

the Integrator

a newsletter for System Operations and Planning employees



MANAGER'S AWARDS

- All the winners

One on One with
NC Manager

Overview of System Operator (HPD)

**SO&P
Women's Day**

**2010 SO&P
staff fever**

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Kannan Lakmeharan
DE

DE's Corner

Dear Colleagues,

As we enter the spring season, it is time for a “renewal” not just of the season but of Eskom’s strategic direction.

The last three months have been some of the most successful in recent years; Eskom met its date with destiny and ensured that the 2010 FIFA World Cup was powered up, Eskom’s finances were stabilised and promises met on breaking even in the 2009/10 financial year and agreements reached to change the terms of the negotiated pricing agreement with the Mozal Aluminium Smelter to ensure that embedded derivatives were removed and a more cost reflective tariff is achieved. These are more steps on our Path to Recovery that was started in 2008 with the Recovery programme.

We have also seen a stabilisation of the leadership team with the permanent appointments of our Chairman, Mr. Mpho Makwana and Chief Executive, Mr. Brian Dames. This followed the appointments of the Financial Director and Divisional Executives of Human Resources, Primary Energy and Corporate Affairs Divisions.

The next 3 months are going to see intense activities on 2 fronts; the first is a complete strategic review of Eskom in time for the October 2010 Board Breakaway and the second is an intense operational focus to improve effectiveness and efficiency and keep the lights on.

The Chief Executive, Executive Committee and Management Committee have agreed to focus on the following strategic initiatives in the next few months to support the strategic review;

1. Keeping the Lights On
2. Licence to Operate
3. Customer Centric
4. Operational Excellence
5. Climate Change
6. SADC Strategy
7. Talent Development
8. Resource Access
9. Regaining Confidence
10. Sustainable Funding

Within the Customer Network Business we have been focusing on the following initiatives which we believe will support the strategic review, meet our strategic objectives, improve integration across the Divisions and ensure we meet our effectiveness and efficiency targets.

1. Skills requirements and development
2. Asset Management
3. Integrated customer strategy
4. Financial Planning Integration
5. Regulatory and stakeholder management
6. Resilience Management
7. Integration of energy and Power delivery planning into the Eskom strategic planning
8. Stimulating the South Africa market for energy provision
9. No load shedding resolve
10. Demand management
11. 2010 oversight
12. Step changes in Safety and Security
13. Negotiated pricing agreements strategy

The Divisional priorities have then been established and re-confirmed based on a thorough review of our risks, the risk treatment plans that are needed and aligned to the Eskom and CNB strategic initiatives. They are as follows:

- Keep the lights on! 2010 World Cup must be fault free and take actions to ensure the resolve of no load shedding to 2012 is met. (Robbie van Heerden)
- Ensure that our planning processes provide a coherent and clear decision framework for implementation to meet reliability standards and strategic priorities. (Callie Fabricius and Segomoco Scheppers)
- Enhancement and integration of asset creation processes in Eskom to ensure timely implementation and improve cost certainty. (Greg Tosen and Segomoco Scheppers)

- Building the organisation's resilience by being able to anticipate, contain, respond and recover. Support the national drive to do this as well. (Greg Tosen)
- Reframing of the Energy Efficiency drive to create a positive message of sustainability, affordability and enhancing security of supply. (Corrie Visagie)
- Creating an enabling environment in order to introduce new players and technologies into the Electricity market. (Callie Fabricius and Segomoco Scheppers)
- Developing leadership competencies and continue on the path of sustainable skills development to meet the needs of the Customer Network Business. (Robbie van Heerden and Greg Tosen)
- Ensure that the division's financial sustainability requirements are understood and integrated into the wider Eskom and country discussions. (Greg Tosen)
- Ensuring that South Africa is powered up to keep the economy going, create jobs and ensure our customers can sell their products at the right price and quality in the global market.
- Building an adequate transmission grid to ensure we can deliver power to every part of our country. We have to increase our grid by 50% in the next 10 years.
- Ensuring that we develop a plan to introduce between 40 and 50GW of capacity in the next 20 years that ensure adequacy of supply is affordable and sustainable.
- Ensuring that all these assets meet the appropriate technical requirements prior to connecting to the grid so we can operate them.
- Providing the organisation with an overview of the integrated power system risks and developing the skills to respond and recover to major incidents.

We have just had our E-band forum in mid August, where the details of all the initiatives and plans were shared and expectations on performance and people development were discussed. I hope that you will all receive that feedback in your various departmental feedback sessions.

As I mentioned at recent staff meetings, what we need to do in these times when we finish a day's work is to reflect on where we have added value by assessing one's contribution to the following areas:

We have had a good few months and a good year; let's use it to re-energise ourselves and focus on building further momentum on the road to recovery.

Thank you once again for your support and hard work. It is appreciated.

Best regards
Kannan



EDITOR'S NOTE

Masentle Tekane
Editor

With the 2010 World Cup Soccer behind us, it is time to get back to the grind and take care of all those things that were neglected during this never to be forgotten tournament. At home and work everything is back to normal.

Our president, Jacob Zuma emphasised that although the World Cup is over everyone in South Africa must continue to embrace the spirit of togetherness and patriotism. We must continue to be friendly, hospitable and great ambassadors of our country South Africa.

Here at Eskom especially SO&P, we must also keep to our promise of working together in making sure that we keep

the lights on and maintain the standard we set during the 2010 World Cup Soccer.

SO&P employees worked hard to make the 2010 World Cup Soccer a success and many were recognised by our Divisional Executive – Kannan Lakmeharan during this year's SO&P Manager's Awards. To all the individuals that were honoured we say continue with great work.

This edition is packed with interesting stories; we also look back on some 2010 World Cup moments and this year's prestigious Manager's Awards. This is as much as I can tell you - for more stories, read on.

Remember to forward me all your interesting business and personal stories so that they can be published in this newsletter. This newsletter is yours – own it.

Till next time
Masentle



Q and A with National Control Manager

By: Charmaine Masehela

I recently had a chat with the second woman to be appointed to manage the heartbeat of Eskom, Mrs Al'Louise Al'Bonita van Deventer with the aim of uncovering her secrets that drive her to perform under such a strenuous role. I am sure many of you have a dire need to know a bit more about her and we have honoured that wish.

