

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 1

THURSDAY, 10 JULY 2025

PROCEEDINGS OF MINIPLenary - GOOD HOPE CHAMBER

Members of the mini-plenary session met at Good Hope Chamber at 16:30.

The House Chairperson Mr W Horn took the Chair and requested members to observe a moment of silence for prayer or meditation.

APPROPRIATION BILL

Debate on Vote No 10 – Electricity and Energy:

The MINISTER OF ELECTRICITY AND ENERGY: Hon House Chair, fellow Ministers, Deputy Ministers, the Deputy Minister of Electricity and Energy, hon Samantha Graham Maré, leaders of the opposition, Chairperson and members of the Portfolio Committee on Electricity and Energy, distinguished guests, partners and people of the Republic of South Africa, in his

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 2

seminal critique on global inequality, *How Europe Underdeveloped Africa*, the African intellectual and freedom fighter, Walter Rodney wrote:

Development is a process of self-reliance, of drawing upon the resources of the people and mobilising them for their own benefit.

For millions of South Africans, the promise of democracy remains incomplete when homes are without power, hospitals face blackouts, and businesses operate under the shadow of uncertainty. Energy is not simply a technical input. It is about human dignity. It is about enabling children to study at night, clinics to preserve vaccines, and factories to power the jobs we so urgently need. It is within this context that the Department of Electricity and Energy was established. Not as a bureaucratic reshuffle, but as a strategic intervention to restore public confidence, drive delivery, and reassert the role of the democratic state as a developmental force.

This Budget Vote marks a turning point. It is not merely about expenditure. It is about direction. It is about renewal. Most of all, it is about delivery. At the time of our formation,

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 3

the country was experiencing the most severe energy crisis in its democratic history. Load shedding had become a daily feature of life. Growth was stalling, investor confidence was weakening, and the reliability of the state itself was under question. Yet, even under these conditions, we resisted despair. Guided by the Energy Action Plan, supported by Eskom, the private sector and social partners, strengthened by the formation of the National Energy Crisis Committee, the country rallied. Structural load shedding has effectively been eradicated, and occurrences of load shedding are now sparsely intermittent.

In the year ending April 2025, annualised energy availability factor, EAF, bridged the 60% mark. Eskom is now gearing to improve EAF to above 70% by the year end. It is this progress that we seek to consolidate in the 2025-26 financial year. However, this Budget Vote is not just about resolving a crisis. It is about reshaping the future. Our long-term task is not only to stabilise the system, but to reform its structure. We must build an electricity sector that is affordable, democratic, and rooted in the needs of our people. That means expanding access, lowering prices over time, and

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 4

using energy infrastructure to drive industrialisation, job creation and economic inclusion.

This is not an abstract policy ambition. It is the very foundation of a developmental state. Energy is not a commodity to be traded without consequence. It is a public good. It is a platform for dignity, for education, for health, for enterprise, and for full economic citizenship. As we present this Budget Vote, we do so with clarity about our mission and humility about the scale of the work ahead. Our programme is organised around five strategic priorities, as set out in the department's 2025 to 2030 Strategic Plan, namely: To achieve universal access; availability, affordable and quality energy, attain sovereign and regional energy security; drive industrialisation and lead innovation, qualitatively transform energy demographics; and lastly, to assert South Africa's continental and global energy leadership.

This budget is therefore both a statement of intent and a plan for delivery. We will therefore, in presenting this inaugural budget address, outline the progress we have made, the interventions planned for the year ahead, and how we intend to

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 5

work with partners across the state, private sector and communities to achieve our shared goals.

Hon members, since 1994, South Africa has made extraordinary progress in redressing energy poverty through one of the most extensive electrification programmes in the Global South. Over 8,4 million new household connections have been delivered, expanding electricity access from just over 36% in 1994, to more than 94% by 2024. This achievement reflects the state's commitment to universalising access as a core component of post-apartheid reconstruction and development. However, the momentum of recent years has slowed. Unelectrified households, particularly in informal settlements, peri-urban areas, deep rural area and newly formed housing developments, now account for 1,6 million households, demanding a renewed and accelerated national effort.

The department has therefore undertaken a review of the current electrification programme approach and initiated a comprehensive universal access strategy. This intervention aims to expand beyond its historic grid-centric model and adopt a co-ordinated, technology-neutral framework that accelerates access delivery, integrates grid and nongrid

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 6

solutions, and institutionalises implementation partnerships across all three spheres of government.

The revised strategy is structured around three critical reforms namely: One, the reconfiguration of the delivery model to consolidate all access programmes under one hybrid planning and funding framework, including the review of the current Integrated National Electrification Programme, INEP, grant towards a universal access grant; secondly, to achieve infrastructure modernisation, with targeted investment in overloaded or undercapacitated networks to accommodate new connections and load growth; and lastly, to achieve innovation and off-grid integration, scaling micro-grids and decentralised energy and smart grid systems for deep rural, peri-urban and informal settlement.

The Universal Access Strategy reframes electrification as a developmental and rights-based obligations, rather than a legacy infrastructure backlog. Over the Medium-Term Expenditure Framework, the government has committed just over R13 billion to the Integrated National Electrification Programme. This allocation is more than a funding line. It is a baseline commitment to end energy poverty, and a platform to

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 7

reconfigure how we deliver on the promise of universal access by 2030. The scale of the financial requirements to achieve universal access by 2030 exceeds what the fiscus alone can carry.

The department is therefore working with National Treasury and our development finance partners to design a blended financing approach. The goal is to use the R13 billion allocation to unlock additional capital through the debt markets and concessional funding windows. By using public funds to derisk private investment, we are creating an infrastructure finance facility that will allow us to front-load the capital needed to accelerate rollout. To ensure that access is not only achieved but affordable, the department has also initiated a comprehensive review of the Energy Pricing Policy. This review is central to addressing affordability constraints, particularly for indigent communities that remain energy poor despite formal connections.

The revised framework will propose a differentiated pricing structure that protects vulnerable households, while also supporting large power users with internationally competitive tariffs for electricity-intensive, locally beneficiated

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 8

exports. The independent power producers, IPP, office, working with the department, has now enabled over 2 500 megawatts of capacity currently under construction, and a further 2 991 megawatts, in advanced stages of financial close. More than 7 700 megawatts have already been connected to the grid since the inception of the IPP.

In the year ahead, new rounds under the Renewable Energy Independent Power Producer Procurement Programme, the Battery Energy Storage Programme, and the Gas-to-Power programme will be issued. These will incorporate stronger localisation obligations, clearer project timelines and enhanced oversight mechanisms to ensure implementation benefits.

Hon members, South Africa is approaching what analysts have termed a gas cliff, a structural supply shortfall arising from the imminent depletion of domestic gas reserves, declining imports via the Republic of Mozambique Pipeline Company, Rompco, pipeline from Pande and Temane fields in Mozambique to Secunda in Mpumalanga, and delayed infrastructure investments. Without urgent intervention, the cliff will undermine industrial continuity, threaten baseload capacity, and stall progress on our energy transition. Gas is not a luxury in our

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 9

context. It is a critical enabler of power system flexibility, a baseload substitute in select industrial applications, and a critical feedstock to produce fertiliser, hydrogen and other value-added chemicals.

While we continue to expand renewable generation, we must also recognise that a reliable, dispatchable baseload will remain essential for a functioning power system. Recognising this, the department has prioritised a national response that secures current supply and positions South Africa for long-term resilience in the gas market.

Three interventions will be prioritised in the 2025-26 financial year; Firstly, the department will finalise a Gas Master Plan and Implementation Framework; secondly, working with the Department of Transport and the Department of Mineral and Petroleum Resources we will fast-track the procurement and development of liquefied natural gas, LNG, import infrastructure; and lastly, securing long-term and competitively priced gas supply contracts. These contracts will underpin investor confidence in gas-to-power infrastructure and ensure that installed assets are dispatched with efficient load factors, allowing them to operate

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 10

consistently and cost-effectively over their economic lifespans.

Hon members, none of our generation interventions will be successful unless they are matched by investment in transmission grid. The Transmission Development Plan, TDP, anticipates over 14 000 kilometres of new lines to be built by 2032. In April 2025, the department published draft regulations to support the entry of private capital through the Independent Transmission Projects Procurement Programme. We are scheduled to issue a request for qualifications by July 2025, end of this month, followed by the request for proposals, by November of this year.

Hon House Chair, a resilient and responsive electricity distribution system is central to energy security, universal access and local economic development. Yet, across much of the country, the distribution network is in a state of structural decline. Years of underinvestment, inadequate maintenance, technical and nontechnical losses, and institutional fragmentation have eroded the performance of this critical tier of the electricity value chain. If we are to ensure reliable supply and enable transition to a decentralised and

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 11

dynamic electricity market, we must begin by securing investment in the distribution sector, particularly at the municipal level, where most households and small businesses receive electricity.

