

BUFFALO CITY METROPOLITAN MUNICIPALITY

Buffalo City Electricity Trading Services Unit

SSEG CUSTOMER AGREEMENTS FOR THE 2027/28 TARIFFS

Draft agreements for the small-scale embedded generation (SSEG) tariff options in the 2027/28 tariff book

v0.1 · 22 October 2026 · Prepared by: Chris Gower, Senior Revenue Protection Manager · For review by Electricity Planning, Finance and Legal Services

The 2027/28 tariff book gives SSEG customers three options. Each needs a signed agreement with BCMM before the tariff is applied. This pack contains the three draft agreements:

Agreement	Tariff	For	Key commitment
A. SSEG Connection and Supply Agreement	Scale 1A-SSEG, Option A (default); SSEG/LSEG feed-in credit for business	Every customer with approved SSEG	Approved, compliant installation; exports credited against the account, no payout
B. Peak Support Agreement	Scale 1A-SSEG TOU, Option B (pilot, up to 500 customers)	Homes with a battery	Export at least 5 kW (or 3 kW) through the 2-hour weekday evening peak on 80% of weekdays
C. SSEG Export Buyback Agreement	Scale SSEG-C, Option C (pilot, up to 10 MW)	Business and industry, about 100 kW and above	Contracted export profile; procured through BCMM supply chain management (MFMA)

Agreement B and C customers must also sign Agreement A, which sets the technical and safety conditions for every SSEG connection. Rates are the proposed 2027/28 rates from the tariff book (draft v5), excluding VAT, subject to Council approval and NERSA's decision; they change each 1 July with the approved tariffs without amendment to the agreements.

Legal basis common to all three: Electricity Regulation Act 4 of 2006 (s15 tariffs; Schedule 2 registration of generation); NERSA rules on the registration of small-scale embedded generation; BCMM Electricity Supply By-law (PG Extraordinary 5016, 24 November 2023); NRS 097-2-1 (utility interface), NRS 097-2-3 (simplified connection criteria), SANS 10142-1 and 10142-1-2; NRS 057 (metering); MFMA s33 and s116 and BCMM SCM Policy for Agreement C.

AGREEMENT A: SSEG CONNECTION AND SUPPLY AGREEMENT

Scale 1A-SSEG, Option A (default residential SSEG tariff), and the SSEG/LSEG feed-in credit for business and large power customers

Item	Details
Customer and BCMM account no.	<input type="text"/>
Property address and erf no.	<input type="text"/>
SSEG portal application no. (apply.sseg.org.za)	<input type="text"/>
Inverter make, model and rated output (kVA)	<input type="text"/>
PV capacity (kWp) / battery capacity (kWh)	<input type="text"/> / <input type="text"/>
Approved export limit (kW)	<input type="text"/> (0 kW for a non-export system)
Supply: phases, breaker size	<input type="text"/>
Meter no. (bi-directional, remotely read)	<input type="text"/>
Installing electrician and CoC no.	<input type="text"/>
Tariff	Scale 1A-SSEG Option A / <input type="text"/> [business tariff] with SSEG feed-in credit

1. Approval before connection

- 1.1 The Customer may connect an SSEG system to the BCMM network only after BCMM has approved it through the SSEG portal. A system connected without approval, or changed after approval without BCMM's consent, may be disconnected under the BCMM Electricity Supply By-law, and the Customer is liable for the costs and any tampering or meter-bypass charges.
- 1.2 The installation must be designed, installed and certified by a registered electrician, with a Certificate of Compliance (CoC) and the commissioning report required by BCMM, and must comply with NRS 097-2-1, NRS 097-2-3, SANS 10142-1 and the inverter type-test and approved-equipment list.
- 1.3 Systems of 100 kW and above, or as NERSA rules require, must also be registered with NERSA, and the registration number given to BCMM.

2. Technical and safety conditions

- 2.1 The inverter must disconnect automatically when the BCMM supply is lost (anti-islanding) and must not reconnect until the supply has been normal for the period set in NRS 097-2-1. The Customer may not energise the BCMM network at any time.
- 2.2 Export must not exceed the approved export limit. A non-export system must have an approved export-limiting device.
- 2.3 Battery and backup systems must have an approved changeover that isolates the house wiring from the network when the network is off.
- 2.4 BCMM staff may inspect and test the installation at any reasonable time, and disconnect it without notice in an emergency or if it is unsafe.
- 2.5 The Customer must tell BCMM in writing before changing, upgrading, moving or removing the system, and a change needs a new approval.

3. Metering

- 3.1 BCMM installs, or approves, a smart bi-directional meter, read remotely, that records import and export separately by time-of-use period. The Customer pays the meter replacement cost in the BCMM tariff book unless BCMM decides otherwise.
- 3.2 The Customer may not tamper with, bypass or interfere with the meter or its communication. BCMM's smart meter data is the basis for billing.

