



BUYING ELECTRICITY:

What's New From 1 July 2025

ELECTRICITY PRICE RELIEF

From 1 July 2025, **Cape Town households will experience electricity price relief** despite Eskom's annual price increase. **In most other municipalities, electricity will go up by 11,32%** due to Eskom's increase.

Cape Town's price relief compensates in part for the increased Services and Wires Charge for 2025/26.

Price relief will especially help high consumption households! Remember to consider the lower unit costs for electricity when calculating your new total monthly bill for 2025/26.

| | Domestic Tariff | | Home User Tariff | |
|----------------------------------|--|---------------------------------------|--|---------------------------------------|
| | Per Unit Price Before 1 July excl. VAT | Per Unit Price After 1 July excl. VAT | Per Unit Price Before 1 July excl. VAT | Per Unit Price After 1 July excl. VAT |
| Energy Block 1 (up to 600 units) | R3,40 | R3,40 | R2,99 | R2,94 |
| Energy Block 2 (over 600 units) | R4,13 | R4,04 | R4,13 | R3,84 |

| | Domestic Tariff | | Home User Tariff | |
|-----------|---------------------------------------|--------------|---------------------------------------|--------------|
| | Total cost incl fixed charges and VAT | | Total cost incl fixed charges and VAT | |
| | Before 1 July | After 1 July | Before 1 July | After 1 July |
| 450 units | R1758 | R1828 | R1828 | R1910 |
| 600 units | R2344 | R2415 | R2343 | R2417 |
| 750 units | R3057 | R3112 | R3056 | R3080 |

FIXED CHARGES: HOW IT WORKS

DOMESTIC TARIFF

- Customers now pay a total R59,90 (VAT excl.) fixed charge per month, called the Services and Wires Charge.
- The charge is divided into a **daily rate** of R1,97.
- With each electricity purchase, customers pay for the number of days since the last purchase.
- Example:** a customer buying electricity every 15 days will pay $15 \times R1,97 = R29,55$ in fixed charges (R59,90 for 30 days).

HOME USER TARIFF

- Monthly fixed charge of R339,89 (VAT excl.) from 1 July 2025.
- As before, charge is paid monthly via municipal bill.
- Note the charge is not new, but is now referred to as 'Services and Wires Charge' on the bill

ELECTRICITY PURCHASE SLIP EXAMPLES:

| | |
|------------------------------------|---------------------------------|
| Prepaid electricity R250.00 | Beneficiary name 123456789 |
| | Meter number 123456789 |
| | Utility charges R2.27 |
| | Purchase token 123456789 |
| | Units 14.8 kWh |
| Service and wires charge R5.91 | Value R50.20 |
| From account | Vat Amount R7.53 |
| Transaction date 14 Jul 2025 | Receipt number 123456789 |
| Transaction reference 123456789 | |

| | | | |
|--|--|--|---------|
| | ELECTRICITY (Period 11/06/2025 to 11/07/2025 - 31 Days) (Estimate reading) | | |
| | At 11/07/2025 11:00:00 | | |
| | Meter no 123456789 Consumption 283.389 kWh / Daily average 9.142 kWh | | |
| | Consumption charge: Home User | | |
| | & From 11/06/2025 : (1) 182.8317 kWh @ R 2.9870 | | 841.38 |
| | & From 01/07/2025 : (1) 100.5574 kWh @ R 2.9362 | | 339.89 |
| | & Service and wires charge | | 1181.27 |

Why a fixed charge?

Fixed charges ensure all ratepayers contribute to Cape Town's infrastructure and fixed service costs. The City needs a portion of reliable, fixed revenue to make long-term infrastructure investments and protect service delivery standards. To ensure a working electricity service, it is not sustainable to only rely on unpredictable income from electricity sales.

