

Electricity Update: **February-March 2026**

Metric	February	March	Unit
Average Energy Availability Factor (EAF)	68.3%	66.8%	Percentage
- Maximum EAF	76.5%	73.7%	
- Minimum EAF	59.8%	56.4%	
Open Cycle Gas Turbine (OCGT) Usage			Megawatt-Hours
- Average	0.1	7.6	
- Maximum/peak usage	18.2	927.6	
Planned Maintenance (average)	5,066	6,349	Megawatts
Unplanned Maintenance/Outages (average)	9,754	9,201	
Other Maintenance (average)	151	162	
- Total	14,971	15,713	

Source: Eskom & Minerals Council

Eskom's **Energy Availability Factor (EAF)** declined in March 2026, averaging 66.8%, down from 68.3% in February 2026. While this remains below the 68% EAF target set in the Integrated Resource Plan (IRP) 2025, Eskom notes that more than 4,000 MW remains in reserve, immediately dispatchable, as electricity demand continues to lag supply.

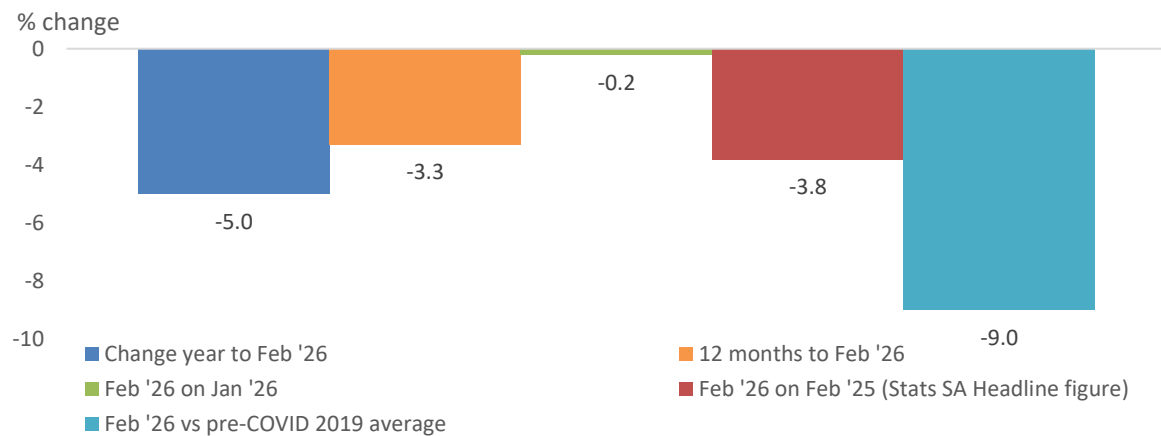
Eskom has indicated that the Summer Outlook has been successfully realised, with 328 consecutive days without loadshedding. Eskom is confident that it will be able to meet electricity demand heading into the winter season. The utility is expected to publish its **Winter Outlook** during April.

Revised data show negligible **Open Cycle Gas Turbine (OCGT)** usage in February, although usage picked up slightly in March. Eskom attributes this increase to optimisation testing conducted at Gourikwa Power Station in the Western Cape, rather than to peaking in response to excess demand.

On the **maintenance** front, unplanned outages have consistently averaged below 10,000 MW so far this year, with March recording 9,201 MW, an improvement from the 9,754 MW reported in February. Planned maintenance increased in March by around 1,300 MW compared to February. This suggests that Eskom continues to prioritise planned maintenance and upkeep ahead of the winter season, while unplanned outages appear to be on a downward trend. Compared with the same period last year, total maintenance and outages are lower by around 4,400 MW in March 2026 - broadly consistent with the level of excess capacity currently held in cold storage.

Data released by Statistics South Africa (Stats SA) indicate a continued decline in both electricity production and consumption in South Africa. Seasonally adjusted real electricity generation fell by 3.8% year-on-year (y-o-y) in February 2026, extending the monthly decline in generation that began in June 2025. On a month-on-month (m-o-m) basis, electricity generation was down marginally by 0.2% in February.