With a Bachelor in Electrical Engineering her role is well defined with an aim to keeping the lights on for the country, this is what she had to say.....

Married?

Yes

Husband's Name?

Riaan

Children & Ages?

Not yet

Education?

B Eng Electrical Engineering

What does NCC Manager do for SO&P?

As a team we ensure the lights stay on, my role is to manage/coordinate all the events related to this output

What role do you play in building the SO&P image?

To ensure we maintain security of supply

What challenges are you experiencing?

Technical challenges, people related challenges

What are your future goals as far as NCC is concerned?

To ensure we keep the lights on in an effective way always improving on current performance

What have been your career highlights?

My appointment as the National Control Manager

What are your feelings on your appointment as the second woman to manage the heartbeat of Eskom (NCC)?

It's a great privilege and honour for me to be trusted with this huge responsibility

What drives you towards success?

My commitment to the Eskom vision

Your grand Strengths?

Enjoy working with people, Very honest, Driven to get the job done

Your grand weakness?

Considerate towards people

What you loath for sure with a passion?

Email wars/fights

Your five favourite things?

- Time with family/friends
- Gym
- Healthy food
- Church
- Beach walks

Who are you on weekends?

Sporty, relaxed, having fun

Customer Network Business (CNB)

Chief Officer's message

Dear Colleagues

This year has progressed quite nicely, and I am amazed that we are already in the middle of 2010 and have commenced the new financial year. The cold weather is with us, and great effort has gone into planning to meet the anticipated winter peak demand. Last year, we were cushioned by the downturn in the economy. This situation has since normalised, and we are seeing an increase in energy demand levels when compared to the same time last year.

In this issue, I will be focusing on the following topics:

- Senior appointments in the business
- Business performance for the 2009/10 financial year
- Customer Network Business core strategy
- Funding update
- Customer interface

Senior appointments

I would like to take this opportunity of congratulating Mr (PM) Mpho Makwana on his appointment as Chairman, Mr (BA) Brian Dames on his appointment as Chief Executive, and Mr Chose (CAK) Choeu on his appointment as Managing Director: Corporate Affairs.

Appointment of the Chairman

Mr (PM) Mpho Makwana has been appointed by the Minister of Public Enterprises as the Chairman of the Eskom Board with effect from 15 June 2010. Mr Makwana has been acting in the role of Chairman from November 2009, has demonstrated exemplary leadership during this period, and has an extensive knowledge of Eskom and its operations.

He holds a BA Admin (Hons) from the University of Pretoria and the University of Zululand. He attended an executive development programme at the Kellogg School of Management at Northwestern University in Chicago, has a postgraduate diploma in retailing management from Stirling University in Scotland, and is currently completing an MBA through Stirling University.

He has been a Non-executive Director of the Board of Directors since July 2002. He has served on the Board's Audit Committee and its Human Resources and Remuneration Committee. His areas of speciality include corporate strategy and strategic change management, corporate governance, human resources management, labour relations, scenario planning, and brand management.

His previous experience includes being Chief Executive of

Saatchi & Saatchi in South Africa, and he has served on the South African Boards of the Monitor Group, Ogilvy & Mather, Arabella Sheraton Hotels, Tourvest, and the International Marketing Council. Prior to becoming Interim Chairman at Eskom, he was Group Executive for Corporate Affairs at Edcon, one of South Africa's major retailing groups.

He is a member of the Institute of Directors, a fellow of the Institute of People Management, an ambassador of the FutureWorld Network, and a member of the Black Management Forum. He has been a member of the Council of the University of Limpopo and has served on the Advisory Committee for the Premier of Limpopo Province.

Appointment of the Chief Executive

The Board of Eskom Holdings Limited has approved the appointment of Mr (BA) Brian Dames as the Chief Executive of Eskom with effect from 1 July 2010. Mr Dames was previously Eskom's Chief Officer, Generation Business. He has extensive experience in the electricity business and holds a BSc (Hons), an MBA, and a Graduate Diploma in Utility Management.

The career of Mr Dames in Eskom spans some 21 years. He joined Eskom in 1987 as a physicist at Koeberg Nuclear Power Station. He became a senior analyst in

1991 and was appointed as Manager Process Computing for Koeberg Nuclear Power Station. In 1995, Mr Dames was appointed to the position of Generation Information Manager. In 1997, he became the Engineering Manager at Matimba Power Station. He was appointed as Power Station Manager at Duvha Power Station in 1999.

In 2003, he was appointed as General Manager (Nuclear), in which capacity he was in charge of the Nuclear Cluster within the Generation Division of Eskom. He became Managing Director for the Enterprises Division and Chief Executive Officer of Eskom Enterprises in 2004. In March 2008, Brian was appointed to the position of Chief Officer Generation responsible for Generation Division, Generation Primary Energy Division, Nuclear, Engineering, and Enterprises Division.

Mr Dames serves as Director of Eskom Enterprises (Pty) Ltd, Rotek Industries (Pty) Ltd, and Roshcon (Pty) Ltd. In



Erica Johnson
Chief Officer (Customer Network Business)

addition, he is a member of the Eskom Board Investment and Finance Committee, Executive Committee (EXCO), EXCO Investment Sub-committee, and EXCO Sustainability Sub-committee.

Appointment of the Managing Director: Corporate Affairs

Mr Chose (CAK) Choeu has been appointed as Managing Director: Corporate Affairs with effect from 1 June 2010. The Corporate Affairs post will incorporate the current Group Communications Department, which includes stakeholder management, media and messaging, internal communications, and branding.

Mr Choeu was previously Director (Legal and Corporate Affairs) at Microsoft SA (Pty) Ltd. He joined Microsoft in 2003 from Telkom SA Ltd, where he spent a total of five years as Executive of Regulatory and Government Affairs. Prior to joining Telkom, he spent four years in senior positions with the Parliament of the Republic of South Africa. Before then, he had a teaching career at several schools and, ultimately, as Principal at RT Mokgopa High School (Thaba Nchu) from 1990 to 1994. Mr Choeu is the President of the South African Chamber of Commerce and Industry and President of the Information Technology Association of South Africa. He is also the current Chairperson of the Audit Committee of the South African Parliament.

Please join me in wishing Mr Makwana, Mr Dames, and Mr Choeu all the best. I trust that you will give them your valued support on an ongoing basis.

