

Exploring 90 years!



90
1923-2013

**Eskom, at the centre of
South Africa's growth
and development**

For Eskom, 2013 signifies 90 years in the business of generating and supplying electricity to South Africa and the region. It is a significant milestone, placing us one decade away from celebrating our centenary.

The decade ahead, with the demands and challenges that the electricity industry faces, will probably be the most important in Eskom's history. The people of Eskom are the Guardians of what has been built by generations of employees and leaders, from our company's birth in 1923 until today.

We are the Guardians of Eskom's spirit of enterprise and innovation and the continuing commitment to deliver according to expectation, leading and partnering to provide sustainable electricity solutions. We are Guardians of the history and future of Eskom.

Zola Tsotsi
Chairman

Brian Dames
Chief Executive

1923
to
1933

Establishment & Consolidation

Eskom was born on the 1st of March 1923 as the Electricity Supply Commission (ESCOM).

**First Chairman of ESCOM,
Dr Hendrik J van der Bijl.**

"There lies before the Electricity Supply Commission a great task and a great opportunity. It will be our endeavour to play our part not as those who follow where others lead, but as pioneers; to foresee the needs of a country fast developing, and by wise anticipation be ever ready to provide power without profit, wherever it may be required."



ESCOM's first headquarters, Hofman's Building, Johannesburg.



Headquarters moved to Electric House in 1924.

South Africa was ready for rapid development. The gold mining industry was growing fast, producing more than half of the world's gold. South Africa was one of the top ten producers of other valuable minerals and metals. The mining industries were the foundation for South Africa's economic growth and a consolidated electricity industry was required. There was a great demand for electricity to power the production of gold, metals and minerals.



Electricity was first produced in South Africa in the 1880s.

The first small power stations were built in the late 1890s to supply electricity to the gold mines on the Witwatersrand (known today as Gauteng). By 1915 four thermal power stations had been built to meet the growing electricity demands of the mines and the new mining towns.

The railways were also being electrified and additional power stations were planned to meet their demand.

Independent power producers were responsible for the early development of electricity in South Africa but in 1922 the Electricity Act was passed. The South African government said that the provision of electricity should be a public service under its authority. The government established ESCOM the next year.

Telegraph

Kimberley switched on electric street lights in September 1882.



In 1924 ESCOM granted a bicycle allowance of 7 pennies to office assistant A.L. Kolver who was allowed to use this bicycle to travel to and from work. Later in the year the company's first car scheme was introduced with a car allowance of twelve pounds a month.



ESCOM's purpose in the first decade

ESCOM was responsible for establishing and maintaining electricity supply undertakings, on a regional basis, for the whole of South Africa.

Electricity was to be supplied efficiently, cheaply and abundantly to government departments, railways and harbours, local authorities (municipalities) and industry.

Telegraph

There was massive migration from the rural areas to the cities in the 1920s.

On the Witwatersrand and in other centres across the country the manufacturing industry was growing rapidly. Factories were built to supply the mines and towns. Harbours were built to handle the import of manufactured goods and the export of minerals and agricultural produce. Railways were built to serve the industrial centres and mines and to link industry to the ports. All this development required a consolidated electricity industry.

Cities and towns were growing rapidly. The retail and commercial sectors were developing fast too. There was an increasing demand for electricity to serve the urban areas.

The first automatic pop-up toaster was marketed in 1925.



ESCOM's growth in the 1920s

- 1925:** Cape Town, Witbank, Sabie, and Central Natal undertakings were established
- 1926:** Colenso coal-fired power station commissioned
- 1926:** Witbank coal-fired power station commissioned
- 1927:** Sabie River Gorge hydro power station began commercial operation
- 1928:** Congella coal-fired power station commissioned
- 1928:** Salt River coal-fired power station commissioned

1929

ESCOM closed the year with electricity sales of approximately 800 million units.



Telegraph

New York Stock Exchange crashes!
Beginning of the "Great Depression".

Discovery of new gold-fields on the West Rand and a rise in the gold price created increasing demand for electricity. ESCOM continued to grow.

1930

Witbank Power Station's capacity increased to 100MW, making it the largest power station in South Africa, producing the cheapest electricity in the world.

Sabie River Gorge Power Station 1927



Witbank Power Station 1926



Colenso Power Station 1926



Congella Power Station 1928



Salt River Power Station 1928



1933 to 1943

Rising to the challenge



In this decade, South Africa expected ESCOM to supply electricity to contribute to growth.

