

The increase in electricity will make it more expensive for manufacturers to produce goods that consumers value. This will be true of all goods, ranging from food and beverages to cars. The trickle-down effect will mean that consumers will have to dig a little deeper in their pockets in order to cope with the increase the price of goods.

Unfortunately this will not be the only effect of increased electricity costs.

According to NERSA (National Energy Regulator of South Africa) the annual increase to Local Authority tariffs will only be effective from 1 July 2010 and are to be adjusted by 28.9%. All Non-Local Authority tariffs have already been increased (1st of April 2010) to the tune of approximately 24%, which is also the projected annual tariff increase for the next couple of years.

If, for example, you have an average monthly electricity bill of R500 in 2010, your projected monthly spending in 2011 will be R700 and by 2013, this would have increased to R1 372.

The question now arises: “What can I do as a consumer to cope with these increases?” Well, there are a couple options:

1. Firstly you can systematically start cutting down on your electricity usage by switching off any lights and electrical implements that are not in use. This is a song that we have been asked to dance to for years, and in actual fact, it’s not a bad idea. Why should we not switch off our lights during the day? Why should TV’s be switched on when no one is watching?

1. Secondly, consumers should start to consider the use of alternative or renewable energy sources. These include solar, hydro as well as wind energy. All these natural resources are free and they produce little to no harmful by-products.

1. Alternatively you can always get rid of every single electrical appliance in your house, and then you don’t need to worry about coughing up more for your electricity bill. (Good luck with this one.)

At the end of the day, everything we do is done with the bottom line in mind. How much will I spend? How long before I will be able to afford that new car? How can I save? How much will I be left with in my pockets?

The rise in the price of electricity is inescapable and we will just have to learn to adapt. How we adapt is up to us, but for me the only real option is the use of alternative energy sources. Fine, I concede the initial costs may be a little high, but the long term benefits are undeniable. By installing a solar water heating system, you can save up to 60% on your monthly electricity bill. The average payback period that such a system offers is between 3 and 5 years, depending on your average usage. This means that you will actually be making a “profit” after a couple of years. You may even be able to afford that new car you’ve always wanted.

And for the Greenies out there...you will also be doing your little bit to save the environment by cutting down on the use of fossil fuels.

For more information on renewable energy, contact Fazli at 082 447 5896 or Fazli@sunhotsolar.co.za. Visit our website at www.sunhotsolar.co.za