

## **PRESS RELEASE**

### **ELECTRICITY TARIFF REVISION FROM 1 MAY 2003**

1 SP Services is pleased to announce that with effect from 1 May 2003, electricity tariffs will be reduced by an average of 1.96 cts/kWh (or 11.4%).

2 SP Services has been able to offer this significant reduction in electricity tariffs because oil prices have dropped substantially since Mar 2003, from US\$28.70 per barrel to about US\$23.35 per barrel in the first two weeks of April 2003. This has translated into a lower cost for electricity which SP Services purchases from the Electricity Pool and contracts with generation companies. SP Services will pass this cost reduction to customers.

3 As electricity tariffs are closely pegged to changes in oil prices, SP Services will continue to monitor the situation closely so that if oil prices change significantly, it will propose to the regulator, the Energy Market Authority, to revise electricity tariffs monthly instead of waiting till the end of the quarter. This will ensure that electricity tariffs can adjust faster to oil price fluctuations.

4 The tariff adjustments effective 1 May 2003 will be as follows:-

Low Tension (LT) tariff (comprising residential customers & commercial customers receiving 230V/400V supplies)	1.96¢ or \$0.0196 decrease per kWh
High Tension (HT) tariff (22kV & 6.6 kV)	2.02¢ or \$0.0202 decrease per kWh for peak period *
	1.73¢ or \$0.0173 decrease per kWh for off-peak period **
Extra High Tension (EHT) tariff and above)	2.01¢ or \$0.0201 decrease per kWh for peak (66kV period *
	1.73¢ or \$0.0173 decrease per kWh for off-peak period **

\* *peak period* 7.00am to 11.00pm  
\*\* *off-peak period* 11.00pm to 7.00am

5 Domestic customers and small businesses that receive LT supplies will benefit from an 11% drop in electricity tariffs. Business and industrial customers similarly enjoy a decrease in electricity rates averaging 12.7 % for HT supplies and 13.8% for EHT supplies.

6 The tariff adjustments have been approved by the Energy Market Authority. The revised tariffs are shown in the table (Appendix 1).

Appendix 1

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

	<b>Existing Tariff</b>	<b>Tariff Adjustment</b>	<b>New Tariff</b>
<b>LOW TENSION SUPPLIES, DOMESTIC</b> All units, ¢ / kWh	17.81	-1.96	15.85
<b>LOW TENSION SUPPLIES, NON- DOMESTIC</b> All units, ¢ / kWh	17.81	-1.96	15.85
<b>HIGH TENSION (HT) SUPPLIES</b>			
Contracted Capacity Charge, \$ / kW / month	7.33	--	7.33
Uncontracted Capacity Charge, \$ / chargeable kW / month	10.99	--	10.99
kWh charge, ¢ / kWh			
Peak period (7.00am to 11.00pm)	14.64	-2.02	12.62
Off-peak period (11.00pm to 7.00am)	8.89	-1.73	7.16
Reactive power charge, ¢ / chargeable kVARh	0.61	--	0.61
<b>EXTRA HIGH TENSION (EHT) SUPPLIES</b>			
Contracted Capacity Charge, \$ / kW / month	7.02	--	7.02

Uncontracted Capacity Charge, \$ / chargeable kW / month	10.53	--	10.53
kWh charge, ¢ / kWh			
Peak period (7.00am to 11.00pm)	13.68	-2.01	11.67
Off-peak period (11.00pm to 7.00am)	8.77	-1.73	7.04
Reactive power charge, ¢ / chargeable kVARh	0.50	--	0.50

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