

**ERONGO REGIONAL ELECTRICITY
DISTRIBUTOR COMPANY (PTY) LTD**

Reg. No 2004/074

**STANDARD CONDITIONS
FOR THE
SUPPLY OF ELECTRICITY**

**As approved on
30 November 2005**

TABLE OF CONTENTS

PART 1: PRELIMINARY	4
1. Definitions	4
2. Interpretation.....	8
PART 2: GENERAL CONDITIONS OF SUPPLY.....	8
3. Erongo RED'S sole right to supply electricity.....	8
4. Payment of deposit	8
5. Initial connection, increase of capacity and reconnection	9
6. Resale of electricity by Customer	10
7. Equipment to be provided by Customer	10
8. Measurement of supply	11
9. Determination of quantity of electricity supplied.....	13
10. Estimation of consumption	14
11. Charges for rendering service of electricity supply	14
12. Payment for electricity upon amendment of charges.....	15
13. Payment of accounts.....	15
14. Objection to account rendered by Erongo RED for electricity supplied.....	17
15. Safeguarding of metering installation and other equipment.....	18
16. Tampering with or damage to metering installation or other equipment	19
17. Complete failure of electricity meter to register supply	21
18. Testing of electricity meters.....	21
19. Repair or substitution of electricity meter or other equipment.....	23
20. Charges in case of improper use.....	23
21. Removal of material, plant and apparatus by Erongo RED.....	24
22. Relocation of Erongo RED equipment on request of Customer.....	25
23. Suspension of electricity supply.....	25
24. Power factor, phase balance and interference with other supplies	26
25. Reduction in supply	26
26. Variation in voltage and frequency	27
27. Non-liability of Erongo RED.....	27
28. Temporary disconnection and reconnection	28
29. Standby supply.....	28
PART 3: ELECTRICAL INSTALLATIONS	29
30. Diagrams and specifications.....	29
31. Customer responsible for electrical installation.....	29
32. Fault on electrical installation	29
33. Connection of electrical installation to electricity supply.....	30
PART 4: ERONGO RED EQUIPMENT.....	30
34. Erongo RED equipment installed on Customer premises.....	30
35. Accommodation for service apparatus	31
36. Ownership of service apparatus and other equipment.....	32
PART 5: INSPECTIONS.....	33
37. Power to inspect electrical installation	33
38. Failure to pass inspection.....	33
39. Inspection does not relieve electrical contractor of responsibility.....	34
PART 6: CONDITIONS IN RESPECT OF RURAL CUSTOMERS	35

40.	Applicability	35
41.	Site to be provided by Customer	35
42.	Resale of electricity by Customer	35
43.	Notified maximum demand.....	36
44.	Rental charge.....	36
45.	Capital contribution.....	36
46.	Guaranteed contribution.....	37
47.	Deposit.....	37
48.	Duration of Contract.....	38
PART 7: GENERAL.....		38
49.	Giving of notice	38
50.	Right of way	39
51.	Termination of Contract.....	40
52.	Settlement of disputes.....	41
53.	Removal of apparatus upon termination of Contract	42
54.	Assignment and succession.....	42

PART 1: PRELIMINARY

1. Definitions

In these Conditions, the following words, expressions and abbreviations have the meanings assigned to them, except where the context otherwise requires:

- 1.1 “accommodation unit”, in relation to the Customer premises, means any building or section of a building occupied or used or intended for occupation or use for residential, business, industrial or any similar purpose;
- 1.2 “Board” means the Electricity Control Board of Namibia;
- 1.3 “certificate of compliance” means a certificate issued by a competent person under the Labour Act;
- 1.4 “competent person” means a person certified in writing by a labour inspector under the Labour Act to be competent to perform a specific task;
- 1.5 “connection” means all cables and equipment required to connect the supply main to the terminals of the electrical installation;
- 1.6 “consumption” means electrical energy used or consumed in kilowatt-hours (kWh), and “consume” has a corresponding meaning;
- 1.7 “Contract” means the contract concluded between Erongo RED and the Customer for the supply of electricity by Erongo RED to the Customer premises in accordance with these Conditions;
- 1.8 “Customer” means the customer specified in the Contract;
- 1.9 “Customer premises” means the customer premises specified in the Contract, where the point of supply is located;

- 1.10 “electrical contractor” means an electrical contractor registered with Erongo RED;
- 1.11 “electrical installation” means the entire electrical installation on the Customer premises, including all material, equipment and appliances used or intended to be used for or in connection with the supply of electricity to the Customer premises, but does not include the metering installation or controlling devices or any part of the connection installed by Erongo RED;
- 1.12 “electrical system” means an electrical system in which all the conductors and devices are electrically connected to a common source of electrical energy;
- 1.13 “Electricity Act” means the Electricity Act, 2000 (Act No. 2 of 2000), and the regulations made thereunder, as amended or substituted from time to time;
- 1.14 “Erongo RED” means the Erongo Regional Electricity Distributor Company (Proprietary) Limited, and includes its authorised representative;
- 1.15 “Labour Act” means the Labour Act, 1992 (Act No. 6 of 1992), as amended or substituted from time to time;
- 1.16 “local authority council” means the Municipal Council of Henties Bay, the Municipal Council of Karibib, the Municipal Council of Omaruru, the Municipal Council of Swakopmund, the Municipal Council of Usakos, the Municipal Council of Walvis Bay, the Town Council of Arandis or the Village Council of Uis, as the case may be;
- 1.17 “maximum demand” means the highest load in kilowatts or kilovolt amperes during one month supplied by Erongo RED to the Customer premises for any period of consecutive minutes;
- 1.18 “metering installation” means a meter or an arrangement of meters installed for the purpose of measuring the maximum demand or consumption of electricity by the Customer, and includes all associated instrument transformers, interconnecting wires, fuses, terminal blocks and accessories;

- 1.19 "month", with regard to meter readings, means the period between monthly meter readings, irrespective of whether the readings are taken on the last day of the calendar month or not;
- 1.20 "notified maximum demand" means the maximum demand specified in the Contract as the maximum demand which the Customer requires Erongo RED to be in a position to supply on demand, including any increase in the notified maximum demand taken by and supplied to the Customer in addition to the notified maximum demand for the time being in force;
- 1.21 "owner", in relation to the Customer premises, means the person in whose name the premises is registered, or -
- (a) if the person –
 - (i) is deceased, means the executor in the estate of such person;
 - (ii) is a person whose estate has been sequestrated, means the trustee in the insolvent estate of such person;
 - (iii) is under any legal disability, means the legal representative of such person;
 - (iv) is a person who is absent from Namibia or whose whereabouts are unknown, includes the authorised representative of such person in Namibia;
 - (v) is a company which has been wound up, means the liquidator of such person;
 - (b) if the premises -
 - (i) has been leased under a lease, whether registered or not, for a period of 50 years or longer, means its lessee;
 - (ii) is occupied by virtue of a servitude or under any other real right in such premises, means its occupier;
 - (iii) has been attached in terms of an order of a court, includes the sheriff, deputy-sheriff or messenger of the court by whom such premises has been so attached;
 - (iv) vests in the Government of Namibia, the regional council or a local authority council –

- (aa) which has been leased under a lease which contains an option in favour of a lessee to purchase the premises so leased, means the lessee who has exercised such option;
 - (bb) which has been purchased by any person, but which has not yet been registered in his or her name, means such person;
- 1.22 “Parties” means Erongo RED and the Customer, and “Party” has a corresponding meaning;
- 1.23 “point of supply” means the point at which electricity is supplied;
- 1.24 “power factor” means the ratio of the kilowatt-hours (kWh) to the kilovolt ampere-hours (kVAh) measured during the same period for which the demand is measured;
- 1.25 “regional council” means the Erongo Regional Council;
- 1.26 “schedule of tariffs” means the schedule of approved tariffs contained in the electricity supply licence of Erongo RED;
- 1.27 “service apparatus” means any protective device, meter and prepayment meter, load controller, connection terminal or other apparatus belonging to Erongo RED and installed on the Customer premises and primarily used to control, switch and meter the electricity supplied to the Customer premises;
- 1.28 “standby supply” means an alternative supply of electricity not normally consumed by the Customer;
- 1.29 “supply main” means any electric cable or overhead line or distribution cubicle forming part of the electrical system of Erongo RED, to which the electrical installation is connected;
- 1.30 “the Engineer” means the authorised representative of Erongo RED charged with the function of exercising control over its electrical system;
- 1.31 “these Conditions” means these Erongo RED Standard Conditions for the Supply of Electricity, as amended from time to time.

