NATIONAL ENERGY REGULATOR OF SOUTH AFRICA

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MEDIA STATEMENT

NERSA CLARIFIES REGULATORY REQUIREMENTS FOR SMALL-SCALE EMBEDDED GENERATION

The National Energy Regulator of South Africa (NERSA) has noted public commentary following an article published by the Organisation Undoing Tax Abuse (OUTA) on 27 January 2026 regarding the registration of residential solar and other small-scale embedded generation (SSEG) installations.

NERSA wishes to clarify the applicable regulatory position to avoid public confusion and ensure that electricity consumers, installers and other stakeholders are correctly informed of the legal requirements governing embedded generation.

According to the Electricity Regulation Act of 2006 (as amended), read with the Exemption and Registration Notice, the requirement to register an embedded generation facility is determined by **whether the installation has a point of connection to the electricity grid and its installed capacity**, and not by whether electricity is exported to the grid or consumed on site.

Accordingly:

- small-scale embedded generation facilities with an installed capacity of **less than 100 kW** and a point of connection to the electricity grid are required to **register with the relevant distributor**, being Eskom or the applicable licensed municipality; and
- embedded generation facilities with an installed capacity of **100 kW or more** and a point of connection to the grid are required to **register directly with NERSA**.

Embedded generation facilities **without a point of connection to the electricity grid** are exempt from registration requirements.

Regulator Members:

Mr T Bukula (Chairperson) Ms R Govender (Deputy Chairperson) *Adv NP Sithole (Chief Executive Officer)
*Mr W Majola *Ms N Maseti *Mr MW Mkhize Ms T Semane Mr FK Sibanda Ms PN Sibiya
*Full-Time Regulator Members

NERSA is a Regulatory Authority established in terms of the National Energy Regulator Act, 2004 (Act No 40 of 2004)

These regulatory requirements exist to support the **safe, reliable and efficient operation of the electricity system**, including compliance with applicable technical standards, system planning and network protection. While a Certificate of Compliance confirms that an installation meets electrical safety requirements, registration serves a distinct regulatory purpose and does not duplicate safety certification processes.

NERSA emphasises that registration is not intended to discourage the uptake of renewable energy technologies, but rather to ensure that the integration of embedded generation occurs in a manner that protects the integrity of the electricity network and the interests of all electricity users.

NERSA remains committed to enabling South Africa's transition to a more diverse and sustainable electricity supply while ensuring compliance with the legislative and regulatory framework. Stakeholders are encouraged to engage with their licensed distributors or NERSA directly for accurate guidance on registration requirements.

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