The department has therefore prioritised the rollout of the distribution agency agreements which establish clear roles, technical standards, and accountability frameworks for municipalities to manage, maintain and expand their distribution infrastructure. These agreements are already being piloted in targeted municipalities and will be scaled up in the 2025-26 financial year. Energy investment must serve as a catalyst for reindustrialisation, job creation and transformation. Public procurement, particularly in a capital-intensive sector like energy, must be deliberately structured to secure local economic value, deepen industrial capability and expand equitable participation in supply chains.

To this end, the department is working with the Department of Trade, Industry and Competition, DTIC, to develop a comprehensive localisation and socioeconomic maximisation model for the energy sector. Hon members, South Africa stands at the threshold of a new era of nuclear energy. Across the

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 12

globe, nations are re-evaluating nuclear not merely as a clean baseload source, but as a strategic asset to secure energy sovereignty, stimulate innovation and drive industrial competitiveness. To this end we will be resetting and restarting our energy sector in relation to nuclear.

Ultimately, this budget is more than numbers. It is what underpins our social contract and commitment to restore the trust by delivering electricity that is stable. Let this be the decade in which South Africa reclaims her energy future. Not for profit. Not for power. But for the People. Thank you very much, House Chair.

IsiXhosa:

Nks N Q MVANA: Inkosi ngokwayo. Enkosi.

English:

House Chair ...

The HOUSE CHAIRPERSON (Mr W Horn): Order, hon members. Our grid is very sensitive. Maybe even sound can disturb it.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 13

Ms N Q MVANA: House Chair, I just want to greet all the members, hon members, and also South Africans, stakeholders, and everybody who is listening to us, especially in this month of our hero, Tata Nelson Mandela. We also want to send condolences to the family of Tata Mabuza, and then we are saying the ANC must also take the spear and move forward. We understand that Tata Mabuza has gone to join the ANC branch in heaven. Thank you very much.

The vote that I'm dealing with is Vote No 10: Electricity and Energy. Vote No 10: Electricity and Energy is unique in comparison to other Budget Votes, as the Portfolio Committee of Electricity and Energy is a new portfolio committee. This committee was created during the Seventh Parliament. This is due to the fact that the Ministry and the Department of Electricity and Energy are newly empowered to implement electricity legislation and implement regulations. This is critical, as the sector is a crucial driver of economic development and job creation. Moreover, it has made a steady recovery from the many days of load shedding. However, much more needs to be done to ensure security of supply of electricity and energy.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 14

The HOUSE CHAIRPERSON (Mr W Horn): Hon member, just hold on for a moment. Hon Dugmore, why do you want to be recognised?

Mr C M DUGMORE: House Chair, I have a point of order. We are all very aware that the Rules do not allow continual discussion. Interjections are fine, but continual discussion continues from the other side because, I think, they have such a problem with the effectiveness of this Minister and this department that ...

The HOUSE CHAIRPERSON (Mr W Horn): We don't need to understand ...

Mr C M DUGMORE: ... they worry that ...

The HOUSE CHAIRPERSON (Mr W Horn): ... why you believe they're doing it. Thank you. Hon members on both sides and hon Dugmore, let me point out that I think at some point when the Minister spoke, you were the one who initiated the across-the-aisle conversation. So, allow me to plead with members on both sides of the aisle to allow this member the space to debate. Hon member, my apologies. Please continue.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 15

Ms N Q MVANA: In introducing the budget that we are in today, it is important that we acknowledge the presentation by the department of its annual performance plan, budget, and programmes. The department has a number of entities that report to the department, such as Eskom, the National Energy Regulator of South Africa, the SA Nuclear Energy Corporation, the SA National Energy Development Institute, the National Radioactive Waste Disposal Institute, and the National Nuclear Regulator. Whatever. Thank you very much for assisting me. It is the National Nuclear Regulator and also the National Radioactive Waste Disposal Institute that also presented their annual performance plans to the committee previously.

The budget and the programme of the department are geared towards ensuring security of supply of the different energy carriers in the short, medium, and also long term. For the financial year 2025-26, the department has been allocated – the Minister I think has touched on that – R6,7 billion, and it will also increase to R7,1 billion over the medium term. We don't take it as small.

It is not small budget really, but it also needs to be utilised effectively. It has five programmes of the

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 16

department, as well as seven outcomes that we know.

Programme 1: Administration is budgeted to R220 million, which is less than 4% of the budget. This means the bulk of the budget is geared towards programmes engaged in delivery and for the entities to implement the programmes and projects.

Then we also have to fill the vacant posts. We don't want to feel as if it is a Hollywood theatre – acting, acting, acting throughout.

For Programme 2: Energy Planning and Policy Development, the budget is R67,1 million. This is critical in a sector that is capital intensive, with long lead times for projects with bank help and business plans to become operational. However, to achieve its outcomes-based approach, the department will ensure the finalisation and implementation of the Integrated Energy Plan – I think the Minister has also touched on that one – the Integrated Resource Plan, IRP, 2025 and the Gas Master Plan. I heard the Minister also touching on this one of the Gas Master Plan. The plans will create a pathway of certainty towards security and supply of electricity and energy. The department will also ensure the alignment of national, provincial, and municipal energy plans that seek to

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 17

address the current fragmented planning and policy misalignment.

Programme 3: Energy Programme and Projects has the largest budget of R4,66 billion. Programme 3: Energy Programme and Projects is dedicated to completing the Integrated National Electrification Programme, which, since 1994, has provided electricity connections to historically disadvantaged communities to correct the historical injustice of apartheid. The ANC supports the budget. Thank you. [Time expired.]

The HOUSE CHAIRPERSON (Mr W Horn): The next speaker is the hon Nchabeleng. Order, hon members. Let's allow this member. Hon Nchabeleng, I think we will start your time now, even if you are still engaged in private conversation.

Mr A NCHABELENG: Hon Chair, the MKP rejects this budget outright. This budget is hopeless and does not address the challenges faced by our economy and the ordinary masses.

Give South Africans a budget, Minister, that tackles poverty, unemployment, and wealth and income inequality, and MKP would have supported it. Minister, this budget fails to fix the

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 18

remaining 13 000MW of unplanned capability loss factor, UCLF, in power stations you need. The Department of Electricity and Energy fails to supply affordable electricity and universal electricity access.

Chair, electricity is expensive in South Africa. The Minister fails to explain the R219 billion budget item line in the budget. Where is the 2 500MW nuclear procurement programme? Nowhere, Minister. Where is the promised electricity grant subsidy for indigent, female, and children-headed households? Where is the budget for building brand-new baseload power stations in South Africa? The ANC is quiet.

The Auditor-General has warned against the possible failure to meet your 54 output indicators audit. So, today, I stand before you as a voice for the millions of South Africans who are tired of empty promises, failed policies, and a government that prioritises stealing ...

Sepedi:

... bohodu ...

English:

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 19

... over building our economy. This budget is a slap in the face of every household that sits in darkness, of every entrepreneur whose business has collapsed due to load shedding and load reduction, and of every woman who bears the brunt of energy poverty and electricity blackouts.

Minister, you must feel the pain at this point. We see you. Eskom's continued failure, with the entity's energy availability factor projected to reach a mere 65% by 2027 instead of the 70% and above as promised, is an indicator of failure. Since 2018, when Eskom was profitable, the ANC-led government had an opportunity to run Eskom efficiently, but, instead, they have allowed corruption, mismanagement, and incompetence to destroy it. The department's total expenditure is projected to increase from R6,1 billion in 2025 to R7,1 billion in 2027, at an average annual growth rate of 5,5%, purely on administration. However, 86,8% of this budget – amounting to about R17,9 billion over the medium term – is allocated to transfers and subsidies to public entities and municipalities.

The National Development Plan, NDP, sets out a vision to eliminate poverty and reduce inequality by 2030, but this

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 20

budget fails to align with those goals. The Integrated National Electrification Programme is allocated R13,2 billion, yet only 300 households will be connected, a pace far too slow and expensive to meet the needs of millions still without electricity. The connection of each house at R45 000 is too expensive. Meanwhile, 15 000 households per year are given a nongrid solution – mainly solar – like a band-aid for a bullet wound. The majority of these households are in sparsely populated rural areas, mostly in the Eastern Cape and KwaZulu-Natal, where the energy divide is most acute.