CITY-WIDE CLEANING NO LONGER FUNDED VIA ELECTRICITY CONTRIBUTION IN RATES

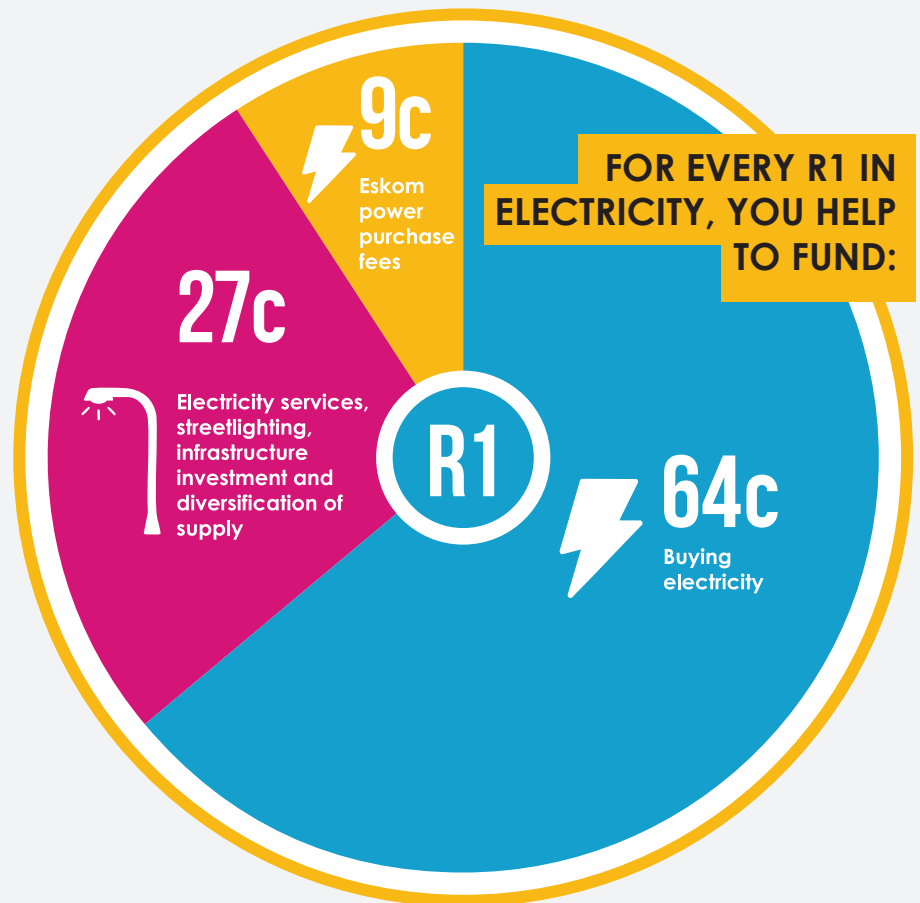
Previously, all City-supplied customers contributed to City-Wide Cleaning services via the cost of electricity into the rates account.

City-Wide Cleaning has now been removed from the electricity price.

Customers therefore now pay less for electricity, and City-Wide Cleaning is now shown separately on the monthly bill under 'sundries'. It is not new City income but to cover existing costs beyond the refuse collection (under the refuse tariff for wheelie bins and dry recycling). This includes among others:

- Construction, management and maintenance of drop-off facilities.
- Clearing illegally dumped waste.
- Mechanised street sweeping enhancements.
- Servicing informal settlements.
- Servicing green litter bins and large central business districts bins/containers.
- Animal carcass removals.
- Unscheduled residential cleaning where resources allow.

While City-supplied customers have always contributed to City-Wide Cleaning via electricity purchases, this is a new charge for Eskom-supply area customers who in the past have been subsidised by other ratepayers.



LIFELINE ELECTRICITY: MORE RESIDENTS NOW QUALIFY!

Pensioners and social grant recipients now qualify for Lifeline Electricity up to R27 000 monthly household income! (up from R22 000).

Indigent households qualify for lifeline up to R500 000 property value or R7 500 monthly income.

This is SA's widest qualifying criteria!

Special Price Protection continues

Lifeline customers using 600 units p/m still pay roughly the same as they did three years ago.

Customers need to stay within the 450-unit monthly average over 12 months to remain on the Lifeline tariff.

Lifeline customers receive either 25 or 60 units Free Basic Electricity if they have a prepaid meter installed depending on consumption level. Contact us to get your meter!

FOR MORE INFO:

Visit www.capetown.gov.za to view the Residential Rates Calculator and for the full tariff info: <https://bit.ly/40qdHxm>

Rates rebates: Rates.Rebate@capetown.gov.za
 Debt write-off: payment.arrangements@capetown.gov.za
 Indigent help: indigent.relief@capetown.gov.za