



NERSA RULES FOR ELECTRICITY TRADING

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The National Energy Regulator of South Africa
526 Madiba Street
Arcadia, Pretoria
0007

Contact Details:

Tel: +27 (0)12 401 4600

Fax: +27 (0)12 401 4700

www.nersa.org.za

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1. INTRODUCTION AND BACKGROUND

- 1.1 The NERSA Rules for Electricity Trading are established to regulate the developing physical bilateral trading market in South Africa, wherein electricity traders engage in competition to offer consumers options in electricity supply. These Rules aim to foster competitive practices, guarantee equitable access to distribution networks, and define the rights and responsibilities of electricity traders and Network Service Providers (NSPs).
- 1.2 The Rules recognize the diversity of customer segments within the electricity market, including both small-scale residential consumers and large commercial and industrial customers. These segments differ significantly in their technical capabilities, contractual sophistication, and regulatory needs. Accordingly, the Rules are intended to support differentiated treatment that reflects the commercial realities of large customers, who typically negotiate bespoke Power Purchase Agreements (PPAs) and Supply Agreements on equal footing with traders, while ensuring appropriate protections for residential and small business consumers.
- 1.3 The Rules are formulated in alignment with the Electricity Regulation Act, 2006, as amended in 2024, which obligates NERSA to issue distinct licenses for distribution and trading activities. Implementation will follow an approach that balances technical constraints and market readiness with fairness in access, and will be complemented by other regulatory instruments including the Market Code, the Electricity Pricing Policy, and the Regulatory Rules on Network Charges for Third- Party Wheeling of Energy. The implementation of these Rules will follow a phased approach to ensure market readiness and maturity.

2. PURPOSE

- 2.1 The purpose of these Rules is to establish a clear and enforceable regulatory framework for bilateral electricity trading. They define the rights and obligations of Traders, Customers, Generators, and Network Service Providers (NSPs), and set out the principles for non-discriminatory network access, functional separation of trading and network operations, and compliance with applicable technical standards and legislation.
- 2.2 The Rules are designed to facilitate customer choice and promote competition, innovation, and efficiency in electricity supply. In doing so, they recognize the need for differentiated regulatory treatment of customer segments, ensuring that large commercial and industrial customers, who contract on equal commercial footing with Traders, are afforded appropriate contractual flexibility, while protections for residential and small business consumers are maintained.

3. APPLICABILITY

3.1 The Rules shall apply to:

- i. All Traders operating in the Republic of South Africa;
- ii. Network Service Providers (NSPs);
- iii. All registered generators involved in bilateral agreements, supplying wheeled energy to off-takers, facilitated by PPAs.
- iv. Persons licensed to import and export electricity, in relation to that portion of cross-border trading activity which takes place within the borders of South Africa.

3.2 For Traders, NSPs and Generators that are participants in SAWEM, a provision in the Market Code, once in effect, will prevail over and operate to the exclusion of any rule that covers the same subject matter, to the extent of any inconsistency.

4. DEFINITIONS

Any words not defined in these Rules shall have the meanings assigned to them in both the Electricity Regulation Act, 2006 (Act No. 4 of 2006) ('ERA') and Electricity Regulation Amendment Act, 2024 (Act No. 38 of 2024) ('ERAA') and the Codes approved by NERSA. In the event of conflicting definitions, the definitions contained in the ERAA shall take precedence:

Act means the Electricity Regulation Act, 2006 (Act No. 4 of 2006).

Physical bilateral transactions means a transaction entered into by generators, customers and traders for energy production which involves the conclusion of a power purchase agreement to meet demand and supply as required by the system operator.

Codes mean the South African Grid Code, the Distribution Code, or any other code approved by NERSA, as may be applicable.

Customer means a person who purchases electricity or a service relating to the supply of electricity.

Direct Supply Agreement Direct Supply Agreement means an agreement for the sale of electricity between a licensed Trader and a Customer, whether such electricity is supplied directly or via a transmission or distribution power system, provided that the Customer is not a transmitter, distributor, system

operator, or trader.