The Integrated Resource Plan of 2019 clearly identifies the critical role of high-efficiency, low-emissions, HELE, coal technologies in South Africa's energy future. Yet, to date, not a single HELE project has been implemented. This lack of action undermines the objectives of the IRP. Minister, retrofit and convert existing coal-fired power stations to HELE technology now and stop decommissioning coal power plants. Prioritise their modernisation. Ensure they operate at world-class HELE efficiency with the lowest possible emissions. Why is the department encouraging the demonisation of coal? It is time to dispel the outdated notion that coal is dirty and cannot be clean.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 21

South Africa's vast coal resources, combined with HELE advancement, provide an opportunity to deliver affordable, secure power while meeting stringent emission standards. We implore this government to stop the closure of perfectly functional coal power plants and invest in their upgrade and building new power stations, ensuring that coal remains the cornerstone of our energy mix – cleaner, more efficient, and aligned with the needs of our people and economy.

Furthermore, the Integrated Resource Plan 2019 proposes a significant expansion in the gas-fired power generation to strengthen energy security. Where is the Gas Master Plan and gas plant retrofit plan, Minister? Don't forget the looming gas cliff crisis.

Whilst South Africa suffers under relentless load shedding, this government shamelessly rewards corruption instead of solving the crisis. The Battery Energy Storage Independent Power Producer Procurement Programme battery storage tender, handed to a former Eskom executive, reeks of conflict of interest and backroom dealings. Minister, why do you defend the battery deal? Why are you eating ...

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 22

Sepedi:

... lehlakorenyana goba se sengwenyana le bona?

English:

This budget fails.

Sepedi:

Ke ka lebaka la eng o eja lehlakore le bona?

English:

This budget fails to meet set-out targets in the NDP. It fails to meet the Industrial Policy Action Plan and the New Growth Path plan. Over R110 billion in profits will be made from this battery tender, by the way. Billions meant to secure our energy sovereignty are being looted, shipped overseas by the Eskom war room to people who collapsed Eskom in the first place. Instead of delivering electricity, the Government of National Unity endorses corruption, proving once again that their loyalty lies with their cadres, not citizens.

How can we trust this budget when the Gravy Train beneficiaries are still feeding at the trough? If it was not, and, really, the House must listen: If it was not for former

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 23

President Zuma and his great, visionary leadership ... If it was not for former President Zuma and his great, visionary leadership, when he commissioned the building of the 10 000MW coal plants Medupi and Kusile, today, South Africa would have been in a stage 10 load shedding crisis. Let that sink in. Let that sink in. Former President Zuma saved this country from load shedding stage 10. Medupi and Kusile are working today, so you should be celebrating. I am ashamed that the government of the ANC has not a single policy to build one coal power station. They had failed after Msholozzi built two power stations. So, prove us wrong when we say we reject this budget.

Mr E V BAPTIE: Hon Chair, hon Minister, hon Deputy Minister, members in the House, guests and officials, I greet you, today. I want to start my submission of positive note. The return to service of Unit 4 at the Kusile Power Station is a welcome return. Generated energy is the last blood of an economy. Whatever its form, it impacts our lives and our livelihoods in so many ways. However, it can be an enabler of economic growth when it is delivered efficiently and effectively, and it can be a social transformer when it is delivered reliably and affordably.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 24

It is, however, a necessity in our modern world. Just as the food we eat has an impact on the bodies and heart performs, so the energy we consume will impact how our economy performs, how our environment is affected and how our livelihoods are sustained. Good choices make for healthy outcomes. The new Department of Electricity and Energy has tabled a budget of R6,669 billion to deliver what could be called the new energy dispensation for South Africa.

It must address the priorities set out in the seventh administration, and that is namely: To drive inclusive growth and job creation; to reduce poverty and the high cost of living; and to build a capable ethical and developmental state. These priorities represent a baseline for policy development and program implementation and should guide us to a cleaner and a more environmentally sustainable future that provides opportunities for our younger generation, and those caught in the cycle of poverty, through unemployment.

Your freedom for young people entering the job market for the first time is manifest in their ability to become self-employed or to find work. The unemployment crisis is, for all of us in this House, something that we have to make a lived

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 25

reality through economic growth. The government cannot employ everyone and, on its own, it cannot grow the economy. However, what it can do is make the business of doing business less onerous and more viable for the private sector and those who venture into small business or self-employment.

Government can forge relationships with private sector to benefit all. Government can establish and maintain infrastructure that makes economic activity viable, and government can learn from the experiences of countries that achieved economic growth about what worked and what did not work. Last but not least, it can also lead the charge against corruption and graft. It is in this context that I suggest we should view the newly formed department's budget.

The Minister has set strategic priorities aligned to the national priorities, and it includes the attainment of sovereign and regional energy security. However, there was a rather that this is through defending Eskom share over generation capacity. Driving a catalytic program in green hydrogen, we are setting the role of nuclear and expanding and modernising the transmission grid. It is the word 'defend

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 26

Eskom share' that raises a concern when one considers the changes in the energy market.

The Electricity Regulation Amendment Act lays the foundation for a competitive energy market, and it introduces diversity into the value chain. It seeks to achieve greater energy security and affordability. It ends the monopolisation of the electricity sector by a single player, and it introduces an open market under a market code. By doing so, it opens the way for independent power producers to compete for good space and for consumers.

It brings in new market actors, like energy traders, prosumers, aggregators and retailers. Competition in the marketplace is what leads to improved efficiencies and puts pressure on prices going down. In a struggling household, the price of electricity can be the difference between putting food on the table and purchasing energy. In a struggling business, it can be the difference between staying in business and closing shop.

Nersa's Multiyear Price Determination Model allows for pricing that includes cost recovery with reasonable returns, but

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 27

Eskom's debt levels at over R400 billion implies that bad debt service costs will push prices upward. Competition can only be good for energy pricing. The DA urges the Minister to proceed with the review of the electricity pricing policy with speed. This, to address Nersa's challenges in keeping electricity affordable and to encourage greater competition in the electricity sector.

The National Transmission Company of South Africa has been unbundled but remains tethered to the Eskom stable. The function of a fully independent systems market operator falls to the transmission company during the five-year transition phase. The unfortunate part is that Eskom's history has eroded public and market trust. Memories of the dark ages of load shedding, built cost overruns and lack of maintenance still linger. However, advances in maintenance that ended the dark ages mitigates these fears. Eskom's generation performance is measured by its energy availability factor, which currently targets 65%, and the DA proposes that this target be reviewed upwards.

South Africa's Just Energy Transition focuses on phasing out coal-based generation and introducing renewables and clean

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 28

sources to replace and extend our available energy. Our nationally determined contribution aims to achieve between 350-420 megatons of carbon equivalent by 2030, and net zero by 2050. The implication to achieving these targets is that emissions must plateau in the short term and fall in the medium.

The transition to cleaner sources relies heavily on renewables, which have declined in cost significantly in comparison to other technologies. The target is to reach 50 gigawatts in wind, solar and battery by 2030. Achieving energy security whilst protecting jobs and the economic activity is a delicate balance, and it must be maintained in the interest of saving livelihoods.

Renewable sources are in areas that are under underserved by the National Grid, and so the grid expansion is a vital part of our energy future security funding. To meet this need is secured in the just energy transition investment plan. As the Minister indicated, and progress has been made in securing the vehicles to make it possible.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 29

The department has put much faith in the rollout of green hydrogen strategy that will serve both the domestic and the export market. With targets at 10 gigawatts of electricity and 500 kilotons of hydrogen by 2030, there is no doubt project management will come under intense pressure to deliver on time and in budget. Importantly, the job creation opportunities are significant. It raises the important matter of preparing a workforce that can deliver and operate the new systems and the network. It requires a co-ordinated approach by the departments and the entities that justify the need and provide the skills development to just work it out.

The Safari-1 nuclear research reactor that has been in operation since 1965 is the top producer of medical isotopes and essential training facility for our engineers and scientists, and a valuable research facility. It will be replaced with a multipurpose reactor due for commissioning between 2031 and 2035, with 2,5 gigawatts on new built is scheduled at a similar time.

With conservative estimates at R230 billion, the budget provides R1,3 billion over the medium term for preparatory work. DA is not opposed to nuclear; we do, however, question

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 30

whether it is affordable and achievable in the time frames necessary to ensure energy security and mitigate the impacts of shortfalls. Eskom remains a central player in the energy ecosystem and will continue to influence electricity pricing as a result.

The growth in Eskom's debtors' book, currently more than R100 billion, arises from defaulting municipalities, and this debt has the potential to reverse the progress we witnessed last year. Treasury has embarked on several initiatives, with Eskom, to assist errant municipalities to pay current accounts, but not with much success. Much hope is placed on the distribution agency agreement that enables Eskom to provide technical, metering, billing, revenue collection and procurement services under a service level agreement.

