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Charged up and overcharged: energy guzzlers hope for relief ahead of Sona

The president's address comes after a sustained suspension of load-shedding but supply constraints have been replaced with crippling price pressure

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Minerals Council SA executive Tebello Chabana. File photo. (, SEBABATSO MOSAMO)

President Cyril Ramaphosa's state of the nation address (Sona) must acknowledge the pressure of electricity prices on miners and commit to finding solutions, says Tebello Chabana, senior executive of public affairs and transformation at Minerals Council South Africa.

Speaking to the Sunday Times on Wednesday morning on the sidelines of the Investing in African Mining Indaba in Cape Town, Chabana said he hopes the president will acknowledge that heavy energy users are facing tough times and commit to finding solutions to ease their energy price pressures.

"On the electricity side, [we need] an appreciation that, though there's a 12% increase [in the electricity tariff], the mines actually experience a 19% increase in electricity. So the mines are being hard-hit by the electricity crisis. But if you look at the smelters, they are in a worse position," he said.

Ramaphosa is expected to deliver his 2026 Sona on Thursday evening at the Cape Town City Hall. The address comes after Eskom suspended load-shedding for a year, though supply constraints have been replaced with crippling price pressure.

Chabana said the sector is having discussions about potential discounts for mining companies, but the president needs to confirm these will be dealt with in the first half of the year.

"They're talking to the smelters, to the ferroalloys guys, to try to get them some decent discounts on the electricity pricing. I believe deals of close to 87 cents per kilowatt hour might happen for some of them, then some of the others will start to get those kinds of rates."

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> — Matthew Parks, Cosatu parliamentary coordinator

He said he also hopes Ramaphosa will stress that the work being done on the mineral and petroleum resources development bill will lead to a final published outcome that "is investor-friendly, promotes inclusive growth and is competitive".

“Generally the industry is not ticking as it should be. If he can place that emphasis on the need to get those things right to get the industry to go, I think that would be great. One of the key ones will obviously be legislation. As you know, we are in the process of amending our framework legislation.”

Minister of mineral and petroleum resources Gwede Mantashe told reporters during a briefing at the Mining Indaba on Monday that the sector has to “meet government halfway” in its efforts to respond to price pressures.

“Electricity prices and ferroalloys … is a contradictory situation in that ferroalloys think that to make money, they depend on electricity. And my argument is that, yes, electricity is a very important factor, but the skills of top-class managers managing ferroalloys are the deciding factor,” he said.

“The minister of electricity has cut the tariff to ferroalloys and heavy minerals by half. It’s not yet at the level where the industry wants it to be, but the industry must meet us halfway by doing something extra and doing more with less. But there is an effort to correct that situation.”

Matthew Parks, parliamentary coordinator for Cosatu, said while the ANC-aligned labour federation welcomes the progress achieved by the GNU in overcoming the crisis of load-shedding, it is critical to reduce the “increasingly unaffordable price of electricity”.

“Fundamental to making electricity affordable is for all consumers to be moved to prepaid electricity billing, as well as decisively dealing with the R100bn municipal debt, corruption and other acts of criminality, wasteful expenditure and enabling Eskom to enter the renewable energy space,” he said.

Parks said Eskom, Sanral and the department of water and sanitation must be brought in to ensure the delivery of essential services and infrastructure, and the capacitation of dysfunctional municipalities.