

1. SUBJECT

The timelines for processing Eskom's third Multi-Year Price Determination (MYPD3) Regulatory Clearing Account (RCA) Year 5 (2017/18) application and fourth Multi-Year Price Determination (MYPD4) application for the 2019/20 to 2021/22 financial years.

2. PURPOSE

The purpose of this publication is to inform stakeholders and affected parties of the timelines and determination process for Eskom's MYPD3 RCA Year 5 (2017/18) application and MYPD4 application for the 2019/20 to 2021/22 financial years.

3. INTRODUCTION AND BACKGROUND

The National Energy Regulator of South Africa (NERSA) is a regulatory authority established as a juristic person in terms of Section 3 of the National Energy Regulator Act, 2004 (Act No. 40 of 2004). NERSA's mandate is to regulate the electricity, piped-gas and petroleum pipelines industries in terms of the Electricity Regulation Act, 2006 (Act No. 4 of 2006), Gas Act, 2001 (Act No. 48 of 2001) and Petroleum Pipelines Act, 2003 (Act No. 60 of 2003).

NERSA received Eskom's MYPD3 RCA Year 5 (2017/18) application totalling R21 624m on 12 September 2018, and Eskom's MYPD4 application totalling R219bn, R252bn and R291bn for 2019/20, 2020/21 and 2021/22 financial years respectively, on 14 September 2018.

Upon receipt of the applications, NERSA conducted an analysis for compliance with both the Minimum Information Requirements for Tariff Applications (MIRTA), as well as the Multi-Year Price Determination (MYPD) Methodology. Full compliance with both MIRTA and MYPD was confirmed on 2 October 2018 after all documents were submitted.

4. ANALYSIS OF ESKOM'S MYPD3 RCA YEAR 5 (2017/18) APPLICATION AND MYPD4 APPLICATION FOR THE 2019/20 TO 2021/22 FINANCIAL YEARS

The Energy Regulator will assess Eskom's applications following due regulatory processes. The indicative timelines for the decision-making process is provided in Table 1 below.

Table 1: Indicative Timeline (Subject to change)

Activity	Timeframe
1. Publish Eskom's applications on NERSA website for written stakeholder comments	19 October 2018
2. Closing date for written stakeholder comments on Eskom's MYPD3 RCA Year 5 (2017/18) application and MYPD4 application	30 November 2018
3. Public Hearings on Eskom's MYPD3 RCA Year 5 (2017/18) and MYPD4 applications (9 provinces in 3 weeks)	14 January 2019 – 1 February 2019 (see details in Table 2)
4. NERSA's Electricity Subcommittee (ELS) to consider draft Reasons for Decision	28 February 2019
5. Energy Regulator decision on Eskom's MYPD3 RCA Year 5 (2017/18) and MYPD4 applications	1 March 2019
6. Communication of decision to Eskom and key stakeholders	1 March 2019

The approved dates for the public hearings on this matter are provided in Table 2 below.

Table 2: Confirmed public hearing dates and venues*

PROVINCE	CITY	DATE
Western Cape	Cape Town	14 Jan 2019
Eastern Cape	Port Elizabeth	16 Jan 2019
KwaZulu-Natal	Durban	17 Jan 2019
Northern Cape	Kimberley	21 Jan 2019
Free State	Bloemfontein	23 Jan 2019
Mpumalanga	Mbombela	25 Jan 2019
North West	Rustenburg	28 Jan 2019
Limpopo	Polokwane	30 Jan 2019
Gauteng	Midrand	31 Jan 2019

*The dates of the public hearings are subject to review depending on the number of presenters that register and/or logistical considerations

Eskom's applications are available on the NERSA website at www.nersa.org.za.

Written comments can be forwarded to mypd@nersa.org.za, hand-delivered to 526 Madiba Street, Arcadia, Pretoria or posted to PO Box 40343, Arcadia, 0083, Pretoria, South Africa. The closing date for written comments on both the MYPD3 RCA Year 5 (2017/18) and MYPD4 applications is **30 November 2018 at 16:00**. Stakeholders are requested to submit separate comments for each application.

Members of the public and stakeholders who wish to attend or present their views at any of the public hearings must submit their request to publichearings@nersa.org.za by **15:30 on 4 January 2019**. Stakeholders are requested to separate their oral representations in the public hearings into MYPD3 RCA Year 5 (2017/18) application and MYPD4 revenue application.

For more information or queries on the above, please contact Ms Lehuma Masike or Mr Dumisani Njezula on 012 401 4600 or via Facsimile at 012 401 4700.