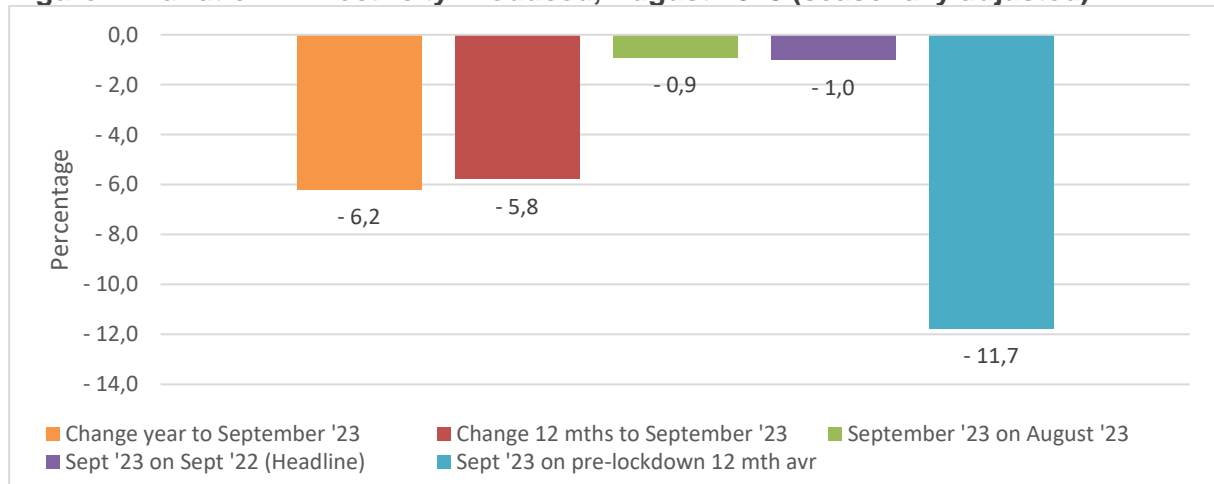


## 1 ECONOMY-WIDE ELECTRICITY SUPPLY

Economy-wide, seasonally adjusted electricity generation (production) **decreased by 1.0% year-on-year in September 2023**. This marks the ninth consecutive year-on-year decline in electricity generation since January 2023. **Month-on-month** seasonally adjusted electricity production was **0.9% lower in September** than in August.