The ring fence revenues cover costs of supply and surpluses are transferred to municipality. This arrangement does not affect the distribution license, and the model lends itself to the consideration of private utilities to take on electrical services in nonperforming municipalities. It would be remiss of me not to mention load reduction and the negative impact it has on both indigent and paying customers. There is an

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 31

urgent need for dedicated solutions with time frames to be made available for the affected residents. [Time expired.] I thank you.

Mr M N PAULSEN: Chairperson, greetings to the president and commander in chief of the EFF, President Julius Malema, officials, commissars and fighters of the EFF.

Arabic:

As-salaam-alaikum warahmatullahi wabarakatuh.

English:

We reject this proposed Budget Vote. This government has failed to make electricity reliably and cheaply available for all South Africans. There is not a single poor working-class family that does not complain about the cost of electricity. Minister, every household buys electricity, although the electricity supply has stabilised over the past few months, it has now become unaffordable for most of us for.

Afrikaans:

Die arm werkersklas word veral deur die hoë elektrisiteitskoste benadeel. Boonop het die Stad Kaapstad die

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 32

afgelope drie jaar die koste van elektrisiteit bo Nersa se goedgekeurde riglyne verhoog. Dis 'n skreiende skande. In Suid-Afrika kos dit huishoudings tussen R2 500 en R4 000 per maand vir elektrisiteit. Wat nog van vervoerkoste en die maandlikse kruideniersware? Hoe moet ons mense dit oorleef?

English:

Minister, our plea to you is to provide free electricity of 200 units per month to the indigent, and poorer household, because 50 units is simply inadequate. Minister, I hear your members asking where the budget is. Well, it is possible if we get rid of poor governance, mismanagement and fraud and corruption at Eskom, which contribute to its lack of financial sustainability and the burden of overpriced electricity on the citizens of this country.

The 1998 White Paper predicted imminent electricity shortages by 2007 and recommended augmenting generating capacity, but the ANC government, as usual, displayed its policy and planning indecision and its paralysis. It only granted Eskom permission for expansion in 2004. Eskom is currently in its third year of its R254 billion debt relief programme, but the

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 33

department itself has expressed serious concern that it is not yielding the expected results.

Eskom's overall expenditure is projected to increase to R418 billion by 2027-28. Municipal debt to Eskom is approaching R100 billion, with 23 of the 71 municipalities compliant with the municipal debt relief programme, as of March 2024. Minister, I have an alternative solution for you, and we will get to that.

Eskom's billing system is outdated, and this has made it very vulnerable, contributing to electricity theft and illegal connections. It is one of your biggest and most burning problems right now. Minister, fix these problems at Eskom and authorise it to take over electricity distribution from municipalities that are unable to manage their financial obligations to Eskom, and also from the City of Cape Town that is robbing our citizens here in Cape Town.

What Eskom needs to do when they take over distribution from those municipalities is to write off the historical electricity debts, because municipalities simply cannot afford to pay those debts. Eskom must recruit more artisans and

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 34

engineers over the next few years, with 60% being women and youth. If we do this properly, Minister, then we can avoid Eskom's budget deficit of R5,6 billion in the 2025-26 financial year.

The EFF's 2024 elections manifesto committed to ensuring the security of electricity supply for at least 20 years, emulating successful models like China, to foster national sovereignty and sustainable economic growth.

Minister, we should also not be prioritising coal exports to European countries that are dictating to South Africa how it should transition to renewables.

Lastly, Minister, I want to speak about Jan Oberholzer, who was Eskom's chief operations officer from 2018 to 2023, South Africa's worst period of load shedding. It cost South Africa 3,2% of its GDP. After leaving Eskom, Oberholzer is appointed chairperson of Mulilo Energy in 2023. The combined value from Mulilo's projects is almost R20 billion. Battery energy. Jan Oberholzer, the man employed to fix Eskom, broke it even further, and you are rewarding him with R20 billion's worth of projects.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 35

Minister, you said Eskom would enter renewables. Here is the opportunity. Take this battery energy storage away from Mulilo projects. They are in any case going to go and buy components from BYD Auto. Build the capacity, buy it yourself, operate it yourself, and save us money and save electricity in this country. Thank you very much.

Ms N H MHLONGO: Hon Chairperson, we welcome ...

The HOUSE CHAIRPERSON (Mr W Horn): Order, hon members!

Everyone, let us allow hon Mhlongo.

Ms N H MHLONGO: We welcome the R6,7 billion budget for 2025-26, representing a 9,7% increase from the previous year. Yet, we are deeply concerned by the real-time decline in the allocation to the programme. Energy has three programmes and projects which oversee critical electrification efforts. The Integrated National Electrification Programme is essential for expanding electricity access in rural areas.

We cannot allow rural communities to be left behind, while urban and industrial areas advance. We need increased investment in rural energy infrastructure, particularly in

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 36

KwaZulu-Natal and other historical underelectrified regions to help close the gap in energy access. We support the department's priority of the just energy transition, and we are encouraged by plans to scale up renewable energy.

The HOUSE CHAIRPERSON (Mr W Horn): Hon Paulsen, why do you want to be recognised? No, hon Paulsen, let us get order.

Ms N H MHLONGO: We support the department's priority of the just energy transition, and we are encouraged by plans to scale up renewable energy and support socioeconomic adaptation for coal-reliant communities. We demand a transition that is just in both process and outcome, meaning inclusive of rural workers, youth and women-led enterprises. Communities must not be consulted as an afterthought. They must be empowered as participants in shaping energy futures.

While nuclear can play a role in the energy mix, we urge cautious, transparent and fiscal responsible investment. The budget allocation to Programme 4 - nuclear energy regulation and management must deliver value for money and ensure the safe, efficient and non-politicised governance of our nuclear assets.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 37

We note the limited budget for Programme 5 - state-owned companies support services. Given the centrality of Eskom, the SA Nuclear Energy Corporation, Necsa, and Naledi and our energy system, this programme must be adequately capacitated to drive governance, reform and performance monitoring.

While Eskom's budget sits outside the budget of the department's Vote, its recovery remains central to any national energy strategy. We are pleased that Eskom intends to increase energy availability. However, we call for a clear timeline to unbundling processes, community benefit sharing in new projects and decisive action against corruption, maladministration and the escalation of municipal debt.

The IFP welcomes the department's role in leading the G20's energy transition platform, under South Africa's presidency. This is a crucial opportunity to leverage global partnership and position South Africa as a regional clean energy leader. However, global recognition must be earned by delivering real domestic improvement first, ensuring lights stay on in homes, clinics and schools.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 38

In conclusion, the IFP supports Budget Vote 10. The road to energy security is long, but it is a journey we must take, guided by the practical needs of our people. Thank you.

Mr E HENDRICKS: Hon Chairperson, hon Minister, hon members of the House, my fellow patriotic South Africans, I rise on behalf of the PA to engage with Budget Vote 10 on Electricity and Energy, a budget that speaks to not only the kilowatts in infrastructure, but to the constitutional obligation of the House to oversee the responsible use of the public resource in service of all South Africans. We acknowledge the department's state commitment to contribute to the Medium-Term Strategic Framework, MTSF, and its role in driving inclusive growth and job creation. However, commitments must be translated into tangible outcomes. This requires more than policy pronouncement, it demands execution, accountability and measurable impact, particularly for those who remain undeserved by our energy system.

We know the department's allocation of R6,7 billion for the 2025-27 financial year, distributed across five programmes. While this reflects an intent to address critical energy challenges, history has shown that budgets alone do not

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 39

guarantee delivery. We call on the Minister to institute strict control measures to ensure that every rand is spent efficiently, transparently and free from corruption.

Parliament's oversight role must be exercised rigorously to prevent misallocation of resources that has in the past undermined public trust. The budget outline support for state-owned companies including oversight, governance and performance monitoring. While these entities play a pivotal role, we caution against a dynamic where they dictate terms to the state, often at the expense of the poor and vulnerable. Eskom, as the primary energy supplier has repeatedly failed the people of South Africa. Its operational and financial instability has left millions in the dark, stealthy economic growth and endorsed in promoting public confidence.

We, therefore, urge the Minister to diversify energy generation sources by actively incorporating independent power producers, IPPS. For municipal energy projects and alternative renewal solutions, reliance on a single entity is no longer tangible. A sustainable energy future requires a competitive multiple supply framework that prioritise resilience and equity. Hon Chairperson, energy policies must be a vehicle for justice. The persistence of an energy poverty on informal

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 40

settlements, rural communities and historically marginalised areas, is indefensible. Electrification programmes must prioritise these communities and ensure that access to reliable electricity is not a privilege but a universal right. We welcome the recent respite from load shedding, but this cannot be a fleeting victory, it must mark the beginning of a systematic overall one that includes proactive credit maintenance to prevent crisis before they occur.

