NATIONAL ENERGY REGULATOR OF SOUTH AFRICA

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MEDIA STATEMENT

OUTCOMES OF THE WORKSHOP HELD BETWEEN NERSA AND LICENSED DISTRIBUTORS CONCERNING THE SUBMISSION OF TARIFF APPLICATIONS FOR 2026/27 FINANCIAL YEAR

The National Energy Regulator of South Africa (NERSA) today announced the outcomes of the workshop held with private distributors and municipalities on 5 December 2025, regarding the process and timelines for tariff applications for the 2026/27 financial year.

Participants took cognisant of the 4 December judgment and orders made by the North Gauteng High Court, which set new structural deadlines for the approval of Eskom tariffs and submission and approval of municipal tariffs. Participants recognised that court set timeline for the submission of municipal tariffs to NERSA presents significant challenges for both municipalities and NERSA due to the extremely tight period within which they must comply with the requisite legal processes.

Notwithstanding these concerns, the parties agreed to comply with this deadline to enable NERSA to undertake a meaningful public consultation process in line with the requirements of section 4 of the Promotion of Administrative Justice Act, 2000 prior to approval of the tariff application which cannot be later than 05 May 2026. The judgment further guided that NERSA is not allowed to consider and approve late tariff applications for implementation in the same year as it is required to follow a compulsory consultation process. The aim is to avoid delayed regulatory decisions and inevitable failure to undertake a compulsory consultation process.

All licensed distributors are implored to submit their FY2026/27 electricity tariff applications on or before 20 March 2026. All tariff applications will be published with their associated cost of supply (COS) studies. As Eskom Retail Tariff Structural Adjustment (ERTSA) is a greater building block in the formulation of municipal tariff, NERSA will engage with Eskom to fast-track the submission of the ERTSA application to ensure that the rule of law, including compliance with Municipal Finance Management Act 56 of 2003, is upheld and court rulings are complied with.

Regulator Members:

Mr T Bukula (Chairperson) Ms Z Mpungose (Deputy Chairperson) *Adv NP Sithole (Chief Executive Officer)
*Ms N Maseti *Mr MW Mkhize Ms T Semane Mr FK Sibanda Ms PN Sibiya
*Full-Time Regulator Members

NERSA is a Regulatory Authority established in terms of the National Energy Regulator Act, 2004 (Act No 40 of 2004)

The table below indicates tentative dates for the process to follow to comply with the High Court's prescribed timelines:

Date	Milestone
15 January 2026	ERTSA application submitted by Eskom
22 January 2026	ERTSA application published for comments for 30 days
27 February 2026	Public hearing on ERTSA
4 March 2026	ERTSA application considered by ELS
10 March 2026	Energy Regulator's decision on ERTSA
12 March 2026	ERSTA decision communicated to the High Court order
13 March 2026	Issue Notice calling for distributors to submit tariff applications
20 March 2026	Deadline for Tariff application submissions in line with High Court Order
20 March to 20 April 2026	NERSA to publish tariffs and COS studies for consultation over 30 days
23 March to 23 April 2026	Evaluation of tariff applications - ongoing
24 April to 05 May 2026	All tariff applications considered to decision and finalized in line with High Court order
1 July 2026	All tariffs approved by 5 May 2026 are implemented

Failure to apply to the National Energy Regulator (the Regulator) for approval of tariffs is a breach of licence conditions and a violation of the provisions of ERA and a potential contempt of court. Section 15 of the ERA prevents any licensee from charging a tariff that is not approved by the Regulator. Licensed distributors should note that their current tariffs are expiring on 30 June 2026 and that there will be no automatic extension as the tariffs are annually approved.

End.

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