



SOCIO-ECONOMIC IMPACT ASSESSMENT SYSTEM (SEIAS)

REVISED (2020): FINAL IMPACT ASSESSMENT TEMPLATE –PHASE 2

NAME OF THE PROPOSAL: ELECTRICITY REGULATION AMENDMENT BILL (ERA)

1. Please DO NOT ALTER the template and questionnaire
2. Date must be clearly indicated
3. Draft SEIAS report should have a watermark word DRAFT indicating the version and should be accompanied by the supporting documents (draft proposal, M&E plan, and pieces of research work)
4. FINAL report will be in PDF format and will be inclusive of the sign-off
5. FINAL report will have the approval stamp of the Presidency on the front cover and will include the signoff
6. Sign off forms are only valid for a period of six months.
7. Bills and Regulations that introduce permitting, licensing and registration system must be accompanied by a streamlined process map and indicate the proposed turnaround time for processing of such.

PART ONE: ANALYSIS FOR FINAL SEIAS REPORT

Please keep your answers as short as possible. Do not copy directly from any other document.

1. Conceptual Framework, Problem Statement, Aims and Theory of Change

The Electricity Regulation Amendment Bill, 2021 ("the Bill") seeks to amend the Electricity Regulation Act, 2006 (Act 4 of 2006) ("the Act"). The Act came into effect on 1 August 2006 and established a national regulatory framework for the electricity supply industry and made the National Energy Regulator of South Africa (NERSA) the custodian and enforcer of the national electricity regulatory framework, among other things.

1.1. What socio-economic problem does the proposal aim to resolve?

Since the promulgation of the Act the electricity supply industry still functions as a vertically integrated monopoly dominated by state-owned utility Eskom. In terms of section 7 of the Act, NERSA regulates the electricity sector market by issuing licences for the operation of generation, transmission and distribution facilities, electricity imports, exports, and trading.

It has become apparent that there have been many changes in the industry and there has been much call for review from the regulator (NERSA); Eskom; SALGA and the industry. The current market and regulatory design stems from a legacy of techno-economic paradigm. It assumed that the cheapest power could be obtained through ever greater economies of scale in the form of large and centralised coal-fired power stations. The regulatory framework is designed to protect the monopoly of the centralised utility on the assumption that this would reduce financing costs for the uptake of megaprojects and lower the cost of power. The new era of renewable energy technologies has fundamentally disrupted this paradigm. The regulatory framework is not nimble enough to enable adequate numbers of investors to develop least-cost renewable capacity to support security of supply.

The Bill, therefore, seeks to guide future energy infrastructure investments and shape the future energy landscape for South Africa. Energy is the lifeblood of the economy which impacts on all sectors as well as individual livelihoods and therefore integrated energy planning is undertaken to determine the best way to meet current and future energy service needs in the most efficient and socially beneficial manner, while:

- Maintaining control over economic costs.

- Serving national imperatives such as job creation and poverty alleviation; and
- Minimising the adverse impacts of the energy sector on the environment.

The development in the electricity industry, and attempts to respond thereto, have revealed that there are several deficiencies such as limited generation capacity, limited access to the transmission, infrastructure, and lack of fair treatment of all licensees, in the current regulatory framework for the electricity sector. The introduction of Independent Power Producers has shown that an independent market operator is needed to facilitate competition in the electricity industry. Transformation in the industry is much needed. The regulatory framework needs to be amended and improved to facilitate the development of the electricity industry in the Republic and other matters.

The proposal therefore aims to develop infrastructure investments in the electricity industry, to increase generation capacity, provide access to the transmission network and provide fair treatment of all licensees and registrants in the regulatory framework for the electricity sector. Further, the proposal introduces a competitive market in the electricity sector which is intended to facilitate competition in the electricity industry.

1.2. What are the main root causes of the problem identified above?

What socio-economic problem does the proposal aim to resolve	What are the main roots or causes of the problem
The supply of energy in the country is inefficient and expensive to support growing demands such as that of economy and social sectors.	<p>Monopolistic electricity sector structure that has long been acknowledged as an inefficient and expensive way of supplying power. South Africa’s own 1998 Energy Policy White Paper recommended the introduction of competition in electricity generation. The recent and highly disruptive change brought on by the dramatic cost decline in renewables and battery storage, coupled with innovations in smart grid technologies, has further rendered the megaproject monopoly paradigm that dominates South Africa’s electricity supply sector out-of-date.</p> <p>With disruptive changes in the technoeconomic paradigm for power generation, the economic rationale for market accessing licensing has fallen away. Regulatory reforms</p>

What socio-economic problem does the proposal aim to resolve	What are the main roots or causes of the problem
	<p>to enable market access of decentralised power projects have become common across the world.</p> <p>Energy is an integral part of the economy, and the energy sector also acts as a key enabler for economic growth and the attainment of key national imperatives. As a fast-emerging economy, South Africa needs to grow its energy supply to support economic expansion and in so doing alleviate supply bottlenecks to reduce supply-demand deficits. In addition to this, providing all citizens with clean and modern forms of energy at affordable prices is essential. Today’s choices about how energy is sourced, produced, and used will determine the sustainability of the future energy system and, thereby, of socio-economic progress.</p> <p>The limited generation capacity in the country that is exceeded by the growing demand. Lack of competition in the electricity supply industry especially in generation.</p>

1.3. Summarise the aims of the proposal and how it will address the problem in no more than five sentences.

The proposed move from a monopolistic electricity sector structure design to an open electricity sector structure reforms and associated interventions will reduce load shedding and power shortages. This will increase market sentiment and investor confidence in the economy, resulting in new investments that increase demand for power, in turn boosting Eskom and municipal revenues (irrespective of whether they sell the new power or not – wheeling tariffs still apply). An integrated approach where private generation augments Eskom’s supply will reduce grid defection, maintain revenue contributions to common grid and system costs, and thus slow or reverse the “utility death spiral” threatening Eskom.

