

**Address**  
**Eskom Interim Executive Chairman and Acting Group**  
**Chief Executive, Mr Jabu Mabuza**  
**Media Briefing: Electricity supply challenges and**  
**Eskom's recovery plans**  
**O.R. Tambo International Airport**  
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Members of the Media

Fellow South Africans

Good evening

You have to trust me when I say, tonight's media briefing is not one I wished for. As I near the end of my tenure as the caretaker, I would have wished to be talking to you and South Africans at home under very different circumstances.

The decision to implement loadshedding is one we did not take lightly, and in effect our objective is to avoid loadshedding; and if absolutely necessary, to do so at as minimal levels as possible.

That said, I want to take this time to unreservedly apologise to South Africans for the negative impact that our decision to

implement loadshedding has had on them. I also sincerely apologise for the minimal warning we gave you about the challenging situation we found ourselves in this week. Trust me, we were as disappointed as you when we find ourselves with no choice but to loadshed irrespective of our efforts to avoid doing so.

If you could indulge me and allow me to contextualise the situation....

As you may recall that Eskom started implementing loadshedding late last year, where we put together the Generation Recovery Programme (or 9-Point Plan).

This plan in conjunction with the Winter Plan, enabled us to go through winter without implementing loadshedding.

In the beginning of September, we shared our Summer Plan wherein we stated that we do not foresee the need to loadshed over the summer period provided that we can contain unplanned outages below 9 500MW. We further warned that in the event that generator breakdowns are experienced beyond 10 500MW, this will mean excessive

utilisation of our water and emergency diesel reserves, which could lead to loadshedding if sustained for a long duration.

We also advised that the summer period is different from winter in that the profile of demand is such that it peaks in the morning and remains relatively flat during the course of the day and peaks again in the evening. Although the demand is flat during the day, it is relatively higher compared to winter. Summer remains a challenging period with its own other peculiarities, one of them being that during summer we experience “vacuum load losses” occasioned by ambient air temperatures and wind direction that have a negative impact on the efficiency at some of our coal-fired plants, such as Matimba. Eskom also prioritises maintenance of critical plant components over this period.

These are all the issues we raised that could pose risks to the system and threaten the security of supply.

Unfortunately, this is what has materialised in the last few days. Against high levels of consumption, we experienced high levels of unplanned breakdowns that exceeded the

10 500MW limit and resulted in the excessive utilisation of our water and diesel emergency reserves.

In particular as at the weekend, six power station units were shut down due to boiler tube leaks contributing towards unplanned outages increasing to above 12 000MW – putting the electricity system under severe pressure.

The situation was exacerbated by the failure of the conveyor belt supplying Medupi Power Station with coal on Saturday 12 October resulting in low volumes of coal being supplied to the power station thus limiting the generating capability and resulting in the station incurring over 1 200MW load losses.

In an effort to meet demand while in parallel we put in place urgent measures to increase capacity from coal-fired generation, the pumped storage and open-cycle gas turbine (OCGTs) generators have been used extensively since Saturday, 12 October.

This in turn subsequently led to a decline in the diesel tank levels and dam levels at the Palmiet Pumped Storage and Ingula Pumped Storage Schemes.

While some units returned to service on Monday, we had other units trip and found ourselves with a severely constrained power system without enough emergency reserves to carry us through and by the time we were planning for Tuesday morning peak, it became clear that we were not going to make it without compromising the system. Thus, the decision to implement loadshedding was made as our last resort.

I would like to emphasise that the decision to loadshed at Stage 2 is one that we did not take lightly but one that we needed to take in order to balance supply and demand and protect the system from a total collapse.

It was also our view that had we carried on using our emergency reserves, we would only be postponing the inevitable and found ourselves worse off, potentially having to loadshed at levels that may well paralyse the economy more so than if we had started earlier.

