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ORIGINAL

IN THE HIGH COURT OF SOUTH AFRICA
GAUTENG DIVISION, PRETORIA

CASE NO 83581/2017

In the matter between:

RESILIENT PROPERTIES PROPRIETARY LIMITED	First Applicant
CHANGING TIDES 91 PROPRIETARY LIMITED	Second Applicant
RETRACTION PROPS 7 PROPRIETARY LIMITED	Third Applicant
MOGWELE TRADING 278 PROPRIETARY LIMITED	Fourth Applicant

And

ESKOM HOLDINGS SOC LIMITED	First Respondent
EMALAHLENI MUNICIPALITY	Second Respondent
MEC: CO-OPERATIVE GOVERNANCE & TRADITIONAL AFFAIRS (MPUMALANGA)	Third Respondent
MINISTER OF ENERGY	Fourth Respondent
NATIONAL ENERGY REGULATOR OF SOUTH AFRICA	Fifth Respondent

REPLYING AFFIDAVIT

I, the undersigned,

SANDRA LEE VAN DER WALT

do hereby make oath and say that:

1. I am an adult female manager employed by the first applicant, which has it principal office situated at 4th Floor, Rivonia Village, Rivonia Boulevard, Rivonia 2191.

2. I deposed to the founding affidavit of the applicants ("Highveld Mall") and am duly authorised to depose to this replying affidavit on behalf of Highveld Mall.

3. The facts herein contained are within my personal knowledge, save where it otherwise appears from the context, and to the best of my knowledge and belief its contents are both true and correct.

INTRODUCTION

4. I have read the answering affidavit of Musa Mabila filed on behalf of the first respondent ("Eskom") and respond seriatim thereto below. Before doing so, I point out the irrationality of the course of conduct adopted by Eskom and then address the general grounds of opposition advanced by Eskom:

    4.1. Urgency and the abridgement of time periods; and

    4.2. The harm allegedly faced by Eskom and the balance of convenience

The Irrationality of the Interruption Decision Implemented by Eskom

5. The interruption decision is of little utility in curbing the risk of ongoing losses to Eskom. The interruption proposed by Eskom during September 2017 would cause an R18 million direct revenue loss per month to the Emalahleni municipality (see the expert report of Mr Visagie p 123 para 3). The current intended interruption is slightly less onerous but it is safe to assume that the Visagie expert report is still a by and large accurate guide to the impact of electricity interruptions. Moreover, periodic interruptions of electricity harm the local economy to a much greater degree than they save consumption. The direct loss of R18 million will therefore be accompanied by an additional indirect loss of revenue to the Emalahleni municipality which depends on the local economy for its revenue base. So, the ability of the Emalahleni municipality to discharge its ongoing obligations to Eskom will inevitably be compromised, not assisted, by the interruption decision.

6. That being the case, the only logical purpose underlying the interruption decision can be a belief that the harm imposed by the interruption decision will coerce the Emalahleni municipality into paying its arrears and ongoing current liabilities. But that presupposes that the municipality has the ability to do so. And if the municipality has the ability to pay its arrears and current liabilities, there is no reason why the judicial process should not be used to enforce payment of these liabilities.

7. Eskom suggests that the accumulated arrears cannot be recovered through the judicial process. In paragraphs 6.28 to 6.30 of the answering affidavit, Eskom states that

7.1. it took the interruption decision *"because all other attempts to collect the money owed to it have failed and the debt keeps on escalating"* and

7.2. *"it would serve no purpose to take judgment and execution steps against ELM. Such a course would simply jeopardize innocent end users further because the ELM's services would grind to a complete halt within a day in the event of Eskom taking execution steps and selling movable and immovable property belonging to ELM".*

7.3. *"Moreover, ELM does not have sufficient easily reliable [sic – realisable?] assets to pay off its debt owed to Eskom.*

8. If this is Eskom's genuine belief, then the interruption decision is an irrational act of collective punishment. If the municipality has the resources to pay off its arrears along the lines of the various instalment plans that were agreed and then defaulted on, Eskom should be suing on each defaulted instalment. If the municipality does not have the resources to pay off its arrears on these instalment plans, then the interruption decision will not enable it miraculously to find these resources. It will be an exercise in futility and one that visits

untold harm on the municipality, the local economy and electricity account paying businesses like Highveld Mall.

