



State of electricity and Hotspots Eastern Cape

Eric Myoli- Electrification Planning

3 September 2015

1 Electricity connections planned for 2015/16

2 Electrification Backlog per district 2015

3 2015/16 Electrification status

4 Proposed interventions to be fast tracked

5 Proposed interventions to be fast tracked

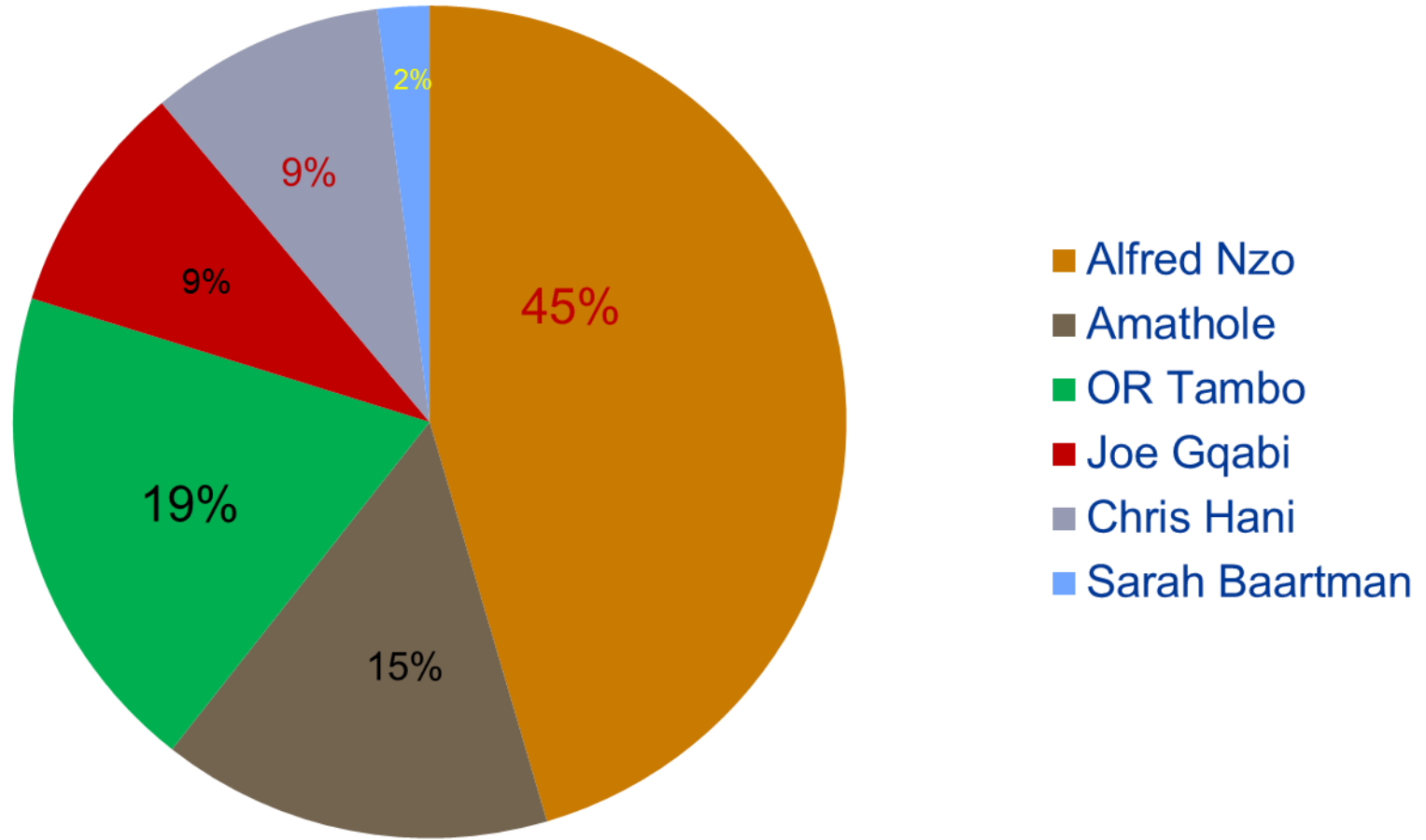
6 issues of Concern

Electricity connections planned for 2015/16



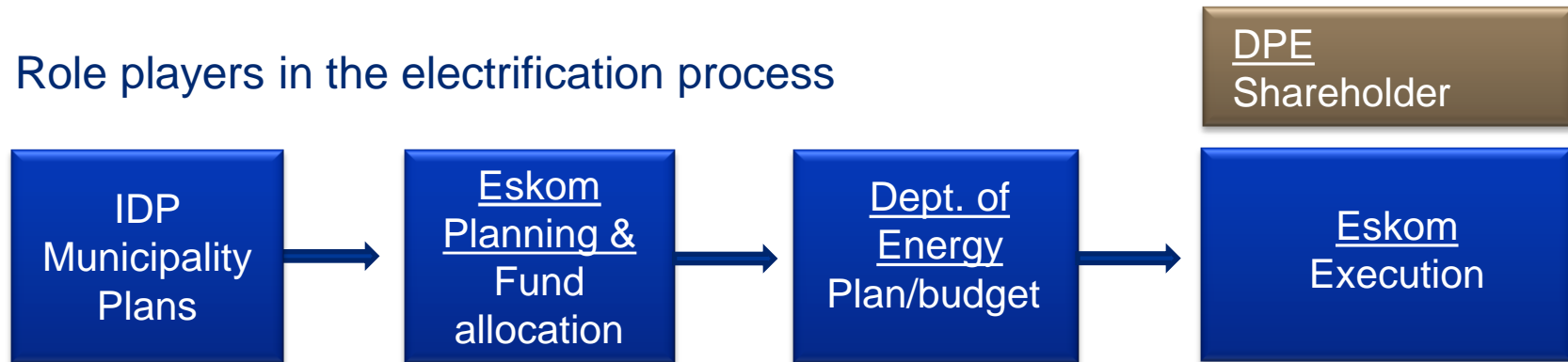
District Municipality	Y-E Plan CAPEX (15/16)	Y-E Plan Household Connections (15/16)
Alfred Nzo	R160,305,810.00	7095
Amathole	R118,035,816.00	5004
Buffalo City Metro	R14,302,643.00	1757
Chris Hani	R96,820,336.00	6219
Joe Gqabi	R70,527,600.00	4101
O R Tambo	R246,774,442.00	13850
Sarah Baartman	R16,002,978.00	2974
Total EC District Municipalities	R722,769,026.00	41000

Electrification Backlog per district 2015



Electrification Programme Eastern Cape Operating Unit (ECOUC)

Role players in the electrification process



Households Electrification Backlog (April 2014)	Planned household connections for 2015	Contracted Connection to date	Connections achieved by July	Connection To be Contracted by end August 2015
223 384	41,000	11,515	6,903	16,599

A total amount of **R406 840 007 million** is required to complete these projects that can be implemented in the current financial year. . Capacity is available to connect these connections if funding can be made available in the financial year 15/16

- During the financial year 2014/15, the Eastern Cape experienced a number of community unrests within certain municipalities.
- The unavailability of electricity to the uprising communities has been highlighted as the main contributor to these unrests.
- Engagements to these communities were done by different engagers from government, Eskom and community leaders to explain the challenges that have made them not be electrified.
- These communities were identified as hotspots that needed attention by accelerating electricity delivery to avoid further challenges.
- Eskom was requested to re-assess that electrification plan and to incorporate these affected communities in the 2015/16 financial year execution plan.
