Tariff

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Tariff is rate at which energy is supplied to consumers.

Tariff types

1. Simple
2. Flat Rate
3. Block Rate
4. Two Part
5. Max Demand
6. Three Part
7. PF

Simple Tariff

- Price charged per unit energy supplied is constant irrspt of number of units supplied.
- Energy consume is recorded at consumer's terminals via energy meter
- Most simple type, but don't discriminate bw types of consumers.

Flat Rate Tariff

- Consumers are grouped into difft classes a/c to diversity and load factors.
- Each class of consumers is charged at difft ufm rate.
- More fair to difft types of consumers & quite simple in calculations.
- Expensive & complicated as separate meters are reqd for difft load types
- Consumers are charged at same rate irrspt of mgnt of energy consumed.

Block Rate Tariff

- Energy consume is divided into fixed price per unit blocks. Price per unit in first block is highest (or lowest) a/c to provider's necessities and priorities; accordingly, it is progressively reduced (or inc) for succeeding blocks of energy.
- Consumer gets incentive to consume more (or less) ee. Inc consume inc LF of system and hence cost of genr is reduced but it also overstress heavily loaded grid with constrained resources, That imply inc cost of genr.
- Lacks measure of consumer's demand.
- Used for majority of residential and small commercial consumers.

Two part Tariff

- Total charge is split into two components; fixed charges that depend on consumer's max demand, & running charges that depend on number of consumed units.
- Total charges = b×kW + c×kWh
- Fixed charges are paid irrspt of consuming or not consuming ee
- Assessing consumer's max demand is always erroneous

Maximum Demand Tariff

- Similar to two part tariff with exception that max demand is actually measured by installing max demand meter in consumer premises
- Applied to big consumers

Three part Tariff

- Comprise fixed, semi-fixed and running charges
- Total charges = a + b×kW + c×kWh
- Applied to big consumers

Power Factor Tariff

- Low pf should be penalized as it inc station's eqp rating and line losses
- Types:
    - kVA maximum demand tariff
      Total charges = b×kVA + c×kWh
    - Sliding scale tariff (Avg pf tariff)
      Below (or above) pf ref result in addnal (or discounted) charges
    - kW & kVAR tariff
      Both active and reactive power are separately charged