



Annexure B

Circular 07 of 2026
NERSA Urgent Application
for Deviation of timeframes

CIRCULAR 07 / 2026

FROM : CHIEF EXECUTIVE OFFICER

TO : MUNICIPAL MANAGERS

**INFRASTRUCTURE/TECHNICAL DIRECTORS/MANAGERS/ HEADS OF
ELECTRICITY/ CHIEF FINANCIAL OFFICERS**

DATE : 10 FEBRUARY 2026

**URGENT NOTICE TO MUNICIPALITIES REGARDING URGENT APPLICATION BY
NATIONAL ENERGY REGULATOR OF SOUTH AFRICA(NERSA)//AFRIFORUM &
OTHERS**

SALGA would like to confirm receipt of an urgent application by NERSA on 05 February 2026, the application is set down for a hearing on 17 February 2026 with a deadline to file answering affidavits by 10 February 2026.

The following insights were shared by SALGA's legal team in respect of the urgent application and the implications of the relief sought:

- i. NERSA seeks an order for deviation from the court-sanctioned timeframes on the court order dated 04 December 2025 in respect of the 2026/2027 municipal tariff application cycle.
- ii. The proposed deviation by NERSA enables them to publish their multi-year price determination on or before 08 February 2026 and Eskom's ERTSA application to be submitted on or before 13 February 2026.
- iii. Following internal processes, NERSA shall publish Eskom's ERTSA application for public

participation on or before 23 February 2026

- iv. The proposed deviation invites all the municipalities to submit their municipal electricity tariff application, supported by costs of supply studies by no later than 17 April 2026.
- v. NERSA shall conduct a public participation process and finalise same on or before 8 May 2026. NERSA shall further finalise the process of considering the municipal electricity tariff applications timeously received and communicate its decision and reason on or before 29 May 2026.
- vi. It is our view that order sought if granted will not negatively affect the processes and preparations for the costs of supply studies and electricity tariffs applications, which were due on or before 20 March 2026 as per the court order of 04 December 2025.
- vii. SALGA's position and understanding of processes regarding the preparation of costs of supply studies is that majority of the municipalities will submit the same costs of supply studies as the previous financial year, just with few adjustments considering that there is no significant change that would warrant preparation of the costs of supply studies from scratch,
- viii. NERSA's proposed deviation from the timeframes stipulated on the court order regarding the municipal licensee's submission of their electricity tariff applications and cost of supply study grants the municipalities with further **27 days (3 weeks)** to comply in providing a complete cost of supply study and their electricity tariff applications.
- ix. Municipalities were already content with the court-sanctioned timeframes on the 04th of December 2025 court, as per the NERSA workshop, which was held on the 5th of December 2025, therefore SALGA's position is that deviation from the timeframe of 20 March 2026 to 17 April 2026 only for the current financial being 2026/2027 would not be prejudicial to municipalities.
- x. Considering the information provided, it is our view that the appropriate response to the urgent application would be to file the notice to abide to the relief sought by NERSA, considering that the proposed deviation does not negatively impact the processes and preparations of municipalities

in the current financial year.

- xi. We note that SALGA may need to consult with the municipalities, if necessary, to determine their position in respect of the above matter and obtain further information, particularly the timelines to conduct a full cost of supply study and electricity tariff. Kindly be reminded that parties to this application are to file the necessary papers and notices before 12 o'clock on Thursday 12 February 2026.
- xii. SALGA through its legal counsel has, on the other hand, liaised with the applicant's attorney to provide us indulgence in filing our response to the application and we have been granted until 10 February 2026.
- xiii. We therefore would like Municipalities to urgently respond to this circular if there SALGA view of position contradicts or may prejudice the municipalities in their preparations for tariff applications to NERSA aligning with the NERSA proposed relief.

We will further communicate any developments on the matter as urgently as possible.

Yours faithfully,



SITHOLE MBANGA

CHIEF EXECUTIVE OFFICER