Urgency and the Abridgement of Time Periods

9. Eskom complains that Highveld Mall has imposed too short a time period on this application for urgent relief. The relevant chronology in relation to the present application is the following:

9.1. Eskom invited representations from the public in September 2017. It suggests that Highveld Mall should have sought urgent relief then, but that is incorrect. Highveld Mall had no direct line of communication to Eskom. It's only line of communication was with the Emalahleni Municipality, and as pointed out in the founding affidavit, as late as 29 November 2017, the municipality was still assuring Highveld Mall that there was little prospect of interruptions to the electricity supply.

9.2. Nor was there any reason for Highveld Mall to doubt the assurances of Emalahleni. On 26 October 2017 the *Witbank News* reported that the Premier, Mr David Mabuza, stated that Municipalities "*. . must decide on whether they still wanted to continue distributing electricity on behalf of Eskom or consider surrendering the function*" and that the Premier had met with Eskom on 23 October 2017 to

find a lasting solution to the electricity problem. This led Highveld Mall to believe that government at its various levels would deal with the problem without making account paying consumers suffer for governmental failures. A copy of the *Witbank News* article is attached as **"RA1"**.

9.3. In any event, any approach to this Court in September 2017 would have been premature. It would have been met with a response that Eskom had not yet taken any decision and was still to consider representations. It was only when Eskom took the interruption decision on 30 November 2017 that there was a finalised administrative act with which Highveld Mall could take issue.

9.4. When Eskom took the interruption decision on 30 November 2017 it announced that interruptions would commence on 14 December 2017. Eskom chose to limit the time between the announcement of the decision and its implementation. It must have been aware of the likelihood of urgent legal proceedings to obtain interim relief from the interruption decision. Yet it chose an implementation date that would require those proceedings to be finalised in less than two weeks from the date of the decision.

9.5. Highveld Mall was not, itself, notified by Eskom of the interruption decision, but learnt of the interruption decision on 1 December 2017 when it was reported.

9.6. Highveld Mall launched the present application on 8 December 2017, one week after it learnt of the interruption decision.

9.7. The only way to enrol the application in time for it to be heard before the interruption decision took effect on 14 December 2017 was to enrol in on the urgent roll for 12 December 2017.

9.8. On the morning of 9 December 2017, Counsel for Highveld Mall indicated to Counsel for Eskom that if Eskom required additional time to file its answering affidavits, Highveld Mall would afford Eskom whatever time it required, in return for an undertaking not to implement the interruption decision prior to the decision of this Court in the urgent application. Eskom, however, elected to insist on having this matter disposed of prior to 14 December 2017.

9.9. Eskom now complains in its answering affidavit that it has not been afforded a reasonable time to prepare its answering affidavits and that "complex legal issues" of the sort raised by the present application should not be dealt with under such conditions of urgency.

9.10. Highveld Mall agrees that it would be more desirable for the present matter to be heard on a longer timetable. It does not want to prejudice Eskom in its opposition to the present application, nor does it want this Court to be burdened by having to decide Part A without adequate time to consider the papers and arguments. It accordingly invites Eskom to take whatever additional time it reasonably requires to file answering affidavits given the urgency of the matter and to agree to a reasonable timetable for the hearing of this urgent Part A application against an undertaking that the interruption decision will not be implemented until Part A has been decided.

9.11. If Eskom fails to accept this invitation, Highveld Mall will ask this Court, in the alternative to granting the Part A relief, to set a reasonable timetable for the determination of the urgent application in Part A and to interdict Eskom from implementing the interruption decision pending finalisation of Part A.

The Harm Allegedly Faced by Eskom and the Balance of Convenience

10. I have addressed above, the irrationality of the interruption decision. If Eskom is facing significant harm due to defaulting municipalities, the interruption decision will do little to avert that harm.

11. Moreover, Highveld Mall takes issue with Eskom's attempts to exaggerate that harm in its answering affidavit. The aggregate amount of municipal debt is substantial, but this amount needs to be contextualised.

11.1. It is a figure that has been inflated for years because Eskom has been charging interest at prime plus 5% on this debt and apportioning debt repayments to interest before capital. In its recent tariff application to NERSA it gave notice that it was finally changing these practices. In this regard, I attach as Annexure **"RA2"** the title page of this tariff application and pages 142-3 thereof.