1.4. How is this proposal contributing to the following national priorities?

National Priority	Impact
<p>1. Economic transformation and job creation</p>	<p>Energy Infrastructure - energy supply should be enabling, and not a constraint, of economic growth and development. This can be achieved by balancing our reliance on coal and growing reliance on renewable energy, especially solar and wind which are the least-cost technology, and where South Africa has significant comparative advantage.</p> <p>Off grid innovations such as micro grid solutions will increasingly contribute to electrification, while at the same time providing opportunities for industrialisation and empowerment. The removal of licensing threshold for embedded generation is another recent show of government's commitment to market reform and to ensuring electricity is available.</p> <p>Clear, consistent, and complementary energy policies and regulatory frameworks should incentivise investment and optimises local content and private sector opportunities in the transformation of South Africa's energy sector asset base.</p> <p>New technologies and multi-year capital programmes should enable new local industries and local business to empower youth, create new-age skills and digital capabilities.</p> <p>Market structure facilitates more responsive and sustainable supply. This will require stabilisation and separation of Eskom and the introduction of greater private participation.</p>
<p>2. Education, skills and health</p>	<p>This proposal will open doors for learning and job opportunities. Capacity in the state and its entities be strengthened to effectively regulate, plan, and oversee energy delivery.</p>
<p>3. Consolidating the social wage through reliable and quality basic services</p>	<p>Social equity through expanded access to energy at affordable tariffs and through targeted sustainable subsidies for needy households. Reduction in cost of electricity will reduce the cost of livelihood</p>

National Priority	Impact
4. Spatial integration, human settlements and local government	Provision of electricity is one of the services that will ensure spatial equality where previously marginalised communities and new settlements have access to basic services similarly to developed areas. Electricity to be delivered in a financially sustainable way. Provision of this service is also key to support of economic activities in townships and rural areas.
5. Social cohesion and safe communities	
6. Building a capable, ethical and developmental state	Drastically lifting the licensing requirement for generation projects will immediately unleash the pent-up supply of many hundreds of projects and thousands of MW of capacity.
7. A better Africa and world.	<p>The reforms envisaged in this amendment are common globally. Sector reform, that introduces competition and alternative funding models, will be essential going forward: this is for energy security, as well as financial sustainability in energy, for the fiscal stability and for the economy.</p> <p>In 2003 India delicensed generation projects completely (except for nuclear and hydro-power projects over a certain size), provided projects comply with technical standards related to connectivity to the grid. There are no restrictions on sale to different types of customers (India Ministry of Law and Justice, 2003).</p> <p>Neither Australia nor Spain has market access restrictions, only strict technical compliance standards. In Australia, the rooftop solar PV industry is booming. This has meant evolving and strengthening technical standards enforced by the grid operator. Most generators are subject to a “dispatch-cap” (an agreement that the grid operator may curtail power from the project in the event of a power surplus) to ensure power</p>

National Priority	Impact
	<p>system stability. This is a technical requirement that South Africa may need to consider in future once power shortages have eased.</p> <p>The transition away from fossil fuels progresses in a convincing and just manner. New installed capacity consists primarily of wind and solar where South Africa has comparative advantage. Stakeholders, whether business, workers, or communities) involved in fossil fuels are supported through this transition.</p>

1.5. Please describe how the problem identified could be addressed if this proposal is not adopted. At least one of the options should involve no legal or policy changes, but rather rely on changes in existing programmes or resource allocation.

Option 1.	<p>The problem of introduction to the competitive market will not be addressed. Engaging with the public and industry stakeholders through meetings, workshops, public hearings and consultations on how to comply with the existing legislation to accommodate embedded generators (Education Stakeholder workshop).</p>
Option 2.	<p>By developing the Guidance Note or rules to guide registrants and licensees on how to implement/comply with the existing legislation.</p>

PART TWO: IMPACT ASSESSMENT

2. Policy/Legislative alignment with other departments, behaviours, consultations with stakeholders, social/economic groups affected, assessment of costs and benefits and monitoring and evaluation.

2.1. Are other government laws or regulations linked to this proposal? If so, who are the custodian departments? Add more rows if required.

Government legislative prescripts	Custodian Department	Areas of Linkages	Areas of contradiction and how will the contradictions be resolved
National Energy Regulator Act 40 Of 2004	Department of Mineral Resources and Energy	The act provides for the establishment and functioning of the National Energy Regulator of South Africa, which exercises the functions under the Electricity Regulation Act, 2006(Act 4 of 2006).	None
White Paper on the Energy Policy of 1998		In 1998, the Department of Energy (the Department) published a White Paper on Energy Policy in South Africa that sought to liberalise energy markets including competition in generation electricity. Through unbundling of the entity into separate Generation, Transmission and Distribution divisions, the Transmission Division is on track for separation and the National Transmission Company of South Africa has been registered.	

2.2. Proposals inevitably seek to change behaviour to achieve a desired outcome. Describe (a) the behaviour that must be changed, and (b) the main mechanisms to bring about those changes. These mechanisms may include modifications in decision-making systems; changes in procedures; educational work; sanctions; and/or incentives.

a) What and whose behaviour do the proposal seek to change? How does the behaviour contribute to the socio-economic problem addressed?

The vertically integrated electricity supply industry structure and the monopolistic nature and behaviour of a single dominant player is sought to be changed.

The monopolistic structure results in the lack of investment in electricity infrastructure and lack of competitive market. This led to electricity shortages that were experienced in the past. The monopolistic nature of the electricity supply industry limits other industry players and does not allow all access to the whole electricity market.

Some Self-generators/ embedded generators not complying with provisions of the Act. Most of these generators are not registered or licensed. NERSA is unable to ensure compliance as there are no enabling provisions in the Act for NERSA to handle this.

b) How does the proposal aim to bring about the desired behavioural change?

The Bill provides for a Transmission System Operator that will facilitate a transition into a competitive market in the electricity industry.

NERSA will be empowered to effectively regulate and monitor the electricity supply industry by ensuring compliance within the industry. The Bill will address all the regulatory gaps identified.

2.3. Consultations

a) Who has been consulted inside of government and outside of it? Please identify major functional groups (e.g. business; labour; specific government departments or provinces; etc.); you can provide a list of individual entities and individuals as an annexure if you want.