Distributor

means an entity that owns, operates, and maintains the local network infrastructure (poles, power lines, underground cables, and transformers) used to deliver electricity from the high-voltage transmission system to the final end-users (residential homes, businesses, and industrial facilities).

Electricity Supply Agreement

Electricity Supply Agreement means an agreement between a Customer and a Trader or Distributor for the purchase of electricity and, where applicable, for the connection to and/or use of the network.

Electricity Pricing Policy

means South African Electricity Supply Industry: Electricity Pricing Policy, dated 12 December 2008, including subsequent amendments thereto.

Eskom

means Eskom Holdings SOC Ltd, Reg. No.2002/015527/30, a state-owned company incorporated in terms of the Eskom Conversion Act, 2001 (Act No. 13 of 2001).

Meter Data

means information collected from a meter regarding the quantity of energy used, the revenue due by customer and the meter installation.

Market Code

means the market code developed by the Market Operator in term of section 34B(3)(b) of the Act, as amended from time to time.

NERSA

means the regulatory authority established in terms of the National Energy Regulator Act, 2004 (Act No. 40 of 2004), or its legal successor.

Network

means the electrical infrastructure over which electrical energy is transported from the source to the point of consumption, either a transmission power system or distribution power system.

Network Service Provider or NSP

Network Service Provider or NSP means a person licensed by the Regulator in terms of the Act to operate transmission or distribution facilities.

Power Purchase Agreement

Power Purchase Agreement or PPA means a contract between (i) a licensed Trader and a Generator or (ii) a licensed Trader and a Customer for the purchase of electrical energy.

Wholesale Market

means the South African Wholesale Electricity Market, established in accordance with section 34B(3) of the Act.

Seller

means any person authorised to sell electricity in terms of the Act and includes Traders and registered Generators.

Supply

means trading, system operation, export and import and the generation, transmission or distribution of electricity

Surcharges

Surcharge means a charge in excess of the municipal cost of supply that a municipality may impose on fees for a municipal service provided by or on behalf of a municipality, in terms of section 229(1)(a) of the Constitution and the Municipal Fiscal Powers and Functions Act, 2007 (Act No. 12 of 2007)

Tariff

means a charge levied for the supply of electricity or related services under a licensed or registered activity, excluding surcharges, taxes, levies, or duties imposed by a municipality in terms of applicable law. For regulated entities, tariffs must be approved by the Regulator. For competitive traders, pricing may be determined contractually in accordance with section 15(4) of the Electricity Regulation Act, 2006, and applicable market rules.

Third-party wheeling

Third-party wheeling means the conveyance of electrical energy generated at one location and sold to a Customer at another location through the licensed transmission or distribution network of a Network Service Provider, under arrangements that encompass financial and contractual

Top-Up

Top-Up means the supply of additional electricity to a Customer whose demand exceeds the volume of

electricity contracted to be supplied to it by one or more Traders.

Trader

Trader means a person licensed by the Regulator in terms of the Act, or exempted under applicable law, to engage in the buying and selling of electricity as a commercial activity. This includes any entity that conducts trading activities, whether or not it also holds a distribution licence, and is subject to the obligations set out in these Rules.

Trading

means the buying and selling of electricity, and 'trade' has a corresponding meaning.

Trading Licence

means a licence granted by NERSA to trade in electricity in terms of the Electricity Regulation Act, 2006 (Act No. 4 of 2006).

Trading Rules

means these Trading Rules, made by NERSA in terms of sections 35(1) and (3) of the Act.

Wheeled Energy

Wheeled Energy means the electrical energy (kWh) produced by a Generator, as measured by the meter of the Generator and the NSP at one site, which is sold to an Off-taker, or to a Trader for on-sale to an Off-taker, at another site, which electricity is delivered from the Generator to the Off-taker or Trader (as applicable) through an NSP's Network.