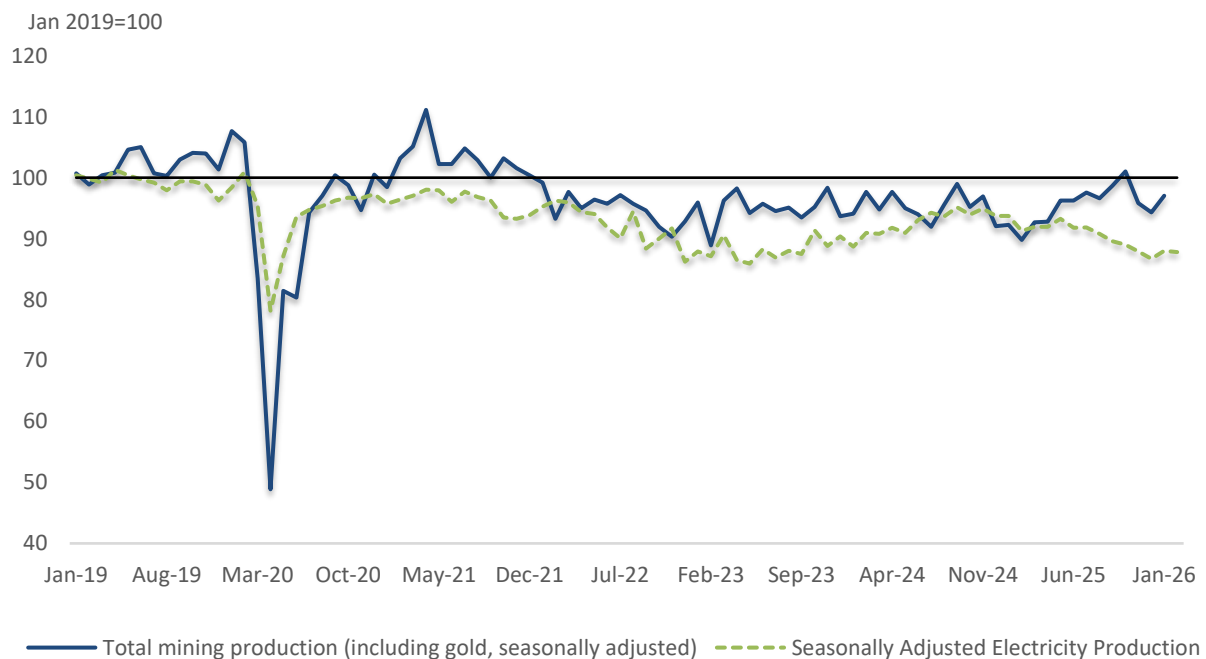
Figure 1: Variation in Electricity Produced (% , seasonally adjusted) – All Producers



Source: Stats SA and Minerals Council

Below (Figure 3), we illustrate the long-term trend in electricity production. Overall, national electricity output remains below pre-pandemic levels. In January 2026, production was 8.7% below the pre-COVID baseline and 12.4% lower than output recorded in January 2019.

Figure 2: Electricity Produced and Mining Production



Source: Stats SA and Minerals Council

Figure 3 illustrates changes in seasonally adjusted electricity production and mining production, indexed to a common starting point in January 2019. Historically, the two series have tracked each other closely, moving in the same direction with a positive correlation of around 0.68, implying that higher mining production was associated with higher electricity production.

However, from April 2025 onward, a clear divergence emerges and the relationship turns negative, meaning that higher mining production is now associated with lower electricity production. This likely reflects the structural shift underway in the mining sector away from Eskom-supplied electricity. An increasing share of electricity production and consumption is being met through self-generation, weakening the historical link between Eskom's electricity output and mining production. As a result, Eskom's production of electricity is no longer a reliable indicator of future mining output. Given that self-generated electricity is cheaper than Eskom-supplied electricity, this trend is unlikely to reverse in the foreseeable future.

Conclusion

While the sustained improvement in Eskom's operational performance is welcome, South Africa's electricity sector is undergoing a fundamental transition. Despite improved system stability and the absence of loadshedding, electricity production and consumption continue to decline as demand remains subdued. This is reflected both in the sector's contraction of 4.3% in constant terms in Q4 2025 gross domestic product (GDP) and in weakening system demand, with peak demand in March 2026 at 26,500 MW, down from 28,905 MW in March 2025. Taken together, these indicators suggest that improved supply conditions have not yet translated into a recovery in underlying electricity demand. Given the trajectory of electricity tariffs and weak economic growth, a meaningful demand recovery appears unlikely in the near term.

At the same time, the traditional relationship between electricity production and mining output has structurally weakened. Mining production is increasingly decoupled from Eskom-supplied electricity as self-generation expands, reducing the relevance of Eskom's production figures as a proxy for industrial and mining activity. This shift helps explain why electricity output remains well below pre-pandemic levels, even as mining production has shown resilience in recent periods.

The combination of weak domestic demand, particularly since major electricity consumers like the ferrochrome smelters have suspended operations because of uncompetitive power costs, and improving operational performance has resulted in excess generation capacity, enabling Eskom to hold meaningful volumes in cold storage and to increasingly rely on electricity exports to absorb surplus supply. While Eskom has remained a net exporter of electricity since May 2024, subdued economic growth in neighbouring countries, alongside global geopolitical uncertainty and energy-related supply risks, is likely to constrain export growth. The closure of South32's Mozal aluminium smelter in Mozambique in March 2026 due to the failure to secure competitive electricity prices further reduces consumption of Eskom's electricity in a neighbouring country.

As a result, while system reliability has markedly improved, the electricity sector remains constrained by demand-side weakness, globally uncompetitive tariffs, and structural change—factors that will continue to shape Eskom's operating environment and the broader energy landscape going forward.

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