Consulted Government Departments, Agencies and Other Organs of State

Department's name	What do they see as main <u>benefits</u> , <u>Implementation/ Compliance costs and risks?</u>	Do they <u>support</u> or <u>oppose</u> the proposal?	What <u>amendments</u> do they propose?	Have these amendments been <u>incorporated</u> in your proposal? If yes, under which section?
	<u>Main benefits</u>			

Department's name	What do they see as main <u>benefits</u> , <u>Implementation/</u> <u>Compliance costs and risks?</u>	Do they <u>support</u> or <u>oppose</u> the proposal?	What <u>amendments</u> do they propose?	Have these amendments been <u>incorporated</u> in your proposal? If yes, under which section?
<p>DFFE</p> <p>NERSA, Operation Vulindlela, Eskom</p>	<p>The activities being enabled in this Amendment Bill (and Act) may have environmental impacts (as well as impacts on health and safety, etc) and attempting to address this proactively, is supported.</p> <p>Transitional arrangements that enable an orderly transition to a competitive market with no restrictions on market participants</p> <p>Implementation/ Compliance costs and risks?</p>	<p>Support</p> <p>Support</p>	<p>Should any regulations to set standards be made relating to the environment (rehabilitation of the land) it would be important to consult the with relevant Ministers, including the Minister of Forestry, Fisheries, and the Environment.</p> <p>TSO should be empowered to develop a market code that will provide guidance to the participants.</p>	<p>The recommendation was not for the bill but for the secondary legislation that may follow when needed.</p> <p>Yes. Section 34(4)(d)</p>

Department's name	What do they see as main <u>benefits</u> , <u>Implementation/</u> <u>Compliance costs and risks?</u>	Do they <u>support</u> or <u>oppose</u> the proposal?	What <u>amendments</u> do they propose?	Have these amendments been <u>incorporated</u> in your proposal? If yes, under which section?
	<p>(1) The inclusion of construction in the operation licence as the Regulator does not have the expertise to issue construction licences.</p> <p>(2) The new registrants have proven to be a challenge because of the multiplicity that they are bringing on board.</p> <p>(3) The withdrawal of trading from outright licensing and mandating the Regulator to evaluate compliance is not properly positioned.</p> <p>(4) The Bill's proposal for (Network Service Provider, System</p>	<p>Oppose</p> <p>Oppose</p>	<p>The removal of construction attached to the operation licence.</p> <p>The Regulator is still entrusted to ensure orderly development of the industry and it should be permitted to set conditions of operations which are not regressive to the intent.</p>	<p>YES: Section (4), (7), (14)</p> <p>Section (9)</p> <p>Yes. Section (7). The proposal has been deleted.</p>

Department's name	What do they see as main benefits, Implementation/ Compliance costs and risks?	Do they support or oppose the proposal?	What amendments do they propose?	Have these amendments been incorporated in your proposal? If yes, under which section?
<p>NERSA, Operation Vulindlela</p>	<p>Operator, Market Operator and Central Purchasing Agent to be undertaken by the TSO is opposed. The whole subsidiary cannot be equated to just one business unit, so activities of each unit cannot all be lumped under the SO.</p> <p>(5) The notion in section 14A of pre-determined pricing linked to a particular generation technology is not compatible with a competitive electricity market.</p>	<p>Oppose</p> <p>Oppose</p>	<p>The trading activity should be retained as licensable from the onset and be subjected to the provisions of section 8</p> <p>The proposal is that the TSO must be an independent entity from Eskom.</p>	<p>No. The Bill is aligned to the DPE's Eskom's roadmap. During consultation the stakeholders accepted that the National Transmission Company of South Africa will undertake the activities of the TSO.</p> <p>Yes. Section 14 A was deleted.</p>

Department's name	What do they see as main benefits, Implementation/ Compliance costs and risks?	Do they support or oppose the proposal?	What amendments do they propose?	Have these amendments been incorporated in your proposal? If yes, under which section?
	(6) The Regulator will be responsible for setting or approving all tariffs	<p>Oppose</p> <p>Oppose</p>	<p>It is proposed that these clauses be removed from the ERA, as it is being finalised.</p>	<p>Yes. Section 15(4)</p>

Department's name	What do they see as main <u>benefits</u> , <u>Implementation/</u> <u>Compliance costs and risks?</u>	Do they <u>support</u> or <u>oppose</u> the proposal?	What <u>amendments</u> do they propose?	Have these amendments been <u>incorporated</u> in your proposal? If yes, under which section?
			The competitive process set the price. The Regulator should not set or approve tariffs in bilateral agreements.	

Consulted stakeholders outside government

Name of Stakeholder	What do they see as main <u>benefits</u> , <u>Implementation/</u> <u>Compliance costs and risks?</u>	Do they <u>support</u> or <u>oppose</u> the proposal?	What <u>amendments</u> do they propose?	Have these amendments been <u>incorporated</u> in your proposal?
Business (BUSA, MINERAL COUNCIL, PAMSA, EUIG,	(1) The Bill granted far-reaching discretion to the Minister which serves to contradict the objectives of a	Oppose	The Bill must only provide clarity on the level of approval required, the process, and	Yes. Section 34(1). Safeguards have been introduced to trigger the Minister to exercise the powers under section 34.

Name of Stakeholder	What do they see as main <u>benefits</u> , <u>Implementation/</u> <u>Compliance costs</u> and <u>risks</u> ?	Do they <u>support</u> or <u>oppose</u> the proposal?	What <u>amendments</u> do they propose?	Have these amendments been <u>incorporated</u> in your proposal?
	<p>(3) The proposed expropriation provisions in the Bill promotes the expansion of South Africa's transmission grid by limiting unnecessary delays.</p> <p>(4) The proposed multi-market structure in the Bill was significant as it illustrates how the shift from the long-standing vertically integrated electricity</p>	Support	<p>There should be a broadening of provisions of the Bill to account for the construction of substations and other ancillary transmission infrastructure, as required or determined by the transmitter.</p> <p>The roles and responsibilities of the CPA should be clarified in the Bill as this was important in ensuring an</p>	<p>No. The Department reverted to the original text as the recommendation on the expropriation clause was outside the scope of the Minister's mandate.</p> <p>Yes. Section 34(A)</p>

Name of Stakeholder	What do they see as main <u>benefits</u> , <u>Implementation/ Compliance costs</u> and <u>risks</u> ?	Do they <u>support</u> or <u>oppose</u> the proposal?	What <u>amendments</u> do they propose?	Have these amendments been <u>incorporated</u> in your proposal?
Labour	<p>model will be structured.</p> <p>(5) the deletion of section 10(2)(g) on the basis that it removes from the principal legislation the power of the Minister to grant deviations from the IRP.</p>	Oppose	efficient power market.	Yes. It was reverted to the original provision.
	<p>The Bill has provisions that unbundle Eskom</p>	Oppose	Concerns were raised regarding operational issues of TSO and Eskom that are outside the scope of the Bill	No. The concerns raised by Labour were outside the scope of the Bill and hence an agreement could not be reached between the Department and Labour.

