

29 May 2023

MEDIA STATEMENT

ENERGY REGULATOR DECISIONS OF MEETING NUMBER 260 OF 25 MAY 2023

The National Energy Regulator of South Africa (NERSA) announced that the Energy Regulator, at its meeting held on 25 May 2023, made the following decisions:

1. The Decision and Reasons for the Decision in concurrence with the draft section 34 determination for the procurement of 344.5MW of New Generation Capacity from Solar Photovoltaic (PV) and Battery Energy Storage by Eskom

The Energy Regulator concurred with the draft ministerial determination, in terms of section 34 of the Electricity Regulation Act, 2006 (Act No. 4 of 2006) ('the Act'), for the procurement of 344.5MW of New Generation Capacity from Solar PV and Battery Energy Storage by Eskom as follows:

- i. The procurement of 75MW of new generation capacity from Solar PV at Lethabo Power Station in the Free State and 19.5 MW of Solar PV at Sere Wind Farm in the Western Cape
- ii. The procurement of 100MW of Solar PV at Komati Power Station in Mpumalanga
- iii. The procurement of a 150MW battery energy storage system at Komati Power Station in Mpumalanga
- iv. The electricity procured shall target grid connection as soon as reasonably possible
- v. The generation capacity must be procured by Eskom Holdings (SOC) Ltd through one or more tendering procedures that are fair, equitable, transparent, competitive, and cost effective.

Regulator Members:

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

2. The National Free Basic Electricity (NFBE) rate for compensation of Eskom by local authorities for the 2023/24 financial year.

The Energy Regulator approved the National Free Basic Electricity (NFBE) rate of **172.76c/kWh** for the 2023/24 municipal financial year, effective from 1 July 2023.

The detailed Decision and Reasons for the Decision documents regarding the above decisions will be available on the NERSA website: www.nersa.org.za in due course.

End.

Enquiries:

Mr Charles Hlebela

Head of Communications

Cell: 083 646 8280

Email: charles.hlebela@nersa.org.za