2. Interpretation

- 2.1 Words importing the singular also include the plural and *vice versa* where the context requires.
- 2.2 Natural persons include legal entities (corporate or non-corporate) and *vice versa* where the context requires.
- 2.3 The headings in these Conditions are not taken into consideration in their interpretation.
- 2.4 Unless otherwise stated, all references to clauses are references to clauses numbered in these Conditions.

PART 2: GENERAL CONDITIONS OF SUPPLY

3. Erongo RED'S sole right to supply electricity

- 3.1 The Customer may not obtain or take electricity from a supply main other than by means of a connection provided by Erongo RED pursuant to the Contract.
- 3.2 The electricity supplied by Erongo RED is in the form of single or three-phase alternating current having a frequency that is maintained as near to 50 hertz and at a nominal voltage as close to the voltage specified in the Contract, as circumstances and conditions permit.

4. Payment of deposit

- 4.1 Where no prepayment meter has been installed on the Customer premises, the Customer must, before electricity is supplied by Erongo RED to the Customer premises, deposit with Erongo RED –
 - (a) an amount equal to the estimated charge of not more than two average months' consumption of electricity as determined by Erongo RED; or
 - (b) in the event of the Customer requesting a bulk supply of electricity, an amount equal to the estimated charge of not more than two average

- months' notified maximum demand of electricity as determined by Erongo RED;
- (c) any other amount determined by agreement between Erongo RED and the Customer.
- 4.2 Erongo RED may from time to time review the deposit referred to in Clause 4.1 above and, upon the review –
- (a) require that the Customer deposits an additional amount; or
- (b) refund to the Customer an amount held by Erongo RED in excess of the reviewed deposit.
- 4.3 If the Customer fails to deposit an additional amount in accordance with Clause 4.2(a) above within 30 days after being required in writing by Erongo RED to do so, Erongo RED may suspend the supply of electricity to the Customer premises until the additional amount, and the charges determined in the Erongo RED schedule of tariffs for the suspension and the subsequent restoration of the supply, are paid.
- 4.4 Subject to Clause 4.5 below, an amount deposited with Erongo RED in terms of Clause 4.1 or 4.2 above, is not regarded as being in payment or part payment of an account due for the supply of electricity.
- 4.5 If, upon the termination of the Contract in terms of Clause 51 below, an amount remains due to Erongo RED in respect of electricity supplied to the Customer premises, Erongo RED may utilise the deposit in payment or part payment of the outstanding amount and refund any balance, if any, to the Customer.
- 4.6 No interest is payable by Erongo RED on any deposit held by it in terms of this Clause.

5. Initial connection, increase of capacity and reconnection

- 5.1 Erongo RED determines the position on the supply main at which an initial connection is made.
- 5.2 Erongo RED may, either of its own accord or at the request of the Customer, alter the position of a connection on the supply main.

5.3 Where Erongo RED makes a connection to the Customer premises, it is the responsibility of the Customer to provide, install and maintain the electrical installation on the Customer premises in accordance with the Electricity Act, these Conditions and the standards applicable to the wiring of premises, which include the SABS Code of Practice for the Wiring of Premises (SANS 0142, as amended).

5.4 The charges payable for –

- (a) an initial connection, including the cables and service apparatus;
- (b) an increase in the existing electricity supply capacity;
- (c) a reconnection to the supply main, including a reconnection following non-payment; or
- (d) the alteration of the position of a connection on the supply main at the request of the Customer,

are determined in the Erongo RED schedule of tariffs.

6. Resale of electricity by Customer

The Customer may not sell or supply, or cause or permit to be sold or supplied, any electricity supplied to the Customer premises by Erongo RED to any other person for consumption on the Customer premises or on any other premises.

7. Equipment to be provided by Customer

7.1 The Customer must at his, her or its own cost erect, connect, operate and maintain in good order –

- (a) all circuits from the point of supply specified in the Contract to the electrical installation;
- (b) all apparatus necessary for controlling the said circuits, including efficient apparatus for automatically isolating any circuit which may break down;
- (c) other equipment which Erongo RED requires the Customer to install.

7.2 The said circuits, electrical installation, apparatus and equipment and the adjustment thereof must be to the approval of Erongo RED.

- 7.3 Erongo RED is entitled to recover from the Customer any loss or expenses incurred by Erongo RED for damage to Erongo RED's plant and equipment or otherwise because of failure by the Customer to comply with the conditions in this Clause.
- 7.4 The electrical installation and all other electrical equipment belonging to the Customer must be accommodated on the Customer premises in a manner that distinguishes clearly between the electrical equipment which is the property of the Customer and the electrical equipment which is the property of Erongo RED.
- 7.5 The electrical equipment of the Customer must be of a design and construction in line with prudent industry practice, properly installed and maintained by the Customer, and must in all respects comply with the standards applicable to the wiring of premises, which include the SABS Code of Practice for the Wiring of Premises (SANS 0142, as amended).
- 7.6 The Customer must at all reasonable times grant to Erongo RED unhindered access to the electrical installation for the purpose of inspection and, where necessary, approval.
- 7.7 The Customer must provide adequate equipment for the protection of the electrical installation after ascertaining the nature of the protection equipment installed by Erongo RED at the point of supply.
- 7.8 It is the responsibility of the Customer to take the necessary measures to protect himself, herself or itself where his, her or its business is of such a nature that a voluntary or involuntary outage will cause a cessation of or damage to its plant or operations.
- 7.9 The Customer may at no time exceed the rated capacity of the overhead distribution line or underground distribution cable, equipment or apparatus provided by Erongo RED and Erongo RED may provide and install apparatus designed and arranged to interrupt the supply of electricity to the Customer in the event of an overload occurring.