Business performance for 2009/10 financial year

The Customer Network Business is a vast portfolio, and it is sometimes important to remind ourselves of the large footprint our network and customers cover in South Africa. CNB's 19 300 employees ensure that 390 338 km of power lines, 3 500 substations, and 344 369 transformers deliver electricity optimally to our approximately 4.5 million direct customers. We need to continuously ensure that we are effectively resourced to manage the dynamic power system.

For the financial year 2009/2010, we have done well in some areas, while other areas require added focus to improve performance. For the 2009/2010 business performance, I will be covering the following issues:

- Technical system performance
- System security
- System adequacy
- Energy efficiency
- Integrated demand management project
- 2010 FIFA World Cup™ readiness
- Stakeholder collaboration
- Energy loss management
- Renegotiating long-term price agreements
- Customer service levels
- Security of our staff

Technical system performance

International performance benchmarks indicate that Transmission and System Operations and Planning are within top quartile performance, but Distribution system performance requires improvement. In this regard, urgent attention is being given to reducing the number and duration of customer interruptions, particularly in rural areas where huge distances covered by technical staff to repair faults lead to long restoration times.

System security

The country's electricity system is under pressure. We have a low reserve margin, and as long as this situation prevails, we will always be at risk of supply interruptions. However, the power system has performed well over the past year, and there has not been an incident of load-shedding. Indeed, more than two years have passed since the devastating load-shedding incidents of 2008. We are committed to ensuring that the national electricity supply situation remains stable and that the electricity necessary for the country's growth and advancement is provided. The reduced electricity demand levels in 2009, mainly due to the economic downturn, have since been returning to normal activity levels. In fact, the demand for electricity is averaging about 9% higher in March 2010 than it was in March 2009 and is in line with 2007 levels.

The tight system conditions are expected to continue during the remaining maintenance months, but will improve as all power stations come back into operation during the winter season. Thereafter, the system will be extremely tight, as the power station maintenance season starts again.

The system challenge we face until the new capacity comes into commission will be that of meeting the demand while creating maximum opportunities to undertake generation plant maintenance. This will require a tight trade-off in terms of controlling costs with respect to usage of the expensive open-cycle gas turbine (OCGT) stations. The indications are that more OCGT usage will be required over the forthcoming years.

System adequacy

Ensuring that the system adequately meets the future electricity needs of the country for economic growth and prosperity has shifted from only increasing supply-side resources to including intensive demand management in the process. Ensuring delivery on increasing supply-side resources and managing demand requires an integrated approach to planning with focused interventions.

Energy efficiency

Energy efficiency and conservation are essential. In all our stakeholder interactions, we are stressing the importance of saving electricity wherever possible. This will assist with the constraints on the power system and help our customers run their businesses and homes more efficiently and at a lower cost. We will play our role in assisting South Africa to migrate to an energy-conserving culture. In the short to medium term, energy efficiency and conservation are essential for power system stability. This conservation drive presents a good opportunity for long-term climate change support by reducing the carbon footprint from electricity production and delivery.

Integrated demand management project

Eskom will aggressively pursue demand management as a key solution to manage the projected shortfall in the next few years until the next new baseload power stations start coming online from 2012.

This includes the reorganisation of all demand management activities into a single business division.

We are in the process of developing and implementing a number of demand management initiatives. Firstly, an extensive demand-side management (DSM) programme drives energy efficiency by rolling out new technologies and encouraging customer behaviour change through communications and awareness campaigns. Secondly, initiatives such as demand market participation, the utility load manager, and advanced metering infrastructure are targeted at managing load – with secondary energy efficiency benefits. Inherent in our suite of demand management solutions is the power conservation programme – a risk mitigation solution that could be implemented in a short space of time should the need arise.

2010 FIFA World Cup™ readiness

By the time you read this message, the phenomenal experience of the 2010 FIFA World Cup™ will be behind us. I have discussed this key event and our contribution to ensuring a successful event previously, but want to reiterate the preparation that Eskom has undertaken to enable us to tell a story of success.

The successful delivery of a reliable, uninterrupted flow of electricity for the FIFA 2010 World Cup™ has been a major focus for the last three years. A dedicated team has driven Eskom's internal preparations and coordinated the broad-based collaborative efforts and partnerships required for an event of this magnitude. Potential risks to supply continuity were identified and addressed by the team. Ten “project platforms” ensured that the entire electricity supply chain from power station to stadium would operate effectively and that all risks were identified and managed. The project platforms were as follows:

1. Technical and Capacity National, which coordinated efforts across Generation, including Nuclear, Primary Energy, System Operations, and Transmission.
2. Technical and Capacity SAPP, which coordinated efforts between Eskom and our partners in the Southern African Power Pool.
3. Technical and Capacity Regional, which coordinated efforts across Transmission, Distribution, the municipalities, and host cities.
4. 2010 Marketing and Communication, which coordinated and led the internal and external Eskom 2010 marketing and communication initiatives.
5. 2010 DSM, which linked into the overall Eskom DSM programme and sought to fast-track specific DSM initiatives for the 2010 event.
6. 2010 Greening, which coordinated the overall Eskom greening contributions in support of the Department of Environmental Affairs Greening 2010 initiatives.
7. 2010 Security, which coordinated the overall Eskom 2010 security-related initiatives and efforts with the various security structures and agencies, such as SAPS.
8. 2010 IT, which coordinated the overall Eskom 2010 IT support-related initiatives.
9. 2010 Telecommunications, which coordinated the overall Eskom 2010 telecommunications-related initiatives.
10. 2010 HR, which coordinated the overall Eskom 2010 HR-related initiatives.

A big “Thank you” to all of you for the roles played in the 2010 FIFA World Cup™.

Energy loss management

Due to the nature of the network, technical losses are an inherent feature of power systems.

There is continued focus on keeping technical losses to a minimum. For the financial year, the overall energy losses were 8.45% against a budget of 8.76% of generation supplied and imported energy. The total energy losses for the distribution network and transmission network are 5.87% and 3.25%, respectively. This distribution figure compares favourably with the international benchmark. Continued efforts are made, as far as possible, to manage losses to minimum levels.

Theft has regrettably broadened from cables to transmission tower components and other equipment. Municipalities are experiencing a similar challenge, which points to the need for a country-wide security initiative to reverse the current trends. We estimate non-technical losses to be between 1.3% and 2.1% of total energy losses and 1.5% and 2.4% of Distribution energy losses.