Wheeling Rules

means the Regulatory Rules on Network Charges for Third Party Wheeling of Energy, 2025, issued by the NERSA in terms of section 35 of the Act.

5. ACRONYMS AND ABBREVIATIONS

ERA	Electricity Regulation Act, 2006 (Act No. 4 of 2006)
ERAA	Electricity Regulation Amendment Act, 2024 (Act No. 38 of 2024)
ESI	Electricity Supply Industry
IGCAR	Interim Grid Capacity Allocation Rule
NERA	National Energy Regulator Act, 2004 (Act No. 40 of 2004)
NERSA	National Energy Regulator of South Africa
NSP	Network Service Provider
POPIA	Protection of Personal Information Act, 2013 (Act No. 4 of 2013)
PPA	Power Purchase Agreement
SAWEM	South African Wholesale Electricity Market

6. LEGISLATIVE AUTHORITY

- 6.1 Section 35(1) of the ERA (regulations, rules, guidelines, directives and codes of conduct and practice) empowers NERSA to make guidelines, codes and rules after consultation with various stakeholders. This section states that NERSA may *make guidelines and publish codes of conduct and practice or make rules by notice in the Gazette*. Section 35(3)(c)(d) and (k) empowers NERSA to make rules in relation to the operation, use and maintenance of transmission and distribution power systems, trading and any other ancillary or administrative matter for which it is necessary to make rules for the proper implementation of the Act.

7. PHASED IMPLEMENTATION

- 7.1 To ensure the efficient and orderly development of the physical bilateral trading market, the rules are implemented in two phases. In the initial phase, customers connected to Transmission and High Voltage (HV) networks can source a portion of their energy demand from traders. This approach focuses on mitigating risks linked to premature market liberalization, maintaining system stability, and addressing the readiness of metering capabilities for smaller customers.
- 7.2 Import/export trading is permitted during the initial phase, provided the trader holds a valid license. Phase 2 will expand to include customers beyond HV customers connected to the Transmission network. This phase will also involve trading through the wholesale market, while continuing bilateral trading and participating in import/export trading within the region.
- 7.3 To support a smooth and equitable transition from Phase 1 to Phase 2 of the NERSA Electricity Trading Rules, the following transitional provisions shall apply:

7.3.1 Grandfathering of Existing Agreements

- 7.3.1.1 All Power Purchase Agreements (PPAs) and Electricity Supply Agreements (ESAs) entered into during Phase 1 shall remain valid and enforceable under their existing terms. Traders may continue to honour these agreements post-transition, provided they comply with applicable provisions of the Market Code, as outlined in Rule 8 (*Rules Governing Phase 1 Trading Activities*).

7.3.2 Data and Reporting Continuity

- 7.3.2.1 Traders shall continue to submit reports to NERSA under Phase 1 requirements until the Market Operator confirms full onboarding and data integration.

7.3.2.2 NERSA shall coordinate with the Market Operator to ensure seamless data migration and reporting compliance, consistent with Rule 8.7 (Reporting to NERSA) and Rule 12.3 (Data Access and Reporting).

7.3.3 Tariff Stabilization

7.3.3.1 Transitional tariff mechanisms may be introduced to mitigate price volatility during the initial phase (Phase 1), as referenced in Rule 10.1 (*Top-Up Supply*).

8. RULES GOVERNING PHASE 1 TRADING ACTIVITIES

8.1 Qualifying Requirements to Trade

8.1.1 All licensees satisfy the following criteria before they are able to trade electricity bilaterally:

8.1.2 For all Traders:

8.1.2.1 Must obtain a trading license to buy and sell electricity with NERSA;

8.1.2.2 Must agree to comply with these Trading Rules

8.1.3 For all Generators:

8.1.3.1 Must obtain a NERSA registration to operate a generation facility;

8.1.3.2 Must obtain a trading license from NERSA to buy and sell electricity;

8.1.3.3 Must apply to - and obtain written permission from – the Network Operator (NSP) to connect to the network (as appropriate for Transmission and Distribution);

