908 926	279 239 941	319 599 743	461 076 477	615 745 356	767 920 620	809 397 845	875 582 669
% increase	29%	-1%	24%	-17%	67%	13%	14%	44%	34%	25%	5%	8.2%
% of total expenditure	7%	7%	8%	6%	10%	10%	11%	14%	17%	19%	16%	14.0%
LOAN CHARGES												
Sub-Total	318 910 226	318 036 375	325 115 264	320 336 624	273 858 000	315 325 905	316 056 450	RO*	0	0	0	0
% increase	7%	0%	2%	-1%	-15%	15%	0%	0%	-22%	-9%	17%	12.2%
% of total expenditure	16%	15%	15%	14%	11%	11%	11%	0%	5%	4%	4%	3.3%
Interest Paid	0	0	0	0	0	0	0	218 808 794	171 542 017	156 036 300	182 419 882	204 605 993
ELECTRICITY PURCHASED												
Energy	925 878 528	968 823 865	1 011 443 391	1 093 769 108	1 234 592 321	1 328 370 998	1 348 184 097	1 376 760 971	1 531 383 275	1 637 026 628	2 196 144 780	3 175 088 591
Demand	170 188 146	176 737 637	184 242 277	196 929 985	173 807 591	201 826 269	256 148 581	268 764 753	296 218 910	324 328 379	444 662 350	291 658 828
Sub-Total	1 096 066 674	1 145 561 502	1 195 685 668	1 290 699 093	1 408 399 912	1 530 197 267	1 604 332 678	1 645 525 724	1 827 602 185	1 961 355 007	2 640 807 130	3 466 747 419
% increase	5%	5%	4%	8%	9%	9%	5%	3%	11%	7%	35%	31.3%
% of total expenditure	55%	56%	55%	56%	56%	55%	54%	51%	50%	48%	52%	55.4%
TOTAL												
Total Amount	2 008 735 188	2 062 718 795	2 188 412 598	2 303 231 943	2 531 706 137	2 780 662 614	2 945 950 145	3 198 226 109	3 640 108 719	4 081 173 398	5 091 889 744	6 255 872 991
% increase	8%	3%	6%	5%	10%	10%	6%	9%	14%	12%	25%	22.9%