

MEDIA RELEASE: PSA: Nersa's approval of 12.74% electricity tariff increase shocking

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The Public Servants Association (PSA) strongly condemns the National Energy Regulator of South Africa's (Nersa) decision to approve a 12.74% tariff increase for Eskom directly to customers for the 2025/26-financial with effect from 1 April 2025.

This increase places an undue burden to every South African struggling with high living costs and economic hardships. This increase will result in increased costs for necessities such as food and water and will plunge consumers into further debt and with the imminent VAT increase a substantial portion of one's wages will be spent on simply basic commodities. The increase will adversely affect the most vulnerable members of society as many households are facing financial strain.

The PSA believes that the approval of such a significant increase is unjustifiable given the ongoing issues of mismanagement and corruption at Eskom. Ratepayers are facing incremental increases owing to mismanagement and corruption. Corruption at Eskom and collusion with service providers are well documented and led to massive financial losses without consequence management. Exorbitant increases at the expense of citizens cannot be justifiable as the entity is continuously failing to arrest the vast corruption and inefficiency that contributes to its fiscal crisis.

The PSA urges Nersa to reconsider the decision and to explore alternative measures to address Eskom's financial challenges without placing an additional burden on struggling consumers. Eskom must be directed to implement stringent measures to improve management practices and ensure accountability to prevent further financial mismanagement. Government must further provide targeted support to vulnerable households to mitigate the impact of the tariff increase and ensure access to essential services. The PSA stands in solidarity with South Africans affected by this decision and will continue to advocate for fair and equitable solutions to the country's energy challenges.

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