- b) Summarise and evaluate the main disagreements about the proposal arising out of discussions with stakeholders and experts inside and outside of government. Do not give details on each input, but rather group them into key points, indicating the main areas of contestation and the strength of support or opposition for each position

Ministerial powers on making Section 34 determinations

With regards to the powers of the Minister, there was a strong view that the Minister was being given too much discretionary power in relation to the making of determinations. Even though this view was not shared by the Department, common ground was achieved by the insertion of pre-conditions that would enable the Minister to exercise the discretion.

Tariff regulation and the competitive market

On this aspect there was a strong opposition to the Regulator having the powers to set tariffs on the competitive market structure. The view was premised on the ground that a competitive market determines the price, and the Regulator should not intervene. The Department was of the view that during the transition the industry would contain aspects of a regulated as well as competitive areas. A balance was reached by the inclusion of an exception that would permit the competitive market to set the price and regulated aspects to remain regulated.

Establishment of the Transmission System Operator (TSO)

The view was that the TSO should be an entity independent from Eskom. This view is, however, not supported by the Government's Eskom Roadmap published by the DPE addressing transitional measures towards a competitive market. The final view is that the National Transmission Company of South Africa registered under Eskom Holdings will, in the transitional phase carry out the functions of the TSO.

Powers, functions, and duties of the TSO

A strong view was that the TSO should be an entity independent from Eskom and carry out its power, duties, and functions independent of Eskom. This view is, however, not supported by the Government's Eskom Roadmap which provides that this powers, duties, and functions must be carried out by the National Transmission Company. This view is supported by benchmarking and best practices which provides that, during transition to a competitive market, a TSO can undertake these activities.

Business and Labour believes that regardless of whether the IRP is flexible or rigid, one is unable to accurately estimate demand requirements to the last MW. Therefore, one needs flexibility and believes that is unclear how the Minister will satisfy himself on case-by-case basis.

Business and labour believe that all rehabilitation of land including provisions of financial security is covered under Waste Act. The Department cannot give themselves this power.

They are of the belief that setting of standards relating to healthy, safety and environment, and their incorporation into licenses or national norms and standard; sentence above must be amended by the inclusion “with the concurrence of the Minister of Labour and Minister of Environment, Forestry and Fisheries, respectively.

2.4. Describe the groups that will benefit from the proposal, and the groups that will face a cost. These groups could be described by their role in the economy or in society. Note: NO law or regulation will benefit everyone equally so do not claim that it will. Rather indicate which groups will be expected to bear some cost as well as which will benefit. Please be as precise as possible in identifying who will win and who will lose from your proposal. Think of the vulnerable groups (disabled, youth women, SMME), but not limited to other groups.

List of beneficiaries (groups that will benefit)	How will they benefit?
Emerging and established enterprises	New entrants and existing participants in the electricity sector will be enabled to participate in the electricity generation for own use and commercial reasons. Own use generation will contribute to cost savings while those for commercial reasons, will generate revenue. Power producers will expand their market base.
Electricity consumers	A competitive market will open the electricity industry and provide consumers with a choice whether to purchase electricity from utility or private generator. Consumers can now be able to reduce their electricity bills. Competition in the electricity sector might reduce and stop the hiking of the electricity tariffs.
Local communities	During construction of private generation facilities, local communities will benefit from job opportunities created. This will benefit vulnerable groups.
Economy	The current difficulties experienced through load shedding is estimated to cost the economy between R60 – R120 billion annually and is expected to increase as the

List of beneficiaries (groups that will benefit)	How will they benefit?
	duration and average level of load shedding. This will have serious negative implications for economic sentiment investment and job creation. The proposal will ensure a stable security of supply which will contribute to investment and job creation. These will indirectly contribute towards poverty alleviation measures.
Distribution licensees	They will have an opportunity to generate new revenue stream from generators, who seek access to the distribution network, through system use charges.

List of cost bearers (groups that will bear the cost)	How will they incur / bear the cost
Eskom and municipalities	As from April 2020 municipal electricity revenue collection rate were seating at 30,2% compared to the previous year where it was seating at 93%, partly contributed by non-payment of electricity bills by residential and business. In the 2021/22 financial year south African municipalities have spent R95.1 billion to purchase electricity from Eskom. Municipalities sold electricity to their own customers generating R118 billion in revenues. The gap between these two represents a surplus of R23 billion which is much needed funding that is often used to financing other municipal activities. For every rand of revenue generated by a municipality 57c was from electricity sales. The revenue/ income (intensive users) will be negatively impacted by the entrance of new market players who will have a market share in the Eskom/Municipality space.
NERSA	According to the NERSA 2020/21 annual report the licence fees for the electricity industry were invoiced based on actual volumes of 206 516 GWh against total budgeted volumes of 232 989 GWh. The difference in

	volumes is 26 473 GWh, which translates to under-recovery of levies by R23 623 325 (11.4%). The impact of the exemption requirement of holding a generation licence will result in NERSA losing the revenue derived from fees charged for generation licences. Such losses cannot be determined upfront.
General public	Electricity regulated tariffs are generally passed through to the public.

2.5. Describe the costs and benefits of implementing the proposal to each of the groups identified above, using the following chart. Please do not leave out any of the groups mentioned, but you may add more groups if desirable. Quantify the costs and benefits as far as possible and appropriate. Add more lines to the chart if required.

Note: "Implementation costs" refer to the burden of setting up new systems or other actions to comply with new legal requirements, for instance new registration or reporting requirements or by initiating changed behaviour. "Compliance costs" refers to on-going costs that may arise thereafter, for instance providing annual reports or other administrative actions. The costs and benefits from achieving the desired outcomes relate to whether the group is expected to gain or lose from the solution of the problem.