In order to meet the ever-increasing demand, extensions were added to all existing power stations. Salt River Power Station more than doubled its size when two 20MW sets were added, and new power stations were added to the fleet.

Construction of Klip Power Station began in 1934.



The South African economy went into decline because of the Great Depression but in 1933, after the Gold Standard was abandoned, the price of gold continued to rise sharply which meant renewed and spectacular economic growth until 1939.

The high price of gold meant that the new gold-fields of the West Rand were developed very rapidly. The mining industry contributed to the growth of other industries including the engineering, metal and manufacturing industries. The area of the Witwatersrand, which was to become known later as the Vaal Triangle, was fast becoming the industrial hub of South Africa. The demand for South African steel was so great that Iscor, established in 1928, was considering building a second plant.

This mining and industrial growth created a much greater demand for electricity. In addition, urban development required electricity too, as did the plans to electrify the suburban railways of the Rand and the railway line from Johannesburg to Pretoria. The demand for electricity from ESCOM went up by 50% by 1936/37.

1934

Construction of the new Klip Power Station began in 1934 adjacent to the Klip River and close to the Springfield coal mine to lower the cost of producing electricity. This was the first power station in South Africa to use cooling towers which were specially developed by ESCOM to cut down on the use of water. It came into operation in 1940 and was the biggest power station in the Southern Hemisphere.

Microphone



The Gold Standard which fixed the economies of countries to the price of gold was abandoned in 1932

1938

In 1938 construction began on the Vaal Power Station using the same design for cooling towers pioneered by Klip Power Station.

Microphone



The Second World War began in 1939. The result was a decline in growth and a shortage of supplies

The war years

The outbreak of war in 1939 prevented delivery to the Vaal Power Station of three radial-flow generating sets which had been ordered from Sweden. Although replacement turbines were manufactured in Britain and shipped to South Africa, the completion of the Vaal Power Station had been delayed.

During the war years, the demand for electricity slowed considerably. Fuel and spare parts were scarce and ESCOM had to rise to the challenge to keep the country supplied with electricity. It required co-operation with the municipal power stations and other small generators in the country that were still independent of ESCOM.

1937

The success of ESCOM in the decade from 1933 to 1943 was evident with the construction and opening of ESCOM HOUSE in Johannesburg. Officially opened in 1937, it was the Electricity Supply Commission's new headquarters. At twenty one storeys, it was the tallest building in South Africa.

Microphone



The cooling towers of the Klip Power Station and Vaal Power Station were the tallest structures in South Africa – even taller than ESCOM HOUSE

The main entrance hall of ESCOM HOUSE



Chairman's private dining room



Hall of achievement from the mezzanine showing the upper exhibition bays



The lecture theatre in ESCOM HOUSE was equipped with what was described in the 1937 annual report as, "a modern sound-motion picture projector specially adapted for lecture purposes".



The benefits of electricity in the home were still new to consumers, so ESCOM HOUSE featured a permanent exhibition of approved domestic electrical appliances like stoves, fridges and electric heaters. Trained staff demonstrated the appliances to the public and gave information. These included cooking demonstrations which were also taken to towns and villages across the country.



1943
to
1953

From difficulty to development

This was a decade in which ESCOM responded to increasing demand, despite difficult conditions, and then laid the foundation for major growth in the decade to come.

The impact of the war

During the years of World War II, ending in 1945, the demand for power declined. It increased again in the final stages of the war when industrial growth picked up in South Africa and the new gold mines in the Free State were developed.

At first it was difficult for ESCOM to meet demand. The war had impacted on production and supply worldwide and there was a shortage of generation and distribution equipment. It delayed the building of new power stations and made it difficult to maintain existing power stations and other installations. The shortages continued in the years immediately after the war.