**Figure 1: Variation in Electricity Produced, August 2023 (seasonally adjusted)**

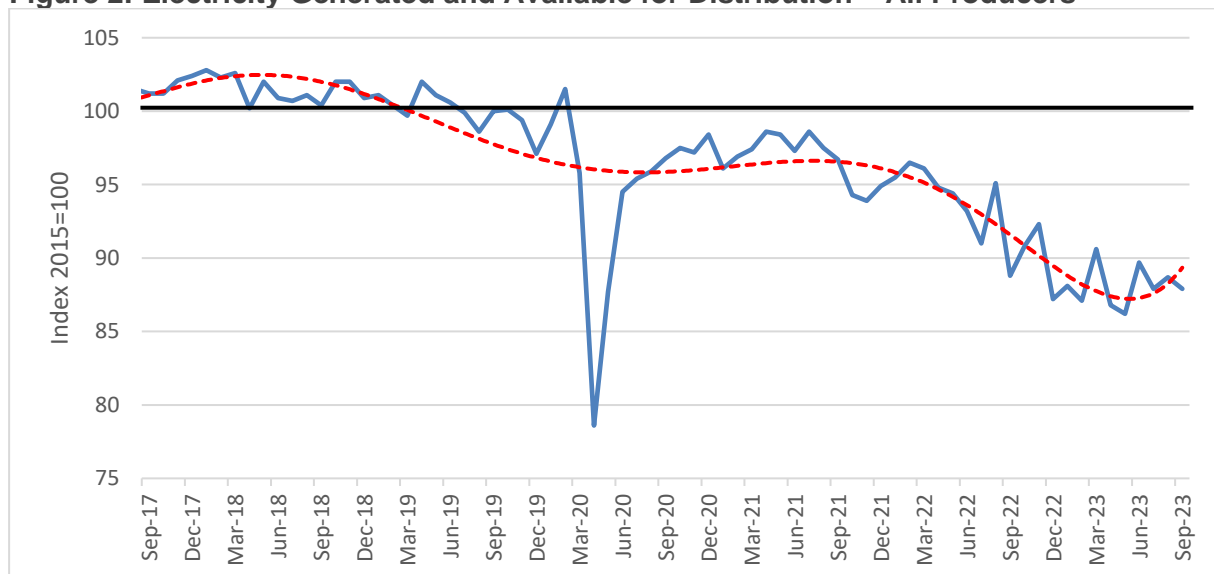


Source: Statistics South Africa, Minerals Council

As of September 2023, year-on-year electricity production has declined for two consecutive years with the **year-to-September electricity production 6.2% lower** compared to the same period in 2022. It is predicted that electricity production will decline by 5.8% in 2023 compared to 2022, based on the improved 12-month change up to September.

The figure below illustrates seasonally adjusted electricity produced and available for distribution by *all producers* in South Africa and shows the continued downward trend. It seems that there is an unwavering downward trend in electricity generation.

**Figure 2: Electricity Generated and Available for Distribution – All Producers**



Source: Statistics South Africa, Minerals Council

## 2 ESKOM ELECTRICITY SUPPLY

When we consider the actual GWh of electricity produced by Eskom we note the following in the table below:

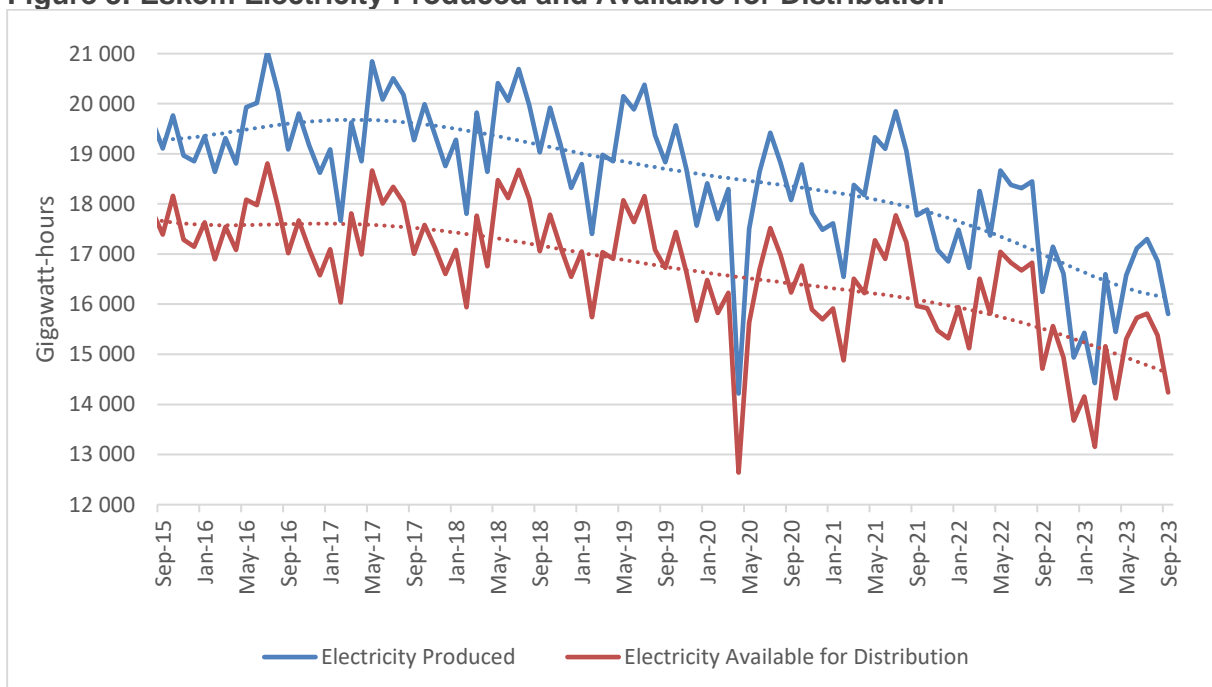
**Table 1: Average Eskom Electricity Production (GWh)**

2019 (Pre-COVID) Monthly Average	2022 Monthly Average	September 2023	2023 year-to-September Monthly Average
19,040 GWh	17,382 GWh	15,804 GWh	16,172 GWh

- Eskom generated 15,804 GWh of electricity in September 2023, bringing the monthly average for 2023 down to 16,172 GWh. This is summarised in the table above.
- This represents a regression in the marginal improvements recorded previously in terms of the GWh of electricity produced by Eskom. At current levels, the average monthly production will still be more than 1,000 GWh less per month compared to 2022.