For instance, when the UIF was extended to domestic workers:

- The implementation costs were that employers and the UIF had to set up new systems to register domestic workers.*
- The compliance costs were that employers had to pay regularly through the defined systems, and the UIF had to register the payments.*
- To understand the inherent costs requires understanding the problem being resolved. In the case of UIF for domestic workers, the main problem is that retrenchment by employers imposes costs on domestic workers and their families and on the state. The costs and benefits from the desired outcome are therefore: (a) domestic workers benefit from payments if they are retrenched but pay part of the cost through levies; (b) employers pay for levies but benefit from greater social cohesion and reduced resistance to retrenchment since workers have a cushion; and (c) the state benefits because it does not have to pay itself for a safety net for retrenched workers and their families.*

Group	Implementation costs	Compliance costs	Costs/benefits from achieving desired outcome	Comments
Emerging and established enterprises	None	License application fees and non-compliance with license conditions.	Equal access to the market and national grid for new entrants in the electricity market. Fair treatment to all participants in the industry. Revenue generation through trading in electricity. Job creation and skills development. Participation in the economic development of the country	None
Electricity Consumers	None	Fees associated with changing the supplier to another.	A competitive market will open the electricity industry and provide consumers with a choice whether to purchase electricity from utility or private generator. Consumers can now be able to reduce their electricity bills. Competition in the electricity sector might reduce and stop the hiking of the electricity tariffs.	None
Distribution licensees	None	License application fees and non-compliance with license conditions.	They will have an opportunity to generate new revenue stream from generators, who seek access to the distribution network, through system use charges.	None
Eskom and municipalities	None	License application fees and for non-compliance with license conditions.	The revenue/ income (intensive users) will be negatively impacted by the entrance of new market players.	None

Group	Implementation costs	Compliance costs	Costs/benefits from achieving desired outcome	Comments
NERSA	Cost for setting up systems to issue licenses and warning for non-compliance. Cost related to the undertaking of Compliance monitoring and enforcement	None	The impact of the exemption requirement of holding a generation licence will result in NERSA losing the revenue derived from fees charged for generation licences.	None
DMRE	Cost related to the gazetting process once the Bill is an Act. E.g., translation cost of the Act to other official languages of the Republic	None	Electricity regulated tariffs are generally passed through to the general public.	

2.6 Cost to government: Describe changes that the proposal will require and identify where the affected agencies will need additional resources.

Note: You MUST provide some estimate of the immediate fiscal and personnel implications of the proposal, although you can note where it might be offset by reduced costs in other areas or absorbed by existing budgets. It is assumed that existing staff are fully employed and cannot simply absorb extra work without relinquishing other tasks.

2.7 Describe how the proposal minimises implementation and compliance costs for the affected groups both inside and outside of government.

For groups outside of government (add more lines if required)

Group	Nature of cost (from question 2.6)	What has been done to minimise the cost?
Licensees, new entrant, and existing participants	Investment in the industry, license application fees and compliance costs	The Bill promotes public and private partnership, which requires both financing of projects by allowing the Minister to make a Determination for the development of additional new generation capacity. The Bill allows an applicant to have a prior discussion with the Energy Regulator before an application is lodged. This will ensure that proper documents are submitted while processing an application to avoid repetition of tasks. This will limit implementation cost. The Regulator has developed a manual setting out Rules to comply with the Act.
Consumers	Costs related to the high electricity prices.	The Act provides NERSA with the mandate to regulate prices and tariffs. To ensure that prices and tariff are not applied with undue discrimination.

For government agencies and institutions:

Agency/institution	Nature of cost (from question 2.6)	What has been done to minimise the cost?
NERSA	Cost related to the undertaking of Compliance monitoring and enforcement	Holding of stakeholder/customer workshop on compliance and monitoring. Effective compliance programs to identify problems and taking corrective measures
DMRE	Cost related to the gazetting process once the Bill is an Act. E.g., translation cost of the Act to other official languages of the Republic.	Review of actual implementation and compliance costs in line with available budget funds.

2.8 Managing Risk and Potential Dispute

- a) Describe the main risks to the achievement of the desired outcomes of the proposal and/or to national aims that could arise from implementation of the proposal. Add more lines if required.

Dispute could arise where the Minister rejects an application for a Determination because the capacity needed is already committed.

Dispute could arise where NERSA fails to grant a licence to the applicant after failing to comply with requirements for licence application.

Dispute may arise where licensees and registrants fail to comply with conditions of licence and registration.

Dispute could arise relating to electricity trading due to unreasonable or excessive prices or tariff.

Dispute can arise between market participants and TSO that is perceived to be not independent.

Potential disputes between TSO / Market Participants and the Regulator in terms of approval or non-approval of the market rules.

Note: It is inevitable that change will always come with risks. Risks may arise from (a) unanticipated costs; (b) opposition from stakeholders; and/or (c) ineffective implementation co-ordination between state agencies. Please consider each area of risk to identify potential challenges.

- b) Describe measures taken to manage the identified risks. Add more rows if necessary.

Mitigation measures means interventions designed to reduce the likelihood that the risk takes place.

Identified risk	Mitigation measures
Dispute could arise where the Minister rejects an application for a Determination because the capacity needed is already committed.	The Bill provides for prior consultation with the Regulator. Must have regard to the content of the integrated resource plan or transmission development plan.
Dispute may arise where licensees and registrants fail to comply with conditions of licence and registration	The Bill provides for the Regulator to sit as a tribunal or act as a mediator to decide on the disputes arising where licensees and registrants

Identified risk	Mitigation measures
	are failing to comply with conditions of licence and registration.
Dispute could arise where NERSA fails to grant a licence to the applicant after failing to comply with requirements for licence application	The Bill provides for prior consultation with Energy Regulator before the lodging of an application.
Dispute can arise between market participants and TSO that is perceived to be not independent.	The Bill provides for the Regulator to sit as a tribunal or act as a mediator to decide on the disputes arising between market participants and TSO.
Potential disputes between TSO / Market Participants and the Regulator in terms of approval or non-approval of the market rules.	The Bill provides for the Regulator to appoint a suitable person to act as a mediator.

c) What kinds of dispute might arise while implementing the proposal, whether (a) between government departments and government agencies/parastatals, (b) between government agencies/parastatals and non-state actors, or (c) between non-state actors? Please provide as complete a list as possible. What dispute-resolution mechanisms are expected to resolve the disputes? Please include all the possible areas of dispute identified above. Add more lines if required.

Note: Disputes arising from regulations and legislation represent a risk to both government and non-state actors in terms of delays, capacity requirements and expenses. It is therefore important to anticipate the nature of disputes and, where possible, identify fast and low-cost mechanisms to address them.