8.1.3.4 Must agree to comply with these Trading Rules.

8.1.4 For all Import/Export Traders:

8.1.4.1 Must obtain a NERSA Import/Export License to buy and sell electricity in the Region;

8.1.4.2 Must apply to - and obtain written permission from – the SO that such a bilateral trading arrangement is technically feasible;

8.1.4.3 Must enter into a Balancing Agreement with the MO for Energy Imbalances in the SAPP;

8.1.4.4 They shall export their electricity via the SAPP Markets – if an Exporter wishes to enter into a bilateral export transaction outside of the SAPP markets, regulatory approval is required from NERSA;

8.1.4.5 In the case where an Exporter in a member of SAPP, they shall also comply with the “SAPP Markets: Book of Rules - Qualifying Requirements to Trade” and any other relevant SAPP Markets requirements;

8.1.4.6 In the case of exports outside of the SAPP Markets, permission must be granted from the relevant Regulator of the country to which power is being exported.

8.1.4.7 Must agree to comply with these Trading Rules.

8.1.5 Entities conducting trading activities under distribution licenses issued prior to the commencement of these Trading Rules, must apply for and obtain separate trading licenses within 12 months of the commencement of these Trading Rules.

8.1.6 NSPs must maintain strict functional and accounting separation between their trading operations and network operations.

8.1.7 Once licensed by NERSA, Traders shall be recognized by NSPs as contracting counterparties for entering into Use of System Agreements to enable the wheeling of power from Generators to off-takers. Qualifying Generators who are also Traders must be provided network access through the Interim Grid Capacity Allocation Rules (IGCAR) and the Budget Quote (BQ) processes.

8.1.8 Traders shall be treated as independent market participants, not as intermediaries for end customers.

8.2 Reporting to NERSA by Traders

8.2.1 Traders must provide NERSA with semi-annual and annual reports detailing the number of PPAs and Third-Party Supply Agreements, their counterparties, electricity volumes and tenors.

8.2.2 NERSA may, upon providing reasonable written notice to a Trader, conduct or commission an audit to validate the information submitted by the Trader regarding its Power Purchase Agreements (PPAs) and Direct Supply Agreements. The Trader, upon receiving such notice, is required to grant NERSA access to the relevant contractual documentation within the stipulated notice period.

8.2.3 Traders must also report complaints received and their resolution, as well as any additional information required by NERSA.

8.3 Supplier Switching

8.4 Customers with existing Electricity Supply Agreements (ESA) and wishing to switch to another supplier may do so by notifying their current supplier of their intent to switch and in terms of the provisions in the existing ESA. The existing ESA must be amended to include the following:

- 8.4.1 Confirmation that the customer may purchase Wheeled Energy from one or more Sellers, without requiring the Seller(s) to be specified;
 - 8.4.2 Terms regarding the customers obligation to notify the NSP of the estimated volume of electricity it will continue to purchase from the NSP;
 - 8.4.3 Designating the existing NSP as the provider of Top-up Supply; and
 - 8.4.4 The applicable conditions and applicable charges for the Top-up Supply as approved by NERSA from time-to-time.
- 8.4.5 Customers already supplied by a trader may switch suppliers based on the terms of agreement with the existing trader.
- 8.4.6 All incidental charges related to switching shall be an automatic pass-through from the NSP to the customer.
- 8.4.7 NSPs must provide meter data to both the outgoing seller and the new seller, with the customer's consent, as of the switching date, to facilitate a seamless transition between suppliers.