11.2. The figure of the R1.3 billion allegedly owed to Eskom by Emalahleni represents approximately 0.61% of the turnover of R212.884 billion that Eskom projected in its tariff application to NERSA. In this regard, I attach as **"RA3"** the relevant slide from Eskom's presentation of 20 November 2017 to the NERSA public hearings at Midrand.

11.3. The suggestion that municipal debt is a major contributor to Eskom's liquidity problems is simply incorrect. In the same presentation of 20 November 2017, Eskom relied on a World Bank report on "inefficient costs" in electricity utilities in Africa. According to this report, 81% of the total "inefficient costs" in Eskom relate to under-pricing, 15% to overstaffing and only 4% to bill collection

losses. A copy of the relevant slide from the 20 November 2017 presentation is attached as **"RA4"**.

11.4. The 4% figure quoted by the World Bank refers to total unrecovered debt, not merely municipal debt. In this regard, according to its 2017 financial statements, Eskom's accumulated arrear debt (without interest) to Soweto consumers whom it supplies directly amounted to R5.3 billion and its Soweto payment levels as a percentage of billed revenue (excluding interest) in Soweto was only 16%. Copies of the relevant pages of the Eskom Annual Financial statements are attached as **"RA5"**.

11.5. The suggestion that municipal debt is a material contributor to the risk of a further downgrade is incorrect. At the 20 November 2017 presentation mentioned above, Eskom included a slide that quoted the latest Fitch ratings watch negative report. A copy of the slide is attached as **"RA6"**. The Fitch report from which it quotes is attached as **"RA7"**. The slide in Eskom's presentation explains the decision with reference to *"Eskom's weakening liquidity and funding access partially stemming from unresolved corporate governance issues, weak cash flows driven by lower than expected tariff increase due to delays in implementing outstanding regulatory*

clearing account applications." It did not mention municipal debt. Neither did the ratings report from which it quoted.

12. Finally, it cannot seriously be suggested that an interim delay in implementing the interruption decision is likely to cause material harm to Eskom. If the interruption decision is lawful and is likely to be effective, it can be implemented in mid-2018 when a specially allocated hearing of Part B of the application is likely to have taken place. A wait of a few months to interrupt electricity in Emalahleni is not going to have any material effect on Eskom's balance sheet.

13. As against the illusory harm that Eskom invokes, Highveld Mall and the other account paying electricity consumers of Emalahleni will suffer substantial irreparable harm in the form of irrecoverable commercial loss and damage to their businesses. Eskom appears to accept that this is the case. It states that it does not want to cause harm Highveld Mall's business but suggests that it has been left with no other option (para 6.12 of the answering affidavit).

14. In addition to the commercial harm faced by Highveld Mall and other businesses in Emalahleni, residents of Emalahleni face the real public health threat of a collapse of the water reticulation and sewage systems. In the face of this threat, Eskom offers the contradictory statements that

14.1. It cannot isolate electricity supply to water pumps and other essential service providers (para 35.2 of the answering affidavit), but

14.2. It will ensure that electricity is provided to keep water pumps running provided that Emalahleni in turn undertakes to ensure that such supply is not reticulated to other users and is limited to water pumps only (para 35.3 of the answer).

15. Eskom offers no details of how its proposed arrangement in relation to water pumps will be achieved; it simply does not engage with the expert evidence that this is not possible because *"the electricity grid was established and developed in such a way that electricity cannot be supplied to water supply elements and not to other consumers at the same time"*

16. Nor does Eskom offer any proposal in relation to the sewage works and water purification plants in respect of which there is expert evidence that the interruption of electricity supply will create a material risk of serious health and environmental hazards.

17. I now turn to respond seriatim to the allegations in the answering affidavit of Mr Mabila. Due to the time constraints in filing this replying affidavit, I do not respond to all paragraphs in the affidavit of Mr Mabila, but, save as is set out

below, I deny all allegations inconsistent with the contents of my founding affidavit

18. **AD PARAGRAPHS 1 to 4**

18.1. I deny that Eskom's grounds of opposition to the application are well founded.

18.2. Save as aforesaid, I take note of these paragraphs.

19. **AD PARAGRAPH 5**

19.1. I refer to what I have stated above in relation to the timing of the application and deny this paragraph.

19.2. The urgency of the application is self-evident. Unless Highveld Mall is given relief prior to Thursday 14 December 2017, the harm that it seeks to avert will start to be inflicted on it.

