

NERSA PUBLIC PARTICIPATION EVENT

Observations, Questions & Recommendations.

President Hotel

Union Avenue

23 January 2019. Bloemfontein.

OBSERVATIONS

- ◉ SA has a huge pool of excellent business practitioners in the public and corporate sector who are highly skilled in business turnaround strategies
- ◉ Our universities have Renewal Energy departments well versed in world class research and RE development
- ◉ The Department of Energy is in firm control and leads the energy mix process in the country
- ◉ The NDA provides the trajectory to the country in all aspects of its development

OBSERVATIONS

- ◉ SA , with specific reference to the northern cape province has one of the best irradiations world wide
- ◉ Fossil fuels have their concomitant ills and environmental perils all are aware of
- ◉ All are also aware of youth unemployment poverty and social challenges in the nation
- ◉ Of concern is that Eskom aims to pay off some of its debt with the bail-out and the tariff increase
- ◉ Eskom says its sales are on a downward spiral due to the economic meltdown

QUESTIONS

- Is it that SA with its intelligentsia, highly skilled business strategists , professors, engineers and scientists cannot turnaround Eskom
- What have we learnt from countries with 100% Renewal Energy programmes
- German universities and other countries have produced much more significant research and implementable projects in RE than SA. Why are SA universities and specialist environmentalists not reservoirs of RE know-how - fundamentally - are their inputs considered
- Is it possible for the NC and those provinces with substantial irradiation supply to build their own grid with a view to supply other provinces

QUESTIONS

- ◉ If Eskom is still forced to use coal as the primary energy cost why are the coal mining companies not challenged to reduce the cost of mining coal
- ◉ Have we bench-marked with other countries on best practices in RE strategies
- ◉ Are we prepared to prohibit political involvement in the energy arena and how, or are we aiming to be politically correct in whatever we do
- ◉ Can this 15% rise be the last or the bailout be the last to “maintain the going concern status” of Eskom

RECOMMENDATIONS

- ◉ RE has to be prioritised as a matter of urgency with government leading the process
- ◉ The failed project of providing RE geysers to RDP houses to be revisited and reviewed. It was a good project
- ◉ If new cities and towns are planned or current ones revitalised RE must be the only energy envisaged
- ◉ Eskom to reduce costs and find a new business model for its operations or more importantly how it can remodel itself
- ◉ If a bailout is allocated it must be the last
- ◉ All efforts must be made to reduce the costs of Eskom producing electricity without workers being laid off

RECOMMENDATIONS

- ◉ Eskom to be recapitalised by other sources other than government. Skilled staff to be used in other capacities within the concern. Selling off some of their properties will assist Or moving to smaller properties
- ◉ Its not good enough for the company to say the turnaround will take time it should start now
- ◉ Taking a page from the turnaround strategies of Edcon will not hurt Eskom
- ◉ Municipalities and government departments to pay their electricity accounts

◉ **THANKING YOU/KEA LEBOHA**