



Date: 6 December 2019

MEDIA STATEMENT

NERSA TIMELINES FOR PROCESSING ESKOM'S 2018/19 RCA APPLICATION

The National Energy Regulator of South Africa (NERSA) today announced the timelines to process Eskom's Regulatory Clearing Account (RCA) application for the 2018/19 financial year. Eskom is requesting a total RCA balance of R27 323 million.

NERSA received Eskom's 2018/19 RCA application on 8 August 2019. On receipt of the application, it was screened for compliance with both the Fourth Multi-Year Price Determination (MYPD4) Methodology and the Minimum Information Requirements for Tariff Applications (MIRTA) requirements. On 13 November 2019, Eskom submitted a revised application after several interactions with NERSA. On 19 November 2019, full compliance with the MYPD4 and MIRTA requirements was confirmed, after all outstanding information was submitted by Eskom.

The Energy Regulator will assess Eskom's application 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 stakeholder comments | 3 December 2019 |
| 2. Closing date for stakeholder comments | 20 January 2020 |
| 3. Public Hearings on RCA for 2018/19 (9 provinces in 3 weeks) | 3 to 21 Feb 2020 |
| 4. NERSA's Electricity Subcommittee (ELS) to consider draft Reasons for Decision | 18 March 2020 |
| 5. Energy Regulator decision on Eskom's RCA application | 24 March 2018 |

Regulator Members: Mr JRD Modise (Chairperson) Ms MMD Nkomo (Deputy Chairperson) *Mr C Forlee (Chief Executive Officer)
Mr Y Adam *Ms N Maseti *Mr MW Mkhize Ms KR Mthimunye Mr FK Sibanda
*Full-Time Regulator Members

In line with NERSA's commitment to being transparent and broadening public participation in its decision-making process, the public hearings will be held as follows:

Table 2: Public hearing dates and venues*

| PROVINCE | CITY | DATE |
|-----------------|----------------|------------------|
| Western Cape | Cape Town | 3 February 2020 |
| Eastern Cape | Port Elizabeth | 5 February 2020 |
| KwaZulu-Natal | Durban | 6 February 2020 |
| North West | Rustenburg | 10 February 2020 |
| Northern Cape | Kimberley | 12 February 2020 |
| Free State | Bloemfontein | 14 February 2020 |
| Mpumalanga | Mbombela | 17 February 2020 |
| Limpopo | Polokwane | 19 February 2020 |
| Gauteng | Midrand | 21 February 2020 |

*The dates of the public hearings might be extended/reviewed depending on the number of presenters registered. Venues will be communicated in due course.

The RCA is a correction mechanism of the MYPD, where excess or inadequate returns are managed. It consists of the variance between the actuals for the full financial year and what was allowed in the MYPD decision of the Energy Regulator. By design, the RCA is backward-looking and deals with actuals and facts.

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 is **20 January 2020 at 16:00**.

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 27 January 2020**.

Eskom's RCA application is available on the NERSA website at www.nersa.org.za under 'Consultation > Notices > Electricity'.

End.

Enquiries:

Mr Charles Hlebela

Head of Communications

Tel: 012 401 4600

Fax: 012 401 4700

Cell: 083 646 8280

Email: charles.hlebela@nersa.org.za