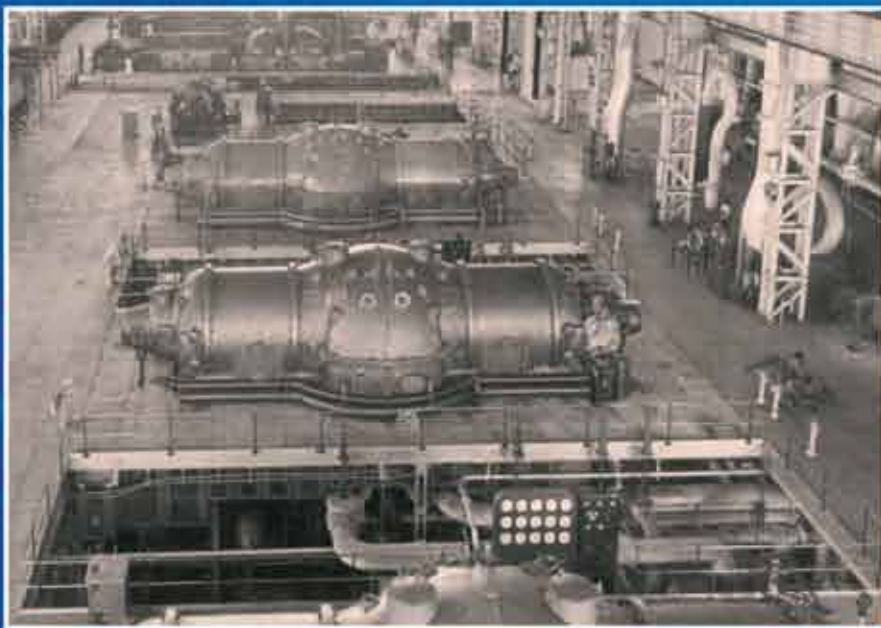
→ 1943



A ship on the way from Europe to South Africa was hit by a torpedo. It sank, carrying with it a turbo-generator set that had been ordered for Congella Power Station.

← 1945

Vaal Power Station was commissioned and began supplying electricity to the new Free State gold mines.



A view of Vaal Power Station's turbines. It was the first ESCOM power station in the Free State.

ESCOM continued to grow and the area that it supplied with electricity increased significantly.



King William's Town Power Station.

- In 1947 ESCOM took over West Bank Power Station in East London and purchased the King William's Town and Alice municipal undertakings.
- In 1947 ESCOM also took over the central power station of De Beers Mines in Kimberley.
- In 1948 ESCOM took over all the assets of VFP, a private company which had been founded in the early 1900s, mainly supplying the mining industry and surrounding areas. It was a large and well-established power system.
- Extensions were made to many of ESCOM's existing power stations.

1948 And the baton was passed

ESCOM's founding Chairman, Dr H J van der Bijl, passed on in December 1948 and the baton of leadership was passed to Mr Albert Jacobs who served as Chairman until his retirement in 1952. He was succeeded by Dr JT Hattingh.



Second Chairman of ESCOM, Mr Albert Jacobs.



Third Chairman of ESCOM, Dr JT Hattingh.



East London's West Bank Power Station. ESCOM increased its capacity to 117MW by the late 1940s.

As the 1950s began, the demand for electricity increased much more. South Africa was at the beginning of a new decade of major industrial and economic growth and ESCOM developed the plans for power stations, infrastructure and funding that would enable it to provide the power that would be needed.



The ESCOM pension fund was established in 1950.

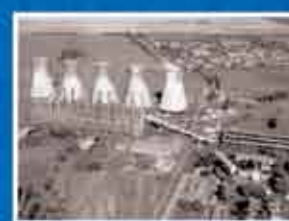
1952

Construction of Hex River Power Station commenced.



1953

Construction of Vierfontein Power Station was started.



Necessity is the mother of invention

During the war, the supply of steel was not sufficient to use for new transmission pylons. ESCOM's response was innovative. Reinforced concrete pylons were designed and built to support high voltage lines.

Welcome to Vanderbijlpark



ISCOR's second giant steel works began operating at the new town, Vanderbijlpark, in 1947. ESCOM's Dr van der Bijl was a key figure in the development of ISCOR and the town was named after him.



1953
to
1963

Becoming the country's powerhouse



This was the decade in which **ESCOM** became the powerhouse for the development of the national economy. South Africa was beginning its biggest period of industrial growth and by 1955 the capacity of **ESCOM's** power stations had more than doubled (compared to 1945) and its growth continued.

It was also the decade in which a new generation of much larger power stations was commissioned. The transmission systems were hugely expanded and the company developed much higher levels of technical and organisational expertise. ESCOM had come of age and played a key and strategic role in South Africa's growth.