Accelerate the completion of Kusile, Komati and other critical projects with the same urgency applied to Medupi Unit 4.

Community centric renewable energy models such as micro grids and solar co-operatives that empower rather than excludes. To rebuild trust, we demand full disclosure of contracts and tenders within independent auditors to ensure value for public money, a real time public dashboard tracking energy projects, expenditure and great performance because transparency should be as reliable as the electricity we promise. Strong anticorruption measures including vetting of personnel and decisive action against sabotage and theft. In conclusion, Minister, hon members, this Budget Vote is not merely a fiscal instrument ... [Interjections.] ... We support.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 41

Mr W W WESSELS: Hon House Chairperson, it is astounding that the hon Nchabeleng very accurately outlined the devastating effect that load shedding had on the livelihoods of our people out there and on the economy, but then, he mentions the fact, or his fact that if it was not for President Jacob Zuma, we would have had stage 10 load shedding. We should not distort historic facts. The facts are that President Jacob Zuma was neither the President during the commissioning of Medupi and Kusile, unless he did it from pro court, where he was at that stage, because it occurred in 2007, hon member, and it would have been done and completed by 2014, during Easter, but it was not, and the prices were inflated by R300 billion during that time, during his watch and when he was the President.

Eskom and the corruption at Eskom and the complete decay occurred during that time. The state capture took place ...

[Interjections.]

The HOUSE CHAIRPERSON (Mr W Horn): Hon Wessels, just take your seat for a moment, I had first the member just behind you, hon Nchabeleng. Yes, hon member, why do you want to be recognised?

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 42

An HON MEMBER: Does the member want to take a question as ...

[Interjections.]

The HOUSE CHAIRPERSON (Mr W Horn): Hon Wessels, would you take a question?

An HON MEMBER: Not unless he's Pinocchio.

The HOUSE CHAIRPERSON (Mr W Horn): No, hon member. Hon Nchabeleng, did you have a different point?

Mr A NCHABELENG: The member is talking about R300 billion, can he quantify ... [Interjections.]

The HOUSE CHAIRPERSON (Mr W Horn): No, we're not ... [Interjections.]

Mr A NCHABELENG: ... but it still costs.

The HOUSE CHAIRPERSON (Mr W Horn): Hon Nchabeleng, please be orderly. You had the opportunity to debate. You can raise points of order, but you cannot redebate now or have a right

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 43

of reply bearing the speech of another member. Hon Wessels, please continue.

Mr W W WESSELS: House Chairperson, he must stick to the correct facts. Facts as well is, hon Chairperson, that South Africa remains energy deficient country. Although strides have been made, they're still not enough electricity, and that remains a reality. Then we should not be proponents of coal and think that that is the only solution. At the end of the day, we need more electricity and then I agree with the hon Paulsen that we need affordable electricity. Through you, Chairperson, hon Minister, we should rationally debate if it is not time to demonopolise the sector and allow more energy and electricity producers because that might, with a correct and responsible regulatory framework, be the solution to the affordability of electricity.

The other problem is that similar to water, a lot of our electricity losses occur on municipal level because of maintenance not being done and because of bad governance and management, that must be addressed. We also lose a lot of electricity due to theft, and then we should relook at the Electricity Regulatory Act, which when it was introduced years

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 44

ago, it did a decriminalised theft of electricity. It's not a statutory crime anymore, that was removed from the Act. Now, it's a common law crime, but we have a lot of conflicting court judgments in that regard where the court says you can't steal something like electricity because it's not tangible. We need certainty, and it can be introduced in the Act and, Minister, we plead that you bring an amendment. We lose a lot of electricity. Thank you very much.

Mr R A P TROLLIP: House Chairperson, South Africa's future depends on getting electricity right, and I think the Minister set it out very eloquently what's required in that regard. Without a stable, affordable, accessible energy supplier our economy cannot grow, jobs will continue to be lost, and dignity will remain out of reach for millions. We recognise the small improvement in Eskom's energy availability to factor from 54,6% to 60%, that's about as much energy that is available in this room. You yourself set a target of 70%, that's still way off that target, and the committee has set a target of 80%. So, we need to understand that there's a long-long way to go, but we note the improvement. I also want to say that we have noted the impact. I also want to say that we have noted the impact of corruption, and Chancellor House,

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 45

corruption under Jacob Zuma in the energy Bills of Medupi and Kusile and let me tell you that nuclear power is a very good option ... [Interjections.]

The CHAIRPERSON (Mr W M Douglas): Hon member, could you grab a seat? We have a point of order. Thank you. What is the point of order? Okay, please continue. Can I ask the members in the House to please give the speaker the opportunity to be heard?

Mr R A P TROLLIP: I was I was hoping he'd ask a question, but he doesn't have the gumption to do that.

The HOUSE CHAIRPERSON (Mr W M Douglas): Please continue.

Mr R A P TROLLIP: Let me tell you something that nuclear is a solution, but nuclear in the hands of corrupt, incompetent people is catastrophic. If we'd had corruption free energy build over the last 13 years in this country, we wouldn't have load shedding and our economy would be growing. We support the committee's recommendation to accelerate the finalisation of Integrated Resource Plan, IRP, Integrated Energy Plan, IEP, and Gas Master Plan, GMP, the critical planning tools to shape our energy future. South Africa cannot attract serious

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 46

investment without certainty and transparency in its energy planning. We also commend and emphasise on the public participation part, especially in the roll out of microgrid solutions and the Just Energy Transition, JET. These initiatives empower communities, expand access to power for indigent households and unlock inclusive growth. We further support the call to prioritise the appointment of a permanent Director-General and key leadership positions in National Energy Regulator SA, NERSA, and the National Nuclear Regulator, NNR. Without competent leadership, even the best plans will fail. Crucially, we welcome the committee's recommendation to review pricing formulas, a long overdue intervention. We note that Eskom has reported first quarter profits, we hope that you'll take that into account when you're pricing electricity.

As for the gas clip that everyone has spoken about, this too demands urgent and co-ordinated action. While imports might provide short term relief for the impending and rapid shortfall in natural gas supply in South Africa, we support the committee's corporate cost benefit analysis that prioritises indigenous production where feasible and affordable. Minister, I drove around Cape Town for three days

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 47

looking for gas, there's no gas, and poor people rely almost solely on gas and paraffin, especially in cold winter. We need this department to focus their attention on fast tracking liquid natural gas import infrastructure at Richards Bay and Koega as a short-term relief programme.

We need to see you accelerate development of the *Brulpadda* and lighter discoveries to create sovereign sustainable gas future for our country, and this will require formalised co-ordination between your department and that of Minister Mantashe. I want to warn you ...

IsiXhosa:

Uyakuthanda ukuzitsala iintambo la tata.

English:

You're going have to avoid gatekeeping, but Minister, you must also know for a fact that ...

IsiXhosa:

... izikhungo zakho zamandla ombane zizikorokoro.

English:

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 48

Twenty-five percent is broken at any one time, that is completely unsustainable with energy generation. In conclusion, Action SA will consider supporting this vote because it aligns with our commitment to constructive opposition and holding government accountable, while supporting the reforms that serve the people of South Africa. However, if the Government of National Unity, GNU, cannot pass this budget, don't expect the opposition to pass it for you. Thank you very much.

The DEPUTY MINISTER OF ELECTRICITY AND ENERGY: Hon Chairperson, Minister of Electricity and Energy, hon members and fellow South Africans, it is both a privilege and a responsibility to debate on the Electricity and Energy budget today of all days, Global Energy Independence Day. In doing so, we affirm a principle that transcends line items and spreadsheets that every rand spent by this government must deliver value, drive transformation and forge a measurable difference in people's lives.

We are building more than megawatts; we are building a future and that future must be visible in every rural classroom lit by clean energy, in every township enterprise powered by

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 49

industrial opportunity, and in every young woman who no longer wonders if she belongs in the energy sector because she already does.

This year we secured a long-awaited and significant breakthrough when Cabinet approved the South African Renewable Energy Master Plan, SAREM. This is not just an energy road map, it is our renewable energy industrialisation master plan. The South African Renewable Energy Master Plan lays the foundation for a renewable economy, one where we don't just consume green technologies, we manufacture them. It maps out localisation opportunities across the value chain such as solar PV, batteries, inverters and other critical components that should be made in South Africa by South Africans. It links procurement to economic justice and ensures that manufacturing, servicing and innovation become sources of decent jobs and industrial growth.