8. Measurement of supply

- 8.1 Erongo RED undertakes to install and connect as near as possible to the point of supply specified in the Contract an appropriate metering installation necessary for measuring the quantity of electricity (kWh) supplied to the Customer during the month, or the other period specified in the Contract, and the Customer's maximum demand, if applicable, in the month or period.
- 8.2 The Customer must at his, her or its own cost, provide adequate housing for the meter installation, if required by Erongo RED.
- 8.3 Alternatively to Clauses 8.1 and 8.2 above, Erongo RED may in agreement with the Customer, provide the Customer with a prepayment metering installation, in which case Erongo RED undertakes to provide sufficient facilities during business hours to enable the Customer to buy electricity units.
- 8.4 Notwithstanding Clause 8.1 above, Erongo RED may, if determined in the Erongo RED schedule of tariffs, levy a fixed charge for the consumption of electricity where the consumption is such that it is not feasible to meter the consumption.
- 8.5 For the purposes of measurement of supply, the metering installation including the maximum demand attachment must be read at or near the end of each metering period at a time of day convenient to Erongo RED: Provided that the reading must normally be taken for the number of days in the meter reading period that correspond to the number of days in the previous meter reading period.
- 8.6 If a prepayment meter is used the Customer must allow Erongo RED access to the Customer premises for inspection of the metering installation.
- 8.7 Where duplicate meters are installed and the readings of the meters are within 2,5% (two and one half percent) of the arithmetic mean of the readings of both meters, each meter is accepted as correct for the purpose of rendering accounts and the said arithmetic mean is deemed to represent the number of units supplied.
- 8.8 Where the readings of the meters differ from the said arithmetic mean by more than 2,5% (two and one half percent) and if a fault is detected in one meter, or Erongo RED's records show that the discrepancy is attributable to one meter only, the reading of the other meter is taken as correct.

- 8.9 If the discrepancy is due to either or both meters, the arithmetic mean of the readings of both meters is taken for the time being.
- 8.10 Erongo RED undertakes to test the meters as soon as possible and, if necessary, to make an appropriate adjustment to the Customer's account in accordance with Clause 10 below.
- 8.11 If a maximum demand metering installation fails to register or if a fault in a meter is detected or Erongo RED's records show that the meter reading is unreliable, and no duplicate meter has been installed, Erongo RED undertakes to make a reasonable estimate of the number of units of electricity supplied or the maximum demand in accordance with Clause 10 below and to base the Customer's account for that month on the estimate.
- 8.12 All metering installations must at all reasonable times be accessible for inspection by Erongo RED or the Customer and the Board.

9. Determination of quantity of electricity supplied

- 9.1 The quantity of electricity supplied by Erongo RED to the Customer premises during a meter reading period is the quantity registered by the meter on the Customer premises over the period in question, with due regard to any multiplying or dividing constant applicable to the meter.
- 9.2 No rebate is allowed on any account rendered by Erongo RED for electricity supplied where any wastage of electricity occurred because of a leakage or any other fault on the electrical installation.
- 9.3 Erongo RED undertakes to cause all electricity meters to be read by the fifteenth day of every month, unless another fixed period has been specified in the Contract, in which case Erongo RED may –
- (a) estimate the quantity of electricity supplied over any period during the interval between successive readings of an electricity meter; and
 - (b) render an account to the Customer for the quantity of electricity so estimated.

- 9.4 When so requested by the Customer, Erongo RED must cause a special reading of the electricity meter to be taken, in which event the Customer is liable to pay the charge determined in the Erongo RED schedule of tariffs for such reading.

10. Estimation of consumption

An estimation of consumption of electricity on the Customer premises is based in the discretion of Erongo RED on one of the following:

- (a) The average monthly consumption during a period of 90 consecutive days before the month in respect of which a reading is disputed or it was noted that a meter is defective;
- (b) the average monthly consumption registered over three successive metered periods after the repair or replacement of a defective meter; or
- (c) the consumption recorded for the corresponding period in the previous year.

11. Charges for rendering service of electricity supply

- 11.1 Subject to Clause 11.2 below, Erongo RED may, if determined in the Erongo RED schedule of tariffs, levy an availability charge or a monthly minimum charge for the rendering of the service of electricity supply to the Customer.

- 11.2 Where an availability charge is levied in terms of Clause 11.1 above, it must be paid by the Customer in respect of each connection which Erongo RED provides to serve the Customer premises, whether or not electricity is consumed on the Customer premises.

- 11.3 Where a minimum monthly charge is levied in accordance with Clause 11.1 above, it must be paid by the Customer in respect of a specified minimum quantity of electricity, whether or not such quantity has actually been consumed by the Customer, but subject thereto that where the amount of electricity consumed exceeds the minimum quantity specified, the normal rate, except where otherwise provided, must be charged and be paid in respect of the quantity exceeding such minimum.

11.4 Notwithstanding Clause 11.2 above, an availability charge levied by Erongo RED in accordance with Clause 11.1 above is not payable by the Customer, who is a township owner in respect of any unalienated premises in the township, if –

- (a) the electrical system in the township was provided by the Customer at his, her or its own cost; or
- (b) the Customer has deposited with Erongo RED the capital cost of such system,

but upon the alienation of such premises to any other person, such availability charge is payable by such other person and every successor in title.

12. Payment for electricity upon amendment of charges

12.1 Erongo RED may from time to time amend its schedule of tariffs in respect of the charges determined for the supply of electricity or for the rendering of the service of electricity supply provided for in Clause 11 above.

12.2 If any amendment to the Erongo RED schedule of tariffs enters into force on a date between meter readings –

- (a) it is deemed, for the purpose of rendering an account for electricity supplied by Erongo RED, that the same quantity of electricity was supplied on every day during the period between the meter readings; and
- (b) any availability charge or minimum monthly charge leviable in accordance with Clause 11 above is calculated on a *pro rata* basis in accordance with the rate which applied immediately before such amendment and the amended rate.

13. Payment of accounts

13.1 The Customer must pay for the electricity supplied, or, where a prepayment meter has been installed, to be supplied, by Erongo RED to the Customer premises at the rate determined in the Erongo RED schedule of tariffs for the particular category of consumption for which electricity is supplied.

- 13.2 The Customer is responsible for the payment of electricity supplied to the Customer premises from the date of the entry into force to the date of termination of the Contract.
- 13.3 An account of all moneys due to Erongo RED in terms of the Contract, together with any surcharge payable to the local authority council concerned, if applicable, is made up in respect of each month, or the other period specified in the Contract, during which electricity was supplied and is delivered to the Customer as soon as possible after the end of the month, or the other period, to which it relates.
- 13.4 An account rendered by Erongo RED for electricity supplied to the Customer premises must be paid by the Customer not later than the last date for payment specified in the account.
- 13.5 In the event of the Customer failing to pay for electricity supplied in accordance with these Conditions and the Contract, Erongo RED may –
- (a) discontinue the supply of electricity to the Customer premises;
 - (b) immediately terminate the Contract without prejudice to its claim for damages for breach of contract by the Customer; and
 - (c) charge interest at a rate not exceeding the rate prescribed under the provisions of the Prescribed Rate of Interest Act, 1975 (Act No. 55 of 1975), which may be charged in respect of a judgment debt of a magistrate's court:

Provided that where the Customer is a local authority council or a regional council and the electricity so supplied is required for the provision of essential services, the interruption of which would endanger the life, personal safety or health of any member of the public, a reasonable period of notice must be given by Erongo RED to the council concerned and a reasonable period must be allowed, which period must be stated in the notice, to rectify the breach prior to the discontinuation and termination.

- 13.6 If the Customer subsequently settles its outstanding debts and requests the supply of electricity to be reconnected, Erongo RED may recover the cost of the reconnection from the Customer in advance.

13.7 Where the Customer disputes any account or submits a written request for the testing of Erongo RED's electricity meter or maximum demand attachment, the Customer is not entitled to defer payment of the disputed account beyond the due date, if the disputed account is less than twice the average amount for the previous six months.

13.8 If payment of an account is received after the due date, a late fee determined in the Erongo RED schedule of tariffs is payable by the Customer to Erongo RED.

14. Objection to account rendered by Erongo RED for electricity supplied

14.1 If the Customer disputes the correctness of the quantity of electricity supplied by Erongo RED to the Customer premises as reflected on an account rendered by Erongo RED, the Customer may in writing object to the account and request that the electricity meter in question be tested by Erongo RED.