Figure 3 below further illustrates the physical volume of electricity produced and available for distribution by Eskom – the difference between the two can mainly be attributed to the electricity consumed in power stations and auxiliary systems.

**Figure 3: Eskom Electricity Produced and Available for Distribution**



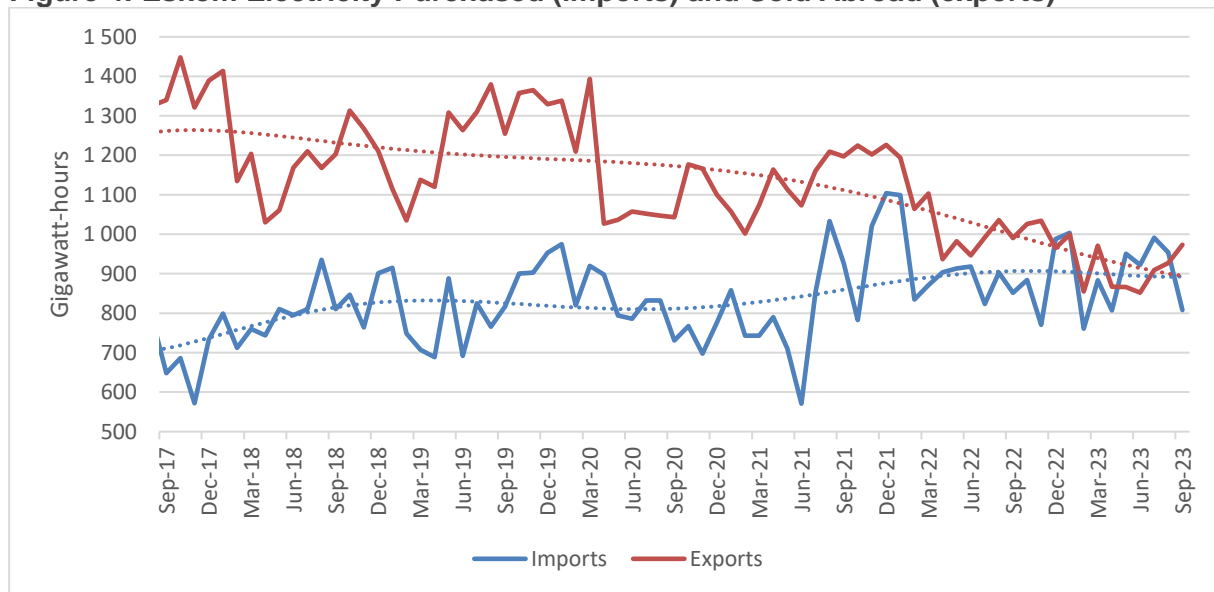
Source: Statistics South Africa, Minerals Council

We note in Figure 3 that the electricity produced by Eskom in September amounted to 15,804 GWh whilst the actual electricity available for distribution by the utility for September 2023 was 14,239 GWh. Eskom has not had more than 16,000 GWh of electricity available for distribution from its generation side since August 2022. However, the data suggest other independent

power producers added around 2,122 GWh to the grid in September which was then distributed to end-users. That brought the total electricity distributed by Eskom from both its supply and third-party supply to 16,361 GWh in September.

Figure 4 below shows that in September 2023, Eskom imported 808 GWh of electricity while exporting 973 GWh, reversing its net-importer status for the first time in 5 months. The figure below plots the convergence of electricity imports and exports, a trend that has continued due to the utility struggling to match supply with electricity demand.