Through powering up our national platform for sector wide skills development and transformation, we are equipping women, youth and persons with disabilities to enter these value chains not as spectators, but as participants. The South African Renewable Energy Master Plan is not the end of the

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 50

transition; it's the engine that will power it forward, inclusively and on an industrial scale.

Our green hydrogen programme is no longer aspirational, it is moving, and it is doing so with clarity, purpose and scale. Backed by the Green Hydrogen Commercialisation Strategy, we are unlocking catalytic investment through three impact hydrogen development corridors in the Northern Cape, the Eastern Cape, as well as Gauteng and the Free State. These corridors will link production zones to water access, port logistics, transmission capacity and export infrastructure.

Work is underway to establish a hydrogen special economic zone aligning industrial policy and special planning to attract global partners and unlock green value chains. This programme is also shaping a new continental energy diplomacy agenda. Through the G20 Energy Transition Working Group, South Africa is leading the development of the first ever road map for sustainable industrialisation hubs in Africa. Developed in close consultation with G20 members and global partners, this road map is designed to align national and regional energy industry and infrastructure planning while catalysing cross-

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 51

border trade corridors, regional power pools and shared infrastructure development.

Our greatest opportunity is not only in exports, but also in jobs. That is why we are investing in science, technology, engineering and mathematics at education and integrating it into skills academies, bursary schemes and enterprise support programmes tied to the green energy value chain. Through power up and the Energy and Water Sector Education Training Authority, SETA, we are supporting women and young people to become welders, technicians, plant operators and entrepreneurs of this new frontier. We are also laying the groundwork for green hydrogen pipeline infrastructure, both physical and regulatory, to move us from pilot projects to export scale production.

South Africa is already a global leader in one of the most critical and lifesaving fields of nuclear science, medical isotopes. Through our NTP Radioisotopes division at SA Nuclear Energy Corporation, Necsa, we are among the world's top producers of isotopes for cancer diagnostics and treatment, reaching patients in over 60 countries every day.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 52

To consolidate and expand this capability, government is prioritising the construction of the new multi-purpose reactor, MPR. The MPR will ensure continuity of supply, enable cutting edge research, support industrial and agricultural applications and boost our position in global nuclear medicine markets. This is not just a scientific project, it's an opportunity to drive transformation.

The SA Nuclear Energy Corporation is working to ensure that the MPR programme is a platform for skills development, STEM career pathways and inclusive enterprise participation, especially for women and youth. We are also pleased to announce the significant milestone for the National Radioactive Waste Disposal Institute, NRWDI, with the recent appointment of a new CEO, bringing strong leadership to technically complex and nationally strategic mandate.

The National Radioactive Waste Disposal Institute is responsible for the long-term management and safe disposal of radioactive waste. This year it will assume operational responsibility of the fall pits waste facility already recognised internationally as a benchmark of excellence.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 53

Looking ahead, NRWDI is progressing with plans to establish a Centralised Interim Storage Facility, CISF, for used nuclear fuel. Designed to centralise and secure high level waste, the CISF will be built with 80% local content, create over 100 permanent jobs and incorporate a strong gender and youth mainstreaming agenda. This demonstrates once again that even the most complex energy sectors can and must be inclusive.

No nuclear programme can exist without a regulator that is respected, independent and scientifically rigorous. That role is fulfilled by the National Nuclear Regulator, NNR, which has once again achieved over 98% of performance targets. The NNR has approved the long-term operation of cubic Unit 1, with Unit 2 currently under regulatory review. It has conducted full scale safety exercises and significantly expanded rate on monitoring in at risk areas. Importantly, the NNR Amendment Act, which came into effect on 4 June 2025, enhances the NNR's enforcement powers, modernises its regulatory toolkit and provides clear licensing pathways for emerging technologies such as small modular reactors. The NNR continues to invest in civic education, ensuring that nuclear safety is not hidden behind acronyms or misinformation.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 54

If generation is the engine of the energy system, transmission is a circulatory system and for too long it has been under tremendous strain. We are now fixing that with action, not aspiration. The Electricity Regulation Amendment Act has brought key provisions into effect, enabling open access to the grid, multi market structures and competitive electricity trading. On 1 April 2025, the National Transmission Company of South Africa, NTSA, came into full legal operation. The National Transmission Company of South Africa is now the licensed transmission entity, operating independently from Eskom and unlocking a transparent rules grid environment.

To scale up new infrastructure, the department has launched the Independent Transmission Projects Procurement Programme as mentioned by the Minister. This programme will target grid build out in high congestion corridors, crowd in private capital and ensure that transmission infrastructure keeps pace with our generation ambitions. As always, localisation, transformation and transparency will be non-negotiable pillars of procurement.

This brings me to the South African National Energy Development Institute, Sanedi, the quiet powerhouse driving

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 55

our clean energy breakthroughs. The South African National Energy Development Institute continues to play a pivotal role in applied energy innovation and policy support, and its work touches nearly every part of our future energy system, from smart meters and digital grid pilots to electric vehicles and clean mobility. Their focus isn't research for research's sake; it's innovation with intent. They are helping shape our Integrated Resource Plan and Gas Master Plan, advancing clean fuels and carbon capture technologies, supporting the beneficiation of critical minerals for local manufacturing and playing a key role in executing South Africa's hydrogen society road map. It's not flashy work, but it's the foundation for everything that comes next.

One of Sanedi's current focus areas is the rollout of energy performance certificates, which will become mandatory by 7 December 2025 for public buildings over 1000 square metres and private non-residential buildings over 2000 square metres. The South African National Energy Development Institute is supporting municipalities and building owners to prepare, while also enabling a growing market in energy efficient services and audits.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 56

Access remains the unfinished business of energy justice. For that reason, South Africa is a signatory to the World Bank and African Development Bank's Mission 300, which aims to provide energy access to 300 million Africans by 2030. We are not just participating; we are leading by example. Universal access is not a slogan, it is a commitment, one that reaches the school child, the clinic, the farmer and the household worker. We are not just building an energy system, we are building a future that is industrial, inclusive, innovative and proudly South African. I thank you.

Mr W M THRING: House Chairperson, there is no doubt that our economy and citizens have been made to bear the cost of Eskom's poor energy governance. The ACDP posits that this department's budget of some R6,7 billion must be scrutinised not only for its allocations, but also for its moral and operational accountability.

The Auditor-General, AG,'s qualified audit outcome revealed a deterioration in distribution, finance, and governance. While revenue grew by some 14%, this was driven by an 18% tariff hike, not efficiency. The AG lamented that had Eskom

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 57

implemented its recommendations over the last five years, there would be no need for excessive tariff increases.

As a result, the ACDP has called for quarterly financial reports to the portfolio committee to ensure the application of fiduciary responsibilities. We will continue as the ACDP to exercise our mandate to hold the executive and this department to account. The approved 12,7% increase for the 2025/26 year punishes the poor, making electricity unaffordable for millions, while alleged criminal conduct and wasteful expenditure remain unchecked. Those who looted Eskom should be held accountable, not innocent South Africans.

The ACDP welcomes the 2024 court ruling halting tariff hikes in over 100 municipalities due to the absence of cost of supply studies. In the same breath, municipalities must square up to settle the amount in debt of nearly R100 billion. We caution against the blindly decommissioning of coal power stations to appease global elites. The closure of Komati Power Station, an unjust transition from coal, affected thousands of lives and has put a strain on social services with increased poverty and crime in the area. It is a clear lesson on how not to transition from coal.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 58

As kingdom builders, the ACDP asserts that we must be good stewards of our environment, but we caution against the political weaponisation of our climate, where anthropogenic global warming is used as a pretext for centralised control, economic destabilisation and ideological conformity. Where Africa emits just 4% of global carbon, our best coal has been exported to Europe, up to 720% in 2022. With South Africa having 200 years' worth of coal beneath our soil, we must utilise clean coal baseload technologies, leveraging our competitive advantage to ensure our energy stability. Thank you.

Mrs N L HLAZO-WEBSTER: Chairperson, the majority in South Africa bore the brunt of energy exclusion during apartheid, and then again in the democratic dispensation because of the load-shedding crisis that we had.

So, in a country where this is our historical context, the work of the Departments of Electricity and Energy has to be about delivering power to every home, to every school, to every clinic, but we also have to make sure that that delivery means real ownership, that it means real benefit, and that it means real inclusion. This Budget Vote boasts of just energy

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 59

transition, of green hydrogen, of new grids, yet nowhere in these plans do we see explicit support for township energy co-operatives or community-owned renewable projects.

