

NEWSLETTER



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| Source: Engineering Weekly - February 9, 2026

NERSA Approves 18,36% Eskom Tariff Increase for the Next Two Years

South Africa's electricity pricing landscape has shifted again. Following a High Court directive and a reassessment of earlier calculation errors, NERSA has approved revised Eskom tariff increases for the upcoming financial periods.

The approved adjustments are:

- 8.76% effective April 2026
- 8.83% effective April 2027

Cumulatively, this represents an 18.36% increase over two years – materially higher than the previously approved 5.36% and 6.19%.

For context, inflation was reported at 3.6% in December 2025. Electricity tariffs are therefore rising at more than four times the general rate of inflation – significantly outpacing broader cost growth.



What Led to the Revision?

Earlier in 2025, NERSA admitted errors in its tariff calculation for the 2025/26 and 2027/28 financial period. A settlement with Eskom followed, but in December the High Court rejected that settlement and ordered a fresh determination after public submission.

The revised decision aims to balance two competing realities:

- Eskom's financial sustainability
- Customer affordability

While Eskom recently reported its first full-year profit in eight years – supported by government intervention and operational improvements – the utility remains under structural financial pressure.

The trajectory is clear: upward tariff pressure remains firmly in place.

The Real Question: What is Your Energy Strategy?

An 18.36% increase is more than a line item on a tariff schedule. Grid dependency is no longer purely an operational decision – it's a strategic risk consideration.

Businesses that lock in a proportion of their energy costs through embedded generation are not simply "going green". They are stabilising one of their fastest-escalating overheads.

In this environment, the focus increasingly shifts towards:

- Reduced grid dependency
- Improved energy efficiency
- Investing in solar PV and battery storage
- Locking in long-term energy cost certainty

At SunRanch Solar, we continue to help businesses mitigate rising

electricity costs through fully integrated, turnkey EPC solar solutions – from in-house design and engineering to installation and long-term maintenance.

As tariffs continue to rise above inflation, the question is no longer whether electricity costs will increase – but how prepared your business is to manage them.