



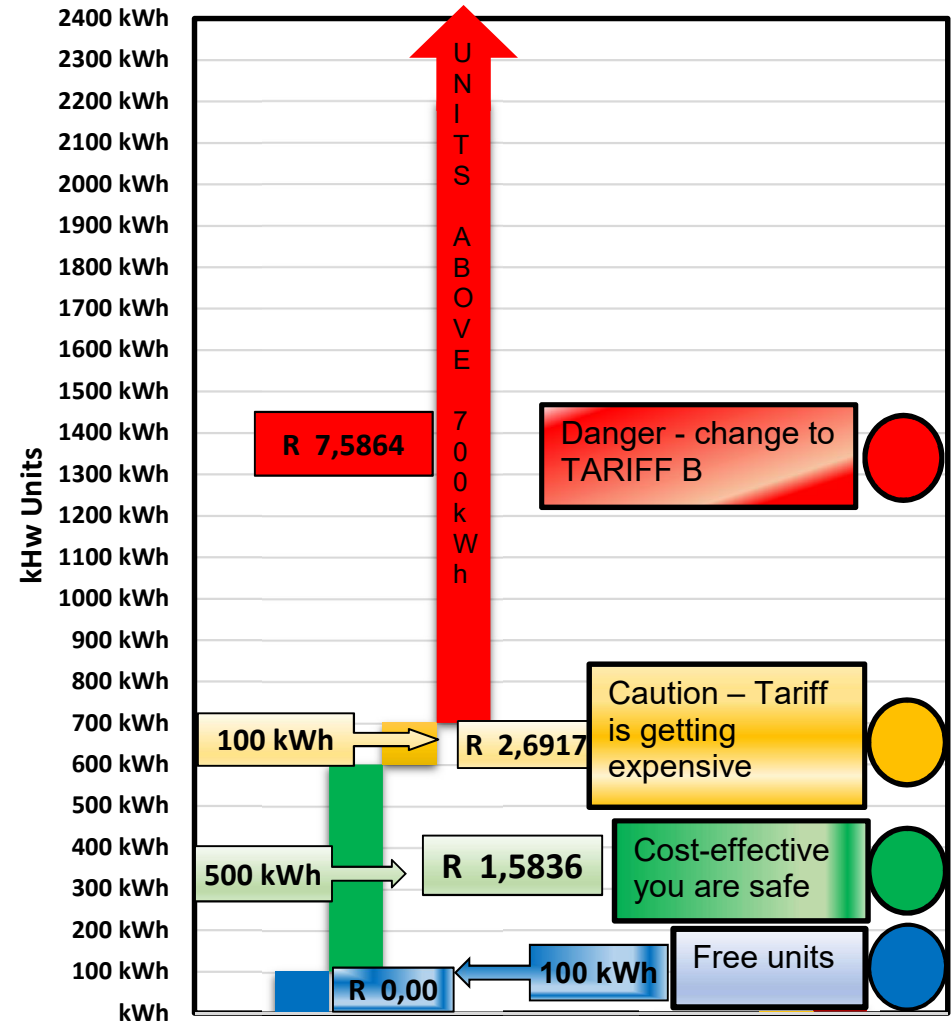
TARIFF A RESIDENTIAL 2020-21 RATES		
Inclining Block Rate Tariffs (IBTs)	VAT Excl. Rate/kWh	VAT Incl. Rate/kWh
A.0 Block (0 -100kWh/month Free Basic Electricity)	R0.00	
A.1 Block (>100 to <=600 kWh)	R1.3770	R1.5836
A.2 Block (>600 to <=700 kWh)	R2.3406	R2.6917
A.3 Block (>700 kWh)	R6.5969	R7.5864

- On the first day of the month, the customer units are reset to start counting at zero
 - From zero, each transaction count upwards from the previous transaction
 - Some transactions will cross between blocks
 - This crossing between blocks causes a different number of units received when comparing the units purchased with the amount paid
 - The vending system is programmed to take this into consideration and never makes a mistake. Between Eskom and municipalities, there are more than 3 million prepayment meters running faultlessly for more than 20 years now.
- **Blue column** = 1st 100kWh FBE in block A0 (0-100kWh) R0.00 as FBE by CoE
● **Green column** = 500kWh units in block A1 (>100 to <=600 kWh) at a Cost of R1.3770 (R1.5836 VAT Incl.) per kWh unit
● **Amber Column** = 100kWh units in block A2 (>600 to <=700kWh) at a Cost of R2.3406 (R2.6917 VAT Incl.) per kWh unit.
● **Red Column** is the danger zone = All kWh units purchase above 700kWh units in a month is at the high cost of R6.5969 (R7.5864 VAT Incl.) per kWh unit.
- If regular purchases are made in the red block**, it is best to consider to move to **TARIFF B**

TARIFF B RESIDENTIAL 2020-21 RATES		
Tariff Rates on component	VAT Excl.	VAT Incl.
Fixed charge (Credit Metering)	R43.82 per month	R50.39 per month
Fixed charge (Prepayment Metering)	R20.00 per month	R23.00 per month
Flat Energy usage rate per kWh/unit	R2.0387/kWh	R2.3445/kWh