- Out of the **13 575** household connections that are needed to address these hotspots areas, only **6815** is accommodated in the total 41000 household connections to be done by Eskom in the current financial year.
- In the current financial year allocation, the remaining **6760** cannot be accommodated. Due to infrastructure and budget challenges, some of these connections are planned to be done in three to five year's time. However, they can be brought forward if financial resources can be made available.

- The detail below will indicate the amount/s needed to speed up electricity delivery in the areas concerned.
- An amount of **R159 840. 077** million is needed to connect **6760** households in the following Eastern Cape local municipality hotspots:

Ntabankulu	1 150 households
Mbizana	1 010 households
Intsika Yethu	1 750 households
Mbhashe	1 000 households
Matatiele	700 households
King Sabatha Dalindyebo	600 households
Elundini	550 households

- Most villages in Ntabankulu, and Umzimvubu Municipalities will be connected once the infrastructure backbone that includes Amacwera and Makaula substations are constructed.
- These substations can be constructed and commissioned within 18 months.
- However, funding is phased out over a period of 3 years. This means they are initiated in the current year but will be commissioned in 2019.
- Capacity from these substations can only be utilized in 2020. This backbone will also be important to ensure reliable electricity supply in the indicated municipalities.
- Eskom needs to build and commission the Amacwera and Makaula substations in Ntabankulu and Umzimvubu Local Municipalities respectively by November 2016.
- Amacwera will cost R130 million (R27m available) and Makaula will cost R107 million

Mitigation

- An urgent need to construct a 30km new link line from Mzintlava and Mt Frere substations in Mt Ayliff and Mt Frere.
- The lines will allow connection of 6000 households within Ntabankulu. This much needed infrastructure will ensure supply to the local villages at a cost of R20million.