9. METER DATA AND RECONCILIATION

- 9.1 Each NSP shall provide each Seller with real-time access to Meter Data in a format determined by NERSA, for each customer that is connected to the Network of that NSP and has provided its consent to such Meter Data being shared with that Seller.
- 9.2 The NSPs may recover from each relevant Seller the reasonable costs of providing Meter Data in line with NERSA-approved charges.
- 9.3 Each NSP shall implement a clear and transparent reconciliation mechanism to allow for electricity injected by Generators connected to its Network and electricity supplied to customers connected to its Network to be reconciled on the basis of prescribed time periods specified by the NSP and approved by NERSA.
- 9.4 Such reconciliation mechanism must recognise that in each such time period, a customer may be supplied from multiple sources, and electricity from a single generator may be supplied to multiple customers and/or Traders, and that this may vary between time periods.
- 9.5 Within [five] days following the end of each billing period, each Seller shall deliver to the NSP of the Network to which each of its customers is connected, a statement detailing how much Wheeled Energy was supplied to such customer in each Time of Use during such month.
- 9.6 Within [five] days of receipt of a statement delivered in accordance with Rule 9.5, the relevant NSP shall reconcile with the relevant Seller the volumes of Wheeled Energy delivered to the Seller's customers connected to its Network based on (a) such statement and (b) the Meter Data.

9.7 The total Wheeled Energy attributed to a customer within any Time of Use in a given billing period shall not exceed that customer's total metered consumption during the relevant Time of Use in that billing period.

9.8 Settlements and Billing

9.8.1 All settlement and billing processes shall be transparent, auditable, and applied in a non-discriminatory manner across all network users.

9.8.2 The NSP shall recover all legitimate costs for network usage (wheeling charges) but remain revenue-neutral regarding the energy commodity component that it does not supply.

9.8.3 The Customer shall be invoiced by the host NSP for their total metered consumption at the full applicable tariff, inclusive of all fixed, demand, and energy charges.

9.8.4 The Customer shall be separately invoiced by the generator/trader for the quantity of energy successfully wheeled and delivered to the grid, as per their bilateral agreement terms.

9.8.5 The NSP shall apply a corresponding credit to the buyer's bill for the wheeled energy component.

9.8.6 The credit value shall be calculated using the NSP's approved "Energy Rate Excluding Losses" (or equivalent wholesale rate) applicable to the specific Time-of-Use (TOU) period.

9.8.7 Credits shall be strictly matched to the specific Time of Use (TOU) periods in which the energy was generated and consumed.

9.8.8 The relevant NSP(s) shall levy approved Use of System (UoS) charges to recover network infrastructure costs. These charges are distinct from the energy credits and are payable by the generator and/or Customer as per contractual agreement.

9.8.9 NSPs are authorized to charge NERSA-approved, cost-reflective administrative fees for managing wheeling data, validation, and billing services as per the wheeling rules.

9.8.10 Basic charges, service charges, fixed network charges, and approved demand charges remain payable in full to the NSP and are not eligible for offset via wheeled energy credits.

9.8.11 The total energy credited to a buyer's account within a given billing period shall not exceed that buyer's actual total metered consumption during that identical period.

9.9 NSP Recoverable Charges

9.9.1 Top-up Supply

9.9.1.1 The customer may contract with as many suppliers as required i.e., with Traders/Generators/Own Generation. However, the NSP shall be the designated Top-up Supplier for each metered point.

9.9.1.2 The Top-up Supply provided by NSPs to customers, whose Energy Requirements exceeds contracted volumes with Traders/Generators/Own Generation, will be charged in line with a NERSA-approved, fully unbundled cost-reflective tariff, (the tariff will be developed and approved prior to the promulgation of these rules).

9.9.1.3 Top-up arrangements must be transparent and clearly defined.

9.9.2 Standby Capacity

9.9.2.1 Each NSP is entitled to recover the full cost of maintaining sufficient back-up capacity to enable it to provide Top-up Supply and act as Default Retailer.

9.9.2.2 The associated capacity charges levied in customers should be based on each customer's peak demand excluding self-generation, ensuring that those who rely on grid backup during system peaks contribute fairly to capacity and reliability costs.

9.9.2.3 Capacity charges for standby capacity must be approved by NERSA. They must be cost-reflective and applied uniformly across customers, preventing cross-subsidisation

9.9.3 Subsidies and Surcharges

9.9.3.1 Subsidies and surcharges shall be calculated ex-ante and embedded in retail tariffs and must be recovered through a non-bypassable charge applied to all demand-side customers, ensuring all grid users contribute equitably, irrespective of the source of the energy.