14.2 An objection and request in terms of Clause 14.1 above must –

- (a) set out the reasons for the objection and the request;
- (b) be delivered to Erongo RED not later than 14 days after the receipt of the account in question; and
- (c) be accompanied by the deposit determined in the Erongo RED schedule of tariffs for the testing of a meter.

14.3 If the provisions of Clause 14.2 above have been complied with, Erongo RED must immediately cause the electricity meter concerned to be tested –

- (a) in accordance with the standards applicable to the testing of electricity meters; or
- (b) by means of a calibrated check meter, which check meter must be calibrated by an institution, which the Board recognises for the purpose.

14.4 An electricity meter is deemed to be registering accurately if upon the testing thereof it is found to be registering –

- (a) in the case of an electricity energy meter, not over or under the reading of the test meter by more than 2,5% (two and one half percent);

- (b) in the case of an electricity maximum demand meter, not over or under the reading of the test meter by more than 3,5% (three and one half percent).

14.5 If, upon a testing in accordance with Clause 14.4 above, the electricity meter is found not to be defective, Erongo RED retains the amount deposited by the Customer, but if it is found to be defective, Erongo RED undertakes to –

- (a) refund to the Customer the amount deposited in terms of Clause 14.2(c) above;
- (b) repair the electricity meter or install another electricity meter which is in a good working order, at no cost to the Customer, unless the cost thereof is recoverable from the Customer in terms of Clause 15(3) below; and
- (c) determine the quantity of electricity for which the Customer must be charged in lieu of the quantity registered by the defective electricity meter, in accordance with Clause 10 above.

15. Safeguarding of metering installation and other equipment

15.1 The Customer must take such measures which are reasonably necessary to prevent any damage to the metering installation or other equipment forming part of the service apparatus on the Customer premises.

15.2 If Erongo RED considers it necessary or desirable that special precautions be taken for the safeguarding of the metering installation on the Customer premises, Erongo RED may –

- (a) require the Customer to take such steps which Erongo RED directs for that purpose; or
- (b) cause the steps to be taken which Erongo RED considers necessary for that purpose and recover from the Customer the costs thereof.

15.3 Where the metering installation or any other equipment of the service apparatus on the Customer premises is damaged or destroyed by reason of any failure on the part of the Customer –

- (a) to comply with Clause 15.1 or 15.2 above; or
- (b) to maintain in proper order the metering installation or other equipment,

the Customer is liable to pay to Erongo RED any costs which Erongo RED incurs for the repair or substitution of the metering installation or the equipment as a result of the failure.

15.4 The Customer must ensure at his, her or its own cost that free and unimpeded access to the metering installation on the Customer premises is available at all reasonable times to Erongo RED or third parties interested in terms of the Electricity Act.

15.5 The duties and responsibilities imposed by Clauses 15.1, 15.2, 15.3 and 15.4 –

- (a) devolve on the owner of the Customer premises during any period that the premises are not occupied by another person; or
- (b) in the case of Customer premises on which several accommodation units are situated and to which electricity is supplied through a common metering installation, rest on the person having the charge or management of the premises.

16. Tampering with or damage to metering installation or other equipment

16.1 No person other than the Engineer or a person duly authorised thereto by Erongo RED may –

- (a) open, break or remove any seal or lock affixed to the metering installation or any other part of the service apparatus or connection on the Customer premises;
- (b) disconnect the metering installation from the connection;
- (c) where the supply of electricity to the Customer premises has been disconnected or suspended by Erongo RED for whatever reason, make a reconnection of or restore such supply in any manner; or
- (d) in any other way tamper or interfere with the metering installation or any other part of the service apparatus or the connection on the Customer premises,

and the Customer may not cause or permit any unauthorised person to perform any of the acts on the Customer premises.

- 16.2 Where upon inspection it is found that any seal or lock of Erongo RED affixed to the metering installation on the Customer premises has been opened, broken or removed or that any tampering or interference with the metering installation has occurred, Erongo RED may without prior notice to the Customer –
- (a) suspend the supply of electricity to the Customer premises; and
 - (b) cause the metering installation to be tested and, if necessary, to be repaired or replaced.
- 16.3 Erongo RED is not obliged to restore the supply of electricity which has been suspended in terms of Clause 16.2 above unless the Customer has paid –
- (a) where applicable, the costs incurred by Erongo RED for the testing or repair or replacement of the metering installation; and
 - (b) the charges determined in the Erongo RED schedule of tariffs for the suspension and subsequent restoration of the supply of electricity.
- 16.4 Where it is on reasonable grounds suspected that the tampering or interference with the metering installation or any other part of the service apparatus or connection on the Customer premises has resulted in the metering installation not registering or not registering correctly the electricity consumption by the Customer, Erongo RED may –
- (a) estimate, in accordance with Clause 10 above, the quantity of electricity supplied to the Customer premises for the period from the date of the previous last reading of the meter (prior to the reading consequent on which the failure of the meter was discovered) to the date on which the supply of electricity has been suspended in terms of Clause 16.2 above; and
 - (b) recover from the Customer for the electricity supplied the charges based on the estimated quantity.
- 16.5 Where it is found that any reconnection or restoration of the supply of electricity was made on the Customer premises in breach of Clause 16.1(c) above, the Customer is liable to pay –

- (a) the charges for electricity consumed from the date of disconnection or suspension to the date the supply was found to be reconnected or restored; and
- (b) the cost of any subsequent disconnection or suspension of the supply by Erongo RED.

16.6 The Customer may not damage any metering installation of Erongo RED on the Customer premises.

16.7 This Clause does not apply in respect of any damage caused by natural disasters, such as fires, floods, earthquakes, lightning, storms or hurricanes.

17. Complete failure of electricity meter to register supply

17.1 Subject to Clause 15.3 above, Erongo RED undertakes to repair or replace any electricity meter which has ceased to register the supply of electricity to the Customer premises and undertakes to bear the costs in connection therewith.

17.2 Where the Customer becomes aware, or where the Customer ought reasonably to have become aware, that an electricity meter has ceased to register the supply of electricity to the Customer premises, the Customer must report the failure to Erongo RED.

17.3 Where an electricity meter ceases to register the quantity of electricity supplied to the Customer premises, the quantity of electricity supplied for the period from the date of the previous last reading of the meter (prior to the reading consequent on which the failure was discovered) to the date of its repair or replacement, is estimated by Erongo RED in accordance with Clause 10 above.

18. Testing of electricity meters

18.1 For the purpose of the supply of electricity the accuracy co-efficient of an electricity meter or maximum demand attachment must be determined by way of testing of the meter or attachment and means the accuracy co-efficient obtained during the testing period.

- 18.2 Erongo RED has the right to test its metering installation at any reasonable time and also to test any electricity meter of the Customer which is used for the purpose of measuring the quantity of electricity supplied to the Customer premises.
- 18.3 Erongo RED must test each electricity meter or attachment thereto installed by it –
- (a) in the circumstances set out in Clause 8 above; and
 - (b) if and when it appears to Erongo RED that the reading of the meter or attachment is inaccurate to an extent exceeding 2,5% (two and one half percent) fast or slow.
- 18.4 If, upon testing, an electricity meter or maximum demand attachment is found to be inaccurate, the inaccuracy is, in the absence of evidence to the contrary, deemed to have existed –
- (a) since the previous occasion of testing; or
 - (b) since the date of the last meter reading period,
- whichever is the later date, and the reading of the electricity meter or attachment for the period of the inaccuracy must be adjusted or estimated in accordance with Clause 10 above.
- 18.5 If the Customer, within 14 (fourteen) days of the rendering of any monthly account for electricity supplied, requests Erongo RED in writing to test the electricity meter or maximum demand attachment installed by it, Erongo RED undertakes to do so and if, upon the necessary test being made, the inaccuracy of any meter or attachment is found to be more than 2,5% (two and one half percent) fast or slow, Erongo RED undertakes to –
- (a) bear the expense of the test; and
 - (b) adjust the account aforesaid for the period of inaccuracy since the previous occasion of testing or the date of the previous meter reading period, whichever is the later date,

but if the inaccuracy of the meter or meters or maximum demand attachment is found not to exceed 2,5% (two and one half percent) fast or slow, the Customer must bear the cost of the test and the account stands as rendered.