Nature of possible dispute (from sub-section above)	Stakeholders involved	Proposed Dispute-resolution mechanism
Dispute could arise where the Minister rejects an application for a Determination because the capacity needed is already committed	NERSA The Minister Private Generators	The Bill provides for prior consultation with the Regulator
Dispute may arise where licensees and registrants fail to comply with conditions of licence and registration	Licensees and Registrants. NERSA	The Bill provides for the Regulator to sit as a tribunal or act as a mediator
Dispute could arise where NERSA fails to grant a licence to the applicant after failing to comply with requirements for licence application	NERSA Private Generators	The Bill provides for the Regulator to appoint a suitable person to act as a mediator
Dispute can arise between market participants and TSO that is perceived to be not independent.	NERSA Market participants / TSO	The Bill provides for the Regulator to sit as a tribunal or act as a mediator
Potential disputes between TSO / Market Participants and the Regulator in terms of approval or non-approval of the market rules	NERSA TSO / Market participants	The Bill provides for the Regulator to sit as a tribunal or act as a mediator

2.9 Monitoring and Evaluation

Note: Sound implementation of policy and legislation is due to seamless monitoring and evaluation integration during the policy development phase. Policies and legislation that are proficiently written yet unable to report on implementation outcomes are often a result of the absence of an M&E framework at the policy and legislative planning phase. It is therefore imperative to state what guides your policy or legislation implementation monitoring.

2.9.1 Develop a detailed Monitoring and Evaluation Plan, in collaboration with your departmental M&E unit which should include among others the following:

2.9.1.1 Provide clear and measurable policy or legislative objectives

The proposal aims to develop infrastructure investments in the electricity industry, to increase generation capacity, provide access to the transmission network and provide fair treatment of all licensees and registrants in the regulatory framework for the electricity sector. Further, the proposal introduces a competitive market in the electricity sector which is intended to facilitate competition in the electricity industry

2.9.1.2 Provide a Theory of Change clearly describing the following components:

- Impact: the organisational, community, social and systemic changes that result from the policy or legislation.
The Bill seeks to guide future energy infrastructure investments and shape the future energy landscape for South Africa by ensuring sustainability and affordable supply of electricity.

- Outcomes: the specific changes in participants (i.e., beneficiaries) behaviour, knowledge, skills, status, and capacity.
According to the 2019 Energy Sector Report, 6 422MW of electricity had been procured from 112 Renewable Energy Independent Power Producers (IPPs) in seven bid rounds. 3 976 MW of electricity generation capacity has been connected to the national grid from 64 IPP projects; 35 669 GWh of energy has been generated by renewable energy sources procured under the REIPPPP since the first project became operational. Renewable energy IPPs have proved to be very reliable. Of the 64 projects that have reached commercial operation date, 62 projects have been operational for longer than a year. The energy generated by 21 projects of 62 when the report was published in 2019 was 10 648 GWh, which is 96% of their annual energy contribution projections of 11 146 GWh. Twenty-eight (28) of the 62 projects (45%) have individually exceeded their projections. In terms of national targets for renewable energy capacity, as defined by the IRP and National Development Plan, this represents 22% towards the 2030 target and 57% towards the 2020 target. These shows that there is an increase of electricity supply to the national grid due to the increased number of other role players in the energy supply.

- Outputs: the amount, type of degree of service(s) the policy or legislation provides to its beneficiaries.
Efficient licensing and registration regime.
Improved compliance to the licensing and registration requirements.
- Activities: the identified actions to be implemented
Regulate electricity prices and various processes.
Strengthen the role of NERSA as the custodian and enforcer of the national electricity regulatory framework.
Support the transition from vertically integrated electricity market to a multilateral and competitive electricity market.
- Input: departmental resources used to achieve policy or legislative goals i.e., personnel, time, funds, etc.
Budget allocation
Human resources
Inter-governmental coordination
Collaboration with the private sector
Provides for transitional measures towards a competitive market structure for the electricity industry.
- External conditions: the current environment in which there's an aspiration to achieve impact. This includes the factors beyond control of the policy or legislation (economic, political, social, cultural, etc.) that will influence results and outcomes.
The inputs provided are done with a proposed view of what the structure of the Electricity Supply Industry will be in future and how a competitive energy market will function.
- Assumptions: the facts, state of affairs and situations that are assumed and will be necessary considerations in achieving success
- There is an urgent need for amending the current legislation due to the changes and challenges currently happening in the electricity sector.
Furthermore, the participation of new independent power producers will increase additional electricity to the national grid.

2.9.1.3 Provide a comprehensive Logical Framework (Log Frame) aligned to the policy or legislative objectives and the Theory of Change. The Log Frame should contain the following components:

- Results (Impact, Outcomes and Output)
- Activities and Input
- Indicators (A measure designed to assess the performance of an intervention. It is a quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development actor)
- Baseline (the situation before the policy or legislation is implemented)
- Targets (a specified objective that indicates the number, timing, and location of that which is to be realised)

See table below.

The objective is to provide for additional electricity, new generation capacity and electricity transmission infrastructure; to provide for the duties, powers and functions of the Transmission System Operator and transitional measures to provide for an open market platform that will allow for competitive electricity trading; to assign the duties, powers, and functions of the Transmission System Operator to the National Transmission Company of South Africa SOC Ltd.

What we aim to change?	What we wish to achieve?	Where are we?	What we produce or deliver?	What do we do?	What we use
Impact	Outcomes	Outputs Baseline	Outputs	Activities	Inputs
Sustainable and affordable supply of electricity	<p>Reduced price of electricity (by how much and in percentage)</p> <ul style="list-style-type: none"> Increased number of other players in the energy supply (Transformation) and thus increased competition Increased supply of electricity to the national grid (MW) and the change from baseline MW (it has increased by XXX and %) 	<p>The current domestic and global conjunctures are the drivers for change in the energy sector and will shape the future of electricity delivery in South Africa, these drivers for change include:</p> <ul style="list-style-type: none"> Current price of electricity Number of suppliers (licence holders and suppliers) Transformation: how many Blacks, Women, Persons with Disabilities are in the industry even rural vs urban Level of supply on electricity- MW Transition from the existing dependence on fossil fuels to the mix of electricity energy sources. The restructuring of Eskom into Eskom Holdings with three new subsidiaries; Generation, Transmission and Distribution. An intensive focus on radically improving the current operations and eliminating inefficiencies in generation. A greater requirement for transparency in the governance of both Eskom Holdings and the subsidiaries. A rigorous approach to cutting wasteful costs, optimising revenue, and resolving the debt burden; and A Just Transition involving all stakeholders to ensure sustainable livelihoods for workers and communities 	<p>Efficient licencing and registration regime</p> <p>Improved compliance to the licencing and registration requirements</p>	<p>Regulate electricity prices and various processes</p> <p>Strengthen the role of NERSA as the custodian and enforcer of the national electricity regulatory framework</p> <p>Support the transition from vertically integrated electricity market to a multilateral and competitive electricity market</p>	<p>Budget allocation</p> <p>Human resources</p> <p>Inter-governmental coordination</p> <p>Collaboration with the private sector</p> <p>Provides for transitional measures towards a competitive market structure for the electricity industry</p>