4. Tariff and credits

- 4.1 Residential customers are billed on Scale 1A-SSEG Option A: a basic charge (R821.17 a month in 2027/28) and an energy charge per kWh imported (R3.533/kWh in 2027/28). Business and large power customers stay on their normal tariff and receive the SSEG/LSEG feed-in credit.
- 4.2 Energy exported is credited at the NERSA-approved feed-in rates (2027/28: R1.90/kWh, R3.00/kWh in the high-season peak, June to August).
- 4.3 Export credits are set off against the electricity charges on the Customer's account in the same month. They are not paid out in cash, and credit above the month's electricity charges is not carried forward (revenue-neutral net billing). Customers who wish to be paid for exports may apply for Option C.
- 4.4 Exports from an unapproved system, or above the approved export limit, are not credited.

5. Prepaid customers

- 5.1 A prepaid customer who installs SSEG must convert to a smart bi-directional meter on Scale 1A-SSEG; exports through a prepaid meter that cannot record them are not credited and may be treated as meter interference.

6. Term and termination

- 6.1 This Agreement continues until the system is removed and the removal is certified, the account is closed, or BCMM ends it for a material breach that is not remedied within 30 days of notice (immediately for a safety risk).
- 6.2 On a change of ownership, the new owner must sign a new Agreement A within 30 days; until then the system may be disconnected.

7. General

- 7.1 The Customer remains bound by the BCMM Electricity Supply By-law and the Credit Control and Debt Collection By-law. BCMM is not liable for loss of generation caused by outages, curtailment or disconnection under this Agreement.

Signed

For	Name and designation	Signature	Date
BCMM			
Customer			

AGREEMENT B: PEAK SUPPORT AGREEMENT

Scale 1A-SSEG TOU, Option B: time-of-use with peak support (optional pilot, up to 500 customers in 2027/28)

Item	Details
Customer and BCMM account no.	[]
Agreement A reference	[]
Battery: usable capacity (kWh) and inverter export rating (kW)	[]
Committed peak export	[5 kW] / [3 kW]
Peak window	[17:00–19:00] on weekdays (aligned with Eskom's 2027/28 evening peak)
Start date and minimum term	[], 12 months

1. Purpose

- 1.1 The Customer agrees to export energy from its battery to the BCMM network during the weekday evening peak, when BCMM's Eskom energy and demand costs are highest. In return BCMM bills the Customer on Option B, with a reduced or zero basic charge and higher export credits.

2. Eligibility

- 2.1 The Customer must have a signed Agreement A, an approved SSEG system with battery storage, an inverter that can export at least the committed kW, and a smart bi-directional time-of-use meter read remotely.
- 2.2 Places on the pilot are allocated in order of complete applications, up to 500 customers (2.5 MW committed) in 2027/28. BCMM may limit places on a feeder or substation for network reasons.

3. The commitment

- 3.1 The Customer exports, net at the BCMM meter, at least the committed kW (5 kW or 3 kW, averaged over each half-hour) through the full 2-hour peak window on at least 80% of weekdays in each month, public holidays excluded.
- 3.2 BCMM may call up to [10] additional dispatch events a year on high-demand days, with at least 24 hours' notice by SMS or email, in the morning peak or on a weekend. A called event counts as a weekday for the 80% test.
- 3.3 Compliance is measured from BCMM's half-hourly meter data only. Weekdays when the BCMM supply to the Customer was interrupted during the window, or when BCMM curtailed exports, are excluded from the test.

4. Tariff (2027/28, excl. VAT)

Charge	Rate
Basic charge, 5 kW commitment met	R0.00 a month
Basic charge, 3 kW commitment met	R300.00 a month
Import, low demand (Sep–May): peak / standard / off-peak	R6.500 / R4.600 / R3.400 per kWh
Import, high demand (Jun–Aug): peak / standard / off-peak	R10.400 / R5.200 / R3.700 per kWh
Export credit: standard / off-peak	R2.100 / R1.900 per kWh
Export credit: peak, low demand / high demand	R3.500 / R6.000 per kWh

- 4.1 Export credits are set off against the Customer's electricity account each month, as in Agreement A. They are not paid out.

5. If the commitment is not met

- 5.1 If the Customer does not meet the commitment in a month, that month is billed at the next tier: the R300.00 basic charge for a 5 kW customer, or the Option A basic charge (R821.17) for a 3 kW customer. There is no other penalty for that month.
- 5.2 If the commitment is missed in three months in any six, BCMM may move the Customer back to Option A on 30 days' notice.