The department speaks of R1,7 billion in municipal grants and R2,3 billion to Eskom, but where's the guarantee that these billions will build local capacity, local ownership, and local jobs? A just transition cannot mean a transition only for those who are well capitalised.

It must transform ownership patterns in energy economy. It must give townships and rural communities the ability to generate, sell, and store their own power. Without that, we are really just replacing coal barons with green barons and not taking into consideration the economic impact of this transition.

We must also talk honestly about the diesel-powered load-shedding mitigation. Eskom's budget is projected at over \$384 billion, with over R6,7 billion set aside for diesel mitigation this year, and that shows a R9,7 increase, yet the true cost of diesel procurement is nowhere transparently disclosed in this vote. These costs, as we have seen before,

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 60

are hidden in contingency reserves and swallowed in bulk allocations, but the greatest hidden cost of the crisis is paid by the public through tariffs, and as Build One South Africa, we fought these increases in court, and we are challenging them in the Western Cape too.

In real terms, people who once spent R200 on electricity simply do not get what they used to, but instead much less, and tariff hikes are the downstream effect, we have to be honest, of corruption, mismanagement, and financial collapse at Eskom, and these are now being passed down to households.

We cannot wave through billions for energy programmes without, one, demanding real transformation. We cannot applaud talk of a just transition without, two, taking into consideration that communities are left out of ownership, and thirdly, we cannot accept a budget that hides the true cost of failure behind vague line items and rising household bills. As Build One South Africa, we support this Budget Vote, but we want to say that every rand must serve its purpose in delivering real progress. Thank you.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 61

Mr V A NKOSI: House Chairperson, hon members, distinguished guests in the House, fellow South Africans, with a heavy heart, I would like to also extend my sincere condolences to Mabuza's family, with also the Republic of South Africa on the passing of former Deputy President, hon David Dabede Mabuza.

IsiZulu:

Ulale uphumule Baba u-Mabuza.

English:

You have worked very hard for the people of South Africa, in particular, the people of Mpumalanga. Hon Chair, electricity and energy, like water and transport, are the key drivers of economic growth and job creation. Over the recent years, there have been many challenges facing the electricity and energy sector, which negatively affected inclusive economic growth and job creation.

Therefore, the importance of the Ministry and Department of Electricity and Energy operating independently of the Department of Minerals and Petroleum Resources. This will also enable focus on the electricity and energy sectors. This

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 62

budget vote and its programmes are critical to ensuring security of supply of electricity and energy.

South Africa has a large electricity demand by African standards, and the economy energy is very intensive. The peak of electricity demand in the country is 35 665 megawatts, with the countries having an installed capacity of 48 521 megawatts, and supply capacity of 32 246 megawatts. In the past, 90% of electricity has been generated from coal-fired power plants, and this has been reduced to 80% given the shift to green renewable energy.

This large electricity demand cannot be met through a single energy career, even though the bulk of the country demand is met through coal. The country also generates smaller volumes of electricity from hydroelectric and nuclear, and more recently through independent power producers generating power through renewable energy. Eskom, created as a natural monopoly, supplies the base of load of electricity demand, and it will continue doing so for a long time.

However, the recent past, the country was afflicted by load-shedding caused through corruption, malfeasance, and

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 63

incompetence of the new build in the form of Medupi and Kusile Power Stations, as well as lack of maintenance of the coal plants, which saw a decline in the energy availability factor to an all-time low of 48%.

In 2023, the country reached its peak for the number of days with load-shedding in South Africa, which was 332 days. This was a record for the country and significantly higher than the 205 days experienced in 2022. But the ANC-led government at a time introduced a programme to reverse the effects of load-shedding. Eskom itself introduced a plan to enhance maintenance of the power plants and fix the defects in the new build programme, which was financed from its own revenue to the value of R20 billion per annum.

The government plan for fixing ESCOM and the maintenance plan of power stations and fixing the defects of Medupi and Kusile, as well as refurbishing Koeberg Nuclear Power Station, has started to bear fruits with the energy availability factor increasing to 68%.

This means that generation capacity has increased, and this has also been greatly assisted with the development of the

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 64

green energy sector as the independent power producers supply 6 000 megawatts into the transition grid. This has resulted in the country having suspended load-shedding for more than nine months with reduced diesel usage in the peak implants. This highlights the importance of this budget vote and the implementation of the programmes of the department and its entities.

It is important that the department continues with integrated national electrification programme. Hon Chair, this programme has been a success story since 1994, and it sought to provide especially African households with electricity supply to correct the historical injustice of the past.

In this financial year, 96% of the households will be electrified with the remainder requiring off-grid solutions due to the fact that the grid is inactive in those areas for transmission. As the ANC, we are committed on calling to increase the transmission of infrastructure to ensure this generation power goes to the most vulnerable of our society.

The expansion of the generating capacity by Eskom and Independent Power Producer, IPP, renewable energy requires the

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 65

restructuring and development of both transmission and distribution infrastructure. This will facilitate IPP power to be brought to market. The finalisation of the Integrated Resource Plan, IRP, 2025 is a paramount undertaking. This plan will provide a clear road map for electricity channels. We support this budget. Thank you.

Mr J R B LORIMER: Chair, time is the enemy that keeps defeating the people who are responsible for electricity in our country. The South African electricity crisis has felt lessened by the suspension of load shedding this winter. Medupi Unit 4 has returned to service following an explosion four years ago, costing the grid 800 megawatts. Apart from a brief period before the hydrogen explosion which took that unit offline, Medupi was not fully operational until now. That's a ten-year delay after it was originally supposed to be complete.

This glacier pace of advancement can also be seen in the unbundling of Eskom into three entities, namely, generation, transmission and distribution. It's a step in the right direction, but we may as well be watching a chameleon walking.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 66

These problems don't get solved unless there is somebody to actively take hold of them and push them along.

This unfortunate inability to move decisively threatens dire consequences when it comes to the gas cliff. We know that Sasol's Pande and Temane gas fields are depleting and they're going to cut supplies to industrial customers in 2028. According to the Industrial Gas Users Association of Southern Africa, a gas supply cliff would put 60 000 direct jobs at risk as many industries that are dependent on gas could face an operational shutdown. This gas cliff poses a risk to South Africa's energy future. To address this we need action, and we need it quickly. Domestic gas production doesn't seem very close. The Block 11B and 12B project of Mossel Bay lacks money and a partner with the necessary expertise, and it still would run out of time.

The amount of gas founded in Mpumalanga in Kinetiko seem too small to be our solution. And if anybody was allowed to start fracking the Karoo tomorrow assuming they found the gas, extractable gas that is supposed to be there it could take another seven years to commercialisation. The only possible

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 67

solution is imported gas into terminals which we don't have and pipelines which we haven't built.

Minister, I've been watching this portfolio for around 12 years, and I think in every one of those years we've been promised a gas masterplan. Colour me a little bit sceptical. You also say you've fast tracked import infrastructure. We've only got three years to get this built, so it better be a very, very fast track. If we don't build that in time it's going to be clear where the blame for this particular economic meltdown belongs.

We need leadership to get this moving. Perhaps that leadership should be coming from mineral and petroleum resources, but it isn't. Somebody needs to step up or time will win again.

Ms F HASSAN: House chair, the ANC rises in support of the Budget Vote for Electricity and Energy. We do not treat energy as a commodity for the fuel, it is a public good, a lever for economic transformation, a developmental tool and a constitutional imperative. The reality is that South Africa's energy sector is capital intensive, high volume and low margin, meaning it requires detailed and long-term planning

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 68

and sustained investment to balance supply and demand while expanding generation, transmission and distribution capacity.

The establishment of a dedicated Ministry and a department was not a symbolic change, it is about a strategic focus for the state capacity to resolve the energy crisis and centres South Africa's inclusive economic growth and just transition.

Chairperson, let us not be misled load shedding has dwindled because of the deliberate and disciplined implementation of the nine-point plan, Eskom's six-point maintenance drive and a government that is focused on fixing, not finger pointing. In fact, we are burning less diesel right now than we were in the previous financial year, and even less than the year before that. So, this is not theory. This is actual real work of rebuilding capacity after state capture, after neglect and after sabotage.

The budget backs this recovery with concrete investment and reform. It prioritises the R13,2 billion over the Medium-Term Expenditure Framework, MTEF, for the integrated national electrification programme, which is the backbone of the grid expansion on universal access. Eskom's recovery and its restructuring, including the early return of over

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 69

800 megawatts to the grid through the Medupi Unit 4 ahead of schedule, well done, Minister. Scaling up renewables, embedded generation and energy storage through policy reform and targeted investment as well as the implementation of the Electricity Regulation Amendment Act, which enables regulated private participation in generation and transmission, but also creates a competitive and regulated market protected from predatory pricing and this is not neoliberal deregulation. It is a managed reform in the public interest led by developmental state that is wishing to sweat its existing asset base and expand its supply. This is what an ANC-led government is doing, not playing politics with the crisis, but solving it.

