

NOTICE ON THE PUBLIC HEARING ON THE ELECTRICITY INDUSTRY NEW PRICE DETERMINATION METHODOLOGY

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).

The Electricity Division of the Energy Regulator is embarking on a process to develop a new electricity industry price determination methodology. This review is triggered by the current Electricity Industry crisis and changes happening in the Electricity Industry, including but not limited to unstable prices, the unbundling of Eskom, the increase in registration threshold as well as the energy transition that can be observed around the world. The objective of the review is to introduce innovative interventions to improve the price and system stability of the Electricity Industry as well as improve access thereto.

As part of NERSA's public participation process, the Electricity division had direct engagements with various stakeholders to facilitate a discussion that would assist the electricity division in developing the new methodology for the benefit of the country's industries, end-user customers as well as licensees. In addition to these engagements, NERSA has arranged public hearings both physical and virtual to ensure that sufficient information is gathered to assist in developing the methodology that responds to the needs of the industry.

On 24 September 2021, the Energy Regulator published a consultation paper on the electricity industry new price determination methodology. The document is available on the NERSA website at <https://www.nersa.org.za/wp-content/uploads/bsk-pdf-manager/2021/09/Consultation-paper-to-determine-a-new-price-determination-methodology.pdf>

The closing date for written comments is 22 October 2021.

The National Energy Regulator invites the public and all stakeholders to attend the scheduled public hearings on the electricity industry new price determination methodology. The public hearings will be conducted in all the provinces of South Africa as indicated in the schedule below:

Date and time of the public hearing	Province and venue
Tuesday, 02 November 2021 9:00 – 17:00	KwaZulu-Natal, Durban Inkosi Albert Luthuli International Convention Centre, 45 Bram Fischer Road, Durban
Wednesday, 03 November 2021 9:00 – 17:00	Gauteng, Midrand Gallagher Convention Centre 19 Richards Drive, Halfway House, Midrand, Gauteng
Friday, 05 November 2021 9:00 – 17:00	Virtual – Microsoft Teams (Western Cape, Eastern Cape, Free State, Limpopo, Polokwane, North West) Provinces

Kindly note that if NERSA does not receive any requests to present at the advertised public hearings by the closing date of this notice, NERSA retains the right not to hold the scheduled hearings.

Members of the public and stakeholders wishing to make their presentations and attend the hearings must submit their requests, by 16h00 on **Friday, 29 October 2021** to Mr Eleazer Dlamini at:

Telephone Number : 012 – 401 4035
Fax No. : 012 – 401 4771
E-mail : publichearings@nersa.org.za