18.6 This Clause does not apply in the instance where the manufacturer of the meter has issued a test certificate, which –

- (a) verifies the accuracy of the meter; and
- (b) is valid in Namibia for the period to which such test certificate applies.

19. Repair or substitution of electricity meter or other equipment

19.1 In the event of any repairs to an electricity meter or any other part of the service apparatus on the Customer premises being found necessary, the repair may only be effected by the Engineer or a person authorised thereto by the Engineer of Erongo RED.

19.2 Erongo RED may at any time replace an electricity meter on the Customer premises if it is suspected that the electricity meter does not register accurately the supply of electricity to the Customer premises.

19.3 The costs incidental to any repair in terms of Clause 19.1 above, or the replacement of any electricity meter in terms of Clause 19.2 above, are borne by Erongo RED, but if the repair or replacement is necessitated by reason of any failure on the part of the Customer as contemplated in Clause 15.3 above or because of an act performed in breach of Clause 16 above, Erongo RED may recover the costs from the Customer.

20. Charges in case of improper use

20.1 If the Customer uses electricity supplied to the Customer premises for any purpose, or deals with the supply of electricity to the Customer premises in any manner, which, in the opinion of Erongo RED, interferes with or is likely to interfere with the efficient supply of electricity by Erongo RED to any other premises, Erongo RED may without prior notice suspend the supply of electricity to the Customer premises.

20.2 Erongo RED undertakes to restore any supply of electricity suspended in terms of Clause 20.1 above, if –

- (a) the cause for the suspension of the supply has been permanently remedied or removed to the satisfaction of Erongo RED; and
- (b) the fees determined in the Erongo RED schedule of tariffs for the suspension and restoration of, as well as any other arrears for, the supply of electricity and costs for physical damages caused by the Customer to the equipment of Erongo RED have been paid.

20.3 Unless specifically authorised thereto in writing by Erongo RED, the Customer may not connect or allow to be connected any electricity consuming device to an electrical installation or part of an electrical installation which is being supplied with electricity at a rate lower than the rate which would ordinarily be charged by Erongo RED for the supply of electricity to the device.

20.4 Where the Customer has –

- (a) breached the provisions of Clause 20.3 above; or
- (b) used electricity for a category of consumption other than that for which it is supplied by Erongo RED under the Contract and as a consequence thereof the Customer is charged for electricity so consumed at a rate lower than the rate which should have been charged,

the Customer must, for the period from the previous last reading of the meter (prior to the reading consequent on which the breach was discovered) to the date it has been proved to the satisfaction of Erongo RED that the breach has ceased, pay for all electricity consumed at the higher rate contemplated in Clause 20.3 above or paragraph (b) of this Clause, whichever is applicable.

21. Removal of material, plant and apparatus by Erongo RED

Subject to the provisions of the Electricity Act, Erongo RED may enter upon the Customer premises and remove therefrom all material, plant and apparatus which belongs to Erongo RED if –

- (a) the Contract has been terminated in terms of Clause 51 below and no subsequent application for the reconnection of the supply of electricity to the Customer premises has been received within a period of 90 days following the termination; or
- (b) the accommodation unit on the Customer premises is demolished.

22. Relocation of Erongo RED equipment on request of Customer

If the Customer requests Erongo RED to change the route of any overhead distribution line or underground distribution cable across the Customer premises or the position of Erongo RED's equipment or meters, Erongo RED may, prior to effecting the change, require that the cost to be incurred by Erongo RED in effecting the change or removal be borne, and paid in advance, by the Customer.

23. Suspension of electricity supply

23.1 If an account rendered by Erongo RED in respect of the supply of electricity is not paid by the Customer before the expiry of the last day for the payment specified in the account, Erongo RED may, subject to Clause 13.5(a) above, immediately suspend the supply of electricity to the Customer premises until the amount due is paid by the Customer, together with the charges referred to in Clause 23.3 below.

23.2 If Erongo RED considers it necessary as a matter of urgency to prevent the unauthorised consumption of electricity, damage to property or danger to life, Erongo RED may, without prior notice and without prejudice to Erongo RED's power under Clause 42.2(b) below–

- (a) suspend the supply of electricity to the Customer premises;
- (b) enter upon the Customer premises and carry out, at the owner's expense, the emergency work which Erongo RED deems necessary; and
- (c) by written notice require the owner to carry out within a period specified in the notice the further work which Erongo RED deems necessary.

23.3 If the supply of electricity to the Customer premises is suspended under Clause 23.1 or 23.2 above, the Customer must, before the supply is restored by Erongo RED, pay both the charges for the suspension of the supply of electricity and for the restoration of the supply determined in the Erongo RED schedule of tariffs.

24. Power factor, phase balance and interference with other supplies

- 24.1 The power factor of the electricity supply taken by the Customer under all loading conditions may not be leading or not be less than 0,85 lagging unity power factor and, where necessary, the Customer must provide and install suitable apparatus to ensure that this requirement is met.
- 24.2 In the event of a three-phase alternating current, the Customer's load must be balanced over the supplied phases to the satisfaction of Erongo RED within the limits of imbalance determined by the Board.
- 24.3 The Customer must consume the electricity supplied in a manner that does not interfere with the efficient and economical supply to other customers.
- 24.4 The Customer must provide harmonic filters if its load is of such nature that harmonics levels are generated that exceed the limits determined by the Board.
- 24.5 The Customer must provide soft starting equipment for machinery if this is determined by Erongo RED or the alternative equipment or mechanisms as may be appropriate under circumstances.

25. Reduction in supply

- 25.1 At times of peak load, or in an emergency, or when, in the opinion of Erongo RED, it is necessary to reduce the load on its electrical system, Erongo RED may without prior notice interrupt and, for the period which Erongo RED deems necessary, discontinue the supply of electricity to the whole or part of the Customer's electrical installation.
- 25.2 Erongo RED may –
- (a) at its own cost, install upon the Customer premises the apparatus or equipment which is necessary or expedient for the purpose of any action contemplated in Clause 25.1 above; and
 - (b) require from the Customer to provide at its own cost a suitable facility for the installation of the apparatus or equipment.

25.3 If, in the opinion of Erongo RED, the consumption of electricity by the Customer adversely affects the supply of electricity to other premises, Erongo RED may, without prejudice to Erongo RED's powers under Clause 20 above, apply the restrictions to the supply of electricity to the Customer premises which Erongo RED deems fit in order to ensure a reasonable supply of electricity to the other premises.

26. Variation in voltage and frequency

26.1 When any variation in voltage occurs at the point of supply beyond the limit of 7,5% (seven and one half percent) above or below the supply voltage specified in the Contract and lasting for more than 10 (ten) consecutive minutes not causing a stoppage of the Customer's operations, the Customer may notify Erongo RED of the variation and Erongo RED undertakes to rectify the variation in voltage as soon as possible.