Renegotiating long-term price agreements

Eskom entered into long-term negotiated pricing agreements (NPAs) with large industrial customers during the period of excess capacity and low-cost electricity in South Africa in the nineties, with a view to stimulating economic development in the country and the region. These agreements were designed on a risk-sharing basis over the contract term. The current environment within South Africa has made it necessary for Eskom to reflect on its experiences with NPAs and to review the overall expected contribution from the existing NPAs.

Of concern to Eskom was the considerable deviation of the contract price of these NPAs from the standard tariff going forward, resulting in significant underrecovery in comparison to standard tariffs. In addition to the sustainability of these contracts, the embedded derivative volatility arising from most of these agreements also again prompted the review of the contracts.

The key challenge in addressing these concerns was to engage the counterparties to amend the agreements, as the counterparties had no contractual obligation to renegotiate the current price levels. The counterparties willingly engaged Eskom to find a mutually beneficial solution. I am pleased to confirm that, by the end of March 2010, the terms of the agreement for the contracts were signed. The development of the final contracts is expected to be finalised in the next financial year.

Let me take this opportunity to thank Mongezi Ntsokolo and team for the sterling work in this regard.

Customer service level

Key Sales and Customer Services (KSACS) customers are largely serviced through customer executives allocated per region. Interaction via face-to-face and telephonic means is important to us to ensure that we are continuously made aware of the key industrial customer issues so that they are dealt with timeously. Regular surveys are conducted with KSACS customers to assess issues ranging from communication to service quality, etc. For this financial year, the KSACS customer service level was 98% against a target of 103%. This performance is currently under review, and new strategies are being developed to improve this figure.

Distribution customers are serviced through call centres, walk-in centres, customer executives, and electronic channels such as the Internet and cellphone SMS. Once again, this interface is important for understanding and resolving customer

challenges in a timeous manner. Customer service in the Distribution environment is measured through the customer service index, and for this financial year, we achieved 85.05% against a target of 82.65%. This was exemplary performance. However, the Customer Network Business is currently looking at new strategies to further enhance the current customer service levels. We have initiated a project to look at integrated customer strategies that are comparable to best practice.

Customer service performance levels are in line with historical performance, but the results also show that much work is needed to rebuild Eskom’s reputation following the load-shedding incidents in 2008 and the recent electricity price increase announcements. Improved communication with customers and the public regarding the outlook for security of electricity and electricity prices in the country is essential.

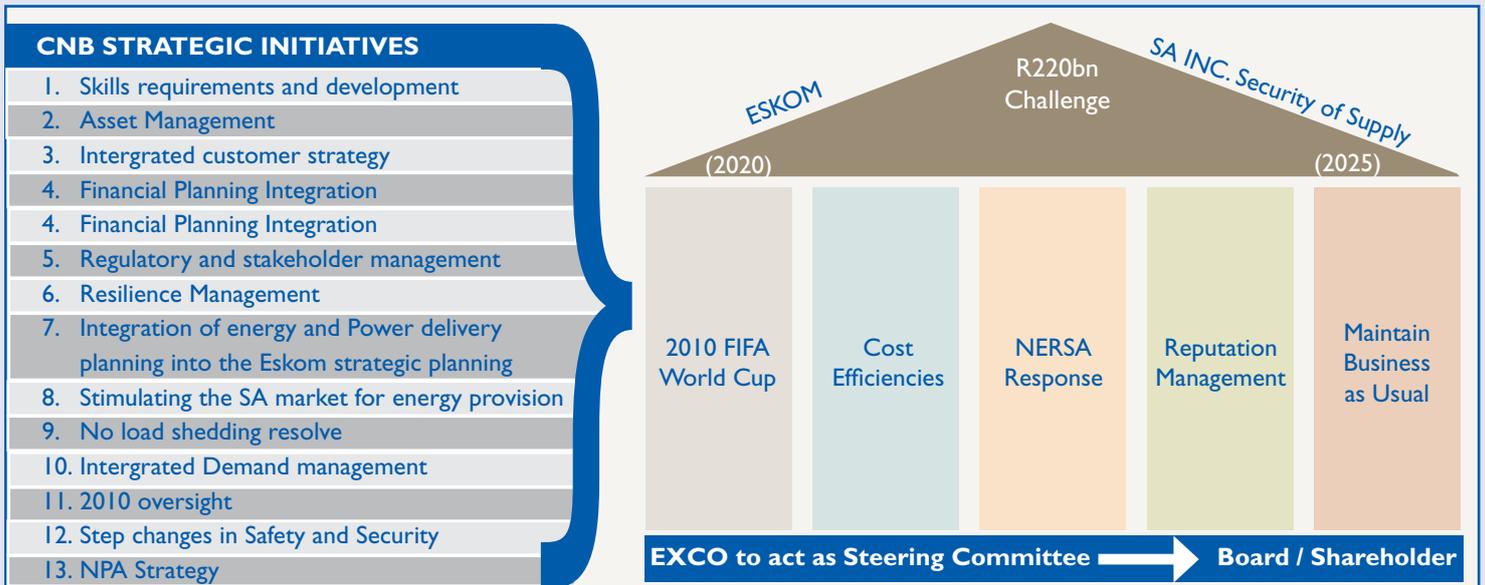
Security of our staff

Some of our staff have experienced significant challenges from a security point of view, specifically when dealing with situations of illegal connections. Staff members are required to travel to remote sites, being their workstations, during periods of outages and other technical problems. This operational requirement places them in danger of armed robbery, vehicle hijacking, and violent attacks. The number of incidents in this area is not acceptable, and we must urgently tackle the problem with the support of the security forces.

Customer Network Business core strategy

Recently, EXCO had three strategic interventions, and the focus was to look at how we keep the lights on, while ensuring that we run a sustainable business and, at the same time, are effective in stakeholder management. The deliberations of the EXCO interventions culminated in a clearly defined business direction, which is depicted in the form of a “house”, with supporting pillars that need to be driven in order that the house is kept stable. Each business also identified actions that support the pillars of the “house”. For CNB, these are illustrated in *figure 1*.