- Cost Effective Energy Consumption cross over point for prepayment meter customer between tariff A IBT and tariff B Res = 815.08kWh units (R1933,95)

INCLINING BLOCK TARIFF



- Consider the following easy calculation to determine the average cost per kWh unit:

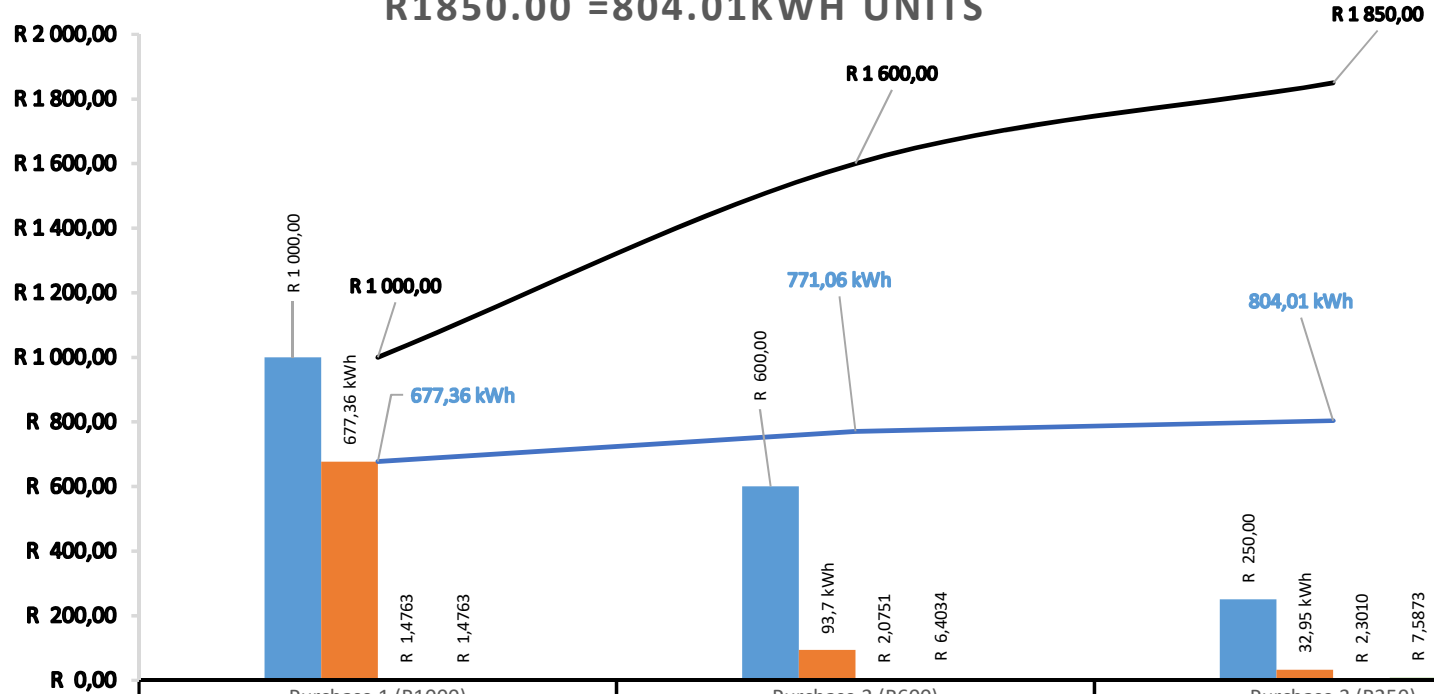
$$\text{Cost per unit} = \frac{\text{Amount Paid in Rand}}{\text{Number of units received; Example}} = \frac{\text{R100}}{60.00 \text{ kWh}} = \text{R1.67/kWh}$$

- Tariff B rate is R2.3445/kWh Vat Inclusive
 - Your average kWh calculation shows a lower rate than Tariff B, therefore your unit charges reflects a **good deal**.

STRUCTURE OF TARIFF A (IBT) IN CITY OF EKURHULENI (CoE)

Note: Average cost per unit refers to the average cost of the total units received compared to the total money spend i.e. R1850 / 804.01 units = R2.30 per unit

**3 HIGH TRANSACTIONS MADE ON TARIFF A (IBT) IN THE SAME MONTH,
TOTAL MONEY SPENT = R1850.00; TOTAL UNITS RECEIVED FOR
R1850.00 =804.01KWH UNITS**



	Purchase 1 (R1000)	Purchase 2 (R600)	Purchase 3 (R250)
Money value per transaction	R 1 000,00	R 600,00	R 250,00
kWh per transaction	677,36 kWh	93,7 kWh	32,95 kWh
Average cost per unit (Total Units)	R 1,4763	R 2,0751	R 2,3010
Cost per unit (current transaction)	R 1,4763	R 6,4034	R 7,5873
Total Money spend	R 1 000,00	R 1 600,00	R 1 850,00
Total kWh received to date	677,36 kWh	771,06 kWh	804,01 kWh