26.2 If the frequency of the electricity supplied at the point of supply falls below 48 (forty-eight) hertz or rises above 52 (fifty-two) hertz, the Customer must notify Erongo RED of the variation in frequency and Erongo RED undertakes to rectify the variation in frequency as soon as possible.

27. Non-liability of Erongo RED

27.1 Subject to Clause 16 above, neither Party is considered in breach or default of carrying out its obligations under these Conditions, if –

- (a) prevented or delayed by any circumstances of *force majeure*, including epidemics, acts of war, civil disturbances, sabotage and any other circumstances beyond their control; and
- (b) notice of the occurrence or existence of the event is given within the shortest possible time to the other Party.

27.2 As soon as the event which results in preventing a Party to carry out its contractual obligations, ceases to exist, the Party thus affected must immediately notify the other Party of this fact and must immediately resume its obligations.

27.3 Notwithstanding Clauses 27.1 and 27.2 above, Erongo RED is not liable for any loss or damage, direct or consequential, suffered by the Customer or the owner of the

Customer premises as a result of or arising from the cessation, interruption, discontinuation, disconnection, deficiency, variation or abnormality of the supply of electricity from whatever cause and whether or not such cause is attributable to any act or omission of any employee or agent of Erongo RED if Erongo RED or its employee or agent acted in good faith.

28. Temporary disconnection and reconnection

28.1 If so requested by the Customer, Erongo RED undertakes to temporarily disconnect, and thereafter reconnect, the supply of electricity to the Customer premises upon payment of the charges determined in the Erongo RED schedule of tariffs for the disconnection and for the reconnection of the supply.

28.2 Erongo RED may in the case of an emergency without notice disconnect temporarily the supply of electricity to the Customer premises where the disconnection is necessary for the purpose of effecting repair, making tests or any other reasonable purpose.

29. Standby supply

29.1 Except with the written consent of Erongo RED and subject to the terms and conditions which Erongo RED determines, the Customer is not entitled to obtain from Erongo RED a connection for the purpose of a standby supply of electricity to any premises having a source of electricity supply other than that provided by Erongo RED.

29.2 The Customer may not, except with the written consent of Erongo RED, install or use a private generating plant on the Customer premises for the purpose of a standby supply of electricity.

29.3 Any generating plant which the Customer under Clause 29.2 above is permitted to install must be electrically and mechanically interlocked in a manner which prevents parallel connection to the supply main.

29.4 The Engineer must be notified of the first commissioning test and any subsequent test run to be carried out on a generating plant installed in terms of Clause 29.2 above, and may at any time require that a test run be carried out.

PART 3: ELECTRICAL INSTALLATIONS

30. Diagrams and specifications

If an initial connection is made to the Customer premises, the Customer must, if Erongo RED so requires, provide Erongo RED with a diagram of the circuits on the Customer premises, starting from the point of supply and the specifications of the electrical installation to be installed on the Customer premises.

31. Customer responsible for electrical installation

31.1 The Customer is responsible for the installation and maintenance, at its own cost, of the electrical installation on the Customer premises in accordance with these Conditions and the standards applicable to the wiring of premises, which include the SABS Code of Practice for the Wiring of Premises (SANS 0142, as amended).

31.2 No electrical installation may extend from one Customer premises to another or if the Customer premises comprise more than one erf or stand, from one erf or stand to another without the prior approval of Erongo RED.

32. Fault on electrical installation

32.1 In the event of any fault developing on the electrical installation on the Customer premises, the Customer must –

- (a) immediately switch off the supply by means of the switch provided for that purpose on the distribution board and, where considered necessary, request Erongo RED to disconnect the supply to the Customer premises; and
- (b) cause the necessary steps to be taken to remedy the fault on the electrical installation.

32.2 Erongo RED is not obliged to effect any repair to the electrical installation on the Customer premises, but undertakes to repair any damage which may have been caused to the service apparatus as a result of a fault on the electrical installation.

32.3 In a case contemplated in Clause 32.2 above, the Customer –

- (a) must reimburse Erongo RED for any expenses which Erongo RED incurs in connection with the repair; and
- (b) is liable to pay to Erongo RED the fee determined in the Erongo RED schedule of tariffs for the disconnection of the supply of electricity and for the subsequent restoration of the supply.

33. Connection of electrical installation to electricity supply

The connection of an electrical installation to the supply main may only be effected if a certificate of compliance has been issued.

PART 4: ERONGO RED EQUIPMENT

34. Erongo RED equipment installed on Customer premises

34.1 Erongo RED undertakes to –

- (a) erect, connect, operate and maintain an overhead distribution line or underground distribution cable from a suitable point on its electrical system to the Customer premises as agreed upon between Erongo RED and the Customer; and
- (b) install, connect, operate and maintain in the accommodation unit the service apparatus necessary for the supply of electricity to be made available.

34.2 Where two or more erven or stands are consolidated, only one connection is permitted for the consolidated erf or stand and the Customer is responsible for the removal of any unauthorised connections, unless the consolidated erf or stand comprises sectional title units, in which case Erongo RED may permit more than one connection.

34.3 The Customer may not, except in cases of emergency, operate or interfere with the service apparatus of Erongo RED: Provided that the operation or interference may only be carried out by a competent person and must be reported immediately to Erongo RED.

34.4 Erongo RED may install on the Customer premises equipment to control the electric loading.

34.5 The equipment referred to Clause 34.4 above may not interfere with the day to day operation of the electrical installation.

34.6 The Customer must give access of the Customer premises to Erongo RED for the installation and maintenance of the equipment referred to in Clause 34.4 above.

35. Accommodation for service apparatus

35.1 The Customer must make provision, to the satisfaction of Erongo RED, for a suitable space for the installation of the service apparatus and must, at all times, maintain the space to the satisfaction of Erongo RED.

35.2 Erongo RED may at any time, in writing, require the Customer to carry out the work or repair, which Erongo RED specifies in order to ensure that the space where the service apparatus is installed, conforms to the required standard.

35.3 If the Customer fails to comply with a written request contemplated in Clause 35.2 above within the period specified therein, Erongo RED may –

- (a) suspend the supply of electricity to the Customer premises until the required work or repair has been carried out by the Customer; or
- (b) cause the work or repair to be carried out and recover from the Customer the costs incurred by it.

35.4 Where, in the opinion of Erongo RED, the space provided for the service apparatus is no longer reasonably accessible, or has become a source of danger to life or property, the Customer must, if so requested by Erongo RED, provide a suitable space at a different position approved in writing by Erongo RED to which the service apparatus can be moved, and the Customer, in such a case, bears all costs incidental to the removal.

35.5 Where the service apparatus or any part thereof is to be fixed to a wall on the Customer premises, the Customer must, if so required by Erongo RED, cause the wall to be reinforced, at the Customer's cost, to the satisfaction of Erongo RED for the purpose of installing the service apparatus.

- 35.6 The space provided for the installation of the service apparatus must, where Erongo RED so requires, be provided with adequate electric lighting by the Customer at its own cost.
- 35.7 Where so required by Erongo RED, the Customer must at its own cost provide a metering installation room or cubicle or box of a design and at a point which Erongo RED approves in writing, which metering installation room or cubicle or box must be used exclusively for the accommodation of the service apparatus and, if so approved by Erongo RED, the Customer's main circuit breaker and main protective devices.
- 35.8 Except with the written approval of Erongo RED, no apparatus other than the service apparatus used in connection with the supply of electricity may be accommodated in a metering installation room or cubicle or box provided in terms of Clause 35.7 above and no other equipment or material of any nature may be stored or kept therein.
- 35.9 A metering installation room must be secured by means of a suitable lock, a key of which must be provided by Erongo RED to the Customer, at the Customer's cost.