Growth spurt for South Africa

South Africa underwent huge industrial growth in the 1950s, particularly in manufacturing. Local textile, pulp and paper industries were established. South Africa also began to refine oil and to produce fertilisers, chemicals and armaments. Sasol began producing oil from coal as well as other related products.

The coastal cities were also growing fast because many new and expanding industries were located there. The automobile industry had come to South Africa. The clothing, footwear and textile industries grew rapidly in the coastal areas, and so did the food and beverages industries. South Africa's food export industry grew, requiring massive new warehouses and cold-storage facilities.

On the Witwatersrand (now Gauteng) and in the Free State the mining industry

continued to grow. On the East Rand (now Ekurhuleni) the metal industries were producing products for the mines, factories and construction industry.

Cities, suburbs and townships grew rapidly as more and more people moved to the cities to take the many jobs that were available. The retail and service industries grew. Transport services and infrastructure were expanded. Railways and harbours grew and new airports were built as air transport also became more affordable.

Providing the power for all the growth, ESCOM built new power stations, sub-stations and transmission and distribution systems. In 1958 ESCOM moved into its new headquarters in Braamfontein, ESCOM Centre.



ESCOM Centre, 1958
ESCOM was powering the growth of South Africa.

1954

Umgeni Power Station was built using the same technology used for Klip and Vaal. Taaibos Power Station (right) was the first of the larger power stations to be built in the 1950s. Construction also began on Wilge in 1954. Wilge and Taaibos were the first to use pulverised fuel since Congella.



1955

Salt River 2 was built on the site of the existing Salt River Power Station.



A new electrical world

The 1950s was a dynamic decade for many countries, including South Africa. It was the decade in which the benefits of electricity became available to many more people than before. Previously, electrical items had only been affordable to the wealthy, but mass production meant lower prices. This made products affordable to the mass market, including the retail and business sectors.

The home, office, factories and shops all used electrical appliances and machinery that had not been available before. The urban and industrial demand for electricity grew at a rate that no one could have imagined just 10 years earlier.



1959

Highveld Power Station was a neighbour to Taaibos and also one of the new generation of larger power stations.



1962

Komati was the first of the very large power stations to be built in Mpumalanga (then called Eastern Transvaal).

1962

The new ESCOM/EVKOM logo was introduced



1963

Ingagane, another large power station in Newcastle, KwaZulu-Natal, was commissioned.



Microphone

ESCOM developed a Central Mechanical Test Department in the 1950s aimed at achieving and maintaining best performance for boilers and turbo-alternators.

1963
to
1973

A giant in the world of power

This was a period in which South Africa's economic growth was among the highest in the world. The country's growth was reflected in the rate at which ESCOM grew too.

Giants rise in the east

The coalfields in the Highveld region of Mpumalanga became the new centre for electricity generation. Here, a new breed of giant power stations was born.

Because of ever-increasing demand, the time had come to build power stations with 100 and 125 MW sets.

Komati had led the way in 1962, to be followed by Camden, Grootvlei, Hendrina and Arnot during the 1963–1973 decade.

These giants in the east were the largest concentration of power ever seen in the country.



Camden: first went into commercial service in 1967.



Grootvlei: first went into commercial service in 1969.



Hendrina: first went into commercial service in 1970.



Arnot: first went into commercial service in 1971.

1963

The period, 1963–1973 began with Dr RL Straszacker as the new Chairman of ESCOM.



FM Radio

In 1969, ESCOM hired its first female engineer when Marie Talitha Potgieter joined the Umgeni Test Department

1966

Rosherville Power Station stopped generating and became a site housing central stores.

Giants striding across the country

Late in the decade, more and more of ESCOM's new high-voltage transmission towers appeared, like giants striding across the landscape. To many people these towers conveyed a sense of excitement and confidence about the country's growth prospects.

Beginning in 1969, ESCOM's countrywide, high-voltage network advanced in stages of up to 450 km at a time.

In 1973, in ESCOM's fiftieth year of existence, the construction of the national grid was completed; a 25 000 km network of power lines. ESCOM had truly become a giant in the world of electricity generation, transmission and distribution.