Ladies and gentlemen, we understand the inconvenience that comes with loadshedding, its impact on the economy and society at large and I want to assure our customers and South

Africans that our objective is not to implement loadshedding. If we have to as a measure of last resort in order to protect the integrity of the system, we aim to do so at minimal levels, in the shortest duration possible and to recover as quickly as possible. We aim to also provide as much predictability as possible to allow our customers to plan accordingly.

If we have not explained this properly before, today I want to make sure that South Africans understand our objective. I also want to make sure that we all understand that we do try our best but protocol and regulations provide that at a point the system operator has a duty to protect the system and it becomes his prerogative to make the call to loadshed.

The decision to loadshed including the stage and duration is based on a prognosis that takes into account the state of the system and generation capacity at a point in time. The system is dynamic with partial losses that can be fixed quickly as opposed to unplanned losses that take time. This means that at any given point, our reserves continue to change which makes it challenging to provide the perfect case of predictability.

I hope that this has given enough context about where we are and how we got here....

What is it that we are doing or have been doing?

We have activated our Emergency Command Centre and the system recovery is in progress. Contingency measures were put in place to manually feed coal to Medupi while we endeavour to fix the conveyor belt. We have made considerable progress in that we now expect this to be done by the middle of next week. In the intervening period we have optimised the delivery of coal to the station.

We have also started receiving additional diesel supplies from the major oil service providers and as such we are comfortable that we can build the necessary diesel and water reserves to acceptable levels by the weekend.

I must point out that the amount of diesel we need in order to sustain supply in the interim is not a quantum that can be delivered in a short space of time. On this note, I must express gratitude to the fuel companies who have come on board to assist us with our diesel requirements in this period.

Ladies and gentlemen, as we continue with the recovery of the electricity system, it should be noted that this exercise is not a straight and upward trajectory; there will be some dips and slips, however we remain resolute in our efforts to improve and ensure reliability of power supply.

This recovery must also be taken in context...

While we have an overall capacity of approximately 47 000MW, when we take into account both planned and unplanned outages, Eskom effectively has about 32 000MW of available capacity against demand of 30 000MW (including operating reserves). This does not give us much room to perform maintenance.

We are working with a system that is old and unreliable, therefore the risk of further breakdowns is always imminent. This also means we at times delay planned maintenance.

In the long-term this adds to our problems of capacity constraints as we do not get the time and space to fix these machines.



The reality is that a long-term, sustainable solution can only happen through expedited maintenance and/or additional new capacity which both require funds to be expended.

We all know our other conundrum is that we are experiencing extreme financial constraints that make this difficult if not impossible. We need to balance the optimisation of capex and other costs against the need to do maintenance in order to ensure security of supply.

All this means our recovery efforts are short-term focussed at this stage.

I believe that the anticipated Integrated Resource Plan (IRP) will provide for long-term solutions to the country's energy needs through an energy mix that incorporates other sources of generation to boost capacity.

Ladies and gentlemen, for now mine is to assure you of our commitment to powering the country. The system remains constrained and vulnerable, however some generating units have already returned to service and we are expecting more units to return to service over the next few days, which will lessen the probability of loadshedding towards the weekend.

Based on what we know as at 5pm this evening, here is our prognosis:

1. We will implement stage 1 loadshedding tomorrow from 9am until 11pm.
2. Thereafter we anticipate no further loadshedding.
3. This will allow our pumped storage dam levels to be recovered over the weekend.
4. This plan requires some diesel generation (c. 1 000MW) to be used for short durations over the morning and evening peaks.

We will keep South Africans informed about the status of the electricity supply and our recovery efforts throughout this period. Once again, on behalf of Eskom, I sincerely apologise to our customers and South Africans, particularly to our matriculants and businesses, for the inconvenience.

Before I take questions, I want to wholeheartedly thank the Eskom team for all their hard work over the last few days. You have really pulled together as a team and that shows in some of the quick wins, we have been able to achieve.

I thank you.