2.9.1.4 Provide an overview of the planned Evaluation, briefly describing the following:

- Timeframe: when it the evaluation be conducted
The evaluations will be done quarterly to align them with departmental quarterly reporting.
- Type: What type of evaluation is planned (formative, implementation or summative) – the selection of evaluation type is informed by the policy owners’ objective (what it is you want to know about your policy or legislation.
Implementation Evaluation is planned to understand if the legislation is working and how can it be strengthened.

2.9.1.5 Provide a straightforward Communication Plan (Note: a common assumption is that the target group will be aware of and understand how to comply with a policy or legislation come implementation. However, increases in the complexity and volume of new or amendment policy or legislation render this assumption false. Hence, the need for a communication plan to guide information and awareness campaigns to ensure that all stakeholders (including beneficiaries) are informed. **See table below.**

COMMUNICATION PLAN	
POLICY / LEGISLATION / PROGRAMME	
1. Name of policy / legislation / Strategy:	Electricity Regulation Amendment Bill, 2022
2. Objective:	To get the Bill passed through as an Act of Parliament. To amend the Electricity Regulation Act 4 of 2006, to improve and enhance the application and implementation of the Act. To address shortcomings identified in the implementation of the Act. To provide for the transitioning to an open market.
3. Key elements:	To provide for strengthening of the electricity regulatory framework. To provide for transitional national regulatory framework for the electricity industry supply, demand, and competitive market. To provide for the establishment of a Transmission System Operator to carry out the transitional activities towards an open market.
COMMUNICATION PLANNING	
5. Communication objective(s):	The Act as amended is to be published in the Government Gazette and Departmental Website. National Energy Regulator South Africa will issue guideline documents to clarify the amendments.

COMMUNICATION ISSUES AND KEY MESSAGES			
6. Potential communication issues and response / mitigation:	The technical nature of amendments as contained in the Bill will be conveyed to electricity generators, distributors, traders, and end-users by NERSA. DMRE will attend and respond to enquiries regarding the Bill.		
7. What is the key message; and supporting facts?	The Bill provides for transitional arrangements to introduce the open market. The Bill will enable the Regulator to licence the open market activities. The Bill seeks to give effect to provisions of Schedule 2 exempted generation facilities. The Bill will assist government in achieving its National Development Plan objectives for an energy sector that is reliable, efficient and competitive.		
TARGET AUDIENCES, MESSENGERS AND STAKEHOLDERS			
8. Target audiences:	Electricity generators, distributors, traders, and end-users. Local and international investors. Business, Labour, Academia, NGO's and NPO's. Parliament through portfolio and select committees. South Africa Public.	9. Primary messengers:	Minister of Mineral Resources and Energy. Deputy Minister of Mineral Resources and Energy. Director-General of Mineral Resources and Energy. Deputy Director General of Mining, Minerals and Energy Policy Development. CEO of National Energy Regulator of South Africa
10. Key stakeholders:	NERSA, Eskom, municipalities, Independent Power Producers, end-users, Department of Public Enterprises, Department of Finance, NEDLAC, organised business and organised labour.		
INFORMATION PRODUCTS			
11. Information products	N/A		
CHANNELS			
FREE CHANNELS			
12. Development / unmediated communication	N/A		
13. Media liaison / PR	Use of Departmental Website Use of NERSA platforms Use of GCIS platforms		
14. Digital / social media	Facebook and Twitter		
PAID FOR CHANNELS			
15. Television	Live coverage of events and news /current affairs programmes. Talk shows. Interviews. Participation in panel discussions on energy matters.		

16. Commercial print	Fact sheets and interviews.
17. Radio: (SABC, commercial)	All language stations
18. Community media: (radio, print & TV)	Live coverage of events and news /current affairs programmes. Talk shows. Interviews. Fact Sheets. Participation in panel discussions on energy matters.
19. Outdoor	N/A
20. Online / social media	N/A
FINANCIAL IMPLICATIONS	
21. Budget	Priority will be given to unmediated, direct engagement with the target audience. The communication plan will be costed, and funds will be prioritised from the current departmental budget.

2.10 Please identify areas where additional research would improve understanding of then costs, benefit and/or of the legislation.

PART THREE: SUMMARY AND CONCLUSIONS

1. Briefly summarise the proposal in terms of (a) the problem being addressed and its main causes and (b) the measures proposed to resolve the problem. Since the promulgation of the Act the electricity supply industry still functions as a vertically integrated monopoly dominated by state-owned utility Eskom. In terms of section 7 of the Act, NERSA regulates the electricity sector market by issuing licences for the operation of generation, transmission and distribution facilities, electricity imports, exports, and trading.

It has become apparent that there have been many changes in the industry and there has been much call for review from the regulator (NERSA); Eskom; SALGA and the industry. The current market and regulatory design stems from a legacy of techno-economic paradigm. It assumed that the cheapest power could be obtained through ever greater economies of scale in the form of large and centralised coal-fired power stations. The regulatory framework is designed to protect the monopoly of the centralised utility on the assumption that this would reduce financing costs for the uptake of megaprojects and lower the cost of power. The new era of renewable energy technologies has fundamentally disrupted this paradigm. The regulatory framework is not nimble enough to enable adequate numbers of investors to develop least-cost renewable capacity to support security of supply.

The Bill, therefore, seeks to guide future energy infrastructure investments and shape the future energy landscape for South Africa. Energy is the lifeblood of the economy which impacts on all sectors as well as individual livelihoods and therefore integrated energy planning is undertaken to determine the best way to meet current and future energy service needs in the most efficient and socially beneficial manner.

2. Identify the social groups that would benefit and those that would bear a cost and describe how they would be affected. Add rows if required.