19.3. Given the time-line set out in the founding affidavit, it becomes self-evident that the practice directive could not be followed.

20. **AD PARAGRAPH 6**

20.1. I take note of the figures in paragraph 6.8. Highveld Mall is confident that through its class action it will be able to enlist enough account paying consumers to cover the full amount of Emalahleni's

monthly current liability to Eskom. In this regard, it is important to bear in mind that the tariff charged by Emalahleni to its consumers includes a substantial premium on the tariff charged by Eskom to Emalahleni.

20.2. Eskom failed entirely to deal with the expert report by Visagie which points to the probability of it being entirely feasible to sign up bulk users given the existence of online real time metering systems and the limited number of bulk users

20.3. The direct payment relief sought by Highveld Mall will not prevent Eskom from suing Emalahleni for any remaining balances of its liability to Eskom, current or historical. So the past experience cited by Eskom is irrelevant.

20.4. I do not take issue with the facts alleged relating to the liability of Emalahleni to Eskom and the payment arrangements made in this regard.

20.5. I point out that once diligent bulk consumers make direct payment to Eskom, a municipality will obviously have much less of a financial ability to make payment on behalf of NON-PAYING consumers. The very reason for the default is to a large extent the culture of non-payment. This culture does not miraculously disappear once bulk

consumers pay directly to Eskom – the problem remains with the municipality who is left with non-paying electricity consumers, electricity bills from Eskom and the loss of its bulk clients. However, these problems are not curbed by an electricity interruption either – it simply exacerbates it since the interruption compromises the ability of PAYING consumers to make payment.

20.6. Lekwa is a case in point – the diligent consumers in Lekwa amounted to 53% of the municipality's total bill and the bulk of the Eskom bill. Direct payment to Eskom thus removed the diligent payers from the Municipality leaving it with all the non-payers. It thus stands to reason that it simply was not in a position to make payment as before when it still had access to the diligent consumer income stream.

20.7. I refer to what I have stated above in relation to the contextualisation of the problem of municipal debt and deny paragraphs 6.19 to 6.26 to the extent that they are inconsistent therewith.

20.8. I respectfully submit that it hardly lies in the mouth of Eskom to attempt to justify its collective punishment of account paying consumers like Highveld Mall by complaining about municipal arrears when it has, itself, allowed arrears in Soweto to accumulate

to over R5 billion without any interest and has a collection rate of only 16% in Soweto without any interest.

20.9. I refer to what I have stated above and deny paragraphs 6.27 to 6.31 to the extent that they are inconsistent therewith.

20.10. I deny that the contentions advanced by Eskom in paragraph 6 legally justify the interruption decision.

21. **AD PARAGRAPH 7**

21.1. Save as is set out below in this paragraph, I take note of the allegations in paragraph 7.

21.2. I have stated above what Highveld Mall knew and did not know. I deny paragraph 7.11 to the extent that it is inconsistent therewith.

21.3. I admit that the proposed interruptions are less burdensome than a complete termination of supply. However, as I have pointed out above and in the founding affidavit, they remain extremely damaging to Highveld Mall and all account paying consumers in Emalahleni. I deny paragraphs 7.19 and 7.20 to the extent that they are inconsistent therewith.

21.4. I refer to what I have stated above and in the founding affidavit and deny paragraphs 7.22 and 7.23 to the extent that they are inconsistent therewith.

21.5. I respectfully submit that Eskom did have to comply with the Promotion of Administrative Justice Act 3 of 2000 ("PAJA"). I repeat my submission that the interruption decision is unlawful and deny the allegations to the contrary in paragraphs 7.26 to 7.30 and 7.33.

21.6. I refer what I have stated in relation to the harm that will be caused by the interruption decision and deny paragraphs 7.31 to 7.32.

21.7. I address the contentions in relation to alternative remedies below and deny paragraph 7.34.

22. **AD PARAGRAPHS 8 to 10**

22.1. The statutes and licences quoted in these paragraphs speak for themselves.

22.2. I note the suggestion in paragraph 10.11 but respectfully submit that it is unfounded. Eskom has failed to sue Emalahleni for amounts it owes Eskom. Such a suit would have been the simplest of legal processes. But Eskom, having failed to engage that simple process, suggests that Highveld Mall should have sued Emalahleni for a mandamus directing it to discharge its liabilities to Eskom. In

any event, it appears that it is currently impossible for Emalahleni to make payment. This is an obvious and fatal defense to the implementation of a mandamus.