9.10 Cross-Border Transactions

9.10.1 Traders should be allowed to undertake bilateral cross-border transactions, provided they secure an import/export licence and comply with scheduling requirements.

9.10.2 The Trader must have the capability of balancing agreed schedules or must have a contract for balancing agreed schedules with a SAPP operating member such as NTCSA.

10. RULES GOVERNING PHASE 2 TRADING ACTIVITIES

10.1 Qualifying Requirements to Trade

10.1.1 All licensees and Registrants must satisfy the following criteria before they are able to trade electricity bilaterally:

10.1.2 For all Traders:

10.1.2.1 Must obtain a NERSA license to operate as a Trader;

10.1.2.2 Must register with the Market Operator (MO) as a Market Participant (MP);

10.1.2.3 Must agree to comply with the Market Code, Market Rules and these Trading Rules.

10.1.3 For all Generators:

10.1.3.1 Must obtain a registration to operate a generation facility with NERSA;

10.1.3.2 Must register with the Market Operator as a MP;

10.1.3.3 Must apply to - and obtain written permission from – the Network Operator (NSP) to connect to the network (as appropriate for Transmission and Distribution);

10.1.3.4 Must enter into a Balancing Agreement with the MO for Energy Imbalances in the network;

10.1.3.5 Must pay the necessary financial security to the MO, in order to cover Energy Imbalance requirements;

10.1.3.6 Must agree to comply with the Market Code, Market Rules and these Trading Rules.

10.1.4 For all Import/Export Traders:

10.1.4.1 Must obtain an Import/Export License to buy and sell electricity in the Region with NERSA;

- 10.1.4.2 Must register with the Market Operator as a Market Participant (MP);
- 10.1.4.3 Must apply to - and obtain written permission from – the SO that such a bilateral trading arrangement is technically feasible;
- 10.1.4.4 Must enter into a Balancing Agreement with the MO for Energy Imbalances in the SAPP;
- 10.1.4.5 Must pay the necessary financial security to the MO, in order to cover imbalanced energy requirements;
- 10.1.4.6 They shall export their electricity via the SAPP Markets – if an Exporter wishes to enter into a bilateral export transaction outside of the SAPP markets, regulatory approval is required from NERSA;
- 10.1.4.7 In the case where an Exporter in a member of SAPP, they shall also comply with the “SAPP Markets: Book of Rules - Qualifying Requirements to Trade” and any other relevant SAPP Markets requirements;
- 10.1.4.8 In the case of exports outside of the SAPP Markets, permission must be granted from the relevant Regulator of the country to which power is being exported.
- 10.1.4.9 Must agree to comply with the Market Code, Market Rules and these Trading Rules.

10.2 Compliance with the Market Code

- 10.2.1 All Traders wishing to participate in SAWEM must comply with the Market Code and Market Conduct Rules, which govern trading activities on the SAWEM platform.
- 10.2.2 The Market Code will supersede the Trading Rules for market participants where applicable.

10.3 Market Participation

- 10.3.1 Traders that engage in the bilateral trading market may also trade through the Wholesale Market by registering with the Market Operator.
- 10.3.2 Traders must adhere to balancing and settlement mechanisms as outlined in the Market Code.

10.4 Data Access and Reporting

10.4.1 The Market Operator will maintain data systems and ensure secure, auditable access to validated meter data for licensed traders with customer consent.

10.4.2 Traders must submit monthly reconciliations of energy volumes, financial transactions, and revenue to the Market Operator for regulatory oversight.

10.5 Supplier Switching

10.5.1 A Central Switching Platform will be implemented by the Market Operator to streamline supplier switching.

10.5.2 The platform will maintain customer consent logs and unique identifiers to ensure transparency and accountability in supplier switching.

