GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF ENERGY

NO. 1136 24 OCTOBER 2018



INVITATION FOR PUBLIC COMMENTS ON ESKOM'S THIRD MULTI-YEAR PRICE DETERMINATION REGULATORY CLEARING ACCOUNT YEAR 5 (2017/18) AND FOURTH MULTI-YEAR PRICE DETERMINATION APPLICATIONS AND THE TIMELINES FOR THE DETERMINATION PROCESS

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).

NERSA has received Eskom's third Multi-Year Price Determination (MYPD3) Regulatory Clearing Account (RCA) Year 5 (2017/18) application totalling R21 624m and fourth Multi-Year Price Determination (MYPD4) application totalling R219bn, R252bn and R291bn for the 2019/20, 2020/21 and 2021/22 financial years respectively.

The Energy Regulator will assess Eskom's applications simultaneously, following due regulatory processes. The indicative timelines for the decision-making process is provided in Table 1 below.

Table 1: Indicative Timelines

| Activity | | Timeframe |
|----------|---|--|
| 1. | Publish Eskom's applications on NERSA website for written stakeholder comments | 19 October 2018 |
| 2. | Closing date for written stakeholder comments on Eskom's MYPD3 RCA Year 5 (2017/18) application and MYPD4 application | 30 November 2018 |
| 3. | Public Hearings on Eskom's MYPD3 RCA Year 5 (2017/18) and MYPD4 applications (9 provinces in 3 weeks) | 14 January 2019 – 1 February 2019 (see details in Table 2) |
| 4. | NERSA's Electricity Subcommittee (ELS) to consider draft Reasons for Decision | 28 February 2019 |
| 5. | Energy Regulator decision on Eskom's MYPD3 RCA Year 5 (2017/18) and MYPD4 applications | 1 March 2019 |
| 6. | Communication of decision to Eskom and key stakeholders | 1 March 2019 |

The approved dates for the public hearings on this matter are provided in Table 2 below.

Table 2: Public hearing dates and venues*

| PROVINCE | CITY | DATE |
|---------------|----------------|-------------|
| Western Cape | Cape Town | 14 Jan 2019 |
| Eastern Cape | Port Elizabeth | 16 Jan 2019 |
| KwaZulu-Natal | Durban | 17 Jan 2019 |
| Northern Cape | Kimberley | 21 Jan 2019 |
| Free State | Bloemfontein | 23 Jan 2019 |
| Mpumalanga | Mbombela | 25 Jan 2019 |
| North West | Rustenburg | 28 Jan 2019 |
| Limpopo | Polokwane | 30 Jan 2019 |
| Gauteng | Midrand | 31 Jan 2019 |

^{*}The dates of the public hearings might be extended/reviewed depending on the number of presenters that register. Venues will be communicated in due course.

Eskom's applications are available on the NERSA website at www.nersa.org.za. Stakeholders are requested to comment in writing on Eskom's applications.

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 on both the MYPD3 RCA Year 5 (2017/18) and MYPD4 applications is 30 November 2018 at 16:00. Stakeholders are requested to submit separate comments for each application.

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 4 January 2019. Stakeholders are requested to separate their oral representations in the public hearings into MYPD3 RCA Year 5 (2017/18) application and MYPD4 revenue application.

For more information or queries on the above, please contact Ms Lehuma Masike or Mr Dumisani Njezula on 012 401 4600 or via Facsimile at 012 401 4700.