22.3. I deny the allegation in paragraph 10.22 that any rights of Eskom in the present matter implicate the national interest.

22.4. Save as aforesaid, I refer to what I have stated above and in the founding affidavit and deny this paragraph. Legal argument on the ambit of Highveld Mall's prima facie right will be addressed at the hearing of the application.

23. **AD PARAGRAPH 11**

23.1. I repeat what I have stated above in relation to the proposed mandamus.

23.2. The harm faced by Highveld Mall is harm that will be caused by the interruption decision. I deny that any of the alternative remedies suggested by Eskom are alternative remedies for this harm or that it could reasonably have been expected of Highveld Mall to pursue remedies of this nature rather than seeking to interdict the unlawful threat of harm presented by the interruption decision when that decision was first announced by Eskom.

23.3. I note the suggestion that Highveld Mall has a damages remedy against Emalahleni. I have been advised that it is by no means clear that this is the case. In any event, Eskom itself appears unwilling to litigate against Emalahleni. The reason is obvious – it is the proverbial man of straw. I note further that Eskom does not tender to pay the damages of Highveld Mall if it is shown in Part B of the application that the interruption decision was unconstitutional or unlawful.

23.4. I deny paragraph 11.6 and respectfully submit that Highveld Mall cannot be criticised for launching this application five court days after the interruption decision was announced.

23.5. I refer to what I have set out above and deny paragraph 11.7.

24. **AD PARAGRAPH 12**

24.1. I deny that the interruption is analogous to load shedding. It is far more damaging than load shedding because it takes place every day throughout the entire municipal area. Apart from the lesser extent of the electricity interruptions under load shedding, load shedding never presented the public health and environmental hazards that the interruption decision presents.

24.2. I refer to what I have stated above and deny paragraph 12 to the extent that it is inconsistent therewith.

25. **AD PARAGRAPHS 14 to 64 GENERALLY**

Save as is set out below, I deny these paragraphs to the extent that they are inconsistent with what I have set out above and in my founding affidavit.

26. **AD PARAGRAPH 17**

The contents are denied – the interest in these proceedings of the class of rate payers Highveld Mall seeks to join are self-evident and fully coterminous with those of Highveld Mall.

27. **AD PARAGRAPH 20**

I point out that it is not the MEC who is threatening imminent harm in these proceedings. There are simply no steps the MEC can take at this stage to forestall the harm. The current litigation is the applicant's only option.

28. **AD PARAGRAPH 22**

From the contents it is clear that Eskom seeks to hide behind privity of contract to avoid its constitutional obligations. I have dealt with the insinuation that the interests of Highveld Mall are somehow to be distinguished from the ordinary Emalahleni resident.

29. **AD PARAGRAPH 23**

I have dealt with the contents of this paragraph above. I re-iterate that a mandamus would have been futile.

30. **AD PARAGRAPH 25**

I have dealt with this before – I reiterate that bulk consumers amount to almost 40% of the Emalahleni electricity consumption. This payment directly to Eskom together with all the payments from diligent consumers ought to fully settle Eskom's monthly bill to Emalahleni. It does not appear that Eskom has explored this possibility at all.

31. **AD PARAGRAPH 34**

The issue of an alternative remedy has been dealt with. It is not clear how a mandamus might assist Highveld Mall in the CURRENT circumstances. During 2012 it was equally open to Eskom to collect the outstanding debt by means of ordinary process. It failed to do so.

32. **AD PARAGRAPH 35**

32.1. Other than the bald denial, Eskom fails to deal with the detailed evidence of catastrophic consequences to the sewer network should it interrupt electricity supplies. It is clear that a collapse was

imminent and unavoidable. Emalahleni's blameworthiness is common cause.

32.2. Eskom's version regarding electricity supply to essential services appear to support the contentions of Highveld Mall. The electricity supply infrastructure was not designed to isolate essential service providers and hence an interruption will gravely affect their operations. It is not clear how Highveld Mall is to address this problem whether Eskom's proposal is feasible or not – Highveld Mall has no control over Emalahleni and has no knowledge as to whether the latter is in a position to keep essential services operating as suggested by Eskom – all indications are that it cannot do so.

32.3. A restriction in water supply does not equate to cutting it altogether. However, should the restriction amount to a denial of access it will be equally unconstitutional.