Under Minister Ramokgopa's leadership we are seeing those green shoots of progress. We are seeing planned maintenance over 6 000 megawatts that are currently under maintenance. The energy action plan is moving with urgency. The energy availability factor has improved from 48% to 60%. And to those members whose mathematics needs to be checked, that number went up. The budget supports a war room approach, not only to bring an end to load shedding, but to ensure the long-term energy sovereignty of our country.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 70

Electricity prices have surged by 800%, and now even since 2014 by 190%. That fast outpaces inflation. That puts the working class and poor households into energy poverty. It is unsustainable. The ANC is calling for an urgent and systemic reform and a full review into the tariff setting model, including the capital expenditure, Capex, formula which inflated costs without benchmarking for the public interest.

A revision of the 50kwh free basic electricity subsidy which no longer meets the real household needs a full utilisation of the R10 billion indigent grant, where only R2 billion is currently being used, and a serious intervention for municipal surcharge that double bill the working class and a pricing system that does not only reflect costs recovery, but social justice. Electricity is not a luxury, it is a necessity. The ANC will not allow it to become a debt trap for the poor.

As the ANC we also refuse to manage energy poverty. We are here to end it. For too long energy has been controlled by monopolies, priced for the elite and withheld from the poor. The energy transition cannot be another chapter of exclusion where corporations benefit and the majority sit in the dark. This is why we as the ANC are not just talking energy

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 71

democracy, but we are building it. We are rolling out community owned renewable projects where the working class people are co-owners, not spectators. We are driving public benefit, the independent power producers, IPPs, that put people first before profit. We are deploying micro grids in rural communities ensuring that no village, no farm and no informal settlement is left behind. Hon Ntshabeleng deals with exactly what you are saying. This is also about launching a bold redistribution of energy wealth with a focus on townships, rural areas and informal settlements where energy poverty is a daily injustice.

The integrated national electrification programme is allocated R4,3 billion in this budget. It is the lion's share, and it is to expand access, restore dignity and liberate our communities. The ANC is not on the sidelines, we are on the ground. We are electrifying schools, we are lighting up homes and we are fighting for just energy transition that serves the many and not the few. This is what energy democracy is, and the ANC is delivering it in real time.

We must never forget that under Jacob Zuma and some in this very room, South Africa was pushed to the edge. Eskom was

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 72

looted, Transnet gutted, state-owned enterprises, SOEs, hallowed out not by mistake, but by design, maintenance was stopped, engineers were purged, corruption thrived while the lights went out, and to highlight this the boiler at Medupi Power Station was 14 metres short, and you paid for it MKP. How could anything ... [Interjections.]

The CHAIRPERSON (Mr W M Douglas): Hon members, please, allow the member to make a speech.

Ms F HASSAN: Zuma did not inherit a crisis, he created it. He did not fix Eskom, he fed on it. Now the MKP and the very men who drove us into this darkness dares ... [Interjections.]

Mr C M DUGMORE: Chairperson, on a point of order. We appreciate it that you are raising this issue that the speaker who is making brilliant points cannot be heard. Could you organise a workshop to explain the difference between running commentary, rounding out and doing interjections.

The CHAIRPERSON (Mr W M Douglas): Could I ask all the Members of Parliament to please acknowledge and maintain the decorum in the House. Everybody has had an opportunity to speak, so,

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 73

I'll please ask you not to drown out the speaker. You are allowed to interject, you are allowed to make comments, but you are not allowed to drown out the speaker. I'm asking you one last time. Everybody from both sides, please. Thank you.

Mr M K B MOLEFE: Chairperson, I want to ask the speaker if she is prepared to take a question about De Ruyter.

Ms F HASSAN: Don't worry, I'm going to answer all of hon Molefe's questions in my next part. So, no, thank you.

Ms F HASSAN: Let's be clear load shedding is Zuma's legacy. The MKP is not a party, it is a political crime scene and South Africans know who lit the match that set Eskom on fire. I'm going to say that again. South Africans know who lit the match that set Eskom on fire. And we will not let the arsenals return as the fire fighter, never again and not in our name. The people of South Africa remember, and frankly the people deserve better than camouflage cards play.

This is not a budget of convenience, it is a budget of conviction. It does not serve the markets, it serves the majority. It does not speak the language of privatisation of

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 74

profiteering, it speaks the language of justice, dignity and development. It is a budget that electrified the homes of the poor and the working class. It fuels industrialisation through green hydrogen and nuclear energy. It puts regulation before exploitation and places the needs of the people before the greed of the few.

To the people of South Africa, we as the ANC will not allow your homes, your clinics, your classrooms or your businesses to sit in the dark. We will not surrender our energy future to private, to populists or profiteers. We will build an energy system that is publicly led, that is justly priced and democratically governed. The ANC supports this budget because it does what others can only promise. It delivers power, real power to the people. The future is bright, and it is ours. I thank you.

The MINISTER OF ELECTRICITY AND ENERGY: Okay, let me start first by acknowledging the contribution by members, but just to make the following observations, I do accept that your entry into this discussion is informed by two things: firstly, to accept that this is an arena for the public discourse. Therefore, you are informed by an aspiration for a political

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 75

entrepreneurship, and by that, I mean that you use this platform for political currency accumulation and a great display of that is hon Crown Prince Nchabeleng. I have come to accept that your relationship with the facts is that of antagonism. Let me illustrate what I mean by that. I mean the following: you made a claim here before the House and the country that former President Zuma was responsible for the construction of Medupi and Kusile. The facts to the House and the rest of the country are that construction of Medupi started in 2007, and the planning would have started five years before. The construction of Kusile started in 2008, and the planning would have started before. So, that predates the ascendancy of President Zuma. Also, the projections were that we were meant to finish Medupi by 2015. We exceeded that by about six years. We finished it by 2021. We had planned to finish Kusile by 2016. We finished that by 2025. Why is that important? It is important because it coincides exactly with that presidency, and you choose to ignore those facts. What do we know again? We know the following that when we started construction, the plan was that we were going to spend the R76 billion on Medupi. We spent R145 billion. We had planned to spend R84 billion on Kusile. We spent R161 billion. The exceeding of the budget coincided with that period of that

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 76

presidency. So, I am just saying that it is important that we get to ventilate the truth.

Then, outside the political entrepreneurship are substantive questions. What about what about the substantive questions? So, there is a great degree of convergence. So, what is that convergence? So, all of us accept that we do not talk about decommissioning power stations, we are talking about shutting down and that gives us the opportunity to repurpose, that gives us the opportunity to retrofit. Again, we talk of the exploitation of our endowments, and coal is one of those. I keep on making the point, we do not have a coal problem, we have an emissions problem, and technology does exist for us to reduce the sox and noxes, and to address the carbon emissions. In that way, we can exploit that. Another part is that we are all in agreement. Hon Baptie, you are correct. In our pursuit of the resetting of the nuclear programme, we made the point that it must be done at the pace and scale that we can afford, and we are very conscious about the upfront capital cost. We accept that the levelized cost of a nuclear is lower, but we need to attend to the upfront capital cost. I agree with the hon Mhlongo that in our interventions, we must empower rural communities and that is why we make the point that we are

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 77

going to use micro grids, we do not have to build expensive backbone infrastructure. In that way, we are going to democratize access, make sure that we use technologies, the hybrid of solar photovoltaic and battery to be able to power these communities. In the quest of doing that, we are going to ensure that we industrialize. So, the state is the biggest off taker. On the back of those offtakes, we must be able to expand the flow of industrial capacity, increase capacity utilization of existing firms, get many people into jobs, and upskill them. In that way, on the back of this transition, we were able to grow the economy of our country. I accept the criticism that there is a need for transparency in relation to public procurement of the new generation. Mulilo as a perfect example. We are the ones we initiated the conversations at the portfolio community. Everything will be transparent because ultimately it is a consumer that pays the price.

I want to conclude by reaffirming the point I made earlier on, electricity is expensive for everyone. The poor are disproportionately affected, and that is why I was starting the process of reviewing the electricity pricing policy to ensure that we reduce the burden on the poor and industry, and we can repower our country. Thank you very much.

UNREVISED HANSARD

MINI PLENARY - NATIONAL ASSEMBLY

THURSDAY, 10 JULY 2025

VOTE NO 10 - ELECTRICITY AND ENERGY

Page: 78

Debate concluded.

The mini-plenary session rose at 18:19.

UNREVISED HANSARD