

16 February 2021

MEDIA STATEMENT

THE HIGH COURT OF SOUTH AFRICA (GAUTENG DIVISION) ORDER OF 16 FEBRUARY 2021

The National Energy Regulator of South Africa (NERSA) announced today that the High Court of South Africa (Gauteng Division) has ordered that an amount of R10 billion be added to Eskom's allowable revenue to be recovered from tariff customers in the 2021/22 financial year. This consent order follows Eskom's application in terms of section 18(3) of the Superior Courts Act, 2013, that Eskom should be permitted to recover R23billion in the financial year 2021/22 as per the 28 July 2020 Court judgement.

The above consent court order follows discussions and an agreement between NERSA and Eskom. The agreement was informed by the fact that NERSA has already taken decisions on other Eskom applications that will be implemented in the 2021/22 financial year, which had a direct impact on the application Eskom has made to the court. However, this order does not stop NERSA from proceeding with the appeal that has commenced at the Supreme Court of Appeal against the High Court's judgement of 28 July 2020, which substituted the Energy Regulator's decision on Eskom's fourth Multi-Year Price Determination (MYPD4) with its own.

The Energy Regulator has also approved that Eskom's Regulatory Clearing Account (RCA) applications for year 2 (2014/15), year 3 (2015/16) and year 4 (2016/17) of the third Multi-Year Price Determination (MYPD3) period and Eskom's supplementary tariff application for the 2018/19 financial year of R4 749m and R1 288m respectively, be recovered in the 2021/22 financial year. This will result in an average tariff percentage increase of 15.63% in the 2021/22 financial year.

End.

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