MANGAUNG
AT THE HEART OF IT ALL

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Our Ref. CENTLEC Welcomes Cabinet's Approval of The Revised Electricity Pricing Policy and Market Transformation Position Paper	**Your Ref.:**

FOR IMMEDIATE RELEASE

TO: ALL MEDIA, STAKEHOLDERS AND RESIDENTS

CENTLEC WELCOMES CABINET'S APPROVAL OF THE REVISED ELECTRICITY PRICING POLICY AND MARKET TRANSFORMATION POSITION PAPER

BLOEMFONTEIN — CENTLEC (SOC) Ltd warmly welcomes the decisive policy milestones reached by Cabinet during its meeting on 29 July 2026. The approval of the publication of both the Revised Electricity Pricing Policy (EPP) and the Draft Electricity Sector Market Transformation Position Paper for public comments marks a vital turning point for South Africa's energy landscape.

As a municipal entity dedicated to powering communities within the Mangaung Metropolitan Municipality and surrounding areas, CENTLEC views these progressive policy shifts as critical instruments that align municipal distribution with national regulatory reforms, the Electricity Regulation Amendment (ERA) Act of 2024, and the Energy Action Plan.

Advancing Tariffs and Regulatory Transparency Through the Revised Electricity Pricing Policy (EPP)

CENTLEC notes that the Revised EPP successfully updates the outdated 2008 framework to mirror modern realities in the electricity supply industry, heavily influenced by Eskom's unbundling and the operationalisation of the ERA Act.

Key highlights welcomed by CENTLEC include:

Clear Tariff Unbundling: The provision of transparent, unbundled tariffs across generation, transmission, distribution, and retail activities will streamline billing interfaces. It solidifies the regulatory architecture between generators, traders, the National Transmission Company South Africa (NTCSA), and local distributors like CENTLEC under the watchful guidance of the National Energy Regulator of South

Directors: MJ Ntshudisane (**Chairperson**), DR Barlow (**Deputy Chairperson**), GP Malaza (**NED**), AB Godongwana (**NED**), ED Markus (**NED**), ZC Gcwili (**NED**), MS Sekoboto (**CEO**), ZSN Williams (**CFO**), KC Tsitsi (**Company Secretary**)

Africa (NERSA).

Sustainable Cost-Reflective Tariffs: The alignment toward cost-reflective pricing is a necessary step to ensure the financial health, viability, and ongoing maintenance capabilities of local electricity distributors.

Protection of Vulnerable Groups: CENTLEC strongly supports the policy's dual focus on safeguarding vulnerable households (such as indigent customers) and protecting strategic economic sectors, ensuring that the energy transition remains inclusive and socially equitable.

Driving Competitiveness and Security Through the Draft Market Transformation Position Paper

The approval of the Draft Electricity Sector Market Transformation Position Paper lays down a robust blueprint to shift South Africa away from a legacy state-controlled monopoly toward a competitive, multi-market electricity framework.

CENTLEC is particularly encouraged by the position paper's objectives, which aim to:

Enhance Energy Security: Reduce single-supplier dependency by promoting diverse generation sources and active independent trading participation.

Unlock Critical Infrastructure Investment: Create an attractive investment climate for generation, transmission, and distribution networks, which will directly catalyse regional economic growth and job creation.

Ensure Long-Term Affordability: Foster market efficiencies that will stabilise and curb escalations in electricity costs for end-users over the long term.

Commitment to Public Participation

As an entity deeply rooted in service delivery, CENTLEC encourages all local stakeholders, business chambers, consumer advocacy groups, and residents of Mangaung to actively participate in the upcoming public consultation processes. Robust public inputs will ensure that the final frameworks successfully address municipal-level realities and secure a sustainable future for all electricity consumers.

CENTLEC remains steadfastly committed to adapting to these structural industry reforms, optimising its operational efficiency, and continuing to deliver safe, reliable, and sustainable electricity to our communities.

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