## DPE Stationery:DPE logo.jpg INFORMATION MEMORANDUM

**TO : Mogokare Richard Seleke**

**DIRECTOR-GENERAL**

 **FROM : Justin De Allende**

**RE :** **PARLIAMENTARY QUESTION NO 1271**

# DATE : 09 JUNE 2017

 **================================================================**

To provide the Minister with a response to Parliamentary Question Number 1271

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| **COVER MEMO AND THE PACKAGING OF PQ BY:****Department of Public Enterprises**  |
| **……………………………….****Acting Deputy Director-General** **Date:** | **COMMENTS:****………………………………………..** |
| **…………………………………****Mogokare Richard Seleke****Director-General****Date:** | **APPROVED/DECLINED/COMMENTS****…………………………………………..****…………………………………………..****………………………………………….** |



**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: PQ 1271**

**DATE OF PUBLICATION: 09 JUNE 2017**

Mr J R B Lorimer (DA) to ask the Minister of Public Enterprises: (1) Whether Eskom signed any contracts with Lurco Coal (Pty) Ltd to supply it with coal in each of the past five financial years; if not, why not; if so, what are the details of each contract signed with the specified company, including (a) a description, (b) date on which the contract was signed, (c) period which the contract covers, (d) the amount of coal to be supplied, (e) the total value of the contract and (f) the details of all tender procedures followed; (2) Whether any (a) external advisors and/or (b) consultants working on behalf of the specified company were involved in the awarding of any of the specified contracts; if not, what is the position in this regard; if so, what are the relevant details in each case?

**REPLY:**

**(1)(a)(b)(c)(d)(e)**

Eskom signed contracts with Lurco Coal (Pty) Ltd in financial year 2014/15, and these are presented in Table 1 below.

***Table 1: contracts signed with Lurco Coal (Pty) Ltd during 2014/2015 financial year***

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|   | Description (a) | Date Signed(b) | Contract Period (c) | Tonnes to be supplied (d) | Total Value of Contract[[1]](#footnote-1) (e) |
| 1 | Short Term Contract for the Supply of Coarse Coal to Duvha Power Station | 22 Aug 2014 | 4 Months | 150 000 tonnes |  R 57 225 000  |
| 2 | Modification to extend the duration of the contract for the Supply of Coarse Coal to Duvha Power Station by 3 months | 26 Nov 2014 | 3 Months | Not Applicable, only a duration extension | Not Applicable, only a duration extension |
| 3 | Modification to the contract for the Supply of Coarse Coal to Duvha Power Station to deliver the coal to alternate power stations, apart from Duvha | 08 Jan 2015 | Not applicable | Not Applicable, modification of contract clause | Not Applicable, modification of contract clause |

 Excluding VAT, CPA, quality adjustments and transport

**(1)(f)**

Coal was procured under the 2008 Medium-Term Mandate.

**(2)(a)**

Eskom can only provide information on relating to signed agreements/contracts with Lurco Coal (Pty) Ltd and not on any third parties involved with Lurco Coal as it has no knowledge of external advisors assisting Lurco.

**(2)(b)**

Eskom can only provide information on relating to signed agreements/contracts with Lurco Coal (Pty) Ltd and not on any third parties involved with Lurco Coal as it has no knowledge of consultants assisting Lurco.

**Remarks: Reply: Approved / Not Approved**

**Mr. Mogokare Richard Seleke Ms. Lynne Brown, MP**

**Director-General Minister of Public Enterprises**

**Date: Date:**

1. [↑](#footnote-ref-1)