

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY

FRIDAY, 23 SEPTEMBER 2022

DUE DATE: 7 OCTOBER 2022

3351. The Leader of the Opposition (DA) to ask the President of the Republic:

In view of the fact that South African households and businesses have already suffered more power blackouts in just the first seven months of 2022 than in any other year previously, and noting that the Government is controlling the Republic's extremely vulnerable electricity supply system with an iron fist, which is deterring investment in the economy of the Republic and thereby hampering job creation, (a) what action has the Government taken against the Eskom workers whose illegal strike cost the country billions of Rands in July 2022, (b) contingency plan does the Government have for Stage 8 loadshedding and (c) action is the Government taking to get the implementation of the electricity crisis plan back on track after it has stalled?

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REPLY

During the recent strike action, 2,186 Eskom employees were reported to have participated in the unprotected strike action. Eskom has served all identified employees with a notification to institute disciplinary action, and the cases are at different stages of the disciplinary process.

The System Operator determines the stage of load shedding required at any particular point in time in consultation with Generation. Stage 6 has been the highest level of load shedding to date and load shedding equates to approximately 5% of the load in a particular area per stage. The industry document that guides how load shedding is carried out is the NRS048 standard and it currently goes up to Stage 8

load shedding. Load shedding is executed in a controlled manner to ensure system stability across the country.

Since the announcement on 25 July 2022 of additional measures to tackle load shedding, the National Energy Crisis Committee (NECOM) has been established to oversee measures to improve the performance of Eskom's existing fleet of power stations; accelerate the procurement of new generation capacity; increase private investment in electricity generation; enable businesses and households to invest in rooftop solar; and fundamentally transform the electricity sector to position it for future sustainability. Significant progress has been made in several key areas, including the following:

- The Department of Mineral Resources and Energy (DMRE) has published an amendment to Schedule 2 of the Electricity Regulation Act for public comment in line with the announcement made by the President to remove the licencing threshold for embedded generation projects. The schedule was previously amended to raise the licensing threshold to 100 MW, a reform which has already unlocked significant private investment.

The new amendment will remove the licensing requirement for generation projects of any size and allow investment in larger, utility-scale projects to rapidly add new generation capacity to the grid.

- Various actions have been implemented to streamline regulatory processes for energy projects with more activities under review. The Department of Forestry, Fisheries and the Environment (DFFE) has waived the need to obtain an environmental authorisation for transmission infrastructure in areas of low and medium environmental sensitivity and in strategic transmission corridors. Average timeframes have been reduced for various regulatory processes, including grid connection, NERSA registration, water use licensing, environmental impact assessment and land use authorisation.

- Eskom is taking steps to address challenges at power station level, including by deploying former power station managers and skilled experts to improve operational performance and reduce partial load losses.
- A new Ministerial determination has been sent to NERSA for concurrence for over 18,000 MW of new generation capacity from wind, solar and battery storage.
- A revised RFP has been published for Bid Window 6 to increase the amount of generation capacity procured from 2,600 MW to 5,200 MW.
- An additional 200 MW has been procured through the Southern African Power Pool as of September 2022, with work underway to increase imports from the region.
- A standard offer approach has been developed for Eskom to procure up to 1,000 MW of additional capacity from existing generators, contingent on market response.
- Work is underway within Eskom to develop a mechanism to procure surplus energy from customers to increase uptake of rooftop solar installations.
- The Electricity Regulation Amendment Bill, which provides for the establishment of an independent transmission company and the emergence of a competitive electricity market, is being finalised for tabling in Parliament.
- The Integrated Resource Plan 2019 is being reviewed, with a completion target of March 2023, to update assumptions regarding energy availability and technological changes.

These and other measures currently underway will make a significant difference in reducing the risk of load shedding and achieving long-term energy security.