The first phase was a 400 kV line linking Camden Power Station to the Atlas Substation near Vereeniging

The line was then extended to Perseus Substation in the Free State, 300 km to the south, from where 275 kV lines were built to the Cape Northern Undertaking and to Bloemfontein

The 400 kV line then continued to Hydra Substation near De Aar in the Northern Cape

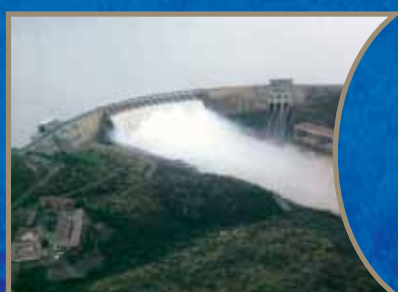
Then the line travelled 250 km across the Karoo to Droërivier Substation near Beaufort West

From Beaufort West, the high-voltage towers marched another 450 km to Muldersvlei Substation near Cape Town and, by August 1970, the route of the 400 kV line from Camden to Cape Town covered a distance of 1500 km



1971

ESCOM's new hydro power station built at the huge Gariep Dam (previously Hendrik Verwoerd) bordering Eastern Cape and Free State, went into commercial service.



FM Radio

In 1971 ESCOM's Medical Aid Society was inaugurated

1972

The Central Generating Undertaking (CGU) was established, effectively pooling the generating system. It was more cost-effective and created the conditions for building large power stations to meet the total needs of the national grid.

FM Radio

Grootvlei pioneered the use of a dry-cooling tower system in 1966

FM Radio

Hendrina Power Station consisted of ten units and had the longest turbine hall of any ESCOM power station

FM Radio

In the 1960s major ESCOM substations like Apollo, Poseidon and Hydra were named after ancient Greek gods

1973
to
1983

Greater power, greater responsibility



In 1973, ESCOM's 50th anniversary year, demand grew by almost 12% and average growth for the rest of the decade, until 1982, was around 9% per year. ESCOM had become a consolidated utility with a huge responsibility to the nation and there were challenges ahead.

- New giant power stations were added to the fleet – Kriel, Matla and Duvha – but there were teething problems which included disintegrating fans, issues with boiler pressure and unacceptable levels of dust emissions.
- Running a nationwide interconnected system also presented new challenges. Previously, system problems were confined to small areas and power could be restored quickly. Now, much larger areas were affected and it took much longer to restore power as well as public confidence.



Kriel, Matla and Duvha had the common feature of six identical units with the tall boiler houses towering over the flat Mpumalanga landscape. They soon became known as "the six-pack power stations".

1976

Construction began on Koeberg, the first and only nuclear power station on the African continent. It was modelled on a French nuclear power station but designed to be much more resistant to earthquakes.



Dramatic oil price increases in 1976 affected the world economy and resulted in slow growth in South Africa

A challenge to growth

The mining industry grew and iron-ore, steel and coal exports expanded. The demand for electricity continued to grow but growth prospects had become one of the challenges ESCOM had to deal with in this decade.

There was world pressure on South Africa because of apartheid, making it less certain that ESCOM would be able to secure loans to build power stations and infrastructure in the decade to come. To address this, ESCOM charged increasingly higher tariffs and placed a portion of the revenue into the Capital Development Fund. This presented another challenge as ESCOM had to justify price increases in the face of negative public reaction.



Rising to the challenges, raising the bar

The challenges that ESCOM experienced led to the introduction of performance measurement systems on the main transmission network and the diversification of ESCOM's power generation capabilities. They also led to innovation, with Duvha's first three units retrofitted with bag filters to significantly reduce particulate emissions.

Peaking and pumped storage power

ESCOM decided that the interconnected system needed emergency generation at strategic points to address the problem of system shut-downs that left entire regions without power.

- In 1976, this resulted in the building of the gas-turbine power stations Acacia (Western Cape) and Port Rex (Eastern Cape). These stations could be operated by remote control from the National Control Centre to provide backup for peaking demand and black-start capability in emergency situations.
- Another addition to ESCOM's generation capabilities was the Drakensburg pumped storage power station. It was part of a project to transfer water over the Drakensberg from the Tugela to the Vaal River. Construction on the project began in 1974 and the power station was completed in 1981. It was constructed 52 storeys underground and was designed to supply 1 000 MW of electricity during peak periods. The construction of Palmiet pumped storage power station began in 1983.



The machine hall at Drakensburg Power Station.

1977

Megawatt Park, ESCOM's new head office was opened.