10.6 NSP as the balance Responsible Party (Retailer of Last Resort)

10.6.1 The NSP will be balance responsible, with the Market Code regulating the duties of balance-responsible parties to ensure uninterrupted energy supply to customers in the event of supplier failure.

10.6.2 The NSP shall be responsible for supplying energy to customers whose contracted seller is unable to deliver.

10.6.3 The NSP will recover the balancing costs from the contracted seller or trader that failed to supply electricity to the customer at rates determined by the Market Operator.

10.7 Dispute Resolution

10.7.1 Bilateral contracts should include dispute resolution mechanisms to deal with contract related disputes between the parties.

10.7.2 The Market Code will include provisions for dispute resolution between market participants.

10.7.3 All other disputes that fail to be resolved can be referred to the Regulator for dispute resolution through mediation and or arbitration.

10.8 Market Evolution

10.8.1 These Trading Rules will be revised periodically to align with changes in the Market Code and lessons learned from SAWEM operations.

10.8.2 Any overlap or duplication between the Trading Rules and the Market Code will be avoided to ensure clarity and prevent regulatory uncertainty.

10.9 Transparency and Accountability

10.9.1 The Market Operator will ensure transparency in market operations, including the publication of market prices, trading volumes, and other relevant data.

10.9.2 Traders must adhere to the principles of fair competition and customer protection as outlined in the Market Code and other anti-trust laws in South Africa.

11. GENERAL GOVERNING PROVISIONS

11.1 Technical Standards Compliance

11.1.1 Traders shall comply with the licence conditions, these Rules, as well as relevant technical codes and industry standards.

11.1.2 NSPs shall comply with all applicable Technical Standards, Codes, and other regulatory requirements specified in their license to maintain the prescribed quality of supply to customers.

11.2 Dispute Resolution

11.2.1 Parties to complaints and disputes in connection with these Rules shall make every effort to resolve such complaints and disputes amongst themselves, before referring a complaint or dispute to NERSA.

11.2.2 If unresolved, disputes may be referred to NERSA for mediation, arbitration, or investigation.

11.3 Phased Electricity Trading

11.3.1 In the initial phases, Customers connected to Transmission and High Voltage (HV) networks are given the opportunity to purchase their energy demand from Traders.

11.3.2 Progression to the next phase will depend on–market readiness — including functioning switching systems, reliable metering, credit cover arrangements, and adequate supplier diversity — to avoid premature liberalisation risks.

11.3.3 The integration of smaller customers will be implemented in subsequent phases, subject to market readiness, system stability, and metering capabilities for these smaller customers.

11.4 Revision of these Rules

11.4.1 NERSA has the mandate to order a revision of these Trading Rules as deemed necessary. These Trading Rules shall be reviewed and updated periodically to address lessons learned from their implementation and trading activities during the observation period. NERSA will assess the needs and determine when revisions are required to ensure the rules remain effective and aligned with industry developments.

11.4.2 These Rules shall be revised when any other relevant legislation changes, or should any section clash or be in misalignment with the Market Code or Market Rules.

12. ANNEXURE A

EXISTING LEGISLATION, STANDARDS, CODES

The Rules for Electricity Trading shall be read in conjunction with, but not limited to acts, regulations and other NERSA-approved documents. These are listed in the table below.

Legislation, Codes, Procedures and Standards
1. National Energy Regulator Act, 2004 (Act No. 4 of 2004)
2. Electricity Regulation Act, 2006 (Act No. 4 of 2006)
3. Electricity Regulation Amendment Act, 2024 (Act No. 38 of 2024)
4. Municipal Systems Act, 2000 (Act No. 32 of 2000)
5. Licensing Exemption and Registration Notice No. 1231 of 17 January 2023
6. Competition Act, 1998 (Act No. 89 of 1998)
7. South African Distribution Metering Code Version 6.1
8. Regulatory Rules on Network Charges for Third Party wheeling of Energy, 2025
9. NERSA Complaint and Dispute Resolution Procedure
10. Wholesale Market Rules and/or Code