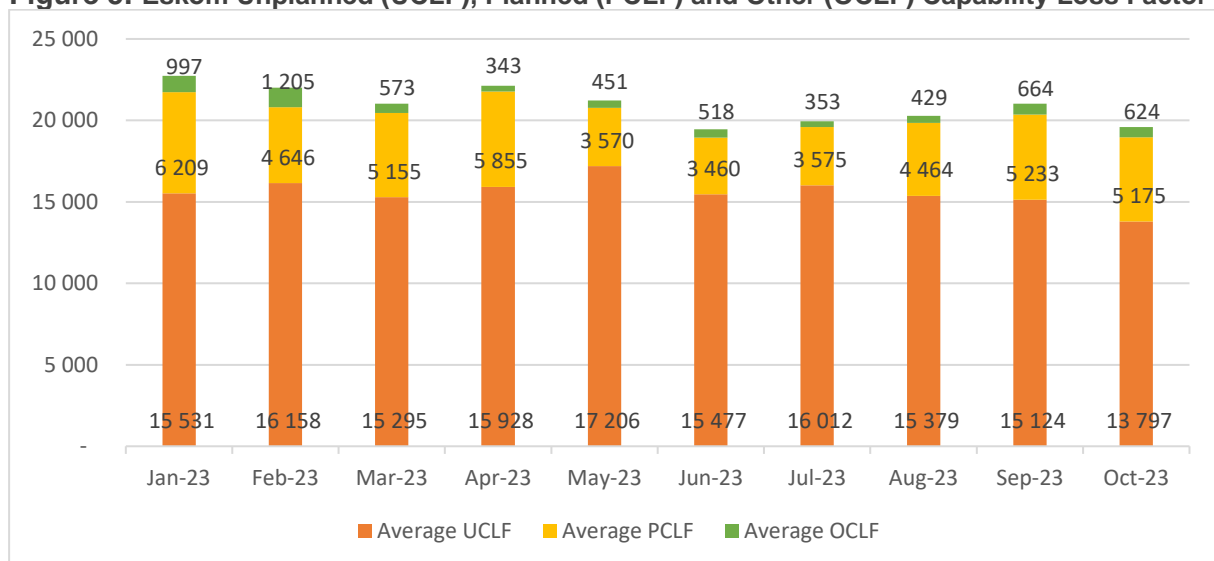
**Figure 4: Eskom Electricity Purchased (imports) and Sold Abroad (exports)**



Source: Statistics South Africa, Minerals Council

In September, more planned and other maintenance has led to increased stages of loadshedding compared to August. See the figure below for the Unplanned, Planned and Other Capability Loss Factor data over time.

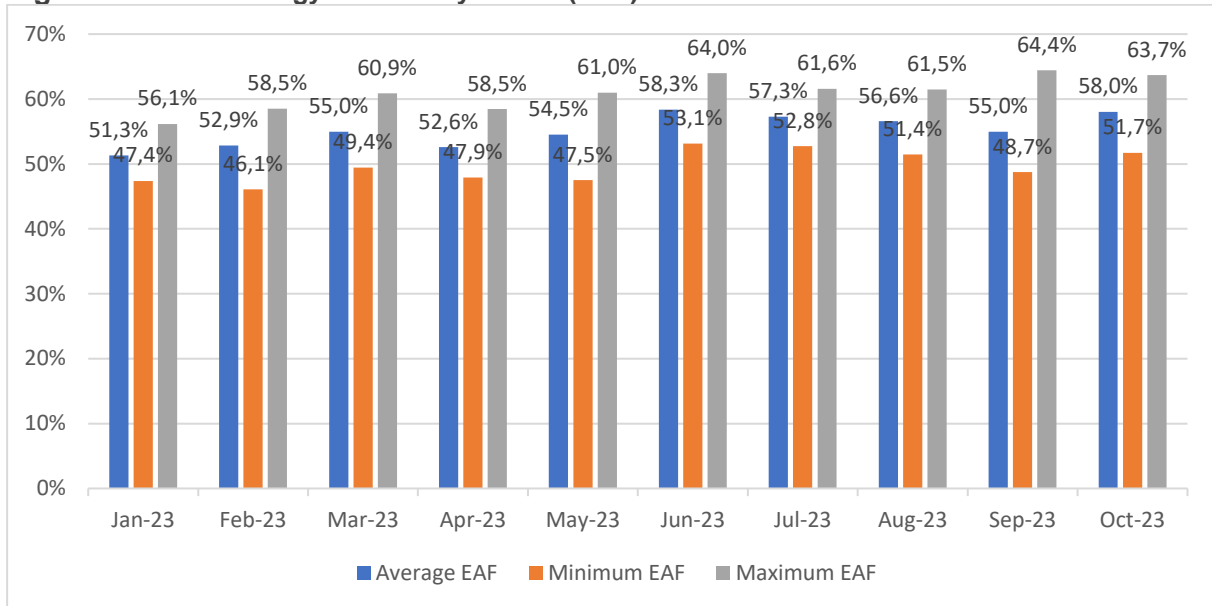
**Figure 5: Eskom Unplanned (UCLF), Planned (PCLF) and Other (OCLF) Capability Loss Factor**