33. **AD PARAGRAPH 43.1**

Highveld Mall seeks interim relief to stave off a human catastrophe. Its interim proceedings are not designed simply to give it a chance to exercise its right to review.

34. **AD PARAGRAPH 45.3**

34.1. The contents fully support Highveld Mall's position. It appears common cause that Emalahleni is currently unable to make payment. This being the position Eskom's proposed action is calculated to inflict widespread human suffering without it having any hope of yielding any sustainable positive results for Eskom.

34.2. Eskom seems (correctly) unable to distinguish the results of its own proposed actions from the consequences it anticipates will flow from executing a civil judgement. In BOTH cases Emalahleni's inability to pay will simply result in the equivalent of a distressed human debtor being forced to forgo the essential requirements to sustain human life at the behest of a remorseless creditor.

35. **AD PARAGRAPH 45.4**

I deny that the circumstances entitle Eskom to act in this way. I have dealt with this herein before. I may again point out that failing Emalahleni's ability to make payment, the insistence by Eskom to interrupt electricity supply amounts simply to wanton infliction of harm without any hope of recovering the overdue amount.

36. **AD PARAGRAPH 49.1**

I have dealt with this before but reiterate – first, the financial ability of Emalahleni is likely to become MORE parlous, second, the decrease in

consumption does not avoid the ongoing fixed cost for either Emalahleni OR Eskom, third, the interruptions are unlikely to have any effect on the culture of non-payment Eskom and Emalahleni complains about and finally, a direct payment to Eskom by bulk users will permit Eskom to collect not only the cost of supply to these users but also the premium currently paid to Emalahleni.

37. **AD PARAGRAPH 52**

37.1. The allegation in paragraph 52.6.4 as to most expensive supply hours is incorrect.

37.1.1. I attach as Annexure **"RA8"** an extract from Eskom's current schedule of standard prices.

37.1.2. As appears from the definitions section "Low Demand Season" runs from September to May and thus will be the season in which the interruption decision takes effect for more than five months.

37.1.3. The diagram at Figure 2 of the Annexure shows that in Low Demand Season, peak consumption periods are between 7h00 and 10h00 and 18h00 and 20h00 on weekdays.

37.1.4. The hours of interruption proposed by Eskom are 6h00 to 8h00 and 17h00 to 19h30 on weekdays and 8h30 to 11h00 and 15h00 to 17h30 on weekends. This totals 32.5 hours of interruption per week, of which only 12.5 hrs (7h00 to 8h00 and 18h00 to 19h30 on 5 weekdays) are peak consumption hours. So 20 of the 32.5 proposed interruption hours are not peak consumption hours.

38. **AD PARAGRAPH 64**

I deny this paragraph and stand by my request for an order in the terms set out in the notice of motion.

WHEREFORE applicant repeats its prayer for an order in terms of the notice of motion.

DEPONENT

I hereby certify that the deponent has acknowledged that he/she knows and understands the contents of this affidavit, which was signed and sworn to before me

at RIVONIA on the 12 day of DECEMBER 2017,

the regulations contained in Government Notice No R1268 of 21 July 1972, as amended, and Government Notice No R1648 of 19 August 1977, as amended, having been complied with.

COMMISSIONER OF OATHS

Full Names: TAMLYN STEVENS (CA)SA
COMMISSIONER OF OATHS

Business Address: 3rd Floor, Rivonia Village
Rivonia Boulevard, Rivonia
PO Box 138, Rivonia, 2128

Office:

1.1. A copy of the *Witbank News* article is attached as **"RA1"**.

1.2. In this regard, I attach as Annexure **"RA2"** the title page of this tariff application and pages 142-3 thereof.

1.3. In this regard, I attach as **"RA3"** the relevant slide from Eskom's presentation of 20 November 2017 to the NERSA public hearings at Midrand (RA 11.2)

1.4. A copy of the relevant slide from the 20 November 2017 presentation is attached as **"RA4"**. (RA 11.3)

1.5. Copies of the relevant pages of the Eskom Annual Financial statements are attached as **"RA5"**.

1.6. Eskom included a slide that quoted the latest Fitch ratings watch negative report. A copy of the slide is attached as **"RA6".**

1.7. The Fitch report from which it quotes is attached as **"RA7"**. Th

1.8. I attach as Annexure **"RA8"** an extract from Eskom's current schedule of standard prices.