

**PRESS RELEASE**

**ELECTRICITY TARIFF REVISION FROM 1 APRIL 2003**

1. Electricity tariff for the quarter April to June 2003 will be raised due to higher oil prices but this increase is offset slightly by a reduction in the grid charge.
2. The electricity tariff comprises two components. One is the grid charge which is levied by PowerGrid for the use of the electricity transmission systems. The other is the energy charge, which is the cost to purchase electricity from the generation companies.
3. Significant increases in fuel oil prices had led to higher cost of electricity. Since the last tariff revision in January 2003, the average fuel oil price has increased by 20%, from US\$24 per barrel in December 2002 to US\$28.70 per barrel in March 2003.
4. This rise in the cost of electricity is partially offset by a reduction in the grid charge that will also take effect from 1 April 2003.
5. As a result of the changes, the average net increase in the electricity tariff from 1 April 03 is about 2.52 cents per kWh or 17%. The tariff adjustments for each category of supply are shown in the attached table (Annex 1).

Annex 1

**REVISION OF ELECTRICITY TARIFFS (WITH EFFECT FROM 1 APRIL 2003)**

	Existing Tariff	Tariff Adjustment	New Tariff
<b>LOW TENSION SUPPLIES, DOMESTIC</b> All units, ¢/kWh	15.24	+2.57	17.81
<b>LOW TENSION SUPPLIES, NON-DOMESTIC</b> All units, ¢/kWh	15.24	+2.57	17.81

<b>HIGH TENSION (HT) SUPPLIES</b>			
Contracted Capacity Charge, \$/kW/month	8.57	-1.24	7.33
Uncontracted Capacity Charge, \$/chargeable kW/month	12.86	-1.87	10.99
kWh charge, ¢/kWh			
Peak period (7.00am to 11.00pm)	11.96	+2.68	14.64
Off-peak period (11.00pm to 7.00am)	6.47	+2.42	8.89
Reactive power charge, ¢/chargeable kVARh	0.71	-0.10	0.61
<b>EXTRA HIGH TENSION (EHT) SUPPLIES</b>			
Contracted Capacity Charge, \$/kW/month	7.94	-0.92	7.02
Uncontracted Capacity Charge, \$/chargeable kW/month	11.91	-1.38	10.53
kWh charge, ¢/kWh			
Peak period (7.00am to 11.00pm)	10.85	+2.83	13.68
Off-peak period (11.00pm to 7.00am)	6.34	+2.43	8.77
Reactive power charge, ¢/chargeable kVARh	0.56	-0.06	0.50

6. The tariff adjustments have been approved by the Energy Market Authority.

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