Figure 1



We have, in previous discussions, talked about the CNB strategic initiatives. In this context, it is important to note that they are in support of the pillars of the house that we as an organisation need to keep stable. To ensure that this happens, CNB has adopted the following core strategy: (*figure 2*)

Figure 2



The core strategy is focused on driving economic growth and social development through ensuring meeting customer requirements with a network that is in optimum condition to deliver on these needs. To summarise this, CNB has adopted the following “keys” to unlock our contribution to the pillars of the “house”. These are mapped to the pillars of the house as illustrated in **figure 3**.

Figure 3

CO KEYS	2010 FIFA World Cup	Cost Efficiencies	NERSA Response	Reputation Management	Maintain Business as Usual
1. Market Driven	X	X		X	X
2. A leadership army for the war				X	X
3. Market maker for investor attractiveness		X	X	X	
4. Resilience building and system thinking initiatives		X			X
5. Leadership development and mindfulness in decision making		X			X
6. Revise CNB business model		X			
7. Performance management		X	X	X	X
8. Service delivery driven	X			X	X
9. Regulatory driven			X	X	X
10. Safety and security driven	X			X	X

As CNB, we have developed project charters to ensure that the contribution from CNB to Eskom is achieved with great success. You will all be either directly or indirectly contributing to the milestones we have set ourselves to ensure delivery for the benefit of CNB, Eskom, and SA Inc.

Funding update

The World Bank recently approved South Africa’s request for a US\$3.75 billion loan to co-finance the Medupi power plant in Lephalale, Limpopo Province, and Eskom’s proposed concentrated solar project and wind energy projects. Improved energy security will advance South Africa’s development agenda for economic growth and human upliftment in South Africa and the region.

The approval clears the way for the full construction of Medupi Power Station and is catalytic for South Africa’s commitment to renewable energy and lower carbon technologies such as large-scale solar thermal and wind power. The funding is well aligned to jump-start progress on South Africa’s commitment to a lower carbon footprint. The completion of Medupi is a matter of urgent national interest, as the energy demands have grown considerably in the past 15 years and are projected to grow further as the economy expands, in particular as the electricity system remains critically tight between 2011 and 2012. Construction is progressing well, and the first unit of Medupi is expected to come on line in 2012. Medupi will be the largest dry-cooled power plant in the world and Africa’s first plant using “supercritical” technology and will provide 4 800 MW of power – an addition of more than 10% to South Africa’s existing baseload.

Future focus areas

First and foremost, our resolve is to manage the power system to ensure no load-shedding despite the current constraints. The acceleration of demand management programmes and regional inflow of power will be crucial to system security and to diversifying the energy mix in South Africa. Linked to this is our focus on strengthening the energy trade opportunities in sub-Saharan Africa.

Given the long-term capacity requirements for a secure electricity system, we are actively supporting the entry of new players into the electricity market. We are facilitating the participation of independent power producers at local and regional level by establishing power purchase programmes and engaging in debates on an appropriate industry structure for South Africa.

Given that our distribution and transmission networks are aging, the implementation of our network infrastructure investment plans is key to us meeting the increasing demand and remaining in line with regulatory requirements. We are in the process of developing reliability criteria for the distribution network. This will require engagements with NERSA in order to update the Distribution Code regulations. A discussion with NERSA on the appropriate funding levels to meet the Transmission and Distribution regulatory requirements will also be a priority.

Electricity and equipment theft is an ongoing focus area. We require the support of the South African security services to partner with us more vigorously to combat this challenging issue.

We aim to ensure that the lessons we learn as we navigate our way through a constrained environment both financially and technically will make us resilient while we deal with these challenges.

Finally, as Eskom and South Africa, we need to intensify our focus on skills development initiatives to deliver on our mandate now and into the future.

Conclusion

I wish to thank all CNB employees for your tireless efforts in carrying out your duties. You are displaying high levels of commitment despite the uncertainty and Eskom’s reputational loss. I encourage you to continue taking pride in your work, serving our customers and country diligently, thus ensuring that the lights stay on and Eskom stays in business.

All the best for 2010

Erica Johnson
Chief Officer (Customer Network Business)

Overview of System Operator: Human Performance Department

By: Jan Muller



Human Performance team
Roman Pietrasik, Jan Muller,
Mickey Lamprecht, Jan Hofmeyer

Strategic Intent

Mission

To support the SO&P mission “To sustain and operate a reliable power system Primarily in SA” by enhancing human performance through accredited, specialised education, training and development.

Vision

To become the preferred provider of specialised Power System Operational training in South Africa.

From the establishment of the Human Performance Department and the recruitment of staff, this department has become the training coordinator for almost all training taking place within System Operator, with other SO&P departments also starting to make use of HP support. The accredited National Control Training Centre that is part of the HP Department, with subject matter experts in SO&P, offer a range of power system courses and simulator training on the TEMSE DTS at National Control, or at remote control room sites.

Many controllers from neighbouring countries have training provided by the department, and requests from more are pouring in.

With SO&P being allocated 38 experiential learners in 2009, the HP department took over the management and coordination of the training in order to ensure each learner would complete practical training as required by different tertiary institutions to successfully complete their diploma or degrees.

Furthermore, HP has been tasked to facilitate skills management, firstly within SO and recently for the whole SO&P Division. This includes development of skills matrixes, identifying the training needs of each department and ensuring everyone in SO&P has a current IDP in place. Part of this, is the rollout of a mentorship programme for all young professionals and then extending it to any person within SO&P who is interested in developing themselves. This is supported by a Divisional Mentorship Committee who is also responsible for implementation of mentorship in respective departments and performing progress evaluation and assessment of young professionals.

The HP department is currently also in the process of rolling out the Eskom Learning Management System (LMS) which will help to better plan, develop, coordinate and facilitate training within SO&P. There are several benefits for learners and managers in using the system, such as electronic capturing of IDPs, requesting courses, creating individual training programmes, tracking training progress and reporting.

The current HP staff members are:

- Jan Muller - HP Manager
- Roman Pietrasik - Senior Advisor Human Performance Enhancement
- Jan Hofmeyer - Simulator and Scenario Senior Advisor
- Mickey Lamprecht - Training Coordinator

Thus if there are people within SO&P that need help with training, development, education, mentorship, career guidance or skills management issues they should feel free to contact any member of the HP department who will be more than willing to help or support you or your department.