6. Term and switching

- 6.1 The minimum term is 12 months. The Customer may return to Option A, or change between 5 kW and 3 kW, at each anniversary on 30 days' written notice.
- 6.2 BCMM may end the pilot, or change the peak window to follow Eskom's time-of-use schedule, on 60 days' notice; the Customer then returns to Option A without penalty.

7. Data and review

- 7.1 BCMM may use the Customer's meter data to evaluate the pilot and report results to Council and NERSA, without identifying the Customer. The pilot is reviewed after the first high season (June to August 2028).

Signed

For	Name and designation	Signature	Date
BCMM			
Customer			

AGREEMENT C: SSEG EXPORT BUYBACK AGREEMENT

Scale SSEG-C, Option C: export tariff for business and industry (optional pilot, up to 10 MW of export capacity in 2027/28)

Item	Details
Seller (customer) and BCMM account no.	[]; company registration and VAT no. []
Agreement A reference / NERSA registration no.	[] / []
Generation technology and capacity (kWp / kVA)	[]
Battery capacity (kWh), if any	[]
Approved export capacity (kW) and connection voltage	[] kW at [400 V / 11 kV]
Eskom intake point (for the capacity cap)	[]
Pricing option	[C-TOU] / [C1 solar] / [C2 battery] / [C3 balanced]
Contracted annual export (kWh) and profile	[]
SCM reference (bid / deviation no.)	[]
Commencement date and term	[], 36 months

1. Procurement and authority

- 1.1 BCMM buys the exported energy under this Agreement as a procurement of goods and services, concluded through its supply chain management process in terms of the MFMA and the BCMM SCM Policy. The Agreement runs for 36 months, which is within the three-year limit of MFMA section 33 for contracts with future budgetary commitments; a longer term would require that process.
- 1.2 The Seller must be registered on the Central Supplier Database and keep its tax affairs in order. Credits are paid only while this Agreement is in force.

2. Eligibility and capacity

- 2.1 The Seller must have a signed Agreement A, approved embedded generation (typically 100 kW and above) meeting BCMM's grid connection requirements and, where required, NERSA registration, and a smart bi-directional time-of-use meter read remotely.
- 2.2 Export may not exceed the approved export capacity. Total Option C capacity is capped at each Eskom intake point and at 10 MW for the 2027/28 pilot, allocated in the order in which agreements are concluded.

3. Price for exported energy (2027/28, excl. VAT)

BCMM pays 90% of what the same energy costs BCMM from Eskom in the same time-of-use period (Eskom cost less 10%). The rates move with Eskom's municipal tariff every 1 July.

Option	Credit per kWh exported
C-TOU, low demand (Sep–May): peak / standard / off-peak	R3.099 / R1.864 / R1.411
C-TOU, high demand (Jun–Aug): peak / standard / off-peak	R7.073 / R1.977 / R1.411
C1 flat: solar, mostly standard time	R1.882
C2 flat: battery, at least half of each month's exports in peak time	R3.164
C3 flat: balanced, at least a quarter in each period	R2.465
Export administration and metering charge	R1,000.00 (400 V) / R1,500.00 (11 kV) a month

- 3.1 A month that does not meet the contracted profile for C2 or C3 is credited at the C1 rate, or at R1.411/kWh if more than 40% of that month's exports were off-peak.
- 3.2 The Seller's imports stay on its normal BCMM tariff and are billed as usual. Exports are not limited to the Seller's consumption.

4. Settlement and payment

- 4.1 Each month BCMM reads the meter, calculates the export credit less the administration charge, and sets it off against the Seller's electricity account. Any surplus credit is paid quarterly, within 30 days of receiving a valid tax invoice from the Seller, by EFT to the Seller's verified bank account.

4.2 BCMM may set off any amount the Seller owes BCMM on any municipal account against the credits.

5. Operation and curtailment

5.1 BCMM may curtail or disconnect exports without compensation for network constraints, maintenance, emergencies or safety, and during Eskom curtailment instructions. BCMM will give 5 business days' notice of planned curtailment.

5.2 The Seller must operate the installation in line with Agreement A and the Grid Code, and give BCMM a monthly export forecast if requested.

6. Term and termination

6.1 This Agreement ends after 36 months unless renewed through a new SCM process. Either party may end it on 90 days' notice if NERSA or Council withdraws or materially changes the Option C tariff.

6.2 BCMM may end it on 30 days' notice for a material breach not remedied, including tampering, export above the approved capacity or loss of registration.

7. General

7.1 BCMM's liability is limited to the credits due under this Agreement. Disputes follow the BCMM dispute procedure and then the courts of the Eastern Cape. The Agreement is governed by South African law.

Signed

For	Name and designation	Signature	Date
BCMM			
Seller			