September 1981: a severe snowstorm in the Highveld region caused peak demand and affected generation. Large industrial consumers and some towns lost electricity supply

1980

Mr Jan H. Smith succeeded Dr Straszacker as ESCOM's Chairman.



December 1982: four bombs exploded in the Koeberg plant, delaying its completion until 1984

1983
to
1993

The new Eskom emerges



New Chairman of ESCOM,
Dr John Maree

A decade defined by change. With the 1985 appointment of new Chairman, Dr John Maree, ESCOM underwent management and organisational changes that made it function more like a modern corporation. They included clear business objectives, a focus on controlling costs and accountability. Performance management was introduced. Most important was a new focus on the customer; and there were many new customers because of electrification in many townships across the country.



In 1985 the new Chairman convened a meeting of ESCOM's top 30 managers at the Carlton Centre, Johannesburg. There, seven priorities were defined. They included the need for a new corporate mission and strategy which were soon completed.

Change is in the air

In 1987 a new brand and new name were established - Eskom. The Chairman and the new Chief Executive led a change in management culture that was inclusive and engaged employees. Training programmes were introduced to provide black employees with opportunities for advancement. Up to 7 000 employees enrolled annually for technical courses at the new Eskom College.

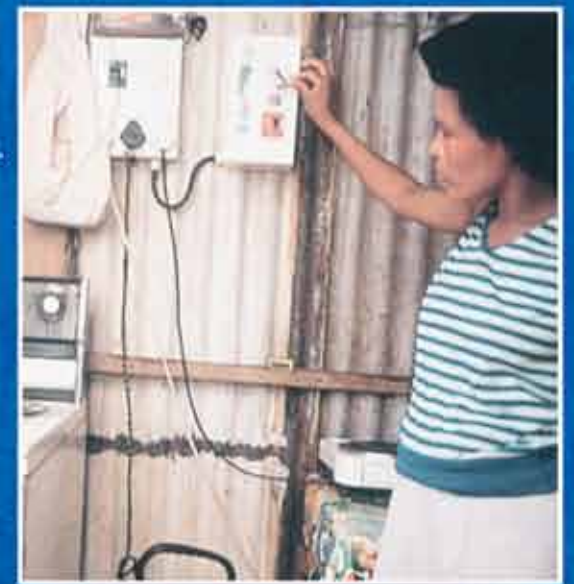


TV News

In 1991 Eskom made 145 000 new connections in townships

Electricity for all

In the late 1980s Eskom began to implement a programme of direct electrification in many townships across the country. New pricing and tariff structures were introduced to make electricity affordable to all customers. Flexible time-of-use tariffs were also introduced, as well as cross-subsidisation to benefit new residential users. In 1990 Eskom, the Electricity Council and Government agreed on a "price compact" that determined increases for the next five years.



Readyboards consisted of two or three plug sockets, a light and an earth-leakage relay. They made it possible to have electricity in homes in informal settlements.

Expansion and contraction

South Africa's economic growth slowed dramatically and so did the demand for electricity. Eskom did not initiate expansion projects in the 1980s, but six-pack power stations were still being commissioned because they had been planned and funded the decade before. Lower demand meant there was an over-supply of electricity, the result was a programme of decommissioning and mothballing power stations which only ended in 1995.

Hamba kahle

These power stations were taken out of service:

- 1985 - Colenso
- 1986 - Klip
- 1988 - Umgeni, Hex River, West Bank 2, three units at Komati, half of the units at Camden and Grootvlei
- 1989 - Vaal
- 1990 - Vierfontein, Salt River, Wilge. All units at Komati, Camden and Grootvlei

Le amogetswe

These power stations first went into commercial service in:

- 1984 - Koeberg
- 1986 - Paratus, in Namibia (gas turbine), Kendal 2 (gas turbine)
- 1985 - Tutuka, Lethabo
- 1987 - Matimba
- 1988 - Kendal, Palmiet (pumped storage)



Koeberg Power Station.

1993
to
2003

Powering transformation



New Chairman for the new millennium
In 1997 a new Chairman was appointed to guide the company into the new millennium - Mr. Reuel Khoza

Regulation of the electricity industry was very important in this first decade of the new, democratic South Africa. Eskom's role in transformation and economic development was defined in its ten-point commitment to achieving the government's reconstruction and development (RDP) objectives.