Simmerpan celebrates Vuvuzela Day

By: Masentle Tekane



On Tuesday, 09 June 2010, just two days before the kick-off of the 2010 Soccer World Cup, South Africa blew the world away with their Vuvuzela's blowing non-stop for five minutes.

Vuvuzela Moment was observed all around the country and Simmerpan participated in this historical moment as well.

At exactly 12 o'clock in the afternoon, everyone from different offices and divisions at Simmerpan, stopped what they were doing in their offices and came out and started blowing their vuvuzela's. Everyone blew their vuvuzela's non stop with much passion and excitement further than the planned five minutes. Vuvuzela sounds were heard for more than 30 minutes.

Simmerpan employees showed so much support and patriotism for their country, South Africa.

Subsequent to all the blowing, the after effect of excessive blowing was evident on some colleagues.

Lips were bruised, red and aching all in the name of 2010 Soccer World Cup. The vuvuzela moment will live on in many hearts of all who participated in this historical moment.



2010 Soccer World Cup Fever hits SO&P staff

By: Masentle Tekane

From the days leading up to the Kick-off of the 2010 FIFA Soccer World Cup to the last day of the soccer world cup, SO&P employees displayed their love and passion for soccer. This passion was also seen in the support that they gave to our national soccer team Bafana Bafana.

Every Friday, almost all SO&P staff came to work wearing their Bafana Bafana t-shirts and showing a lot of enthusiasm when it came to supporting the 2010 Soccer World Cup Tournament. We showed passion particularly on days our national soccer team, Bafana Bafana played their matches during the first stages of the tournament.

One member of our family Never Tshabalala (from BS&P) proved to be a passionate supporter as his office was decorated with World Cup regalia, most of which were South African. In addition he displayed a World Cup replica trophy. Never made this tournament seem as if it would never end.

Our leadership (Divisional Executive and General Managers) not wanting to be left out, also showed support by wearing their Bafana Bafana t-shirts every Friday.

The spirit of the World Cup was also seen and felt all through the Simmerpan complex; from the entrance gate to different buildings, 2010 World Cup country flags and soccer regalia were displayed.

The support, love and passion for soccer will always be remembered for many more years to come.

DE for SO&P with the GMs



Anthea Solomon



Never Tshabalala

National Situational Awareness Centre

Scores 64-0

By: Gav Havford and Teresa Carolin



National Control Building

The National Situational Awareness Centre (NSAC) based at National Control Centre in Simmerpan was a base camp that provided information on total system capacity and reliability in relation to and potential impact on the 2010 World Cup Soccer event's key electrical supply installations.

Together with the other 9 Regional Situational Awareness Centre's, the NSAC was able to capture national 2010 electricity matters.

The team working at NSAC included staff from System Operator, Communications, Security and IT. Everyone worked according to their allocated shifts and this ensured that the work was carried out smoothly with no problems.

For NSAC to function efficiently a team of at least three technical and three Communication staff were on duty per shift to gather information and capture it on respective status or Incident reports. This operation was overseen for accuracy as these reports were sent to all critical Eskom stakeholders.

To many technical staff working at the different RSAC's and NSAC, not experiencing many incidents that would cause major interruptions was somehow a rather not so interesting for them. Many of our technical experts thrive on moments that push them to the limit.

The vibe and the atmosphere at NSAC was always interesting and spontaneous. At a given moment there were calls being made, calls being answered, a game being watched on the screen and the same individuals working together in synergy to make sure the information captured is true and correlates.

There were zero TX related interruptions and a few repeat Dx faults recorded. The peak demanded recorded at NSAC for the 2010 Soccer World Cup was 36705 MW. With anticipated interruptions, standby support staff was always available in the National Control room in case an emergency arised.

No major emergency incidents took place and this truly showed the success and the hard work that was displayed by all teams involved in making NSAC the brain behind the success of the 2010 Soccer World Cup.

FAREWELL KEN MUTCH

By: *Connie Mutch*



Ken Mutch

Ken Mutch joined Eskom in February 1963 to start what proved to be a very exciting and rewarding career over the next 47 years. Having completed a Technician Diploma in Radio Engineering followed by an Honours Diploma in Antenna design, he started in the Electrical Test Department at Simmerpan. There, under the mentorship of Pat Candy, he spent two years in all the Eskom Divisions gaining a thorough understanding of the Eskom business. He finally returned to Simmerpan where he designed and built the

first Eskom electronic Auto Reclose Relay, several other electronic protection relays and a cable detector/fault locator for use by the Telecommunications Department.

In 1967 Ken formed part of the investigation team for Eskom's first commercial computer (IBM 1130). He worked in the small Information Technology Department of six to produce software for the engineers in the Electrical Test Department. He joined the Design and Construction group in head office in 1968 and spent 18 months in Germany & the USA, engineering Eskom's first process computer that was installed at Camden Power Station on unit 8.

After several years in the generation field, he transferred to the Central Generating Undertaking head office to engineer and project manage a computerised system that calculated generation plant efficiency (STEP system). He also designed, specified and acceptance tested the process computers for Arnot, Kriel & Matla power stations as well as the Koeberg training simulator. During his stay with the Generation group he was seconded to the Department of Water Affairs for the implementation of the Jerico Water Scheme that feeds water to Camden, Kriel and Matla power stations.

Moving back to System Operations, under Frans Conradie, he undertook the design, commission and project management of Eskom's first Dispatcher Training Simulator and co-authored several papers on the subject. Ken then moved into management and completed the Management Development Program through Unisa after which he managed the Energy Control Systems department in System Operations. During this period he joined the corporate team to negotiate with Labour on the creation of the Bargaining Unit philosophy as well as an Essential Services agreement. During the 1990's he was the project co-ordinator for the new National Control Centre building and refurbishment project.

With the completion of the new centre in 2000, Ken accepted responsibility for various SLA negotiations and the control of the Eskom Telecommunications contract for the System Operator.

Finally after 47 years, Ken has retired from Eskom to pursue his numerous hobbies and external interests.

FAREWELL MICHAEL ALDRIDGE

By: *Michelle Redelinghuys*

In 1964 he joined Central African Power Corporation (CAPC) in Rhodesia (now called Zimbabwe) as Trainee Technician. He was a trainee technician for five years. 1969 - 1972 worked in the Test Department. 1972 - 1981 started working in the Control Room at CAPC. In 1981 soon after NC Building was built Mike joined Eskom as a Controller in the National Control Room. 1985 left the Control Room and joined the Production Optimization Generation as it was known.