36. Ownership of service apparatus and other equipment

Notwithstanding the fact that -

- (a) any equipment –
 - (i) used for providing a connection to the Customer premises; or
 - (ii) forming part of the service apparatus,
is installed and situated on the Customer premises;
- (b) the costs in relation to any such equipment have been borne by the Customer,

the ownership of the equipment does not vest in the Customer and the equipment remains at all times the exclusive property and under the sole control of Erongo RED.

PART 5: INSPECTIONS

37. Power to inspect electrical installation

37.1 Erongo RED may at any reasonable time enter the Customer premises for the purpose of inspecting the service apparatus, connection or electrical installation, or any part thereof.

37.2 The Customer must give reasonable opportunity and assistance to Erongo RED to inspect on the Customer premises any part of the electrical installation connected, or to be connected, to the connection or at any time while work on the installation is in progress.

37.3 If it is not reasonably possible for Erongo RED to gain access to the service apparatus, connection or electrical installation on the Customer premises by reason of any object, including any construction of bricks, stone, iron, wood or any other material obstructing the access, Erongo RED may by written notice to the Customer require the Customer to remove the object and to restore the access within the period specified in the notice.

37.4 If, in a case contemplated in Clause 37.3 above, Erongo RED is of the opinion that the situation constitutes an emergency or if reasonable grounds exist for suspecting that a breach of any of these Conditions has been or is being committed, Erongo RED may cause the object concerned to be removed and any other steps to be taken to gain access, and Erongo RED may recover from the Customer the cost incurred for that purpose.

37.5 Where the Customer has failed to provide reasonable access as provided for in this Clause to Erongo RED, Erongo RED is not liable for any damage resulting from any action taken under Clause 37.4 above, but must restore the Customer premises to the former condition should no breach of these Conditions be discovered.

38. Failure to pass inspection

38.1 If the electrical installation is found to be incomplete or defective or fails in any way to comply with these Conditions or the standards applicable to the wiring of

premises, which include the SABS Code of Practice for the Wiring of Premises (SANS 0142, as amended), Erongo RED may refuse to connect the electrical installation or instruct the Customer in writing that the supply of electricity will be discontinued until the installation has been completed or the defect or failure has been remedied.

38.2 Erongo RED gives notice to the electrical contractor of the manner in which the installation is incomplete or defective or fails to comply with these Conditions or the standards applicable to the wiring of premises, which include the SABS Code of Practice for the Wiring of Premises (SANS 0142, as amended), and the electrical contractor must immediately, or within the time specified in the notice, comply with the requirements of the notice.

38.3 After the expiry of a reasonable time from the date of giving the notice or, where applicable, upon the expiry of the period specified in the notice, or upon receipt of a notification by the electrical contractor that the work has been completed, Erongo RED causes a further inspection and test of the installation to be made.

38.4 Erongo RED may, if determined in the Erongo RED schedule of tariffs, charge the fee for each of the repeated inspections and tests made by Erongo RED until the installation is approved as complying with these Conditions and the standards applicable to the wiring of premises, which include the SABS Code of Practice for the Wiring of Premises (SANS 0142, as amended).

39. Inspection does not relieve electrical contractor of responsibility

Any examination, test or inspection carried out by Erongo RED on any electrical installation –

- (a) does not relieve the electrical contractor from responsibility for any defect in the electrical installation; or
- (b) is not an indication or guarantee on the part of Erongo RED that the electrical installation has been carried out efficiently or with the most suitable materials for the purpose or that it is in accordance with these Conditions,

and Erongo RED is not, on account of the inspection, responsible for any deficiency or fault in the electrical installation.

PART 6: CONDITIONS IN RESPECT OF RURAL CUSTOMERS

40. Applicability

40.1 The conditions in this Part apply in respect of rural Customers and are in addition to the general conditions set out in the other parts of these Conditions.

40.2 In the event of any inconsistency with any condition set out in the other parts of these Conditions, the conditions in this Part prevail.

41. Site to be provided by Customer

41.1 Notwithstanding Clause 7 above, the Customer must at his, her or its own cost provide a suitable site for Erongo RED's transformation, switching or metering equipment and must maintain the site in good order.

41.2 The site to be provided is subject to the prior approval of Erongo RED, which approval may not unreasonably be withheld.

41.3 The Customer must afford Erongo reasonable access to the site for the purpose of erecting or connecting, inspecting, operating and maintaining its equipment thereon.

42. Resale of electricity by Customer

Notwithstanding Clause 6 above, the Customer may not sell or supply, or cause or permit to be sold or supplied, any electricity supplied to the Customer premises by Erongo RED to any other person for consumption on the Customer premises to which the electricity is supplied, except with the prior written approval of Erongo RED, in which case the electricity may not be sold at a rate per kWh exceeding the rate per kWh charged by Erongo RED to the Customer.

43. Notified maximum demand

43.1 The installed capacity of the electricity supply to the Customer is as specified in the Contract, the Customer having notified Erongo RED that the specified installed capacity is the Customer's maximum demand.

43.2 If the Customer at any time requires Erongo RED to supply a maximum demand exceeding the maximum demand specified in the Contract, Erongo RED has the right to increase the rental charge mentioned in Clause 44 below and the amount of the deposit mentioned in Clause 47 below.

43.3 The notified maximum demand may be temporarily increased for a period of not less than one month on the terms and conditions agreed upon between the Erongo RED and the Customer.

44. Rental charge

44.1 Notwithstanding Clause 11 above, the Customer must pay Erongo RED the rental charge specified in the Contract from the date of commencement of supply specified in the Contract, for the duration of the Contract and any extension thereof.

44.2 The rental charge is payable monthly together with the other charges payable under these Conditions.

45. Capital contribution

45.1 On the date of entry into force of the Contract, the Customer must pay to Erongo RED the amount specified in the Contract as a contribution towards the capital costs to be incurred to make electricity supply available to the Customer.

45.2 The capital contribution is not refundable, except in the sole discretion of Erongo RED.

46. Guaranteed contribution

- 46.1 The Customer acknowledges that Erongo Red will be put to expenses in respect of funding all or part of the capital cost of the electricity supply not covered by the capital contribution of the Customer.
- 46.2 The Customer further acknowledges that part of the expenses will not be covered by the recoverable assets in the event of it becoming necessary for Erongo RED to dismantle its equipment on premature termination of the Contract.
- 46.3 The Customer further acknowledges that the guaranteed contribution specified in the Contract may become due and payable in the event of such premature termination of the Contract.
- 46.4 The Customer undertakes to furnish Erongo RED before the date of commencement of supply, with a bank guarantee as security for the guaranteed contribution specified in the Contract, which guarantee must be given in a form approved by Erongo RED, for payment on demand by Erongo RED, of the said guaranteed contribution or the reduced amount thereof, payable in accordance with the conditions in the Clause.
- 46.5 Subject to the Customer meeting his, her or its obligations under the Contract, the guaranteed contribution is reduced for and in respect of each completed year during which the Contract remains in force from and including the fifth year until and including the fourteenth year, calculated from the date of commencement of supply, by one tenth of the guaranteed contribution.
- 46.6 If the Contract is terminated by Erongo RED for breach of the conditions by the Customer or is terminated by the Customer for whatever reason, the amount of the guaranteed contribution or the reduced amount thereof ceases to be reducible and is forfeited to Erongo RED.