Groups	How they would be affected
<i>Beneficiaries</i>	
Emerging and established enterprises	New entrants and existing participants in the electricity sector will be enabled to participate in the electricity generation for own use and commercial reasons.
Electricity Consumers	Consumers will have an opportunity to choose who to purchase electricity from and this will reduce electricity bill.
Local communities	During construction of private generation facilities, local communities will benefit from job opportunities created. This will benefit vulnerable groups.
Economy	Stable security of supply which contributes to investment and job creation. This will indirectly contribute towards poverty alleviation measures.
Distribution licensees	They will have an opportunity to generate new revenue stream from generators, who seek access to distribution network, through system use charges.
<i>Cost bearers</i>	
Eskom and Municipalities	The Revenue/income (intensive users) will be negatively impacted by the entrance of new market players.
NERSA	The impact of the exemption requirement of holding a generation licence will result in NERSA losing the revenue derived from fees charged for generation licences.
General public	Electricity regulator tariffs are generally passed through to the public.

3. What are the main risks from the proposal in terms of (a) undesired costs, (b) opposition by specified social groups, and (b) inadequate coordination between state agencies? Summarise the cost to government in terms of (a) budgetary outlays and (b) institutional capacity.

The risk might arise where NERSA fails to grant a licence to the applicant after failing to comply with requirements for licence application and where licensees and registrants fail to comply with conditions of licence and registration.

4. Given the assessment of the costs, benefits, and risks in the proposal, why should it be adopted?

The proposal will facilitate the economic development of the electricity industry. It will also open doors for competitive electricity market.

5. Please provide two other options for resolving the problems identified if this proposal were not adopted.

Option 1.	The problem of introduction to the competitive market will not be addressed. Engaging with the public and industry stakeholders through meetings, workshops, public hearings, and consultations on how to comply with the existing legislation to accommodate embedded generators (Education Stakeholder workshop).
Option 2.	By developing the Guidance Note or rules to guide registrants and licensees on how to implement/comply with the existing legislation.

6. What measures are proposed to reduce the costs, maximise the benefits, and mitigate the risks associated with the legislation?

Reducing the costs:

- NERSA host educational workshops to new entrants, existing enterprises, and traders in the electricity sector.
- Allowing applicants before lodging applications for a licence to engage NERSA to discuss requirements of a licence application.

Maximising the benefits:

- Promote competition within the electricity market, thereby stimulating economic development.

Mitigating the risks:

- Promote Public Private Partnership (PPP)
- Request private sector to participate by Calling Request for Information (RFI) and Request for Proposal (RFP) to invest in electricity sector.
- The best proposal to manage the associated risk is to consult and engage the industry players during development and implementation process.

7. Is the proposal (mark one; answer all questions)

	Yes	No
a. Constitutional?	Yes	
b. Necessary to achieve the priorities of the state?	Yes	
c. As cost-effective as possible?	Yes	
d. Agreed and supported by the affected departments?	Yes	

8. What is the impact of the Proposal to the following National Priorities?

National Priority	Impact
1. Economic transformation and job creation	<p>Energy Infrastructure - energy supply should be enabling, and not a constraint, of economic growth and development. This can be achieved by balancing our reliance on coal and growing reliance on renewable energy, especially solar and wind which are the least-cost technology, and where South Africa has significant comparative advantage.</p> <p>Off grid innovations such as micro grid solutions will increasingly contribute to electrification, while at the same time providing opportunities for industrialisation and empowerment. The removal of licensing threshold for embedded generation is another recent show of government's commitment to market reform and to ensuring electricity is available.</p> <p>Clear, consistent, and complementary energy policies and regulatory frameworks should incentivise investment and optimises local content and private sector opportunities in the transformation of South Africa's energy sector asset base.</p>

National Priority	Impact
	<p>New technologies and multi-year capital programmes should enable new local industries and local business to empower youth, create new-age skills and digital capabilities.</p> <p>Market structure facilitates more responsive and sustainable supply. This will require stabilisation and separation of Eskom and the introduction of greater private participation.</p>
2. Education, skills and health	This proposal will open doors for learning and job opportunities. Capacity in the state and its entities be strengthened to effectively regulate, plan and oversee energy delivery.
3. Consolidating the social wage through reliable and quality basic services	Social equity through expanded access to energy at affordable tariffs and through targeted sustainable subsidies for needy households. Reduction in cost of electricity will reduce the cost of livelihood
4. Spatial integration, human settlements, and local government	Provision of electricity is one of the services that will ensure spatial equality where previously marginalised communities and new settlements have access to basic services similarly to developed areas. Electricity to be delivered in a financially sustainable way. Provision of this service is also key to support of economic activities in townships and rural areas.
5. Social cohesion and safe communities	Social equity through expanded access to energy at affordable tariffs and through targeted sustainable subsidies for needy households.

National Priority	Impact
6. Building a capable, ethical and developmental state	Drastically lifting the licensing requirement for generation projects will immediately unleash the pent-up supply of many hundreds of projects and thousands of MW of capacity
7. A better Africa and world.	<p>The reforms envisaged in this amendment are common globally. Sector reform, that introduces competition and alternative funding models, will be essential going forward: this is for energy security, as well as financial sustainability in energy, for the fiscal stability and for the economy.</p> <p>In 2003 India delicensed generation projects completely (except for nuclear and hydro-power projects over a certain size), provided projects comply with technical standards related to connectivity to the grid. There are no restrictions on sale to different types of customers (India Ministry of Law and Justice, 2003).</p> <p>Neither Australia nor Spain has market access restrictions, only strict technical compliance standards. In Australia, the rooftop solar PV industry is booming. This has meant evolving and strengthening technical standards enforced by the grid operator. Most generators are subject to a “dispatch-cap” (an agreement that the grid operator may curtail power from the project in the event of a power surplus) to ensure power system stability. This is a technical requirement that South Africa may need to consider in future once power shortages have eased.</p> <p>The transition away from fossil fuels progresses in a convincing and just manner. New installed capacity consists primarily of wind and solar where South Africa has comparative advantage. Stakeholders, whether business, workers, or communities) involved in fossil fuels are supported through this transition</p>

For the purpose of building a SEIAS body of knowledge please complete the following:

<i>Name of Official/s</i>	<i>Ms Vusani Nemaxwi</i>
<i>Designation</i>	<i>Assistant Director</i>
<i>Unit</i>	<i>Electricity Policy</i>
<i>Contact Details</i>	<i>0124443415 / 0605039977</i>
<i>Email address</i>	<i>Vusani.Nemaxwi@dmre.gov.za</i>