Between 1985 and 2000 there were developments within Eskom and three divisions were established, transmission, distribution and generation which were not there before. National Control became part of the transmission division. He worked in various departments such as Power Exchange, Ancillary Services, and Short Term Load Forecasting.

Mike is leaving Eskom at the age of 65.



Beautiful day for SO&P Women

By: **Masentle Tekane**

On 6 August 2010, the ladies in SO&P were treated to a day of pampering in celebration of this year's National Women's Day. The day kicked off with a light delicious breakfast and Al' Louise van Deventer (National Control Manager) opened the programme and welcomed everyone.

Highlights of this event included a Power Talk by motivational speaker Captain Jane Trembath. Jane Trembath is one of the countries first women to fly the Boeing 747-400 jumbo jet. Jane spoke to the ladies about the issues that affect women at work and also gave the tips on how they can become the best powerful women. After speaking to the ladies, Jane afforded them a chance to ask questions – this session proved to be very interesting and everyone learnt something form all the questions that were asked.

We also had our own lady speakers from SO&P who gave two powerful and inspirational talks. Rose Armoogam and Chloe Phuti respectively held their own and wowed everyone with their confidence and insightful topics. Rose also surprised everyone by serenading them with a beautiful song which she sang with such great poise and passion – everyone was almost in tears.

Virgin Active (Germiston) was also there to remind the ladies about taking good care of their health and wellness.

The ladies that were present could not want for more because after all the formalities, they were treated to relaxing hand and foot massages topped with a gift hamper in hand.

This was a fun filled day that left all the ladies with some knowledge lots to think about.

All thanks should go out Tendani Rasilingwani (Finance and Business Service Manager) for sponsoring this event.

Rose Armoogam



Ladies of SO&P



Chloe Phuti



Jane Trembath



Edwin
from Virgin Active



Khayakazi Dioka
receiving a manicure

System Operations and Planning Gold

sponsored 2010 Wind Power Africa Conference

By: Charmaine Masehela

Wind Power Africa is the premier international event on wind energy in Africa hosted by the African Wind Energy Association in partnership with other African and international organisations. A powerful networking platform, the event brings together key African and international stakeholders from the public and private sectors with the aim to unlock Africa's wind energy potential.

Wind Power Africa 2010 took place from 12-14 May 2010 at the Cape Town International Convention Centre featuring a high-profile Conference & Renewable Energy Exhibition, Site Visits, a Networking Cocktail and a Gala Dinner. The conference examined the current and future wind energy markets in Africa and highlighted attractive business opportunities, with in depth analysis and country case studies. More than 450 participants from 27 countries attended the inaugural event.

SO&P Gold sponsored the event and gave Eskom the platform to exhibit its renewable energy projects i.e. Wind, Ocean, Biomass and Solar

Eskom as a sponsor held the rights to present on different topics. The following presentations were shared with the delegates:

- Eskom's network planning technical strategy to support wind turbine generation integration to the distribution and sub-transmission networks by *Dr Clinton Carter-Brown*, Corporate Consultant, Eskom - Industry Association Resource Centre, South Africa
- Western Cape Grid Integration Case Study by *Riaan Smit*, Chief Engineer: Network Planning, Eskom Distribution: Western Region, South Africa.

Part of the conference service offering was a tour for the delegates to the Eskom Klipheuwel Wind Farm. This gave Eskom's brand a boost and highlighted its commitment to sustainable development.

Riaan Smit
giving a presentation



Dr Clinton Carter - Brown
giving a presentation



**Charmaine Masehela and
Mandla Mbusi (Gx)**
at the Eskom Exhibition stand



Mohsin Seedat
giving his attention to a
fascinated delegate



I-Volunteer fever

Hits SO&P

By: Masentle Tekane

On 18 July 2010 Mandela Day was celebrated by many across the country. i-Volunteer programme which was created by Eskom Development Foundation encouraged all Eskom employees to give away 64 minutes of their time to give time and donations to all those in need, especially women and children.

SO&P i-Volunteer team participated in the Mandela Day campaign on 19 July 2010. All SO&P staff was requested to donate their unwanted items as part of their 64 minutes.

SO&P staff donated lots of items and all the items were delivered and donated to the St Francis Care Foundation in De Deur, south of Johannesburg. The St Francis Care Foundation is a safe home for abandoned, orphaned and HIV Positive children. The children housed at the home are from the ages of two year's to 18 years.

Gert Fourie, Carol Motanyane and Masentle Tekane visited the home and handed over the donations to St Francis Care Foundation. The children were happy and their gratitude was written on their faces with huge smiles. All the children at this home are taken care of by a lady named Marlene Williams. Marlene resigned from her job and dedicated her life in saving and taking care of children in need. Marlene takes care of the children and keeps the home clean and tidy at all times.

This initiative was a great success and all the staff members who participated are thanked and we hope that they will continue to support such good initiatives.



Manager's Awards

By: Masentle Tekane

SO&P Stars shine at this years Manager's Awards

This year's divisional Manager's Awards took place at Ubunye Hall, Simmerpan. With the success of the 2010 World Cup Soccer and Eskom scoring 64*0 it was only befitting to make this years event glamorous so that all the stars of SO&P can be honoured.

All SO&P staff came from all corners of Eskom to come and show support to their fellow colleagues. SO&P staff came dressed in their beautiful traditional and day suits. On arrival magicians were there to entertain the crowds with some funny tricks. The MC for the day was 94.7 Highveld Stereo Bongani Nxumalo. Bongani wowed the crowd with versatility and spunky personality. He serenaded the ladies with some of his songs from his current album.

Corlea Botha, (back by popular demand) also belted out some beautiful songs for the crowd. The guests seemed to have a really good time.

In between all of the great entertainment, the stars of SO&P were honoured. Our DE-Kannan Lakmeharan also honoured the SO&P soccer team who won silver medals at this year's Eskom Soccer Tournament. To save the best for last, our DE honoured all those employees who worked hard to make the 2010 World Cup Soccer a success.