47. Deposit

- 47.1 The Customer undertakes to deposit with Erongo RED before the date of commencement of the supply the deposit specified in the Contract or to furnish

Erongo RED with a bank guarantee as security for the due payment of the accounts to be rendered in terms of the Contract, which guarantee must be given in a form approved by Erongo RED.

- 47.2 The amount of the security must be sufficient to cover the estimated amount payable by the Customer for electricity consumed and the rental charge during any period of three consecutive months.

48. Duration of Contract

- 48.1 The Contract enters into force on the date of signing thereof and remains in force for an initial fixed period of 10 years calculated from the date of commencement of supply specified in the Contract.

- 48.2 In the event of the Contract being terminated before the expiry of the initial fixed period of 10 years due to default by the Customer, Erongo RED may recover from the Customer the rental charge payable in respect of the remainder of the said period.

- 48.3 If either Erongo RED or the Customer wishes to terminate the Contract upon the expiry of the initial fixed period of 10 years, or to amend any condition thereof, the Party concerned must give to the other Party 12 calendar months' notice in writing, failing which the Contract continues to be in force subject to 12 calendar months' written notice by either Party.

PART 7: GENERAL

49. Giving of notice

- 49.1 Any document, notice or other form of communication required under these Conditions to be served, given or delivered to the Customer is deemed to have been served, given or delivered –

- (a) if delivered to the Customer personally;
- (b) if dispatched by registered post addressed to the Customer at its or his or her last known address which may be any such place or office as is referred to in paragraph (c) below or its or his or her last known post office box

number or private bag number or that of its or his or her employer or accredited agent, if any;

- (c) if left with some adult person apparently residing at or occupying or employed at its or his or her last known abode or office or place of business; or
- (d) in the case of a company -
 - (i) if delivered to the public officer of the company;
 - (ii) if left with some adult person apparently residing at or occupying or employed at its registered address;
 - (iii) if dispatched by registered post addressed to the company or its public officer at its or his or her last known address, which may be any such office or place as is referred to in subparagraph (ii) or its or his or her last known post office box number or private bag number or that of its or his or her employer; or
 - (iv) if transmitted by means of a facsimile transmission to the person concerned at the registered office of the company.

49.2 Any document, notice or other communication referred to in Clause 49.1 above which has been served, given or delivered in the manner contemplated in paragraph (b) or (d)(iii) of that Clause is, unless the contrary is proved, deemed to have been received by the Customer at the time when it would in the ordinary course of post have arrived at the place to which is addressed.

50. Right of way

50.1 The Customer grants to Erongo RED free of charge the right of way over the Customer premises along a route to be agreed upon between the Parties, for:

- (a) The overhead distribution line or underground distribution cable that Erongo RED requires to erect, lay or install in connection with the supply of electricity to the Customer; and
- (b) any extension of such line or cable to other premises for the purpose of supplying electricity to other customers of Erongo RED.

50.2 Agreement on the route contemplated in Clause 50.1 above is reached as follows:

- (a) In the case of Erongo RED infrastructure already being in existence on the Customer premises on the date of entry into force of the Contract, the Customer is deemed to have agreed to the route of the infrastructure;
- (b) in the case of new infrastructure required to be erected on the Customer premises, the Customer may lodge a written objection regarding the planned route to Erongo RED within seven days after the survey of the route has been completed and before the construction of the infrastructure commences. Should no written objection be received within the said period, it is construed as agreement having been reached between the Parties regarding the said route.

50.3 If Erongo RED so desires, the right of way may be registered as a notarial servitude against the title deed of the Customer premises, in which case the Customer undertakes that after the granting of such right of way to Erongo RED, any sale or alienation of the Customer premises by the Customer before the said right of way is registered, will be made subject to Erongo RED's right to secure registration of the servitude.

50.4 The right of way includes the right of access at all times to enable Erongo RED to operate, maintain, repair, remove or replace any or all of its infrastructure on the Customer premises.

50.5 Any legal costs in connection with the execution and registration of the right of way are borne by Erongo RED.

50.6 If the Customer requires Erongo RED to change the route of any overhead distribution line or underground distribution cable across the Customer premises or the position of Erongo RED's equipment or meters, the costs to be incurred by Erongo RED in effecting the change or removal are borne, and paid in advance, by the Customer.

51. Termination of Contract

51.1 The Customer may terminate the Contract by giving to Erongo RED not less than seven days' notice in writing.

51.2 Subject to Clauses 51.3 and 51.4 below, Erongo RED may terminate the Contract if the Customer –

- (a) has not consumed any electricity during the preceding six months and has not made arrangements to the satisfaction of Erongo RED for the continuation of the Contract; or
- (b) has committed a breach of these Conditions or any standard applicable to the wiring of premises, which includes the SABS Code of Practice for the Wiring of Premises (SANS 0142, as amended), other than a failure to pay an amount due in respect of the supply of electricity, and has failed to rectify the breach within 48 hours after being required in writing by Erongo RED to do so.

51.3 In the case of the termination of the Contract in terms of Clause 51.2(a) above, Erongo RED must give the Customer not less than seven days' notice of its intention to terminate the Contract.

51.4 Erongo RED may without notice terminate the Contract if the Customer has vacated the Customer premises without having made arrangements to the satisfaction of Erongo RED for the continuation of the Contract.

52. Settlement of disputes

52.1 In the event of any dispute or difference between Erongo RED and the Customer arising from or in connection with the Contract or these Conditions ("Dispute"), which cannot be resolved by the Parties, the Party wishing to declare the Dispute must deliver to the other Party a written notice, which sets out:

- (a) A brief description of the nature of the Dispute, including the amount involved, if any, and the date on which the Dispute arose; and
- (b) the relief sought.

52.2 Within 14 (fourteen) days from the date of delivery of a notice of the Dispute, the Parties must attempt to settle the Dispute by discussions conducted among those representatives of each Party with the appropriate decision-making authority.

- 52.3 If such individuals are unable to reach agreement within the 14 (fourteen) days' period, or such longer period as they may agree, the Dispute must be referred to arbitration by a single arbitrator to be nominated by the Board in consultation with the chairperson of the Professional Arbitration and Mediation Association of Namibia.
- 52.4 In all respects the arbitration must be in accordance with the rules, requirements and procedures determined by the Professional Arbitration and Mediation Association of Namibia.
- 52.5 Each Party carries its own costs relating to the arbitration proceedings except where the arbitrator makes a different award for costs.
- 52.6 Any award, including an award for costs, made by the arbitrator is final and binding upon the Parties and must be carried into effect by them and may be made an order of any competent court.
- 52.7 The procedures in this Clause do not prevent either Party from obtaining appropriate relief on an urgent basis from a competent court pending the decision of the arbitrator.
- 52.8 This Clause is severable from the rest of the Contract and these Conditions and therefore remains in effect even if the Contract is terminated.

53. Removal of apparatus upon termination of Contract

Upon the termination of the Contract, Erongo RED has the right to enter upon the Customer premises and remove therefrom all material, plant and apparatus which belong to Erongo RED.

54. Assignment and succession

- 54.1 Erongo RED has the right to assign the Contract to any successor or subsidiary of Erongo RED, whether by merger, consolidation, sale or otherwise: Provided that the successor or subsidiary must agree in writing to assume all of the existing obligations of Erongo RED in terms of these Conditions.

54.2 Erongo RED is in such event released from all liability thereafter arising under the Contract.

54.3 This Clause applies to assignees in succession.