Source: Eskom & Minerals Council

The increase in maintenance among other things, caused the Energy Availability Factor (EAF) for September month to decline to 55.0% compared to 56.6% in August. Data for October for the full month.

**Figure 6: Eskom Energy Availability Factor (EAF)**

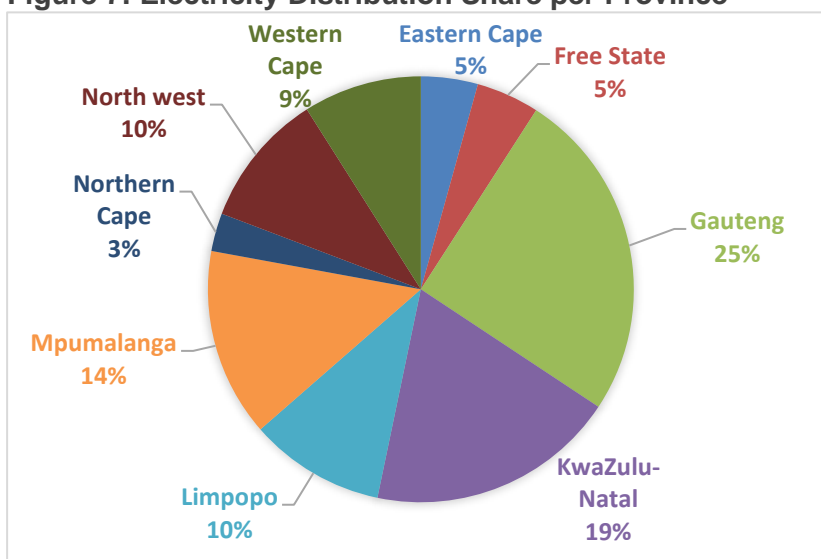


Source: Eskom & Minerals Council

### 3 PROVINCIAL ELECTRICITY SUPPLY

In terms of the actual distribution of the electricity generated, the figure below illustrates which provinces consumed which share of the total electricity generated in South Africa in September 2023.

**Figure 7: Electricity Distribution Share per Province**



**Month-on-month**, provincial electricity distribution **decreased by 7.4%** in September 2023. The **year-on-year** physical volume of electricity delivered to the provinces also **decreased by 1.2%** in September 2023. Overall, the reduction in electricity availability from Eskom continues to put pressure on municipal revenues from the distribution of electricity.

Source: Statistics South Africa, Minerals Council

## CONCLUSION:

Economy-wide, seasonally adjusted electricity production decreased by 1.0% year-on-year in September 2023. This marks the ninth consecutive year-on-year decline in electricity generation since January 2023. Month-on-month seasonally adjusted electricity production was 0.9% lower in September than in August. Electricity production figures have declined for two consecutive years, with the year-to-September 2023 production being 6.2% lower than the same period in 2022. On Sunday, November 5th, the electricity minister, Kgosientsho Ramokgopa, confirmed that Eskom experienced power outages between October 27th and November 3rd, resulting in a loss of 17,300MW. These outages, both unplanned and planned, have set back the gains made by the power company in the previous weeks. Eskom continues to struggle to arrest the deterioration in its electricity supply.

Yours sincerely,



**André Lourens**

**Economist**

Tel: +27 11 498 7100

Cell: +27 73 614 6161

Email: [alourens@mineralscouncil.org.za](mailto:alourens@mineralscouncil.org.za)