

MEDIA STATEMENT

NTCSA restores curtailment claims processing to normal operating levels within committed timeframe by introducing streamlined processes

Tuesday, 1 September 2026: The National Transmission Company South Africa (NTCSA) is pleased to confirm that curtailment claims processing returned to normal operating levels on 31 August 2026, following the successful processing of elevated claim volumes submitted during April and May 2026.

The increase in claims reflected growing curtailment activity within South Africa's evolving electricity market and required enhanced processing capacity and workflow management to maintain efficient claims administration.

During July and August, the NTCSA processed just under 3 000 claims. The outstanding workload has now returned to normal operating levels, comprising only current claims moving through the processing cycle.

This milestone follows the introduction of a streamlined claims-handling process at the end of June, supported by additional resources and improved workflow management to accelerate the verification and settlement of claims.

The NTCSA has worked diligently to strengthen its claims-processing capability, while maintaining the governance, contractual and financial controls necessary to ensure that claims are assessed fairly, accurately and in accordance with the applicable contractual obligations.

“The processing of the outstanding curtailment claims within the committed timeframe reflects the decisive action taken by the NTCSA to strengthen its processes and improve turnaround times, while maintaining sound governance. The new workflow is enabling the faster processing and settlement of valid claims. Our stakeholders can be assured that we remain committed to transparent engagement and the efficient administration of these obligations as we support South Africa’s evolving electricity market,” said Monde Bala, Chief Executive Officer of the NTCSA.

The NTCSA will continue to engage regularly with industry stakeholders and provide transparent reporting on curtailment volumes, claims-processing performance and relevant market developments. The company remains committed to the fair and equitable treatment of industry participants, while ensuring the secure and reliable operation of the national power system.

The NTCSA administers approximately R45 billion in payments to Independent Power Producers annually and remains committed to managing these obligations efficiently and responsibly.

The successful return to normal processing levels demonstrates the NTCSA's ability to adapt its operational capability to the growing scale and complexity of South Africa's electricity market, while maintaining appropriate governance and financial controls.

Curtailment in modern power systems

Curtailment is a normal and increasingly common feature of modern power systems as the contribution of variable renewable generation increases. Curtailment happens in a significant majority of power systems that have considerable variable renewable energy with varying commercial terms. It occurs when the System Operator instructs generators to reduce their output temporarily to maintain the safe and reliable operation of the national grid.

Curtailment may be required because of network constraints that limit the transmission of electricity or during periods when total available generation exceeds demand, particularly during low-demand periods such as midday.

Solar and wind generation varies according to weather conditions, and periods of peak renewable output do not always coincide with periods of peak electricity demand. The power system must therefore retain sufficient dispatchable generation and operating reserves to meet demand reliably, particularly during the early-morning and evening peaks when solar generation is limited or unavailable.

Some conventional generating units cannot be rapidly ramped down and restored and must therefore operate above minimum stable levels to remain available when required. Balancing these operational requirements while integrating growing volumes of renewable energy is an important part of maintaining overall system stability.

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