Eskom's drive to become the lowest-cost producer in the world led to a huge improvement in generation efficiencies. At the Global Energy Awards in New York in December 2001, Eskom received the award for Power Company of the Year.

1994

In September, the National Electricity Regulator was established by Government as part of the Dept. of Minerals and Energy.

1995

The National Electricity Regulator was constituted as an independent body.

In the Eastern Cape, the Distribution hydro power stations, Colley Wobbles, Ncora, First Falls and Second Falls were opened.

This year saw the first publication of Eskom's Environmental Report. It was an important step towards being a company fit for the new millennium.

A fateful decision

Restructuring the electricity industry to serve South Africa's growing economy was an important task for regulators and Government. Eskom estimated that demand would be greater than its generation capacity by 2007 and recommended the implementation of a new build programme.

It was decided that Eskom should not build new power stations but focus on the return to service of Komati, Grooenvlei and Camden. It was a decision that would lead to Eskom's greatest challenge in the decade to come.



Majuba Power Station



Newly connected customers

1996

Majuba, the last of the Mpumalanga "six-pack" power stations went into commercial service with the capacity to contribute 4 110 MW to the national grid.

1997

By October, Eskom and municipalities had made almost 500 000 new connections. This was a high-point in the electrification programme, with over 1 200 homes connected every single day of the year.

Power to communities

Eskom believed that electrification alone would not guarantee economic growth and so it contributed R50 million a year towards electrification of schools and clinics - and also contributed to the development of small enterprises. In 1998 the Eskom Development Foundation was formed to coordinate and carry out Eskom's CSI (Corporate Social Investment) programme.

1999

In November - a year ahead of time - Eskom met its RDP electrification target of 1 750 000 newly-electrified homes, making it a total of 2 135 000 since the beginning of the decade.

2000

Mr Thulani Gcabashe was appointed as Chief Executive, taking over from Mr Allen J Morgan.

2001

At the Global Energy Awards in New York in December 2001, Eskom received the award for Power Company of the Year.

2002

Eskom's current logo was introduced. Eskom developed a Sustainability Strategy.



Above: examples of Eskom's Corporate Social Investment programmes.

TV News



By the end of 1999, 41% of South Africa's rural population had access to electricity. Before 1994 it had been only 12%.

TV News



Eskom played an important part in developing partnerships with utilities from the Southern African Development Community (SADC).

Eskom's own transformation

Eskom committed to transforming the demographic profile of its staff, making it more reflective of the South African population. The 1994 Affirmative Action Policy became one of Eskom's RDP commitments. A target was set for 50% of management, professional and supervisory staff to be black employees by the end of 2003.

- Special attention was paid to training, skills development and the allocation of bursaries.
- There was a focus on gender and the allocation of bursaries to women increased significantly.
- The Adult Basic Education and Training Programme reduced levels of illiteracy from 45% to 10% by the year 2000.
- Another Eskom RDP commitment was to enable its employees to own their own homes or rent suitable accommodation. The Eskom Finance Company was created to grant home loans.

2003
to
2013

Shift performance, grow sustainably

Eskom faced its greatest challenge in this decade to restore its capacity to supply sustainable electricity solutions to South Africa and the region, and to restore its customers' confidence in their national power utility.

Dark days

In 2006 there were disruptions of supply to the Western Cape. Further outages in 2007 and nationwide load shedding between October 2007 and February 2008 caused disruption to all sectors of the economy.

The decision, in 2001, that prohibited Eskom from building new base-load power stations had been overturned by 2006, allowing Eskom to proceed with the new build programme it had already planned; but the delay had created serious consequences.

Why it happened

Power outages and the necessity to implement emergency load shedding were brought about by higher than expected demand, unplanned outages, and a diminishing reserve capacity. The desired 15% reserve margin for generation capacity had shrunk to between 8% and 10%.

Keeping the lights on

The construction of Medupi began in 2007 and Kusile in 2008. The focus on return-to-service brought six units of Camden and one unit of Grootvlei back into operation by March 2008.

In 2010, Eskom decided that a step-change was required to improve performance and keep the lights on. A goal was set to be one of the world's top 5 performing utilities. A programme of organisational transformation to make Eskom a high-performance organisation was begun. Centered on a new operating model, it continues today and includes the focus on Zero Harm as well as the Back to Basics and Operational Excellence programmes.

Eskom committed to another important objective, which is to reduce its carbon footprint and make its energy mix less dependent on coal.