Proposed interventions to be fast tracked (Eastern Cape Hotspots)

District Municipality	Local Municipality and impacted villages	Current Status	Action Needed
Alfred Nzo	Ntabankulu	Amanci and Xesibe are currently being implemented with 210 with a remainder of 1249 to complete the project	To allocate additional funding for the 1249.
Alfred Nzo	Ntabankulu LM	The risk continues if the Amacwerha substation funding is not topped up. At the moment we have R30 million and we need total of R120 Million to bring forward project completion by 2016 December	If Eskom can contract 30km link line from Mzintlava and Mount Frere Substations, we can add 6000+ connections that can be implemented currently within the financial year
Alfred Nzo	Mzimvubu LM Qhanqu village	Community not satisfied having been addressed by the municipality and Eskom	Needs infrastructure upgrade (Makaula sub station)

Proposed interventions to be fast tracked (Eastern Cape Hotspots)

District Municipality	Local Municipality and impacted villages	Current Status	Action Needed
Alfred Nzo	Mbizana LM Ward 28 & Ward 23	Mgungundlovu 1 & 2 with 350 connections, Mxotsheni with 176 connections and Zwelethu with 135 connections are projects currently implemented in 15/16	The current project is short of 800 connections which will be done over the next 2 years. Additional funding required to accelerate programme
Alfred Nzo	Mbizana 22	Mpetsheni Project implemented this current financial year with 95 Connections. Additional connections are planned for 2015/16 of 1300 connections	Additional funding for 410 Connections to complete the project
Alfred Nzo	Mbizana 12&13	Mabheleni 2 Project planned for the current financial year with 200 connections. Already communicated to the community, however funding allocated cannot accommodate these connection	Need additional funding to implement this project. Designs have been done already

Eastern Cape Hotspots

District Municipality	Local Municipality and impacted villages	Current Status	Action Needed
Chris Hani	Intsika Yethu LM, Emdeni and Eqhitsi (Gqogqorha)	There is municipality electrification project unfortunately due to shortage of funding some of the communities were not done.	Connections of 1750 are urgently needed to mitigate a potential challenge.
Amathole	Mbhashe LM	There is now capacity with Gatyana Substation which has been commissioned.	The Elliotdale areas has significant backlog that can now be dealt with.
O R Tambo	King Sabatha Dalindyebo LM Mqanduli	Marhambeni area, designs have been completed. The project is on the 2015/16 gazette.	To allocate funding for 90 outstanding connections

MTEF Allocation for Electricity connections planned



District Municipality	Y-E Plan CAPEX (15/16) Excl. Vat	Y-E Plan Household Connections (15/16)	Y-E Plan CAPEX (16/17) Incl.Vat	Y-E Plan Household Connections (16/17)
Alfred Nzo	R160,305,810.00	7095	R183,036,000.00	4359
Amathole	R118,035,816.00	5004	R134,561,000.00	4872
Buffalo City Metro	R14,302,643.00	1757	R16 309,000.00	1058
Chris Hani	R96,820,336.00	6219	R110,375,000.00	2050
Joe Gqabi	R70,527,600.00	4101	R80,568,000,00	2364
O R Tambo	R246,774,442.00	13850	R281,504,000.00	7590
Sarah Baartman	R16,002,978.00	2974	R18,247,000,00	785
Total EC District Municipalities	R722,769,026.00	41000	R824,600,000.00	22000

Issues of Concern



- There is backlog on electrification funding and backbone infrastructure
- Building of new bulk infrastructure in rural areas takes priority to connections
- Costs to electrify are becoming steeper as we tackle deep rural, low density areas



- Problems of access in certain villages impacts on electrification construction
- This results in areas that have no access to be left out of electrification projects
- Adverse weather conditions like snow, strong winds and heavy rains lead to poor quality of supply



- Municipalities having difficulty proclaiming areas that mushroom beyond the historical villages.
- Communities refusing access to build the infrastructure projects especial the already electrified communities.
- Some projects are being stopped by communities which is delaying the progress thus pushing back completion date.



Thank you

Enkosi