This year's awards will go down history as one of the most memorable events to be held in the division



Morore Mashao with Robbie van Heerden
GM System Operator



Kannan Lakmeharan with Mfundu Songo
Excellence winner

1. Vision Category

Winner: Mr Morore Mashao

Runner-up: National Code of Practice Team led by Robert Koch

The team members who were part of the project are:

- T Dold (eThekweni Electricity)
- Paul Johnson (Eskom Corporate)
- Teresa Carolin (SO&P)
- José Correia (SO&P)
- Piet Buys (Transmission KSACS)
- Dharmesh Bhana (Transmission KSACS)
- Victor Shikoana (Distribution)
- Pravin Orrie (Distribution)
- D Marais (Umhlathuze Electricity)
- P van Niekerk (EIUG)
- M Mncube (Department of Public Enterprises)
- G Nxumalo (Department of Energy)
- M Kneen (Glass Industry)
- T Rangakile [City Power (Johannesburg)]

2. Excellence Category

Winner: Mfundu Songo

First runner-up: Breaker and Half Team led by Adam Bartylak

The team members are:

- Richard Candy
- Jan Hofmeyr
- Andries Els
- Paul Davel



Vision Runner-up: National Code of Practice

- Paul Keller
- Anura Perera
- David Mvura
- Anita Oommen
- Khayakazi Dioka

- Busani Ngcamu (Transmission)
- Frik Schoeman (Transmission)
- Moeketsi Mathosa (Distribution)
- Frans de Jager (Distribution)
- Victor Shikoana (Distribution)
- Kobus Barnard (Distribution)

Second runner-up: TDP Team led by Caswell Ndlhovu

The team members are:

- Camille Shah (Transmission)
- Camintha Moodley (Transmission)
- Manana Maboe (Transmission)
- Nwabisa Nobebe (Transmission)
- Kevin Leask (SO&P)
- Jacob Mbele (SO&P)
- Pervelan Govender (SO&P)
- Mfundi Songo (SO&P)
- Thamsanga Ngcobo (SO&P)
- Makoanyane Theku (SO&P)

3. Sustainability Category

The award was presented to the Benburg MTS Team led by **Pervelan Govender**.

The team members are:

- Phokoane Makhongoana (SO&P)
- Henry Nawa (Transmission)
- Lerato Mokgwatheng (Transmission)

4. Occupational Health & Safety Category

This award was presented to **Michael Aldridge**

5. Customer Satisfaction Category

This award was presented to two winners

The first winner Internal: Management Accounting Team led by **Vinesh Singh**

The team members are:

- Niso Vilakazi
- Nkileng Makhene
- Miranda Somo
- Nhlanhla Mlaba

The second winner External: The Bloemfontein Centlec Team led by **Pervelan Govender**

The team members are:

- Keamogetswe Mooketsi (Transmission)
- Lindiwe Mashabane (Transmission)

6. Resilience Category

Winner: Hot Standby Team led by **Comfort Masike**

Hot Standby Team members are:

- Andrew Shoki
- Vusi Dlamini
- Gavin Pillay
- Estelle Engelbrecht
- Ayanda Ndlebe
- Geoffrey Ive
- Ben Wabeya
- Marumo Kgare
- Johan Botha
- Ntombifuthi Dlamini
- Thobekile Ntuli
- Arthur Maoke
- Spokazi Mgedezi
- Hannes Bronkhorst
- Alphonc Malete
- Cheryl Maytham
- Gato Bolani-Buthelezi (Telecomms)

Runner-up: The Setting Standby Team

The team members are:

- Anura Perera
- Khayakazi Dioka
- Hendrik Potgieter
- David Mvura
- Nico van Zyl
- Sheldon Klein

7. Integrity Category

This award was presented to **Robert Koch**

8. Innovation Category

Winner: **Brian Berry**

9. SPECIAL AWARD

The special award was presented to **Dr John Dean** for lifetime Achievement.

Manager's Awards Winners



Innovation winner:
Brian Berry



Occupational Health and Safety winner:
Michael Aldridge



Integrity winner: Robert Koch



Excellence Runner-up: Breaker and Half Team



Excellence second Runner-up: TDP Team

Manager's Awards Winners



Sustainability winner: Benburg MTS Team



Special Award for lifetime Achievement: Dr John Dean



Customer Satisfaction winner Internal: Management Accounting Team



Customer Satisfaction winner External: The Bloemfontein Centlec Team



Resilience winner: Hot Standby Team



Resilience Runner-up: The Setting Standby Team



Mfundu Songo scooped two Excellence Awards

By: Charmaine Masehela

Mfundu Songo, Chief Engineer with Grid Planning within System Operations and Planning division won his first Excellence award at the SO&P Manager's Awards event that was held on 20 July 2010 and subsequently nominated for Chairman's Awards for the same category.

On 11 August 2010, Mfundu flew SO&P pennant at the Chairman's Awards by winning his second Excellence award this time at the highest level in Eskom. The prestigious event was held at the Helderfontein Estates in the evening. The theme was "leading the lights on the path to recovery".

The question that comes to mind is how did Mfundu lead the lights on the path to recovery to triumph with two awards?

Mfundu worked on the Capital Savings Initiative (CSI) that was initiated by EXCO to challenge the organisation to review its capital plans with the intention of reducing costs. From a Transmission perspective, the Medupi integration project was identified (amongst others) as one that could potentially realise substantial cost savings. The integration of the Medupi power station into the transmission system

was one of the most complex projects undertaken by Grid Planning in recent times, it brought about huge challenges ranging from environmental issues to technical intricacies associated with ensuring network stability and at the same time developing a solution that was flexible enough to accommodate future / potential generation in the Limpopo area.

Mfundu, "re-engineered" the solution and produced a new plan that ensured that the system was transiently stable and adequately flexible to accommodate future generation. In essence his new integration plan proposed that instead of building the 765kV line from Delta to Epsilon substations, it could be terminated approximately halfway at Mogwase substation and to ensure transient stability, he further proposed the turning in of the existing Marang – Midas 400kV line into Mogwase substation. To verify his hypothesis, Mfundu took leadership and worked tirelessly and under pressurised conditions often beyond the call of duty. The net result of this solution is that the system is transiently stable accordingly to the Eskom planning criteria, satisfies the South African Grid Code, provides flexibility for future generation and more importantly realises a cost deferment / saving to Eskom of approximately R2 billion.