Medupi Power Station under construction.



Kusile Power Station under construction.



Managing demand

Eskom's programme of integrated demand management (IDM) was introduced. It included the distribution of energy-efficient fluorescent lamps, the Power Alert system, the 49M campaign and the Solar Water Heating Programme which contributes to Eskom's renewable energy target.

2004

The National Electricity Regulator was used as a basis to establish a broader authority for the energy industry. Nersa was founded, with a regulatory mandate that extended to the Piped-Gas and Petroleum Pipeline industries.



Chairman
Mr Mohammed Valli Moosa.

2005

Eskom's new Chairman, Mr Mohammed Valli Moosa was appointed.

2006

Nersa introduced the Multi-Year Price Determination process (MYPD) for electricity pricing. The first pricing period (MYPD 1) applied from 1 April to 31 March 2009.

Disruptions of supply to Western Cape were a foretaste of the problems to come.



In 2006, South Africa won the bid to host the 2010 FIFA World Cup

2010

Mr Mpho Makwana was appointed as Chairman. He had been Acting Chairman with executive powers since 2009.

Mr Brian Dames was appointed as Chief Executive.

MYPD 2: electricity prices for a three-year period, beginning April 2010, were determined by Nersa.

Eskom secured loans from the World Bank and African Development Bank.

Two units at Grootvlei were commissioned and three units upgraded at Arnot.

2012

On 3 February, Komati's unit 5 was commissioned. Its unit 6 was commissioned on 5 March. Arnot Power Station's unit 5 capacity upgrade was also commissioned, contributing to a total of 255 MW to the grid.

In March Nersa approved Eskom's request to revise the scheduled April tariff increase of 25.9% to 16%.

On 18 October Eskom submitted its MYPD 3 application to Nersa, proposing a 5-year price determination period, beginning 1 April 2013.



Chairman
Mr Bobby Godsell.



Chairman
Mr Mpho Makwana.



Chairman
Mr Zola Tsotsi.

2008

A national electricity emergency was declared on 24 January. Load shedding continued into February.

In March, six units of Camden and one unit of Grootvlei went back into commercial operation, adding 1 450 MW to the system.

Mr Bobby Godsell became the new Chairman of Eskom in July.

Construction of Kusile Power Station began in August.

2011

March saw the launch of the 49M campaign, calling for partnership with all South Africans to keep the lights on.

In June, Mr Zola Tsotsi was appointed as Eskom's new Chairman.

Eskom's electrification programme connected its 4-millionth customer.

The return to service of Grootvlei Power Station was fully completed.

Camden Power Station's unit 6 was commissioned with higher capacity.

Komati Power Station's unit 4 was commissioned, adding 100 MW to the grid.

Eskom outlined its commitment to reducing carbon emissions and being less dependent on coal at the COP 17 conference.



South Africa successfully hosted the 2010 FIFA World Cup - Eskom keeps the lights on

Our purpose

To provide sustainable electricity solutions to grow the economy and improve the quality of life of people in South Africa and the region.



Keeping the lights on for the World Cup at Soccer City.

2013

Our journey continues



Zola Tsotsi
Chairman



Brian Dames
Chief Executive

Our great opportunity

For ninety years Eskom has been at the centre of South Africa's development and remains so today. Looking back at the words spoken in 1923 by our founding Chairman, Dr HJ van der Bijl, we see that they are as relevant to us now as they were to the company in that first decade of Eskom's story.

He said, "It will be our endeavour to play our part not as those who follow, but as pioneers who foresee the needs of a country that is fast developing."

People before us have stood up to the challenge and delivered; today, we are the Guardians of Eskom's spirit of service, safety, enterprise and innovation; it is our task and great opportunity to do the same.

Brian Dames

Our story continues

These decades tell a story of serving South Africa. It is a history to be proud of and a heritage to be cherished. Looking ahead, what great things do I see?

I see the engine room of South Africa – Eskom – powering South Africa and our region towards economic and social prosperity, and I see Eskom's Guardians standing firmly together to achieve this.

Our 90th year commemoration is the beginning of a great step-change in the transformation of Eskom; a transformation that will enable us to shift performance and grow sustainably.

Let us be the Guardians who write the new pages of Eskom's continuing story.

Zola Tsotsi

Zero Harm
Sustainable
Growth