

ENERGY COUNCIL  
OF SOUTH AFRICA

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Newsletter

MAY 2026

The Energy Council of South Africa is dedicated to fostering collaboration, innovation, and action in the energy sector. Through delivery partnerships, advocacy, and thought leadership, the Council is committed to advancing South Africa's energy transition and ensuring a secure, sustainable energy future for all.

CEO's CORNER

GIVING SA THE POWER TO CHOOSE

South Africa's electricity sector is moving faster than the regulatory architecture. This is a legacy result of loadshedding recovery. While it reflects a positive sign of progress and investment, it is also a warning signal worth heeding.

The system is in a surplus supply position, but how much is optimal as redundancy and at what level does that become a structural oversupply that locks in higher long term system cost.

The past month has seen two important developments worth highlighting that will strengthen sequencing and regulatory alignment. First, NERSA released both the Wholesale Electricity Pricing Methodology and the Transitional Generation Pricing and Vesting Contract framework for public consultation. These are in effect, the rulebook for the competitive electricity market we are building and key to creating transparency and fair cost recovery.

Second, the Minister tabled his budget vote in Parliament, outlining five strategic priorities for 2026/27 and importantly signalling a year of "execution discipline".

These two developments are very connected and show how the reform agenda needs to mature.

Read more

ENERGY COUNCIL MEMBERS IN THE NEWS

The electricity conversation nobody is having: tariffs are the market.

Energy Council Project Delivery Senior Manager, Vasanie Pather, explores why tariff design matters for affordability, investment confidence, competition and the future success of SAWEM. As the electricity sector transitions, tariffs must ensure full and sustainable cost recovery for system operation and network infrastructure.

Read more

Afrox signs renewable energy supply agreement with Discovery Green.

Afrox has signed a ten year power purchase agreement (PPA) with Discovery Green to supply 28GWh of renewable energy to its Kuilsriver air separation unit in Cape Town. This supply is expected to reduce Afrox's operational carbon emissions by an estimated 25,000 tons of carbon dioxide equivalent per year.

Read more

Water and electricity systems are coming together, Enlit audience hears.

Siemens South Africa CEO, Sabine Dall'omo delivered a keynote speech at Enlit Africa's 2026 conference highlighting the intersection between water and energy systems. Water and electricity were both essential to maintain and grow the country's industrial base. The two sectors were rapidly merging.

Read more

UPCOMING EVENTS

**16 June:** Youth Day  
**16 - 18 June:** Africa Energy Forum (AEF) **member discount available**

SPOTLIGHT ON THE ELECTRICITY WHOLESALE  
TARIFF SERIES

Energy Council of South Africa launches the Electricity Wholesale Tariff 3-part series.

The Energy Council's Tariff series carefully unpack how poorly designed transition mechanisms could unintentionally distort the market. Designing a fair and functional transitional market is not something regulators can do in isolation. It requires substantive input from the people who will operate within it.

Read the Series

Have something exciting to share? We're always looking to spotlight member achievements, projects and perspectives shaping South Africa's energy future. Send your articles, updates, or stories to Nikita Sadomba at [nikita.sadomba@energycouncil.org.za](mailto:nikita.sadomba@energycouncil.org.za) for inclusion in our next edition.

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